



EUROCITIES Statement on CO₂ emission performance standards for new heavy-duty vehicles



Our messages

1. The broadest scope of heavy-duty vehicle categories should be included under the Regulation
2. CO₂ emission targets should be ambitious and binding
3. Incentives for zero- and low-emission vehicles are flawed and should be strengthened

Heavy-duty vehicles (HDVs) have a total fleet share of 5% and yet are responsible for 27% of CO₂ emissions from road transport in the EU¹. These emissions are set to grow a further 9% between 2010 and 2030 due to an increase in freight activity, hindering the ability of the EU to meet its commitments under the Paris Agreement. If this is not adequately addressed, the efforts of city authorities to achieve climate and air quality objectives through the procurement of clean vehicle fleets will be undermined. The proposal to introduce CO₂ emission performance standards for new heavy-duty vehicles is a welcome step to address this challenge. This would also have the important benefit of reducing air pollution in cities, of which HDVs cause an estimated 45 billion EUR in health costs in the EU each year².

Scope

The broadest possible scope of heavy-duty vehicles (HDV) should be included within the Regulation. We welcome the inclusion of vehicle types 4, 5, 9 and 10, which would cover approximately 65-70% of total HDV emissions. However, the scope should be broadened to include engine standards to address those vehicle types that will not be regulated until at least 2022 or exempted as 'vocational'. This would strengthen the environmental performance of the sector, establish long-term investment signals in efficiency and, crucially, ensure a link between NO_x and CO₂ emissions in test cycles to safeguard air quality³.

¹ Monitoring heavy-duty vehicles' CO₂ emissions and their costs bit.ly/2MN9iIN

² EEA press release bit.ly/2xw2cGi

³ International Council on Clean Transportation policy brief 2018 bit.ly/2Nr6TMx

Metric

EUROCITIES supports the exploration of a well-to-wheel (WTW) emissions metric. A feasibility study should be prepared by the European Commission ahead of the mid-term review in 2021.

Timing and target levels

The strongest CO₂ emission reduction target levels (20% by 2025 and 35% by 2030) should be established as a minimum and made binding. Independent analysis has noted the targets proposed by the Commission are not sufficient to meet the goals of either the EU 2030 Climate and Energy Framework or the Paris Agreement.⁴ As noted in the Commission's Impact Assessment, the strongest target is achievable with technology available on markets today and results in significant economic benefits strongly outweighing any marginal cost increases in manufacturing. Importantly, ambition in target levels will improve air quality, with an estimated 4.7% reduction in NO_x and 0.6% reduction in PM_{2.5}⁵.

The mid-term review is a crucial step to assess and build on progress made towards target levels. There should be no weakening of either the scope or targets, and safeguards should be introduced to maintain at least the minimum proposed by the Commission at this stage.

Incentives for zero and low-emission vehicles (ZLEV)

The current design of incentives for ZLEVs undermines the overall ambition of the regulation. We support the replacement of the super-credit system with a simple mandate for the deployment of ZLEVs, with targets per vehicle sub-group. Shortcomings of super-credits include the ability to award manufacturers 'super-credits' for HDVs outside the scope of the proposal, equal incentives for vehicle sub-groups regardless of environmental impact, and the lack of a penalty if no ZLEVs are produced in HDV sub-groups.

Public authorities procure three-quarters of all buses in EU, or an estimated 18,000 per year⁶. The revision of the Clean Vehicles Directive 2009/33/EC will ensure large shares of these buses are ZLEVs from 2025 onwards, creating an indirect 'mandate' for their deployment. As these ZLEV buses, and several other unregulated heavy-duty vehicle types, will be procured regardless

⁴ International Council on Clean Transportation position brief 2018 bit.ly/2QE1Ck1

⁵ European Commission Staff Working Document Impact Assessment bit.ly/2uE6E4d

⁶ JRC Revision of the EU Green Public Procurement Criteria for Transport bit.ly/2O1Bbac

of the regulation, manufacturers should not receive super-credits to lower their overall CO₂ reduction targets. This will only lower the ambition of the regulation and disrupt coherence of legislation.

An additional failing of ZLEV super-credits is the lack of incentive for manufacturers to innovate zero- and low-emission vehicles in all HDV subgroups. This issue is created from the lack of a relationship between the 'ZLEV factor' (Annex I, 2.3) and respective HDV sub-groups. Currently, each manufacturer can reduce their overall CO₂ emission reduction targets through application of the ZLEV factor, which is calculated via the number of ZLEVs in a manufacturer's fleet. This calculation does not consider in which HDV sub-group those ZLEVs are produced. This creates a situation in which there is no incentive for manufacturers to address challenging or environmentally impactful HDV sub-groups. Instead, manufacturers can weaken overall CO₂ reduction targets with sales in a limited number of HDV sub-groups and inhibit wider innovation in zero and low-emission HDV manufacturing.

Exemptions

It is not clear how 'vocational' vehicles can be exempted from the regulation without a definition for their identification. This represents a potentially significant loophole that should be addressed with the swift elaboration of clear technical criteria under type approval legislation, as suggested by the Commission's impact assessment. Once criteria for vocational vehicles has been developed, steps should be taken for their assessment and inclusion as part of the Commission's mid-term review of the regulation in 2021.

Real-world emissions

The effective implementation of CO₂ standards for HDVs is predicated on accurate, real-world emissions from vehicles. We support the Commission proposal for the mandatory installation of standardising measuring devices, as well as the introduction of in-service conformity tests, which will ensure strengthened monitoring and reporting system for real-world emissions data.