

The Consumer Voice in Europe

Ms Adina-Ioana Vălean European Commissioner for Transport European Commission Rue de la Loi 200 1049 Brussels

11 December 2019

Subject: The consumer mission letter for transport

Dear Commissioner,

Ref.: BEUC-X-2019-087

On behalf of BEUC, The European Consumer Organisation, which represents 45 national consumer groups from 32 European countries, we would like to congratulate you on your appointment as Commissioner for Transport.

Current shortcomings

There are serious shortcomings in the current European transport system. Many Europeans have no other choice than to use a car to fulfil their mobility needs. This is the result of decades of urban and economic policies based on the assumption that the individual ownership of petrol-fueled cars is the ideal way to move from A to B. The result is a mobility system in which driving is expensive, inefficient and bad for the climate, the environment and public health. Consumers could save a lot of money and time if, in addition to private cars, our transport system would provide for a better combination of public transport, rail and other active (cycling) or new (e-scooters, carsharing) mobilities, with clear guarantees and protections in the area of passenger rights. The current system simply doesn't give them this possibility. BEUC strongly believes in the central role of EU regulation in achieving easy and affordable travel that can lower people's everyday footprints.

As Commissioner for Transport, you have a unique and urgent opportunity to decarbonise mobility and to make sustainable transport options attractive and convenient for consumers. To support you in this important task, we would like to present the following proposals for what we think should be your mission towards integrating the consumer interest into your policy portfolio.

1) Set the price signals right, and increase investments in sustainable mobility

Fuel costs do not reflect the impact that different transport modes have on the climate and the environment. Introducing a carbon price for transport at EU level is one way to encourage more sustainable mobility solutions. However, such a carbon tax would only be socially acceptable if all revenues were to be reinvested in measures enabling consumers to move towards more sustainable transport modes (for instance lowering VAT on public transport, investing in better rail infrastructure and services, and helping people switch to battery electric cars through well-designed purchase incentives). Kerosene taxation could also be introduced at EU level, with all revenues being dedicated to funding more sustainable alternatives such as the shift to rail.

2) Decarbonise road transport, and make electric mobility convenient for consumers

Our aspirations to reduce CO₂ emissions from passenger cars to the benefit of consumers must be stepped up. It is hoped that the recently adopted regulatory overhaul (change of the test cycles, new type-approval and market surveillance framework and post-2020 CO₂ reduction targets) will significantly accelerate the transition towards lower carbon cars. But our efforts should not stop there. **In 2023, car CO2 reduction targets will be revised**. This presents an opportunity to increase our ambitions. The Commission should for instance remove the counterproductive 'utility parameter' (or mass parameter), which artificially promotes the sale of heavy vehicles such as SUVs. The Commission should also consider setting a date sometime between 2030 and 2035 for the phase out of new fossil fuel cars.

The market offering of battery electric cars is expected to significantly expand in the next two years, notably thanks to the entry into force of mandatory CO₂ reduction targets for cars. But the move from niche to mass market will only happen if all of the conditions that will make electric driving a convenient option in people's daily lives are met from the outset. If this is not the case, there is a risk that consumers will not trust e-mobility and the transition to zero-emission mobility could be significantly delayed as a result. Consumer needs and expectations must therefore be urgently addressed on issues such as range anxiety, easy charging and battery durability. Charging tariffs should be simple to understand and should be based on a uniform price/kWh scheme, and consumers should be able to pay at publicly accessible charging stations via both debit card and cash. We call upon the Commission to swiftly revise the **2014 Directive on Alternative Fuels Infrastructure** to tackle these issues.

Consumers also need to be better informed about their car's environmental performance and other characteristics ahead of their purchasing decisions. The current **EU Car Labelling Directive** must be updated and harmonised so that European consumers are provided with more reliable information on the real fuel consumption of cars, as well as estimates of running costs and polluting emissions. The new label should provide better information about electric vehicles, such as real driving range and average charging time. Finally, the regulation should cover second-hand cars and should also be made fit for the digital era and the growing amount of online sales.

3) Uptake of connected cars: protect consumer rights and ensure a fair aftermarket

Although they have the potential to offer numerous benefits for consumers and the environment, the uptake of connected and automated cars also generates a number of risks that must be managed in order to protect consumers and the wider society. One issue that deserves particular attention is access to vehicle data. The data generated by cars is key and will become even more so in the future. This is particularly true for after-market services and for a wide range of new services in complementary markets that might arise from greater connectivity (including navigation, on-board entertainment, distance assistance, etc.). Access to this data must therefore be non-discriminatory and fair to all service providers in order to stifle competition. Data protection law and the principles of privacy by design and by default enshrined in the General Data Protection Regulation must always be fully respected. Considering the current debates on these issues and the concerns arising from the 'extended vehicle' model currently proposed by the car industry, we call upon the Commission to adopt legislation on data access to guarantee fair and equal market access for independent service providers such as independent repairers or new mobility service providers rather than leaving this decision to car manufacturers.

4) Make alternatives to private car ownership accessible and convenient for consumers

In order to make our mobility more sustainable and efficient, people should also be able to rely on a much more **multimodal transport system**. Alternatives to private car ownership have been insufficiently developed. Investments in public transport and multimodal transport solutions should

be increased, and more efforts should be made to improve convenience for consumers. For instance, passengers who choose more environmentally-friendly solutions such as multimodal journeys – like the combination of a train and a flight instead of two flights – lack continuous protection throughout their entire journeys. To address this, the Commission should develop **a new law that better protects EU passenger using multimodal transport** and gives them legal certainty regarding their rights. The European Commission should also enable EU-wide integrated ticketing and payment systems, by which a consumer would be able to book a multimodal trip involving different modes of transport and operators via a single platform. For this, the Commission could for instance reopen the **Delegated Regulation 1926/2017 of the Intelligent Transport Systems Directive** or even envisage new legislation on integrated ticketing.

5) Ensure the protection of EU passengers and enforcement of their rights

Last but by no means least, EU passengers must be well protected and their rights must be enforceable no matter which mode of transport they choose. **The current revision of rail passenger rights** is unfortunately moving in the wrong direction. At a time when 'cleaner' modes of transport should be promoted and made attractive for people, the position recently adopted by the Council would significantly reduce rail passenger protection. We urge the European Commission to do its utmost to ensure that the upcoming trialogue does not end in a reduction of current passenger rights. Concerning **air passenger rights**, the Commission is currently evaluating the situation with regard to the still pending review of the air passenger rights regulation. We underline that air passenger rights are increasingly under pressure and that consumers suffer from a blatant deficit in enforcement. We hope that you will work to improve this situation.

The way forward

We know that you will have a busy agenda, but we hope that you will find the time to meet with us. We would be very interested in hearing your reaction to our proposals and would like to tell you more about the expectations of European consumers for a better mobility system. Please count on our input if you ever need information about the consumer perspective in your policy area.

Yours sincerely,

Monique Goyens Director General

Ursula Pachl Deputy Director General

Encl.: An EU that keeps working for consumers – BEUC proposals for the 2019-2024 European Commission