Emission performance standards for new light commercial vehicles

2009/0173(COD) - 30/09/2009 - Legislative proposal

PURPOSE: to set emission performance standards for new light commercial vehicles as part of the Community's integrated approach to reduce CO2 emissions from light-duty vehicles.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

BACKGROUND: Light commercial vehicles are mainly used by businesses, including small and medium enterprises and currently light commercial vehicles make up around 12% of the fleet. The average reduction of CO2 emissions over 2002-2007 for light commercial vehicles amounted to 0.4-0.5% per year, and these very limited improvements in fuel efficiency have been offset by the increase in demand for transport and vehicle size.

While the EU as a whole has reduced its emissions of greenhouse gases (GHG) by approximately 9% over the 1990- 2007 period and emissions have been declining in non-transport sectors, the CO2 emissions from transport have increased by 29%. Despite significant improvements in vehicle motor technology, in particular in fuel efficiency which also means lower CO2 emissions, demand for transport and vehicle size has increased and progress has been too slow in view of the overall Community objective of average new passenger car emissions of 120 g CO2/km.

Adopting Community targets for new light commercial vehicles is necessary to prevent fragmentation in the internal market resulting from the adoption of different measures at Member State level. Furthermore, setting CO2emission standards for new light commercial vehicles is necessary to prevent a risk of regulatory gap resulting from certain overlap between the registrations for passenger cars and light commercial vehicles. Furthermore, on 28 June 2007 the Council invited the Commission to come forward with a proposal on the improvement of fuel efficiency from light commercial vehicles. Lastly, it is important to encourage the automotive sector to invest in new technologies.

The proposal will put in place a concrete measure to deliver on the targets and will therefore strengthen the EU's leadership position on climate change in the run-up to the United Nations Climate Conference in Copenhagen in December 2009.

IMPACT ASSESSMENT: the impact assessment investigated **five main options**:

- **Options 1 and 2**: to define a linear curve giving the CO2value to be achieved by a given vehicle as a function of its "utility" (mass) so that the average of the new light commercial vehicles in (1) 2012 and (2) 2013-2015 would deliver the 175 g CO2/km target.
- **Options 3 and 4:** based on the same target (175 g CO2/km) and years (respectively. 2012 and 2013-2015), but on the basis of a linear curve defining the CO2 value to be achieved as a function of an alternative "utility", namely pan area.
- **Option 5:** to require manufacturers to deliver a set percentage reduction corresponding to the reduction needed to achieve the 175 g CO2/km target in 2012-2015 compared to the 2007 situation.

The impact assessment considered different flexibility mechanisms, including fleet averaging and pooling, as well as a compliance mechanism. In addition to the five policy options, several levels of the long-term target (ranging from 160 to 125 g CO2/km for year 2020) were analysed.

CONTENT: the proposal is a follow-up of the Community Strategy to reduce CO2 emissions from light-duty vehicles and complements Regulation (EC) No 443/2009 (which sets CO2 emission performance standards for new passenger cars). **It aims to reduce the impact of light-duty vehicles on the climate by ensuring that, from 1 July 2013, the average specific emissions of new light commercial vehicles registered in the Community do not exceed 175 g CO2/km.** This target will be phased in gradually from 1 January 2014 onwards with **full compliance of the new light commercial fleet from 201**6.

The starting date for the CO2emissions standard for light commercial vehicles is consistent with the timeframe of the adoption by the Commission of the proposal for a regulation setting similar standards for passenger cars as of 2012. This indicates entry into force of the standard for light commercial vehicles from 2014.

Further to the inclusion of the long-term target of 95 g/km as of 2020 in Regulation (EC) No 443/2009, this proposal sets a target of 135 g/km for light commercial vehicles to be achieved from 2020 subject to confirmation of its feasibility on the basis of updated impact assessment results.

The key aspects of the proposal are:

- it will apply to light commercial vehicles of category N1, with a reference mass not exceeding 2610kg and vehicles to which type-approval is extended in accordance with Regulation (EC) No 715 /2007. N2 and M2 vehicles with a reference mass meeting the above criteria will be included for monitoring purposes and their full inclusion in the scheme will be considered during a review;
- it sets targets for the specific emissions of CO2from new light commercial vehicles in the Community as a function of their mass. The targets will apply to the average specific emissions of CO2in g/km for new light commercial vehicles for each manufacturer which are registered in the EU in each calendar year. Manufacturers may form a pool in order to meet their targets. Where two or more manufacturers form a pool, the pool will be treated as if it is one manufacturer for the purposes of determining its compliance with the targets;
- it includes incentives for early market deployment of low emitting light commercial vehicles by granting them super-credits on an interim basis;
- it includes provisions to promote eco-innovations (i.e. CO2-reducing technologies that are not captured by the test-cycle during which CO2emissions are measured). Under this provision up to 7 g /km can be deducted from the average of a manufacturer’s specific CO2emissions for innovative technologies which reduce emissions, based on independently verified data;
- Member States will be obliged to collect data on the new light commercial vehicles registered in their territory and to report this data to the Commission for the purposes of assessing compliance with the targets;
- if a manufacturer fails to meet its target, it will be required to pay an excess emissions premium. The premium will be calculated by multiplying the number of g CO2/km by which the manufacturer exceeded its target by the number of vehicles newly registered and by the excess emissions premium calculated as a function of the year and distance to target.

The targets under the Regulation are established on the basis of the best knowledge currently available regarding, in particular, the likely fleet evolution between now and 2014 in respect of the 'autonomous weight increase'.

BUDGETARY IMPLICATIONS: the implementation of the proposed Regulation will be carried out together with that of Regulation (EC) No 443/2009 on CO2from passenger cars as both share many features like, for example, the monitoring of manufacturers' performance against their CO2reduction targets and, where necessary, the administration of excess emissions premiums provided for in the legislation.

Expenditure already foreseen under the **LIFE+** programme is considered sufficient, in particular because of the limited size of the market for light commercial vehicles compared to that for passenger cars. Therefore, this new proposal for CO2emissions from light-duty vehicles **would not require additional financial resources**.