

shecco's position on the Consultation paper
"Reducing CO₂ emissions from road vehicles"

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INTRODUCTION

shecco welcomes the consultation on reducing CO₂ emissions from road vehicles and highlights that a step change without any further delay needs to be taken to lower the emissions from road vehicles to ensure that the targets set in the White Paper on Transport as well as in the Roadmap for moving to a low carbon economy are met.

With reference to the public consultation and the upcoming review of Regulations (EC) No 443/2009 and (EC) No 510/2011, shecco lays down its key suggestions in this position paper and invites the European Commission to take the following comments into consideration in preparation of initiatives to cut greenhouse gas emissions from road vehicles:

- *The target of 95gCO₂/km by 2020 means business as usual*
- *Vehicle-based approach in setting CO₂ emission limits should be adopted*
- *Preference should be given to low- and zero-carbon technologies*
- *Minimum plug-in vehicle mandate should be set*
- *Recharging infrastructure should be based on renewable energy sources*

The target of 95gCO₂/km means business as usual

shecco believes that the objective of setting a limit of 95gCO₂/km for new vehicles by 2020 would not trigger any massive innovations in the EU's automotive industry, thereby putting EU's competitiveness in danger.

As mentioned in the Boston Consulting Group report of July 2011, "Powering Autos to 2020", improvements in internal combustion engine (ICE) technologies can contribute to up to 40% emissions reduction. This means that while in 2008 the average level of CO₂ emissions from passenger cars in the EU was 153gCO₂/km, a 40% reduction would result in 92gCO₂/km. Since this would still be below the 2020 target of 95gCO₂/km, instead of investing in new low carbon technologies that could bring long-term benefits, European automotive manufacturers would still devote a substantial part of their investments into improvement of the existing ICE technologies. It is important to highlight that the benefits that these improvements could bring are very shortsighted and they will eventually face limitations in 10-15 years.

Some climate-friendly technologies such as electrically-powered vehicles (Parallel Plug-in hybrid electric vehicles, Extended-Range Electric Vehicles, Battery Electric Vehicles) are already available in the market or close to the market (Fuel Cell Vehicles) so why should the mass-market rollout be delayed any further?

shecco calls on the European Commission to set more ambitious CO₂ emission limits for the sake of pushing research and innovation in alternative climate-friendly technologies and thereby maintaining EU's competitiveness on a global scale.

Vehicle-based approach in setting CO₂ emission limits should be adopted

shecco suggests that in addition to current limits on greenhouse gas emissions based on fleet average, the European Commission should impose emission limits for each vehicle entering the fleet.

The existing regulation on CO₂ emissions from cars does not set limits on greenhouse gas emissions from each new vehicle, but from the average of all vehicles that a European manufacturer produces. shecco believes that this method might be contradictory in a sense that some producers would manufacture a certain number of low emission vehicles only to offset the production of high emission vehicles and therefore they are not pushed to innovate or invest into alternative technologies.

Setting a limit on each car entering the fleet in addition to the average-based CO₂ emission threshold would mean that automotive industry would have to shift their resources to new low emission technologies in order to meet this requirement. It is important to keep in mind that the EU cannot afford to lag behind in R&D and innovations in climate friendly technologies and the action has to be taken now to ensure stability and strong competitiveness of the European car industry in the coming years.

Preference should be given to low- and zero-carbon technologies

shecco stresses that based on the long-term target of 60% emissions reduction from transport by 2050 set in the White Paper on Transport and the Roadmap for moving to a low carbon economy, the European Commission should give automotive manufacturers, citizens and public authorities in the EU a clear sign already today for its preference to low- and zero-carbon technologies.

The automotive manufacturers will only invest in alternative powertrains such as electrically-powered vehicles if the European Commission gives them a clear political message that would guide them in their decisions. Electrically-powered vehicles are best placed to achieve the 2050's objective and the Commission should directly express its preference for such technology, which is in line with its long-term climate change targets. Not only EU's competitiveness, but also its technological and industrial leadership, are at stake and the absence of action in the right direction today might result in irrevocable consequences in the future.

The society also needs to have a certainty about the future decisions. The European Commission should ensure that the EU citizens are able to prepare for the electric future already today and the early rollout of electrically powered vehicles should be guaranteed by providing non-financial incentives such as free parking spaces, free charging at public stations, access to restricted areas of town centers, access to bus and taxi lanes and others. These would highlight the advantages of such cars on one side and on the other member states' budgets would not be affected.

The European Commission should provide more resources for training courses for electronics technicians involved in maintaining and repairing electric vehicles and charging stations. shecco believes that projects for this purpose, such as the ELEVTRA project funded by the Life Long Learning Programme, should be promoted in order to educate the experts in emerging low carbon technologies.

Minimum plug-in vehicle mandate should be set

shecco proposes that the European Commission sets a mandate for the minimum of plug-in vehicle production by each European car manufacturer.

Setting the minimum plug-in car share on the total vehicle production would encourage EU manufacturers to dedicate certain amount of resources in development of new technologies, thereby driving innovation and facilitating EU's leadership in the field.

Such measures are already in discussion in California, with regulation proposal to be put on vote in mid-2012.

California Air Resource Board (CARB) officials proposed Zero-Emission Vehicles regulations setting minimum production of alternative-powered vehicles. Starting in 2018, it includes a zero-emission mandate requiring manufacturers to produce a certain number of clean vehicles, which will be increased each year. According to the proposed rules, a total of 1.4 million zero-emission (including battery electric, fuel cell and plug-in hybrid electric vehicles) representing 15.4% of new car sales are envisaged in California by 2025. The California's proposal suggests that 87% of cars will be zero-emission vehicles by 2050.

(http://www.arb.ca.gov/msprog/clean_cars/acc_summary-final.pdf)

Recharging infrastructure should be based on renewable energy sources

shecco calls on the European Commission to accelerate the rollout of recharging infrastructure necessary for the deployment of electrically-powered vehicles and to ensure that renewable energy is used as much as possible in order to guarantee maximum benefits.

Charging infrastructure availability is fundamental in order to stimulate the uptake of electrically-powered vehicles and fight the "range-anxiety" effect. It is also vital that sufficient charging infrastructure is installed in public spaces so as to encourage all EU citizens, especially those that do not have possibility to establish a private charging point, to own a climate-friendly vehicle. Since electric mobility provides extensive benefits to the society in terms of noise reduction and air quality improvement, especially in urban areas, public authorities should take the initiative to establish charging infrastructure or encourage public-private partnerships for this purpose.

As we move towards electrification of vehicles in the EU this should go hand in hand with increased inclusion of renewables in the EU electricity mix. This would path the way towards

clean electrically-powered vehicles not only with regards to their Tank-to-Wheel, but also in relation to the Well-to-Tank emissions. The renewable energy strategy (RES) expected to be adopted in the first half of 2012 should be in line with the revision of the regulation on CO₂ emissions in this respect.

About shecco

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