

Newsletter

September – October 2020

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The EU's 2030 Climate Plan

On September 17, the Commission has presented its 2030 Climate Target Plan, consisting of: a Communication on Stepping up Europe's 2030 Climate Ambition; an accompanying Impact Assessment; an EU-wide Assessment of National Energy and Climate Plans; and an amended proposal on the draft European Climate Law to incorporate the new 2030 emissions reduction target. The Communication proposes an EU-wide net greenhouse gas (GHG) emissions reduction target of at least 55 percent by 2030, compared to 1990 levels, instead of the previously agreed 40 percent.

The Commission emphasized that current policies would not lead to a balanced pathway to climate neutrality by 2050 and would result in the need to accelerate annual reductions after 2030. Such a rapid transition could prove unrealistic for some sectors, and particularly for industries with long lead-times. The current targets would only result in a 60 percent reduction by 2050. Existing policies also do not deliver the required predictability for investors about the medium- and long-term goals, and create a risk of stranded assets and unnecessary carbon lock-in.

Achieving this increased climate ambition will require an investment boost. Therefore, the Commission wants to use the current COVID-19 crisis as a catalyst for the transition to a climate-neutral economy by ensuring a green recovery from the current COVID-19 crisis.

In order to achieve the more ambitious targets and decarbonization pathway, the Commission is planning to review various pieces of legislation, including for example the EU Emissions Trading System, the Effort Sharing Regulation, the Energy Efficiency Directive or the Renewable Energy Directive. Most importantly for the transport sector and automotive industry, the Commission also wants to review the CO₂ Emissions Performance Standards for Cars and Vans Regulation, legislation supporting the roll out of the necessary infrastructure such as TEN-E and TEN-T and the Alternative Fuels

Infrastructure Directive. The European Commission already indicated more ambitious CO₂ reduction targets of -50 percent for new cars as well as a phase-out of engine cars sometime between 2035 and 2040.

Following broad public consultation and thorough impact assessments, the Commission will come forward with the corresponding legislative proposals by June 2021. The Commission has also tabled a revised legislative proposal to include this 2030 target in the European Climate Law, which aims to set the long-term direction of travel for all EU climate policies by fixing a legal obligation for the EU to be climate-neutral by 2050.

The Communication and the proposal to raise the 2030 target to at least 55 percent prepares the ground for a public debate in autumn 2020 on increasing the EU's Nationally Determined Contribution (NDC) under the Paris Agreement by the end of 2020. Adopting the new target in time would allow the EU to communicate its higher ambition to international partners well ahead of the 2021 UN Climate Conference (COP26) in Glasgow and set the bar for others to follow.

Road transport under the EU ETS

EU climate policy emissions are generally regulated by the EU Emissions Trading System (EU ETS), which is a European cap-and-trade mechanism for the power and industry sectors covering 40 percent of emissions. All other emissions are the sole responsibility of EU Member States. In accordance with the effort sharing law, Member States have to meet national targets for transport, buildings and agriculture.

The EU ETS has proven to be an effective tool in reducing GHG emissions. It is clear that when the carbon price is sufficiently robust, it becomes a strong driver for immediate change, and a clear signal for low carbon investments. It thus contributes decisively to the deployment of renewable energy and energy efficiency technologies. Therefore, the Commission is

thinking about the development of an expanded EU ETS that would also include road transport. The Commission argues that in road transport, emissions trading has the advantage of capturing fleet emissions under the cap and simultaneously incentivizing behavioral change with lasting effects on mobility solutions through the price signal.

The idea to include road transport in the EU ETS has not been well received mostly the . Even Frans Timmermans, Executive Vice President of the European Commission for the European Green Deal and European Commissioner for Climate Action, said at an online event hosted by the NGO Transport & Environment that “we’re certainly willing to look into this as a possibility, but at this stage, I personally am not convinced this is the right way forward.” He stated that the EU would further tighten the CO2 emissions targets it imposes on carmakers in the coming years, and that this was a “more efficient” method of forcing deep pollution cuts.

Similarly, William Todts, executive director at Transport & Environment, said: “The EU is finally getting real on the climate crisis. Transport is the biggest polluter and will only be cleaned up by boosting the sales of emissions-free cars and trucks and requiring airlines and shipping companies to start using zero emission e-fuels. But the plan to put cars and trucks in the EU carbon market is a mistake. It’s hard to believe that the Commission is proposing to abolish the very law that guarantees national climate action.” Transport & Environment argues that including transport in the EU ETS by simultaneously proposing higher CO2 standards, can be highly problematic as it would remove national accountability for transport emissions according to the effort sharing law. Some governments (i.e. northern and western European states) certainly like this idea, as it would prevent holding them accountable. However, the national climate goals are key drivers for major reforms and regulations such as fuel tax increases, car tax reforms or lower speed limits. Moreover, not complying to the effort sharing law exposes Member States to court cases filed by the Commission or own

citizens. Finally, national accountability has been key in getting Member States backing for ambitious EU measures such as CO2 standards for cars and trucks.

One instrument, for example, could be to include transport fuels in the EU ETS. As a result, oil companies would have to buy carbon allowances raising fuel and heating prices, which could lead to an enormous political backlash for the European Green Deal. In addition, the ETS is a political instrument influencing the price in the exposed sectors as well as popular acceptance. The Gilets Jaunes (Yellow vests movement) should be a warning in that regard.

Further Links:

- [State of the Union: Questions & Answers on the 2030 Climate Target Plan](#)
- [Communication: Stepping up Europe’s 2030 climate ambition](#)
- [T&E: Commission’s cunning climate plan lets countries off the hook](#)
- [T&E: EU recharges climate plan but risks letting countries off the hook on transport](#)
- [Euractiv: EU carbon market not the right policy for cars, says Timmermans](#)

European Parliament: Phase Out Conformity Factor

As of September 2022, cars must meet EU limits on NOx emissions under real driving conditions to comply with air pollution limits, says the European Parliament. **On September 17**, the Parliament adopted its position with 485 votes to 169 and 42 abstentions on the Commission proposal to re-introduce legal exemptions (through a so-called conformity factor) on nitrogen oxide (NOx) emissions from light passenger and commercial cars (Euro 5 and Euro 6) for type approval of vehicles tested under real driving conditions in order to comply with the EU General Court ruling of 13 December 2018. The vote backed a proposal by the environment committee (ENVI) that all cars should abide by Euro 6 criteria for acceptable limits for exhaust emissions within two years.

Following the vote, Parliament's rapporteur on the file, Esther De Lange, said: "Today's outcome is based on a broad agreement between the political groups. We have to be realistic about the discrepancy between emissions measured in laboratories and those measured in real-driving conditions by taking into account statistical and technical uncertainties linked to these measurements. At the same time, it's important to show ambition by gradually lowering the value for the conformity factor through annual downward revisions, based on the scientific assessments of the Joint Research Centre."

The Parliament is now ready to enter negotiations with the member states on a final set of rules.

A detailed explanation of RDE and the conformity factors can be found in the EAC-Newsletter January-March 2020.

Further Links:

- [Press Release: MEPs want new cars to respect emission limits under real driving conditions](#)
- [EAC-Newsletter January-March 2020 – RDE and Conformity Factor](#)

With Alternative Propulsion Systems Across Europe

Everyone is talking about alternative fuels and propulsion systems. The massively reduced traffic volume due to the persisting pandemic has led to high emission reductions showing once again that the transport sector can effectively contribute to climate protection. This is increasingly taken into account as part of EU's sustainable economic stimulus programmes fully committed to climate neutrality and is making headlines.

"One million electric cars alone on German roads, as the federal government once forecast for 2020, are not yet on the roads today, but the rapidly increasing demand for climate-friendly mobility solutions is irrefutable. On the one hand, it concerns the actual availability and affordability of equivalent suitable alternatives to

conventional combustion vehicles. On the other hand, the parallel creation of a compressive refuelling and charging infrastructure is indispensable in order to create real incentives to purchase such cars and to be able to contribute to the desired transport transformation as a consumer.", explained EAC President Bernd Opolka.

The revision of Directive 2014/94/EU on the deployment of alternative fuels infrastructure (AFID), repeatedly mentioned by the European Commission, is scheduled for next year. In this regard, EAC expressly welcomes the German Council Presidency's plans aiming at providing for a Europe-wide harmonised and uniform payment system for electricity charging and hydrogen refueling. "This creates transparency, brings convenience and promotes the experience of barrier-free mobility across Europe.", said EAC President praising the initiative, and however added, "To increase the effectiveness of the measure, it should not be limited to electricity and hydrogen, but benefit the entire spectrum of alternative fuels. "

Another point concerns the appropriate handling of sensitive mobility data ("geolocation data"), generated especially when locating charging and refueling infrastructures in various EU Member States. Regarding this, EAC has clearly positioned itself demanding that all concerns are taken into account for the benefit and protection of the car consumer ("The driver is the measure of all vehicle data.", see position paper 11/2019). "As long as there is no complete all-clear as regards the spread of the SARS-CoV-2 coronavirus and confidence in public transport has not been fully restored, private individual mobility solutions remain crucial.", states Bernd Opolka and emphasised, "That also applies for the cross-border traffic in Europe, especially in the border regions. Any degree of harmonisation of the charging and refueling infrastructure is a relief for drivers."

Further Links:

- [EAC Press Release](#)
- [EAC Position Paper: Connected Cars](#)

EAC's Roadpol Safety Pledge

As signatory of the European Road Safety Charter, the European Automobile Clubs asbl (EAC) takes the solemn Roadpol Safety Pledge! Since its inception our not-for profit association EAC comprising currently six member clubs from Austria, Germany, Slovakia as well as Bosnia and Herzegovina representing above 3 million road users has been advocating for effective harmonisation of core traffic rules and regulations across Europe in order to enhance road safety and sustainable mobility.

The Roadpol Ssafety Days (previously known as Project EDWARD) may come to a close soon, however the mission stays in light of our joint VisionZero. Let's join hands and make roads safer in and beyond Europe!

Further Links:

- [Support the campaign by making your pledge here!](#)
- [Find our pledge here](#)

Meeting Dates

Council

Transport, Telecommunications and Energy Council 07-08/12/2020

Competitiveness Council 19-20/11/2020

Council of Justice and Home Affairs 03/12/2020

Council of Environment 23/10/2020

Plenary 19-22/10/2020 (Agenda)

Committees

Environment (ENVI) 12/10/2020 (Agenda, tba)

Internal Market / Consumer (IMCO) 26-27/10/2020 (Agenda, tba)

Justice & Home Affairs (LIBE) 15/10/2020 (Agenda, tba)

Transport (TRAN) 12/10/2020 (Agenda)