

# Q&A: Gain's Prada talks of challenges

*Inigo Palacio Prada, bulk LPG and autogas marketing manager for Spain's Repsol-YPF, has been appointed chairman of the World LP Gas Association's (WLPGA) autogas arm the Global Autogas Industry Network (Gain). Palacio Prada spoke to Argus about his new role at Gain and his ambitions for Spain's burgeoning autogas market. Edited highlights follow:*

## **What are the main challenges you face as the new chairman of Gain?**

Our main goal is to promote autogas as the third transport fuel in the world, after gasoline and diesel, and to do so we focus on three aspects — information and communication; lobbying strategies; and successful partnerships with car manufacturers and LPG kit manufacturers.

## **What were Gain's most significant achievements last year?**

Through Gain, the WLPGA has expanded the concept of autogas in countries with small market development, and has helped make established markets grow, thanks to Gain's outreach.

## **Which policies are the most effective in order for autogas use to flourish?**

Communication and information. We have to focus on letting everybody understand the benefits of autogas as an immediate solution to both climate change and urban contamination — with low investment necessary from car manufacturers, and economical advantages for drivers. To do this with total credibility, we need the support of car manufacturers.

## **Do the responsibilities of government lobbying and raising public awareness lie with national associations?**

Absolutely. The WLPGA and Gain can co-ordinate lobbying strategies, and consolidate and exchange information, but the real protagonist must always be the local industry.

## **One of the main barriers to autogas growth in certain countries has been safety concerns. How can Gain help allay public concerns and encourage greater participation from car manufacturers?**

Gain must ensure that both the policy makers and the car manufacturers receive proper, accurate and updated information about autogas technology and safety aspects. Ignorance leads to confusion and worry. If people know about our technology, our regulations and standards and our safety practices, concerns disappear.

## **Will autogas demand deteriorate during the global economic slowdown?**

On the contrary, we expect our market to grow thanks to our evident economical advantages over conventional fuels.

## **The Spanish market has struggled for recognition. How successful have new initiatives been in promoting its use, including the private-public partnership with Repsol-YPF?**

Spain's excise duty on autogas was lowered in 2005 to €57.50/t (\$76.90/t) which made the autogas market open for every kind of vehicle in Spain after years of being limited to taxis. With Repsol-YPF as the catalyst of this new market, the government started to give grants of €2,000 for people buying autogas cars. Foreign kit manufacturers got established in Spain, and the local authorities in the main cities started to promote autogas as a solution to urban pollution. Car manufacturers started offering autogas models, and finally, people have started to buy LPG-powered cars.

In 2008, more than 1,000 autogas cars were bought. New retail stations opened, and autogas sales grew for the first time since 1997. We still have a small market of 13,000 t/yr, supplying just 2,500 vehicles, and just 10 car manufacturers offer autogas models. But another 20 stations are due to open.

Spain's autogas sector 2008	
New vehicle sales	1,000
Vehicle fleet	2,500
Consumption t	13,000
— Repsol-YPF	