Commission européenne

Commissioner Adina Vălean

FIA board MEETING

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Place (including room)

City

Member of Cabinet responsible:

Member accompanying:

DG participant(s): (including contact number):

Defensive Points

The road transport sector is already in a fundamental shift, just look at how much electric driving is coming up. CO2 standards, Euro 7 norms, ETS: are you asking too much from the transport sector?

- The analysis underpinning our Sustainable and Smart Mobility Strategy is based on the most up-to-date information on market developments as well as in-depth discussion with all relevant stakeholders. The milestones we set for the sector reflect the needed ambition to reach the 2030 climate objectives, taking into account the interplay of various instruments (from regulatory action to pricing and taxing to informational action). The milestone of 30 million zero-emission cars by 2030 is very ambitious, indeed, looking at the 1.2 million vehicles we have today, but also still realistic for manufacturers to deliver.
- The transformation towards a green, smart and resilient transport system will not come easily, and will require the full dedication and support from all transport actors, as well as a substantial investment from public and private sectors.
- It is a challenge, but there is no way around it. To reach the EU's goal of climate neutrality by 2050, transport has to continue to play its part. And this shift is increasingly forced also by the market and global competition. It is not only because of CO2 standards for cars and vans that automakers are heavily investing into zero-emission powertrains, but also to retain share in the future markets. Our policies provide a long-term policy framework for this transition.
- The aim of our strategy is to provide stakeholders and citizens with a clear vision on where the transport sector must head towards and what actions we are going to take in the coming years...

Road transport is already subject to CO2 standards and has to pay road tolls. In some Member States, the fuel tax has a CO2 component. The Council also wants to add the option of external cost charging for CO2 emissions in the Eurovignette Directive. How would you ensure coherence and avoid double taxation?

- The possible inclusion of road transport into the EU ETS should be additional and complementary to existing measures such as (1) vehicle standards to improve CO2 emissions per vehicle and (2) charges for the use of infrastructure (road tolls, vignettes) 3) alternative fuels.
- On top of that, coherence will need to be ensured in particular with existing fuel taxes (as regards their part charged for carbon emissions) and CO2 cost charges, in order to avoid duplication.

Euro 7: the car industry says that this will force them to stop selling combustion engine cars from 2025 onwards? *[Will there be enough alternatives ready by then?]*

- By 2050, we need a fleet of mostly zero-emission vehicles on our roads. However, this transition will be gradual and internal combustion engines will still represent an important part of the fleet in the coming period. This is why we need Euro 7 vehicles to keep improving their performance.
- The Commission announced in the European Green Deal that a proposal for more stringent rules on air pollutant emissions will be published in 2021. Our services are now working on this.
- I want to be clear on this, this will not be a stop to internal combustion engines in 2025.

Will the Commission propose to extend the EU Emission Trading System (EU ETS) to road transport? If so, when? And if so, would this not lead to a complete

overlap of different pricing instruments, also looking at the plans for reviewing the Energy Taxation Directive?

- As indicated in the Green Deal Communication and the 2030 Climate Target Plan, and confirmed in the Sustainable and Smart Mobility Strategy, the Commission will consider applying European emissions trading to road transport, as a complement to existing and future CO2 emission performance standards for vehicles.
- The Commission is looking at this option. Proposals for revisions of relevant legislative measures to deliver on the increased climate ambition, following the review of Emissions Trading System Directive; Effort Sharing Regulation etc. are foreseen for June 2021. The Commission is assessing very carefully aspects of complementarity and proportionality.

What would be the role of advanced biofuels and e-fuels – those fuels should not only be used in aviation and waterborne?

- Those fuels will play a main role in the future fuel mix, as you can see from the analysis underpinning our transport strategy. But indeed, we see their major contribution in the aviation and waterborne sector in the longer-term up to 2050. That does not meant that they will not contribute to road transport emission reduction, but here the increasing take up of zero-emission cars will increasingly reduce the relevance of those fuels up to 2050.
- It is expected that advanced biofuels and renewable liquid e-fuels will play an important role in the aviation sector. Given the lack of fuel alternatives, deployment of these fuels in the aviation sector needs to be prioritised.
- Waterborne transport needs to significantly accelerate the shift towards low- and zero-carbon alternative fuels. The available options include liquefied natural gas – provided it is increasingly decarbonised by higher blends of biomethane/e-gas and advanced biofuels/liquid e-fuels. Given the very limited availability of sustainable feedstocks for biomethane, waterborne transport should be given priority in the access to this resource compared to other modes where more alternatives are available.
- For inland navigation and short-sea shipping, electrification will need to play a role and should be supported in view of further cost reduction. In the longer term, hydrogen can also support the decarbonisation of the inland waterways sector and short sea shipping, but also the deep-sea shipping.

Shouldn't well-to-tank emissions and life-cycle emissions be taken into account in CO2 emission standards legislation?

- The current "Tank-to-Wheel" approach, by focusing on the tailpipe CO2 emissions of the vehicles, is considered fully coherent with other policy instruments contributing to the EU's climate and energy policy, including the EU Emissions Trading System, the Effort Sharing Regulation and policy initiatives taken in the fuels and transport sector.
- Furthermore, the latest information from studies performed for the Commission shows that zero-emission vehicles at tailpipe (battery electric, hydrogen fuel cell) also bring substantial benefits from a lifecycle perspective: their GHG emission performances are substantially lower than those of diesel/petrol vehicles, and they are expected to bring further improvements as the share of renewable electricity increases.
- Nevertheless, the Commission is analysing all possible solutions as part of the review of the new CO2 emission performance standards for cars and light duty vehicles.

Do you consider to propose mandatory targets for electric recharging infrastructure? Will you abandon the approach to technical neutrality under AFID?

- Currently, AFID only recommends an infrastructure - vehicle ratio of 1 – 10. However, this simple ratio seems to be outdated with the emergence of fast and ultrafast rechargers. A more granular approach towards determining minimum infrastructure requirements needs to be defined, taking into account these new developments.
- On the basis of such a more granular approach, many respondents to the OPC were in favour of mandatory targets in particular for electric rechargers, but also other infrastructure eg hydrogen to ensure that sufficient infrastructure will be available.
- Within the work on the impact assessment we are currently looking into methodologies to determine the minimum infrastructure needs and will also analyse the expected impact of mandatory targets.
- In any case, European mandatory targets alone that have to be met on a Member State level may not ensure that infrastructure is actually deployed at those locations where EV-drivers need it. Improving national policy frameworks is also important.
- Under AFID, we are looking what is required in terms of minimum infrastructure for all alternative fuels in view of future vehicle fleet demand. There is no specific focus on a single fuel technology, ie like electric recharging.

Will the Commission always be technology neutral in its strategy for smart mobility?

- COM always aims at the most effective legislation, which fosters innovation and allows industry to develop and deploy the best solutions to advance our objectives. Very often, this is technology neutral. Sometimes it is not, a good historic example is the so-called GSM Directive. Usually this revolves around the need to ensure interoperability, avoid fragmentation and create stable conditions for a market to develop.

Will DG MOVE support 5G?

- The Commission has been supporting 5G for many years now, just as it supports other technologies. The right tool for the job, and in this case, multiple tools are needed. However, more to the point, we do not support technologies per se; we aim to make transport and mobility better. So the question is how can 5G support our transport and mobility goals?

Why did DG MOVE support ITS-G5 over 5G in the DA on C-ITS?

- ITS-G5 is perfectly suited for the safety services in the DA. We did not “choose it over 5G”. We choose it because it works, because it is available, because it is cheap and because it does not need any network. More importantly, we achieved our deployment target and it is on the road now. The EU is the first continent to deploy V2X on such a scale and it will help put our ambitious road safety goals back on track. Our approach does not exclude other technologies available on the market once they are operational.

Background

The European Commission has just adopted a New Sustainable and Smart Mobility Strategy, including an action plan with 82 measures that the EU will adopt over the coming years to set the transport sector on a pathway to achieve a reduction of emissions by 90% by 2050. It sets concrete milestones for 2030 up to 2050, including the ambition to have at least 30 million zero-emission vehicles on the road by 2030 or to have 100 European cities being carbon neutral. Automated mobility should be deployed at large scale.

In order to get us on that pathway, the Commission will propose a number of legislative initiatives in summer 2020 to strengthen the EU's ambition for example through a higher renewables share in transport, stricter CO2 emission targets for vehicle manufacturers and sectoral emission reduction legislation for the aviation and maritime sector.

Those initiatives will be flanked with legislation to ensure that the appropriate alternative fuels infrastructure (e.g. electric rechargers or on shore power supply at ports) will be available for all transport modes throughout the EU. Up to 1 million public accessible recharging points should be on the road by 2025 and at least up to 3 million public accessible recharging points by 2030 to ensure the basis backbone of this new transport infrastructure.

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