

Permanent Representation to the EU

BE - Brussels

Ref.: BEUC-X-2018-102 Brussels, 12 November 2018

<u>Subject</u>: BEUC's recommendations – trilogues on CO2 performance standards for cars and vans in the post-2020 period

Dear Deputy Ambassador,

Over the next few weeks, you will take important decisions during Trilogue meetings regarding the proposal to set CO2 performance standards for cars and vans in 2025 and 2030.

CO2 emissions standards are crucial to enable consumers to have access to cleaner, low carbon and fuel-efficient cars. This will allow people to save money on fuel as well as better protect the environment and their health. The ongoing negotiation is *the* once-in-a-decade opportunity to accelerate the transition to cleaner and cheaper driving.

Below we list the areas where we believe the Council must strengthen its position in order to help Europeans achieve this objective:

1. <u>Make sure fuel consumption reductions are achieved in the real world, -not only on paper</u>

BEUC has long been advocating for the extension of the Real Driving Emissions test to CO2 emissions.

When developing the test method, it is of utmost importance to ensure that the situation which led to a more than 40% gap between the NEDC laboratory test and real world does not repeat itself with the new test WLTP. Until an RDE test for CO2 becomes ready, the European Commission should regularly verify that the average percentage difference between a manufacturer's specific CO2 emissions and their real-world CO2 values (provided by the fuel consumption meters) does not increase beyond the level measured in 2021. Where a deviation is observed the specific CO2 emission target of the concerned manufacturer should be adjusted downwards at the level of the exceedance identified. This ensures car manufacturers are not tempted to <u>'optimize'</u> the tests again and consumers are finally provided with cars that actually emit less CO2.

2. Revise the outdated Car Labelling Directive to finally provide consumers with realistic information about fuel consumption figures and the running costs of their vehicles

The current Car Labelling Directive was adopted in 1999 and has not been reviewed since then. After years of discussions, public consultations and workshops, it is now high time to revise this outdated piece of legislation. In its report, the European Parliament asks the Commission to review the text shortly after the new Commission will have taken office next year. We strongly support this ambition and would like this proposal to be among the priorities of the next Commission. To this end, we ask for the Council's support to improve consumer information about fuel consumption.

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3. Allow people to save on fuel consumption: increase the ambition level,

More ambitious CO2 reduction targets for both 2025 and 2030 are essential if we want to ensure consumers tap the benefits of this regulation. According to BEUC's calculations, a target of 25% in 2025 would allow people buying a petrol/diesel car in 2025 to save between €4,400 and €9,400 in fuel over a car's lifetime when compared to 2015. It is therefore crucial that the final deal comes closer to the European Parliament's position of 20% in 2025 and 40% in 2030.

4. Increase the ambition on zero and low-emission vehicles

Currently, consumers lack choice in switching to zero and low-emission cars. Sales practices and limited models, among other things, undermine their real-world availability. BEUC therefore supports the European Parliament's proposal to complement the bonus system for car makers who exceed the benchmark with a malus for those which do not. Member States did not take up this proposal. Instead they maintained the European Commission's toothless proposal which only provides incentives to manufacturers exceeding the targets.

Member States also proposed some amendments which would make it too easy for car manufacturers to reach their zero and low-emission vehicles targets. These modifications are likely to result in a significantly slower uptake of these vehicles on the market.

- A first modification suggested by the Council would mean that hybrid cars are incentivised too much in comparison to truly zero-emission alternatives. To prevent a decline in the level of ambition, BEUC wishes to preserve the method proposed by the Commission: this means that the less CO2 per/km a car emits, the *more* it contributes to reaching the zero and low-emission cars objective.
- A second modification proposed by the Council creates a specific incentive for manufacturers to sell zero and low-emission cars in countries with a low market penetration of these vehicles. Although BEUC supports the idea of encouraging manufacturers to roll out these cars across all of Europe, we believe that the Council's proposal is not targeted enough as the majority of Member States would qualify. We therefore call upon co-legislators to tighten the criteria so those markets that are really lagging behind are truly stimulated.

We trust you will take these recommendations into account in your deliberations and stand at your disposal should you have any question.

Yours sincerely,

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2