



Brussels, 14 September 2023

Re: Call for better CO2 regulation to safeguard the good functioning of mobility networks and logistics chains

Dear Members of the European Parliament,

IRU and CLEPA, representing the road transport and automotive supplier sectors, call for your support to preserve essential technology options under the new CO₂ standards proposal.

The heavy-duty road transport sector is vital for the sustainable transport of people by collective means of transport and the security of supply chains. Today, a variety of liquid and gaseous fuels provide energy security for highly resilient and flexible heavy-duty transport and logistics chains, as well as for the functioning of a reliable interurban and regional mobility network. To decarbonise road transport, a technology-open approach that allows for the coexistence of various vehicle propulsion systems is critical for the efficient operation of the single market, including for emergency responses to all types of crises.

Consequently, the performance of the future EU road transport sector will very much depend on the technology options allowed by the CO₂ standards regulation, as well as the enabling conditions required to successfully decarbonise the sector.

Technology openness can be achieved by the following approach in the CO₂ regulation standards:

1. Leave adequate space for carbon-neutral fuels in heavy-duty vehicles (HDVs) as a long-term solution for sustainable road transport alongside electrification and hydrogen

Most trucks and coaches sold today (about 350,000 new HDVs sold per year and about 7 million HDVs on the road) have an internal combustion engine.

In goods transport, which has a total fleet of over 6.2 million HDVs in the EU, about 75% (equalling approximately 2 million vehicles) are used in long-haul goods transport. With these vehicles, transport operators and drivers ensure the security of vital supplies across the EU, including on major south-north and east-west food corridors. Most of these vehicles weigh up to 76 tonnes. A massive switch in the near future from the 1,500km driving autonomy of 40-tonne vehicles propelled by combustion to an electric vehicle autonomy of 300km, with uncertain charging infrastructure and grid availability, will pose serious risks, at the very least on some long-haul routes.

Our call for a pragmatic solution

The CO2 standards should give adequate space for all technologies that achieve carbon neutrality. Alongside recognising the zero-emission vehicle status¹ of hydrogen and electric-battery technologies, carbon-neutral fuels should be equally accepted. This can be achieved in the regulation by:

- Setting reasonable targets and deadlines for fleets with carbon dioxide-emitting vehicles, thus providing time to adapt to new technologies and enabling the market for carbon-neutral fuels to develop its growing potential.
- **Introducing** a carbon correction factor to adjust vehicle CO₂ emissions for compliance, considering GHG intensity and the share of carbon-neutral fuels.

¹ In line with the definition proposed by the European Commission in Art. 1 (3) (g) (11) (a).

2. Implement essential enabling conditions to achieve ambitious CO₂ targets and ensure timely assessment of the legislation's effectiveness

In order to achieve the proposed targets, it is fundamental to ensure that the necessary enabling conditions are established in a balanced way across the EU. Enabling conditions, serving as a precondition for a comprehensive adoption of zero-emission technologies, include the security of carbon-neutral energy supply, charging and refueling infrastructure, and the availability of mature and affordable vehicle technologies.

A review needs to take place at least two years prior to the European elections to allow for a potential revision of the CO2 emission reduction targets to pass the co-decision procedure during the same legislative period. A review clause is needed as of 2027 to ensure feasibility of the targets and to unlock the successful deployment and uptake of zero-emission HDVs.

3. Exempt high-capacity vehicles from the targets

High-capacity vehicles (generally vehicles weighing over 40 tonnes and/or longer than 18.75 metres) should not yet be subject to CO2 emission targets as the current technologies available for zero-emission vehicles are not suitable for operations with such large vehicles. The specific characteristics of these vehicle combinations and their positive impact on energy efficiency should be accurately considered in any emission calculation.

4. Include new vehicle groups to the CO₂ emission reduction targets for heavy-duty vehicles

We support the Commission's proposal to add additional vehicle groups to the scope of the CO2 reduction targets. The inclusion of self-propelled vehicles with zero-emission technology, for example eTrailers, could accelerate the development of cost-effective technologies available on the market.

5. Support regional passenger transport by reshuffling bus and coach targets

Buses performing intercity transport should be subject to the same emission reduction targets as coaches, as their profiles are more aligned with them than with urban heavy buses. Intercity passenger transport plays a vital role in connecting urban areas and cities, e.g. for vulnerable social groups.

Call for options and safe choices

Considering the arguments above, IRU and CLEPA call for the full and equal recognition of carbon-neutral fuels and hydrogen combustion in HDV CO2 regulation standards as viable long-term solutions alongside electrification and hydrogen. For a well-functioning and stable EU mobility and logistics sector, we urge the EU to allow transport companies to decide which technology is the most suitable for the various types of operations to achieve our common goal: carbon neutrality.

Signatories

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IRU is the world road transport organisation and the voice of one million transport operators in the European Union, connecting societies with safe, efficient and green mobility and logistics.

<u>CLEPA</u>, the European association of automotive suppliers, brings together well over 100 of the world's most prominent suppliers for car parts, systems and modules and more than 20 national trade associations and European sector association.