CLEPA

European Association of Automotive Suppliers

DG CLIMA Stakeholder Meeting HDV CO2 emission standards

Brussels, 16 January 2018

CLEPA

European Association of Automotive Suppliers

WHAT IS CLEPA?

The European Association of Automotive Suppliers brings together **over 120 global suppliers** of car parts, systems and modules and **more than 20 national trade associations** and European sector associations

WHAT IS THE IMPORTANCE OF THE EUROPEAN SUPPLIER INDUSTRY?

EU suppliers are **world leaders** in automotive technology **for safe, sustainable** and **smart mobility**.

- 5.000.000 **direct jobs**
- €75 billion **trade of parts between Europe and the world**
- **Annual investment of** €20 billion **in R&D each year**
- 75% **of vehicle value is produced by suppliers**
- €600 billion **turnover each year**
- around 3.000 **patents are filed by the automotive industry each year**

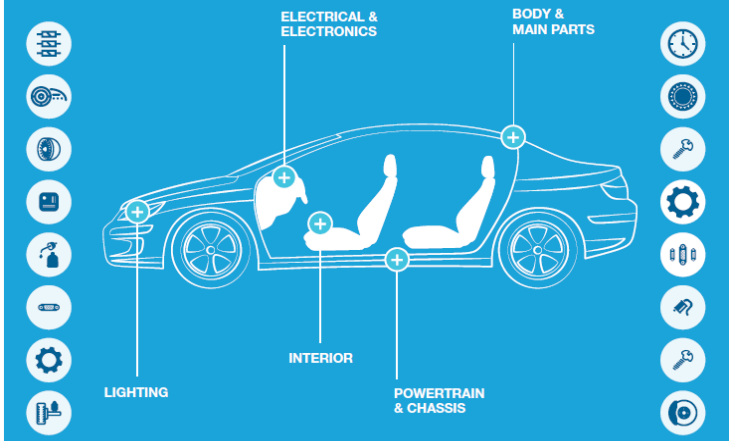
DID YOU KNOW?

+3000

CLEPA represents more than 3000 SMEs

56%

of the total turnover of the Global Supplier Top 100* is generated by 38 CLEPA members



30.000 PARTS

An average car is made of 30.000 parts and CLEPA members cover all of them

21

CLEPA corporate members are headquartered in

21 **different countries**

13 **national associations combine forces with CLEPA**

European leadership: Improve vehicle efficiency

- **Leading position** of the European Automotive industry in fuel consumption and CO_2 reduction technologies **shall be maintained** in the context of **global competitiveness, technological leadership and employment in the EU**

- Despite increasing levels of electrification, conventional (diesel) engines will continue to equip majority of HDV in Europe at least within a mid-term timeframe: **technological advances to improve engine efficiency must be maintained**

- The use of **alternative fuels** such as natural gas powered vehicles (CNG/LNG) or synthetic fuels (defossilized fuels, eFuels) could contribute to decrease CO_2 emission from the HDV fleet and should therefore be supported

Vehicle diversity and Technology neutrality

- The Heavy-Duty market **depends greatly on vehicle type, operating environment and duty cycle**, which needs to be considered in the regulation

- **Technology neutrality** shall remain a key principle in order to ensure innovation will be widely spread across all promising CO_2 reduction paths, providing a **framework that stimulates innovation and fosters competition** for best solutions and technologies

- **Purchasing incentives** for high-potential technologies would support increased early market penetration to create economies of scale (e.g. within the frame of demonstration projects) where there is a clear benefit to encourage a technology

Standardized CO_2 measurement for all vehicles and powertrains

- An EU-wide standardized CO2 measurement method will:
  - ✓ **increase the transparency** on HDV fuel consumption and CO2
  - ✓ further **stimulate competition** for efficiency
  - ✓ **provide robust data** baseline needed for CO2 target setting
- Therefore VECTO is firmly supported
- VECTO should also be **further developed to include more technologies** regarding engine, powertrain, transmission and/or auxiliaries e.g. hybrids, alternative fuels, HVAC, anticipatory operating strategies
- Vehicle characteristics and innovative solutions not well or not completely accounted by VECTO shall be duly considered and encouraged by the regulation
- VECTO should **cover all relevant market segments** such as buses and coaches as well as N2/M2 vehicles
- The Commission should **publish a reliable timeline** describing further VECTO integrations and continuing improvements

Realistic and ambitious targets 1/2

- The reduction of CO_2 emissions will require **additional technologies and measures**. CO_2 standards could support the market uptake of these new technologies but must be **based on robust data.**
- Such standards should represent **achievable and ambitious targets**, that incentivizes faster implementation of cost-effective technologies
- Metrics should **reflect the transport task and cover the complete vehicle** and/or vehicle combination (e.g. CO_2 / t km)
- Long-haul trucks, **low mileage vehicles, rental fleets, vocational, specific applications**, all have different power utilization and distinctive efficiency characteristics, which need to be specifically addressed, class by class, in the regulation
- **Ex ante targets** and a **fixed timing** for the regulation are necessary

Reliastic and ambitious targets 2/2

- Today VECTO focuses on Tank-To-Wheel, **Well-To-Wheel methodology should be addressed** in the near future to ensure adequate representation of all technologies (e.g. alternative fuels)

- **Early communication** of parameters and methodology of CO_2 requirements is necessary to allow industry investments as well as **sufficient lead-time before mandatory application.**

- Policymakers should **support the market penetration** of innovative efficiency technologies via CO2-based **incentives**, taxation, road tolls, traffic restrictions **and other measures** such as infrastructure improvements, ITS, fuel decarbonization, EcoInnovations, EMS

CO2 standards for Heavy-duty Vehicles

Maintain the **European leading position** : European HDV are amongst the most efficient in the world with best-in-class technologies

Technology neutrality shall remain a key principle

Certification with **VECTO simulation** for the main groups, **further extension** and improvements needed (*alternative powertrains and fuels, advanced auxiliaries and technologies, additional vehicle classes*)

Realistic and ambitious standards based on robust data, reflecting the different transport tasks and the particularities of different vehicle classes

Reaching EU targets will require **implementation of additional technologies and measures** for which market incentives might be needed