

# Enhancing Fuel Economy in KSA

G20 Transport Task Group Workshop

October 7<sup>th</sup>, 2020

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كفاءة

المركز السعودي لكفاءة الطاقة  
Saudi Energy Efficiency Center

## AGENDA

**SEEC overview**

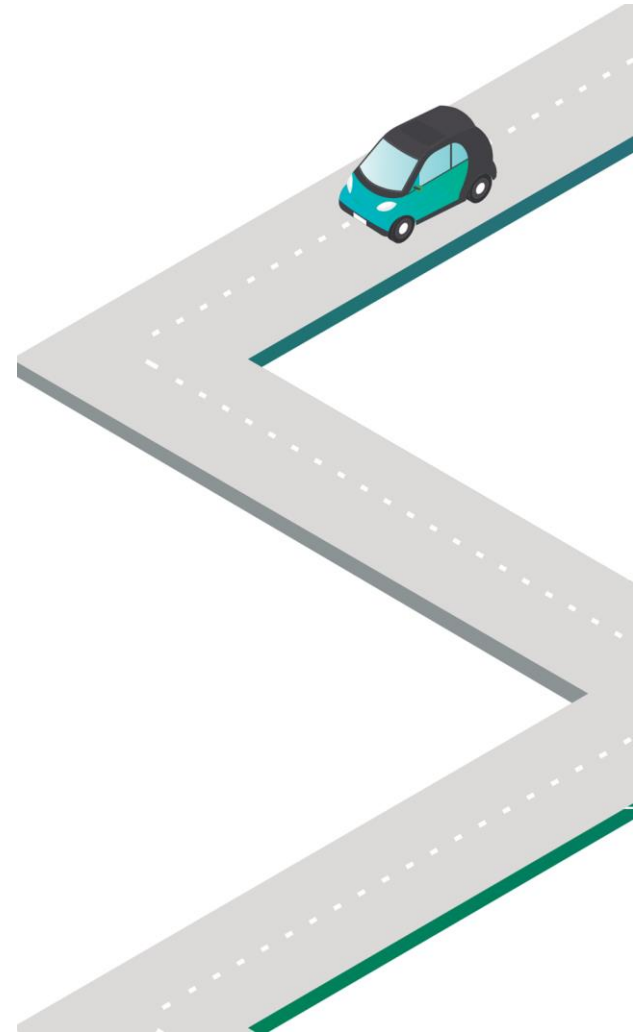
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**Transportation sector**

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**Conclusion**

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# The Saudi Energy Efficiency Center (SEEC)

has been on a journey since 2010

to ensure that Saudi Arabia becomes a highly energy efficient country

2010

Established through a Council of Ministers resolution



المركز السعودي لكفاءة الطاقة  
Saudi Energy Efficiency Center

2012

Inter-agency effort to launch the Saudi Energy Efficiency Program (SEEP)



2013

Full-fledged program with 12 teams  
~80 initiatives at different stages (feasibility, design, execution)

2018

New mandate for SEEC has been approved in 2018

Scope of work expands to cover:

- Power generation,
- Water desalination, and
- Feedstock use in industry

now





# Multiple initiatives were developed

to improve energy efficiency of land transportation in Saudi Arabia

21%



Light Duty Vehicles  
52%



Heavy Duty Vehicles  
38%

2012 – 2019

On-going efforts



Saudi CAFE  
Standard  
(Phase I)



Fuel  
Economy  
label



Tire RR & WG  
Standard  
(Phase I)



Tire RR & WG  
Standard  
(Phase II)



Saudi CAFE  
Standard  
(Phase II)



HDV Aerodynamic  
Devices  
Regulation

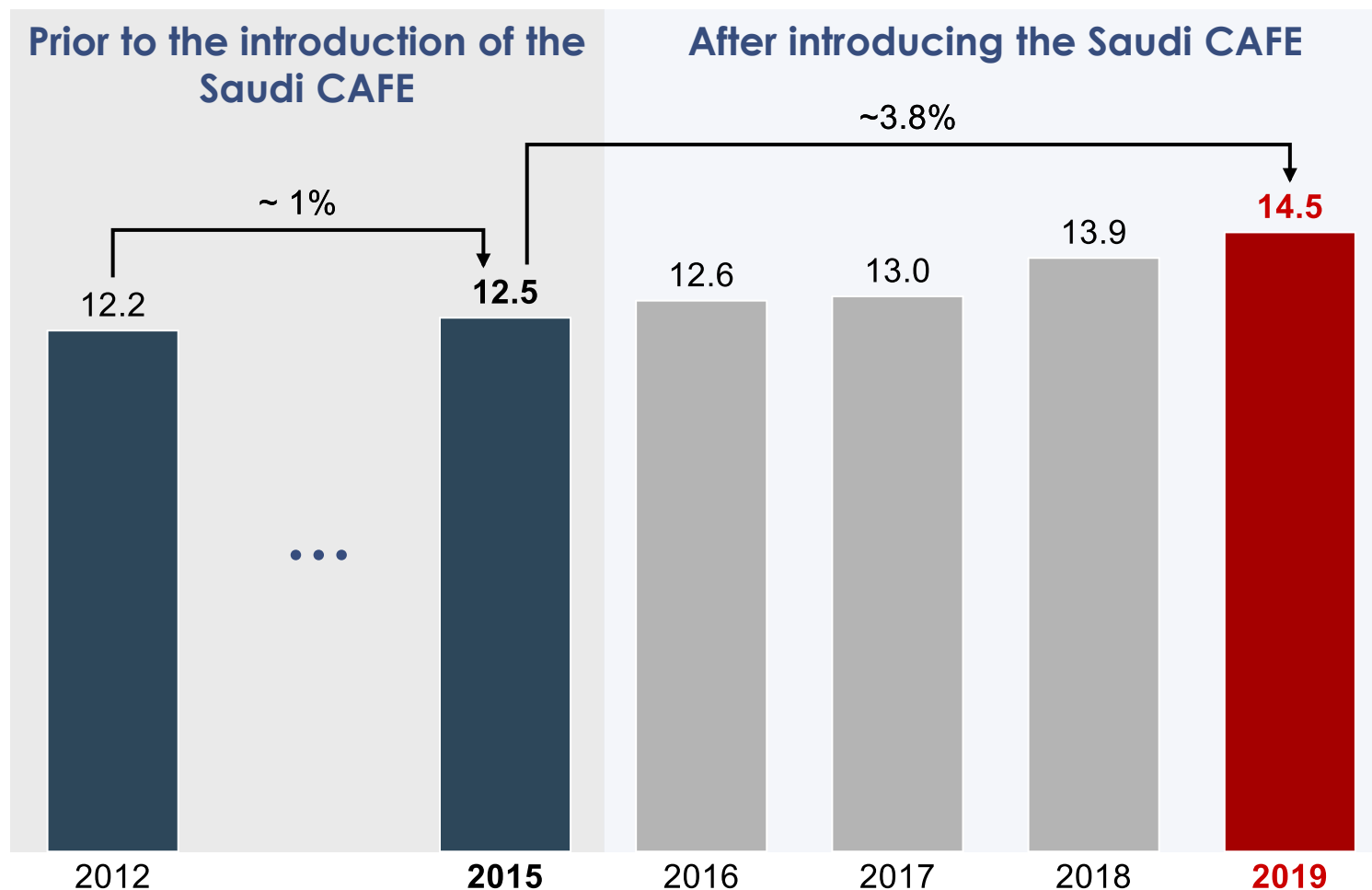
# Saudi CAFE Standard

The fuel economy standard for incoming LDVs covers both new vehicles and used imports

<b>Timeline</b>	<b>Phase I</b> started in 2016 <b>Phase II</b> will start in 2021	
<b>LDVs involved</b>	<b>New Imports</b>	<b>Used Imports</b>
<b>Fuel Efficiency Standard</b>	Corporate Average Fuel Economy (CAFE)	Minimum Energy Performance Standards (MEPS)
<b>Attribute</b>	Based on <b>footprint</b> (separately for PC and LT)	<b>Independent</b> of any attribute (separately for PC and LT)
<b>Fuel Economy Target</b>	<b>Annual growth</b> of 3.5 – 4%	<b>PC:</b> 10.3 km/l, <b>LT:</b> 9.0 km/l

# Saudi CAFE Standard

was implemented to improve the fleet average fuel economy in the Kingdom



Expected growth driven by the Saudi CAFE along with other factors<sup>1</sup>

- **Expected** fuel economy in **2023** (end of phase II) is **~17.8 Km/L**
- **Without the fuel economy standard**, the **expected** fuel economy would be **~14.3 Km/L in 2023**

Note: (1) Other factors include the expected introduction of dieselization in 2021, the introduction of women driving in 2018  
Source: SEEP internal data

# Saudi CAFE Standard

Since the implementation of the Saudi CAFE standard, many indicators have shown its significant impact on the fuel economy of the new fleet\*



**New Fleet's Fuel Economy**

**16%** improvement in the new fleet's fuel economy



**Fuel Economy Label Registration**

**21%** increase in the number of vehicles registered as "excellent" and above



**Availability of Highly Efficient Options in The Local Market**

Multiple HE models have been introduced and previous models have been modified to comply with the standard



## In conclusion,

these efforts are aimed to support Saudi Arabia's vision in reducing the domestic energy consumption

- ❖ Since the beginning of the Fuel Economy standard, the actual fuel economy of **new LDV imports has improved by a yearly average of 3.8% (until 2019)**, which is consistent with the annual growth target for new LDVs (set at 3.5- 4%)
- ❖ **Without the Saudi CAFE standard**, the fuel economy of new LDVs is expected to be around 13 km/l in 2019. (currently at 14.5 km/l)
- ❖ **The standard helped improving the quality of the fleet mix** to have better options in terms of fuel economy (e.g. hybrid vehicles represent 0.1% of incoming vehicles registered in 2016, which increased drastically to be around ~2.1% in 2019)



**Thank you!**