

Clean (2nd) Mobility Package

MEP briefing for the plenary debate

November 2017

Summary

This briefing for MEPs ahead of a plenary debate on the Commission's "2nd Mobility Package" provides details on the proposed car and van CO₂ target for 2025 and 2030 and why these lack the necessary ambition to meet the EU's climate goals, specifically:

- Why there will be a slow down in emissions cuts after 2021
- There is no ZEV mandate or penalty for failing to hit the goal
- There is no effective means to prevent test manipulation such as a real world test

The briefing also provides information on the strengths and weaknesses of other elements of the package: the Clean Vehicles Directive and Alternative Fuels Infrastructure Action Plan and suggests areas of questioning for the Commission.

1. Car and van CO₂ regulation

1.1. What are the main elements of the proposal?

The Commission proposes to reduce new car and van CO₂ emissions by 30% between 2021 and 2030. They must also reduce emissions by 15% by 2025. A percentage reduction is being used with the switch to a new test cycle (WLTP) because the fleet average emissions in 2021 using this test are not yet exactly known. **Failure to meet the target incurs the same penalty as the current regulation (€95 per vehicle per g/km).** Carmakers selling more than 30% zero emissions vehicles (ZEVs) in 2030 (15% in 2025) are rewarded with a reduction on the fleet average emission (of up to 5% if they sell 35% ZEVs in 2030, or 20% in 2025 respectively). Transport and Environment was critical of the Package describing the announcement as an "[Early Christmas present for the car industry](#) that undermines climate goals."

MEPs could ask:

- *If there is a credit for exceeding the 15/30% target for ZEVs, why is there no penalty for failing to meet this? The answer is [here](#).*
- *Why does the impact assessment show 40% as the most cost effective cut on van emissions but the regulation propose only 30%?*

1.2. Is a 30% reduction from 2020 to 2030 sufficient?

There are several reasons why the -15/30% targets are insufficient:

1. The European Parliament (in 2013) called for a reduction equivalent to 18-28% by 2025 and [9 member states called for -40% or more by 2030](#).
2. Member states buying the vast majority of new cars must achieve emissions reductions from the non-ETS sectors (including road transport) of more than 35%. The Commission modelling assumes transport only contributes 16-18% of the reductions - far less than the 35% average share of emissions of transport in the Effort Sharing regulation.
3. Currently carmakers are required to reduce emissions at 4.5%pa (from 130g/km in 2015 to 95g/km in 2021) - this proposal only requires 3.3%pa.

4. To be in line with a 2 degrees scenario within the Paris Agreement the required emissions reduction would be [ca 9% pa](#) and the share of ZEVs in 2030 around 50%.
5. The Impact Assessment is flawed with an overstated cut in emissions from food-based biofuels; failure to appropriately account for the growing gap between test and real world performance; and a large share of the cuts assigned to an unknown truck CO2 standards and “other measures” such as eco-driving, intelligent transport management systems, etc. without robust assessment of their potential.

MEPs could ask:

- *Why since this Parliament and many Member States have asked the Commission for a much higher ambition in 2030, **the Commission hasn't taken these on board?***
- *What level of emissions from cars and vans is compatible with Paris Commitments and is the 2030 target of the proposal consistent with this?*
- *To what extent has the Commission considered intelligent transport management systems will actually lead to more driving offsetting their benefit?*

1.3. Why has the Commission backed away from introducing a ZEV mandate like in the US and China?

The proposal rewards carmakers achieving more than 15/30% sales of ZEVs in 2025/30. Each 1% higher the sales the CO2 target is reduced by 1% up to a maximum of 5%. PHEVs also count but less than a BEV. There is no equivalent debit for carmakers that fail to achieve the ZEV sales goal, after this was removed from the proposal at a late stage. The crediting system also means carmakers securing the full -5% incentive will only need to reduce their emissions by -10/-25% by 2025/30 and with the sales of ZEVs will be able to [INCREASE their emissions from conventional cars!](#)

MEPs could ask:

- *Why is there no debit for carmakers that fail to hit the ZEV goals? **Doesn't this reduce the effectiveness of the proposal in driving the shift to ZEVs?***
- *Most carmakers are forecasting sales of significantly higher than 15% for 2025 - **won't the incentive just increase emissions from conventional cars?***
- *Why did the Commission adopt this crediting system which in effect is just a form of supercredit rather than a ZEV mandate like in China and the California?*

1.4. Why include a 2025 target?

Without a 2025 target the 95g/km target for 2021 would have remained in force until 2029 and carmakers could have delayed developing the market for low and ZEVs until after 2025. The net emissions savings in 2030 would have been halved making achieving effort sharing goals almost impossible as there would be little improvement in vehicle efficiency 2020-25. Carmakers could have continued to sell diesels in large numbers in Europe. This is why carmakers are so desperate to get the 2025 goal out of the final version. A new model takes up to 7 years to design and build so there is sufficient time to plan to meet the 2025 target.

MEPs could ask:

- *What the Commission estimates would be the additional CO2 emissions in the absence of a 2025 target?*

1.5. What has the Commission proposed to stop cheating?

The Commission has failed to learn from the Dieselgate scandal (or follow its own scientific advice by the SAM committee) and introduce real-world CO₂ tests as has successfully been done for air pollutants. Studies show the gap between the WLTP test and real world emissions will grow from 21% to 31% between 2020-5. Instead of a real world test the proposal introduces in-service conformity checks that would repeat the WLTP lab test on cars already on the road. The proposal also introduces provisions on fuel consumption meters, but only for monitoring purposes only. Neither of this will stop the CO₂ gap between real-world and laboratory from growing or ensure CO₂ reductions are reduced in real-world.

MEPs could ask:

- *Why hasn't the Commission learnt from Dieselgate and introduced real-world CO₂ tests for new cars and vans?*
- *What enforcement will the Commission take if fuel consumption meters show the gap is growing again?*

2. Revision of the Clean Vehicles Directive

The Clean vehicles directive sets public procurement guidelines for public authorities. The revision simplifies the definition of a clean vehicle, expands the scope of the directive, and sets Member State level targets for the procurement of clean vehicles. Levels vary in line with the Effort Sharing Regulation. Targets are defined for:

- Cars: 25g CO₂/km or less (2025); zero emission (2030)
- Vans: 40g CO₂/km or less (2025); zero emission (2030)
- Trucks and buses: based on a list of technologies comprising electricity, hydrogen, natural gas including biomethane, in gaseous form, CNG and LNG.

The CVD applies to the purchase, lease, rent or hire-purchase of road transport vehicles by:

- public contracting authorities and entities;
- operators for the discharge of public service operation
- public service contracts covering transport services (in excess of a threshold defined by member states)

The Commission proposal sets targets for each member state to procure clean vehicles:

- For cars and vans: 16% to 35% in 2025 and 2030
- For trucks: 8% to 10% in 2025; and from 7% to 15% in 2030
- For buses: 39% to 50% in 2025; and from 58% to 75% in 2030

MEPs should ask:

- *Why are the member state targets for procuring clean cars and vans after 2030 so low, especially since light zero emission vehicles will be mainstream by then?*
- *Will the [VECTO](#) tool be applied - once it is available - to set a CO₂ tailpipe emission threshold for trucks and buses?*
- *Why did the Commission include CNG and LNG trucks in the proposal when a range of [studies](#) show these offer [no GHG benefits](#) when leakage of the methane is taken into account?*
- *How will the Commission ensure a gas truck actually runs on biomethane when it is used?*

3. What does the Alternative Fuels Infrastructure Action Plan recommend?

To accelerate the uptake of alternatively fuelled vehicles, the Action Plan proposes to make €800 million available to speed up infrastructure fuelled with CNG/LNG and electricity from existing funds. The Action Plan identifies investment needs in particular in electric vehicle infrastructure (Electricity: up to EUR 904 million by 2020) and Hydrogen (up to EUR 707 million by 2025) and CNG/LNG (600 million by 2025 for CNG, and up to EUR 257 million by 2025 for LNG vehicles). The Action Plan concludes that the EU Member States' plans to roll-out alternative fuels infrastructure (required as part of implementing the Alt. Fuels Infrastructure Directive) fall short of meeting the needs of a 7% EV share in 2025 expected by the Commission (Impact Assessment). So far, **only 8 out of 25 national plans fully meet the Commission's requirements** because they provide an insufficient number of recharging points.

For electric vehicles, the Commission expects that

- By 2020, 440.000 public accessible recharging points would be needed – requiring investment into publicly accessible recharging points of up to EUR 3.9 billion.
- By 2025, around five times more or some 2 million publicly-accessible recharging points would be needed, and for up to 15% of this to be fast-charging, EUR 2.7 to 3.8 billion could be required per year, as of 2021.

MEPs could ask:

- *Why is the AFI Action Plan supportive of Natural Gas which is a fossil fuel and **will not deliver emission savings** from cars and vans as required in the proposal? Isn't this just encouraging a dead-end solution?*
- *Why does the Commission not require Member States to set up more normal and fast charging stations sooner to meet the needs of the prospected growth of EV supply?*
- *Why is the ZEV target not mandatory so it can provide more certainty for infrastructure providers to invest?*
- *Why don't the automotive industry and utilities invest more seriously in electric vehicle charging given that a 15% share in 2025 is now a target?*

Further information

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