



The European Consumers' Organisation

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BEUC comments on the Commission's proposed revised strategy to reduce CO₂ emissions from cars

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Executive summary

The revised Commission strategy to reduce CO_2 emissions from cars announced in a recent Communication clearly lacks ambition. We welcome that the Commission proposes to develop a legislative framework to implement the car CO_2 emissions target, even though it should have been done some years ago. Opting for an integrated approach, involving car manufacturers, Member States and consumers, seems also rather positive, but the sharing out of the emission targets only plays down the significance of individual car emission values. Above all, the Commission does not foresee any long term target to address the threat of climate change on future generations.

¹ Communication from the Commission "Results of the review of the Community Strategy to reduce CO2 emissions from passenger cars and light-commercial vehicles", COM(2007) 19 final.

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Overall comments

It seems that, in its communication on a revised strategy to reduce CO_2 emissions, the Commission has simply adopted the recommendations of the report of the Cars 21 High Level Group, which we were already critical about in 2006^2 . The Commission has not been critical and has not taken into account the responses of the public consultation. The latest communication³ on the Cars 21 report also confirms this. Yet, the Commission states that its two communications reflect extensive stakeholder consultation and dialogue.

The Commission states that the legislative framework will be based on a thorough impact assessment. We hope that contributions from interested parties other than the Cars 21 report will be taken into account in this process to ensure that social, economic and environmental impacts will be equally considered.

There is little sense of urgency in the Commission's agenda. The legislative framework is vaguely suggested to be proposed in 2007 or mid-2008. We regret that the Commission does not describe which concrete measures are foreseen to organise the burdens' sharing between the different economic actors and does not even foresee clear deadlines for the different proposals. The future legislative proposal promises to be extremely complex and contested. In our view, if the discussions on the possible measures start only in 2008, the time slot for a legislative framework is not at all appropriate for reaching any objectives by 2012.

Environmentally sustainable road transport: reduction of CO₂ emissions

Emissions from passenger cars represent half of all CO_2 emissions in the transport sector, and almost 12% of total CO_2 emissions in the European Union. In 1996, a Community strategy⁴ set up a target for new cars of 120 grams per kilometer by 2012 to reach the Kyoto objective of 8% of CO_2 by 2008-2012. The target was supposed to be reached using three pillars: labelling of cars to provide consumers with information on the fuel efficiency of cars (1999 car labelling Directive⁵), taxation related to CO_2 and the voluntary agreement by car manufacturers signed in 1998.

The failure of the voluntary agreement

In their 1998 agreement, European car manufacturers committed themselves to reach a target of $140 \mathrm{g/km}$ of $\mathrm{CO_2}$ by 2008 and $120 \mathrm{g/km}$ by 2012. These targets were undoubtedly achievable by means of vehicle technologies. Unfortunately, the sector was seen as the worst performing one in the context of the Kyoto protocol, as its emissions in the EU increased by 32% between 1990 and 2004. Different studies recently showed that 75% of European car manufacturers are set to miss the target if present trends continue. Today the average car emits $186 \mathrm{g/km}^6$.

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² BEUC comments on the Cars 21 High Level Group final report "A competitive Automotive Regulatory System for the 21rst century" (BEUC/X/030/2006), May 2006.

³ COM(2007) 22 final.

⁴ Communication from the Commission "A community strategy to reduce CO₂ emissions from passenger cars and improve fuel economy", COM(95) 689 final.

⁵ Directive 1999/94/EC relating to the availability of consumer information on fuel economy and CO₂ emissions in respect of the marketing of new passenger cars.

⁶ "CO₂ emissions from new passenger cars: monitoring", http://europa.eu/scadplus/leg/en/lvb/128055.htm, accessed on 7 May 2007.

The self-commitment of car manufacturers to reduce CO_2 emissions, just like the vast majority of self-commitments, has proven not to be efficient. In our paper on voluntary environmental agreements⁷, we denounce the increasing use of self-regulation in the environmental area by decision-makers, instead of using traditional legislative instruments. They often lack transparency, ambition and efficacy, and we identify many drawbacks including the fact that no system of sanctions, incentives, or punishments apply. Instead, clear-cut regulatory measures should always be adopted.

On a wider front, the Commission accepts that the voluntary approach has failed in this instance but continues to promote the voluntary approach as the generally preferred option, without apparently learning from past experience or having any clear idea of when and in what circumstances a voluntary approach may or may not work.

The proposed integrated approach

The Commission foresees an integrated approach for further CO₂ reductions. This was one of the recommendations of the Cars 21 High Level Group. In our comments on the Cars 21 report in May 2006⁸, we already denounced the fact that such measures (e.g. eco-driving and gear shift indicators, consumer information, measures to avoid congestion) were devised to play down the significance of individual car emission values. In our view, marginal values, such as Gear Shift Indicators and the use of alternatives fuels such as biofuels, despite their importance, should not be an alternative to improving energy efficiency of cars.

Unfortunately, in its communication for a revised strategy to reduce CO_2 emissions, the Commission has followed the Cars 21 recommendations without taking other stakeholders' views into account. Of course, we welcome the announcement of a legislative framework to reduce CO_2 emissions from cars although it is a very late reply to the lack of efforts made by manufacturers. However, the Commission strategy is, in our view, very insufficient and lacking ambition. It only consists of reducing the burden on car manufacturers by combining a revised 130g/km target with other technological improvements. An integrated approach is always welcome but the use of other technological adaptations, including the use of gear shift indicators, the use of bio-fuels or the compulsory fitting of tyre pressure monitoring systems, should not replace efforts to be made by improvement in motor vehicle technology. They should, on the contrary, contribute, if at all they can, to an additional reduction of CO_2 emissions to the 120g/km target by 2012. Moreover, it seems rather doubtful that the complementary measures proposed can deliver a reduction of CO_2 emissions of 10g/km. In general, it is crucial that all kinds of improvements required are measurable, accountable and can be easily monitored.

The consumers' contribution

In its communication, the Commission foresees additional efforts from consumers by means of informed choice and responsible driving behaviour to contribute to CO₂ emissions reduction. The Commission should have also proposed concrete initiatives encouraging a shift onto public transport and other transport alternatives.

It is true that consumers, just like companies making use of professional cars, can play an important role in the reduction of CO_2 emissions by choosing more efficient cars. Their decision needs to be guided towards better products.

⁷ ANEC / BEUC position on 'Voluntary environmental agreements' (BEUC/X/060/2006), October 2006.

⁸ BEUC comments on the Cars 21 High Level Group final report "A competitive Automotive Regulatory System for the 21rst century" (BEUC/X/030/2006), May 2006.

Increasing consumer demands for more efficient cars could notably be achieved by means of improved and harmonised car labelling across Member States. The 1999 Directive on car labelling which required that information on the fuel economy and CO_2 emissions of new cars is made available to consumers has shown to be very insufficient. We recommend e.g. introducing a Europe-wide scheme of graphical displays, using comparable grades. Cars should be incorporated in the EU energy-labelling scheme, to facilitate consumer choice at the point of purchase/hire.

In a wider context, we are concerned that the Commission seems to imply that an efficient car is climate friendly. It is crucial to retain the message that a motor vehicle, by definition, can not be considered as environmentally friendly whatever its green house gases emission level. The CO_2 emissions' target of 120g/km corresponds to a political agreement and not to the most acceptable target in terms of climate protection. Therefore, the labelling system must not mislead consumers. No claim should be made that implies that an efficient car in terms of CO_2 emissions is environmentally friendly; otherwise mistaken perceptions of cars' characteristics will have to be addressed through appropriate warnings.

There is an obvious discrepancy between the political interest and objective and the increasing market for heavy and fuel intensive passenger cars. Even though it is true that small cars should be better promoted as they are more efficient, the request of the Commission to see a self-commitment by industry for marketing and advertising of cars seems to us insufficient. Indeed, in our view⁹, voluntary agreements often lack transparency, ambition, legitimacy and efficacy. In general, such schemes should meet certain minimum criteria, and should be firmly based on a general legislative framework laying down such criteria. It is unlikely to provide significant benefits in the future.

Besides the importance of changing consumers' (and companies') behaviour, the best means to achieve the CO_2 reduction target still remains binding regulation of fuel consumption across the European car fleet. We believe that a mass market of most efficient passenger cars is urgently needed to maintain personal mobility and maintain the freedom of choice for consumers.

Long term objective

Overall, we deplore the fact that the Commission does not foresee the setting up of clear and ambitious long term objectives, by e.g. 2020 and beyond. In our view, a long-term target of 100g/km is both within reach and an adequate target given the scale of the emissions from road transport. By adopting an ambitious strategy, the Community will also provide an impetus for development of technology, thereby providing the industry a unique opportunity to take the technological lead.

Sustainable mobility today needs to be considered, not only to tackle climate change and the degradation of the environment, but also the increased dependence on imported energy and higher energy prices by boosting EU energy security and competitiveness. Climate change is one of the most serious environmental, social and economic threats we have to face.

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⁹ ANEC / BEUC position on 'Voluntary environmental agreements' (BEUC/X/060/2006), October 2006.