

New research makes it clear which car makers are taking CO₂ seriously

T&E has this month published some pioneering research which opens the doors on the truth behind the European car makers' voluntary agreement on limiting carbon dioxide emissions from new cars.

The agreement, signed in 1998, is for the average new car sold in the EU by the end of 2008 to emit no more than 140 grams of CO₂ per kilometre, with an informal target of 120 g/km set for 2012. Yet it is clear the manufacturers are falling behind, with many saying the target is impossible.

What has limited the debate on how feasible the 140 and 120 g/km targets are in reality has been the overall industry average, indeed part of the voluntary agreement was that no data on individual manufacturers should be publicised. But research by the Institute of European Environment Policy commissioned by T&E has thrown open the doors on the closed average.

Main findings

And it has revealed some interesting findings:

- one manufacturer (Fiat) has already hit its 140 g/km target two years early
- two other companies (Citroën and Renault) are well on course to meet the target inside the deadline, with two more (Ford and Peugeot) closely behind
- 15 of the 20 are spoiling the efforts of the top five, and dragging down the reputation of the automotive industry.



The good guys ... the best five brands

Aat Peterse, T&E's policy officer responsible for cleaner cars, said: "Our first task is to congratulate Fiat, and also Citroën and Renault, for their efforts. They have obviously taken the voluntary agreement seriously, and have shown what can be done. What puzzles us is what they stand to gain from having their efforts undermined by the manufacturers who have done least."

The findings may well revise the reputations certain brands enjoy for environmental performance. Because Germany was one of the first countries to recognise the environmental threat, its industries have often been seen as embracing the most advanced technology, but the four German car manufacturers (Mercedes-Benz and Volkswagen, BMW and Audi) are all in the bottom half of the list. Japan comes out of the survey particularly badly, with three of its five companies occupying the bottom three places, and Toyota only coming seventh.

The list also shows that size of company seems to have little effect. Volkswagen is Europe's biggest brand in terms of sales, but has improved fuel efficiency at less than half the rate needed. In contrast, Europe's second-

biggest seller, Renault, which is in direct competition with VW, is on track to reach the target having reduced its emissions by twice as much as Volkswagen and having started with slightly higher emissions.

Conclusions

Peterse added: "What this shows is that the 140 g/km target is attainable, but that as long as there are no incentives or punishments, the industry as a whole will not attain it. It all adds up to the need for legally binding fuel efficiency targets to ensure new cars halve their fuel consumption within the next decade. The EU is now the only big economic region without binding rules for fuel efficiency of vehicles, so it's time for us to catch up with the USA, China and Japan."

• The European Automobile Manufacturers Association (ACEA) criticised the T&E study. Spokesperson Sigrid de Vries told the *Wall Street Journal Europe* that it was wrong to single out individual companies: "There is a great diversity of the European car industry ... There is an industry-wide commitment and individual brands should not be singled out."

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Slow progress creates anger

The almost certain failure of Europe's car makers to hit their 140 g/km target has angered more than just the environmental movement. The following is a letter published in the *Financial Times* on 18 September from an umbrella organisation promoting energy efficiency in buildings:

Together with every business group, in 1998 we rejoiced when environment ministers announced agreement on improved energy efficiency targets with the motor manufacturers.

We did so because these politicians had been prepared to forego their time-honoured approaches of seeking to achieve policy goals via taxation or regulation.

But the absence of any appreciable progress means that, inevitably, the next generation of politicians will be inclined to revert to a more dirigiste approach to achieve environmental goals. Thanks to the failure of the motor manufacturers to deliver their side of the bargain, it is going to be a Sisyphean task for other industrial sectors to persuade politicians that voluntary agreements can ever deliver the environmental goods.

**Andrew Warren
European Alliance of
Companies for Energy
Efficiency in Buildings
Brussels**

Swedish air ticket tax scrapped by new government

Sweden's proposed environmental tax on air tickets has fallen victim to the country's change of government.

The first budget proposed by the centre-right coalition headed by Fredrik Reinfeldt included a stop to the environmental taxation programme known as "green tax shift", and as expected that meant no place for the air tax.

T&E's Swedish board member Magnus Nilsson

Car growth means one car per two citizens

The EU's statistical office Eurostat chose Car Free Day to publish details of the growth of car use in the 25 member states.

The number of cars in the EU increased by nearly 40% between 1990 and 2005, reaching a total of 216 million cars in the 25 EU member states. The largest increases were in Lithuania (167%) and Latvia (142%), with Portugal the highest of the longer-standing members (135%). The Nordic countries saw the least car growth, with 14% in Sweden, 20% in Denmark, and 21% in Finland.

The 2004 figure of 472 cars per 1000 inhabitants means there is now nearly one car for every two EU inhabitants, but this still compares favourably with the USA, where the figure is 759 per 1000. The highest countries are Luxembourg (659), Italy (581), Portugal (572) and Germany (546), while Slovakia is the lowest at 222, followed by Hungary (280) and Latvia (297).

Road accident statistics published the same day showed a decrease in road accident deaths from 162 per million inhabitants in 1991 to 95 in 2004. The USA's rate in 2004 was 146.

said: "The green tax shift had become very unpopular, but in truth the government is not decreasing the price of motoring. If anything it is raising it through other measures, so it needed to kill off something, and the aviation tax was an easy target. The structure of the tax was far from perfect, and the hope is now that some form of aviation emissions trading at EU level will make a greater contribution."

Yet the EU's Emissions Trading Scheme has come in for criticism in a report from WWF, which says the ETS's second phase – which is expected to include aviation

in some form – may well not deliver any reduction in climate changing emissions.

The report, based on nine national allocation plans, says "very weak" national emissions caps and "extremely generous" rules on Kyoto project credits bought abroad are effectively transferring emission cuts to developing countries and act as a disincentive to investing in clean technology in the EU. It says the scheme must deliver emissions reductions, or it would contravene the ETS directive which requires use of trading mechanisms to be additional to action at national level.

The Commission is expected to publish its assessment of a first group of national allocation plans by the end of this year.

- The head of the Virgin airline Richard Branson says up to 25% of the world's CO₂ emissions from aircraft could be cut if airlines, airports and governments worked together. Branson made various recommendations to improve efficiency, including towing aircraft to the start of runways so they only start their engines shortly before take-off, slower and smoother descent methods, and a single European air traffic control system.

California takes legal action against car makers

The state of California is taking legal action against six leading car makers for their contribution to global warming.

In what is thought to be the first lawsuit of this kind, the complaint targets General Motors, Ford, Toyota, and the North American arms of Daimler Chrysler, Honda and Nissan. It seeks monetary damages for past and ongoing contributions to global warming, and holds the companies responsible for future damages to California.

The lawsuit said damage affecting snowfall, beach erosion, ozone pollution, animals and fish "have caused the people to suffer billions of dollars in damages".

Analysts say the lawsuit may be a tactical manoeuvre to attack the effectiveness of the legal action currently being taken by car companies in California against rules adopted in 2004 requiring them to cut tailpipe emissions from cars and lorries.

California seems to be driving the pace of environmental awareness in America.

In early September, the state announced an agreement between the Democrat-controlled legislature and the Republican governor Arnold Schwarzenegger to cut CO₂

emissions by a quarter by 2020, returning them to the equivalent of 1990 levels. The agreement includes incentives to encourage businesses to reach the targets.

Commission threatens legislation for 2012 CO₂ target of 120 g/km

The Commission has published an action plan on energy efficiency which restates the threat to the car industry that legislation will come if the makers do not meet the EU's carbon dioxide reduction target of 120 g/km by 2012.

In its section on transport, the action plan wants to concentrate on improving the efficiency of cars, developing markets for cleaner vehicles, ensuring the maintenance of proper tyre pressure, improving the efficiency of urban, rail, maritime and aviation transport systems, and changing transportation behaviour.

It then lists as a "priority action" that the Commission "will if necessary propose in 2007 legislation to ensure that the 120 g/km target is achieved by 2012 through a

comprehensive and consistent approach, in accordance with the agreed EU objective."

The plan lists 10 priority actions, including a coherent use of energy taxation, encouraging energy efficiency in the new member states, and making power generation and distribution more efficient.

The Commission is due to publish a general EU energy policy document in January.

- Germany has published a programme aimed at doubling the country's energy efficiency by 2020 compared with 1990. The programme includes a plan to make vehicle taxation dependent on emissions of CO₂ and other pollutants. It was agreed with energy companies, and will involve €5.6 billion of state money.

Constitutional reform key to reinstatement of city charge

Negotiations are continuing on reinstating Stockholm's congestion charge after last month's local referendum and parliamentary election.

In the referendum, the citizens most affected by the charge voted in favour of it being made permanent after a seven-month trial earlier this year. But because under Sweden's constitution it cannot come into effect without approval from the national parliament, and as the ruling red-green national coalition lost its majority on the same day, confusion has reigned over whether the charge will be reinstated.

Two weeks after the election, the new national centre-right coalition, whose biggest party opposed the whole idea of charging, surprisingly announced plans to reinstate the charge but to use the revenue to fund the building of a controversial by-pass west of Stockholm instead of improvements to public transport, as most has expected. This plan received a hostile reception, but it is likely that some sort of charge will be reintroduced within a year.

New Publications and Events

• **How clean is your car brand?** The car industry's commitment to the EU to reduce CO2 emissions: a brand-by-brand progress report, T&E 06/3
www.transportenvironment.org

Events

• **International Joint Conference on waterway systems in Europe and the US**, European Federation of Inland Ports, 7 November, Brussels.
dchevreux@inlandports.be

In addition, the new government announced that a committee reviewing the constitution will be instructed to deliver a proposal for an amendment that will pass responsibility for congestion charging from parliament to local authorities.

LORRY EMISSIONS

Euro 4 emissions standards for lorries entered into force on 1 October but questions remain over enforcement of the new and future standards.

Most manufacturers use Selective Catalytic Reduction (SCR) technology to reduce NOx emissions. SCR requires regular fill-ups of AdBlue, a specially-created chemical product which helps convert NOx into harmless emissions. But the compliance regime currently in place simply cuts engine power by 40% automatically if AdBlue runs out. There are fears that this alone is not enough to ensure drivers fill up their tanks. Furthermore, very few filling stations currently offer AdBlue for sale so lorries could be set to be pumping out high levels of NOx for some time to come.

ECMT TRANSFORUM

The European Conference of Ministers of Transport (ECMT) is transforming itself into an "international transport forum". The conference, which represents all European transport ministers regardless of political or trading blocs, says it wants to be a yearly forum to provide ministers with an opportunity to discuss a single topic of global strategic importance.

CLEAN IN THE USA

T&E has used the launch of Mercedes-Benz's E320 BlueTec diesel car to call on the European Parliament to speed up the proposed Euro-

5 and Euro-6 emissions standards. The E320 BlueTec is the first of a new generation of diesels that meet strict new American emissions standards but will not be required to meet EU limits until 2015 at the earliest. The full parliament is due to vote next month on the resolution passed by the environment committee which effectively delays implementation of Euro-5 standards until 2009 and Euro-6 until September 2014.

REVISED CTP

EU transport ministers have welcomed the Commission's proposed revision of the environmental objectives of the Common Transport Policy. Meeting earlier this month, a majority of the 25 approved the revisions, which include changing the aim of decoupling transport growth to economic growth to decoupling economic growth from its negative environmental and social effects. T&E welcomed some of the constructive comments by ministers, but said they would mean nothing as long as the CTP contradicted the EU's sustainable development strategy.

GREENER RENTALS

The car hire company Hertz says it has selected a range of cars allowing its customers to limit their fuel consumption and emissions. Its "Green Collection" has small and large cars emitting no more than 140 g/km of CO2. It says it is the first car hire company to offer a specific environment-friendly range, though its rival Avis has offered hybrid cars for the minimum price category in certain countries.

HELMETS AT RISK?

Cyclists who wear a helmet

are more likely to be struck by a passing vehicle, according to new research. A traffic psychologist from the University of Bath (Great Britain) used a bicycle fitted with a computer and an ultrasonic distance sensor to record data from over 2500 motorists. He found that drivers drove closer to the bicycle when the cyclist was wearing a helmet by an average of 8.5cm. In another part of the research, the cyclist put on a long-haired wig to see if there was any difference when drivers thought they were overtaking a good-looking woman, and indeed drivers gave "him" an extra 14cm!

AND FINALLY ...

Alarmed by the presence of monkeys who were frightening away passengers, the Metro authorities in Delhi have come up with an interesting solution. They have employed a large langur monkey to frighten the other monkeys away, according to a report by the BBC. The monkey was hired at a cost (paid to its owner) of €120 after two monkeys boarded a train in June, one of them travelling 3.5km. Monkeys are considered sacred by Hindus, so no-one wants to kill them.

Bulletin

T&E Bulletin is the official news sheet of the European Federation for Transport and Environment (T&E). It appears 10 times a year and is free to members of the Federation.

T&E has 45 members registered in a total of 21 countries. It lobbies for an environmentally sound approach to European transport issues.

The next issue will appear in mid-November. The deadline for contributions to reach either the T&E secretariat or the editor is Monday 13 November 2006.

T&E Secretariat: Rue de la Pepiniere 1, 1000 Bruxelles, Belgium. Tel: +32 2 502 9909; fax: 502 9908; email: info@transportenvironment.org.

Editor of Bulletin: Chris Bowers, tel & fax: +44 1273 813331; email: editor@transportenvironment.org.