



POLICY POSITION ON CO₂ EMISSION STANDARDS

ENVIRONMENT



Background

On 14 July 2021, as part of the 'Fit for 55' Package, the European Commission proposed an amended Regulation 2019/631 on CO₂ emission performance standards for new registered passenger cars and new light commercial vehicles.

The aim of the proposal is to align the Regulation with the EU's climate objective of reducing Greenhouse Gas emissions by at least 55% by 2030. The legislative proposal also aims at stimulating innovation and affordability in zero-tailpipe emissions technology as well as improving air quality and energy savings.

The proposal sets a requirement for average (tailpipe) emissions of new cars to drop by 55% from 2030 and 100% from 2035, compared to 2021 levels. As a result, all new cars registered from 2035 will need to be zero (tailpipe) emission. For new vans, the reduction targets are 50% and 100%, respectively.



Europe has been a benchmark for the rest of the world in setting fuel efficiency standards for vehicles. Up to now, targets have been reached through several technologies and the regulation could be considered technological-neutral. However, emissions from the (road) transport sector keep growing and will need to drop dramatically to meet the EU's climate targets. Further emissions reductions can be achieved by optimising powertrain efficiency, using truly green energy to propel vehicles, considering sustainable alternative fuels, and reducing vehicle mass (e.g., down-weighting¹, smaller battery packs for BEVs, etc.). Intelligent Transport System technologies, multimodality, and improved driver skills will also play a role in delivering CO₂ reductions in road transport.

The FIA European Bureau supports the broad approach taken by the European Commission in its "Fit for 55" Package. Nevertheless, these proposals must be well-aligned with each other to get consumers onboard and mitigate adverse effects on the most vulnerable. Our paramount objective is to ensure that, in the future, motorists will enjoy at least the same levels of convenience and affordability that they do today.

FIA European Bureau (FIA EB) position

The FIA EB is committed to climate protection and supports the EU in its endeavours to achieve a 55% greenhouse gas emissions reduction by 2030, and climate neutrality by 2050. The transport sector must contribute to meet these targets; however, the decarbonization of the road transport sector alone will not be sufficient, and all sectors must play their role.

Measures taken towards reaching the EU climate objectives must be predictable and plannable, and consumer's acceptance is particularly important for the success of this transition. Mobility must remain accessible, efficient, and affordable for all.

The FIA EB stresses that the approach to decarbonising road transport must be technology neutral and based on a well-to-wheel analysis. The policy and regulatory frameworks must remain open to any options that allow consumers to fully embrace the transition to climate neutrality and contribute to emissions reduction.

Well-to-wheel analysis is useful for comparing the efficiencies and emissions of energy technologies and fuels, at both the downstream (tank-to-wheel or tailpipe) and the upstream (well-to-tank, which incorporates the feedstock or fuel production and processing and fuel delivery or energy transmission) stages, offering a more complete picture of real emissions. It allows to assess the total energy consumption of motor vehicles and the fuels used, including their carbon footprint.

Especially through Article 14a and 15 from its proposal, the Commission addresses the need to remain open to possible additional measures to facilitate the transition to zero emission road mobility; this reporting

¹ <https://www.itf-oecd.org/less-heavy-vehicles-cut-co2-emissions>



is essential since the goal is to reach the climate goals, and not to mandate or ban any specific fuel or vehicles propulsion technology.

The FIA EB welcomes the Commission's proposal to reduce CO₂ emissions from cars and vans continuously and steadily and considers that the revised Regulation can contribute towards achieving the EU's climate goals. These are, in our view, the main elements to strengthen the Commission's proposal:

Well-to-Wheel and Life Cycle Analysis

Setting zero tailpipe emissions as the rule for newly registered cars and vans from 2035 onwards imposes a *de facto* full ban on new Internal Combustion Engines vehicles.

Although the FIA EB believes that electrification is a strong trend and will soon become a valid solution for most of the use-cases applicable for passenger cars and light commercial vehicles, electrification of the fleets will only contribute to decarbonization when the electricity used to charge is from renewable sources and is itself generated in climate-neutral ways.

Therefore, **the FIA EB recommends replacing, as soon as possible and no later than 2030, the current tank-to-wheel (tailpipe) calculation of emissions with a well-to-wheel approach²**. In the long run, a life cycle analysis should be used, as it will allow to fully assess the environmental impact of cars and vans throughout their lifespans.

This is also the only way to respecting a technology neutral approach, which is essential to promote competition and innovation, get the best for the environment and society, and availability and affordability for the consumers. The overarching aim of the review is to achieve efficient CO₂ reduction rather than focussing on banning a specific technology.

Targets

Medium term: 2030

The FIA EB believes that the proposed ambitious 55% reduction target from 2030 onwards is one more step in the right direction, and that it will keep contributing to improving fuel efficiency and saving costs for car users.

Long term: 2035 and after

As it was already mentioned, the introduction of a 100% CO₂ tailpipe emissions reduction target from 2035 onwards translates into a ban of Internal Combustion Engine vehicles and would in fact mean that only e-vehicles will be launched in the new cars market.

² Well-to-Wheel approach would allow accounting for carbon capture and utilisation mechanism to lower the CO₂ footprint of low carbon fuels overall.



While we acknowledge and support electrification, e-mobility is not capable of satisfying all mobility needs and use-cases, due, for instance, to batteries' limited distance range, vehicles' high purchasing prices, and insufficient charging infrastructure.

Also, environmental questions arise with regards to the origin of electricity and the reutilization or recyclability of exhausted electric vehicles' batteries. In this equation, it is essential that electric vehicles are propelled with real 'green' energy; otherwise, vehicle emissions generation risks being moved from the vehicle tailpipe to the energy sector.

In view of the above, the FIA EB fears that the timeframe set in the proposal might be too short for all the conditions to be met and progress in the development of alternative technologies to happen and **calls upon the European Parliament and Council to put in place all the necessary measures to support the transition and leave no one behind, including investment in infrastructure, social support to the most vulnerable, and incentives to innovation.** The 100% reduction tabled by the European Commission will only be technology neutral if a well-to-wheel (and, eventually, life cycle analysis) approach is taken for calculating vehicle emissions and fleet limit values.

Incentivizing low and zero emissions vehicles

The FIA EB supports moving forward the removal of the increased weighting of zero- and low-emission vehicles to 2025, instead of 2030 as suggested by the European Commission. The proposed ambitious targets will act already as an incentive towards alternatively powered cars such as electric vehicles.



The FIA European Bureau

The FIA European Bureau engages in European research and innovation programmes to support and promote the development and the deployment of alternative fuelled vehicles, such as:



The **ELVITEN** project which focuses on demonstrating the benefits of light electric vehicles (such as e-bikes and scooters).



The **Green NCAP** scheme and the Green Vehicle Index (GVI) project which promote the development of vehicles that are clean, energy efficient and environmentally friendly.



The **MODALES** project which encourages the adoption of driving behaviour and vehicle maintenance that can help lower emissions.



The **FIA European Bureau** is a consumer body representing 67 Motoring and Touring Clubs and their 36 million members from across Europe. The FIA European Bureau represents the interests of our members as motorists, riders, pedestrians, and passengers. The FIA European Bureau is working to ensure safe, affordable, clean, and efficient mobility for all. Learn more at www.fiaregion1.com.

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