

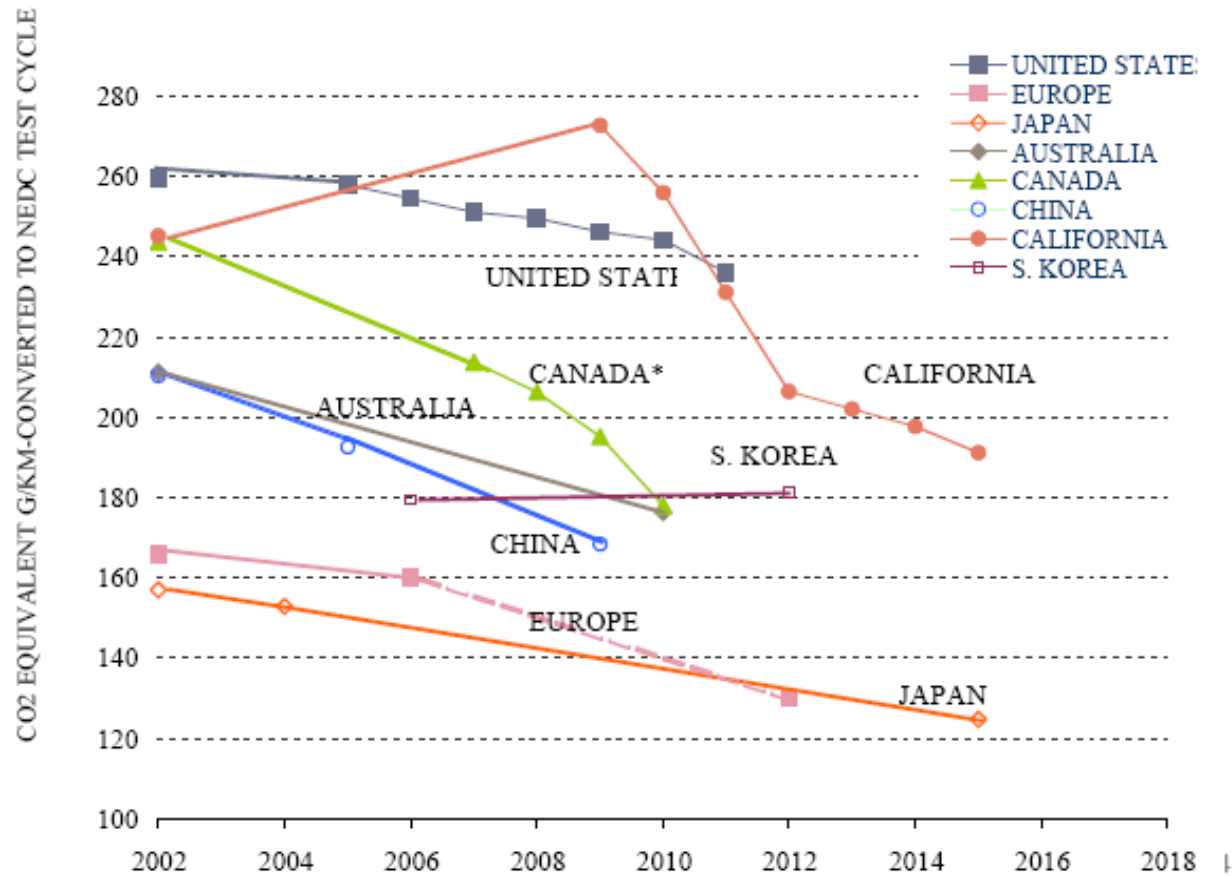


European Commission proposal for a Regulation on CO₂ and cars

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European Commission**



A global comparison

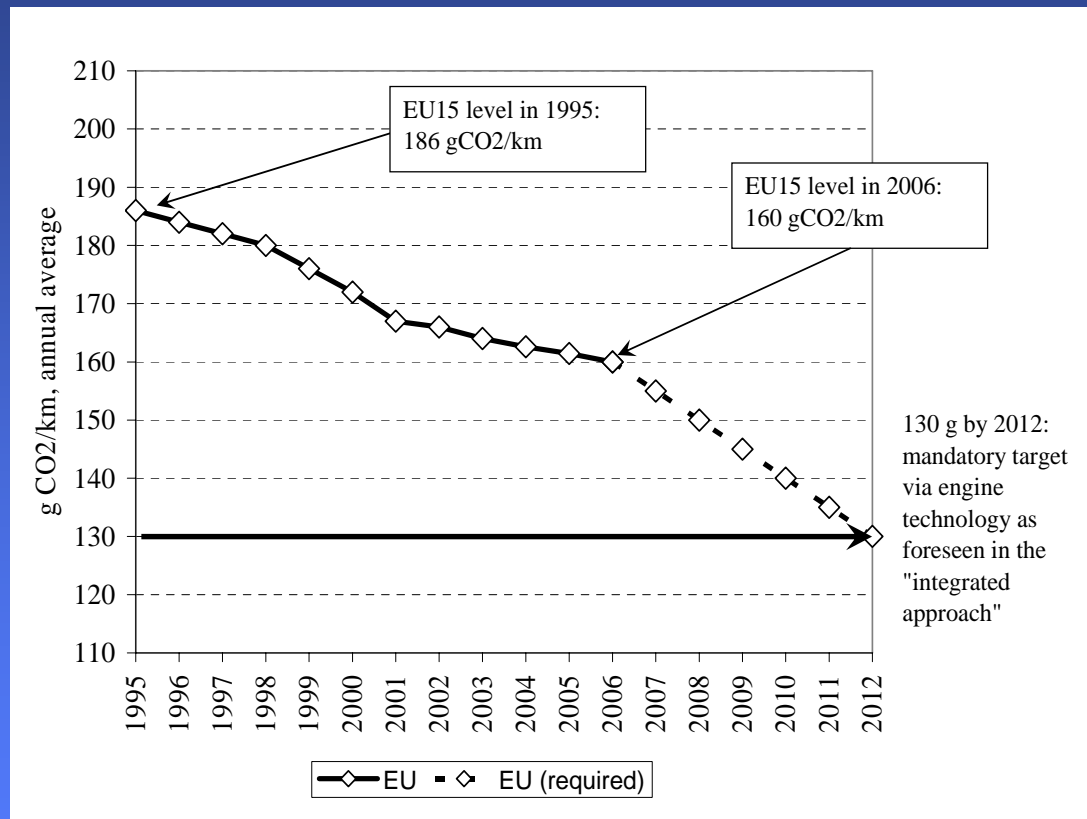


Source: International Council on Clean Transportation



Voluntary commitments

- **ACEA: Feb.1999, target date 2008**
- **JAMA, KAMA: April 2000, target date 2009**
- **Objective 140 gCO₂/km (ca 5.8 l petrol/100 km or 5.25 l diesel/100 km)**





Revised CO₂ and cars strategy

COM(2007)19

- **120 g delivered in 2012 through an “integrated approach”.**
 - a) **130 g on the vehicle side;**
 - b) **10 g through additional measures on car components (tyres, airco etc.) and increased use of biofuels.**
- **Legislation**



Revised strategy on CO₂ and cars strategy (4)

- **Review in 2010 to assess potential for progress beyond 120g/2012**
- Long-term vision
 - R&D further promoted towards advanced CO₂ reduction technologies, with a view to analysing the possibility of setting **more ambitious objectives beyond 120 g CO₂/km at a later stage**
 - The Commission will support research efforts towards reaching the ERTRAC research target of *“Improvements in vehicle efficiency [that] will deliver as much as a 40% reduction in CO₂ emissions for passenger cars for the new vehicle fleet in 2020”*.

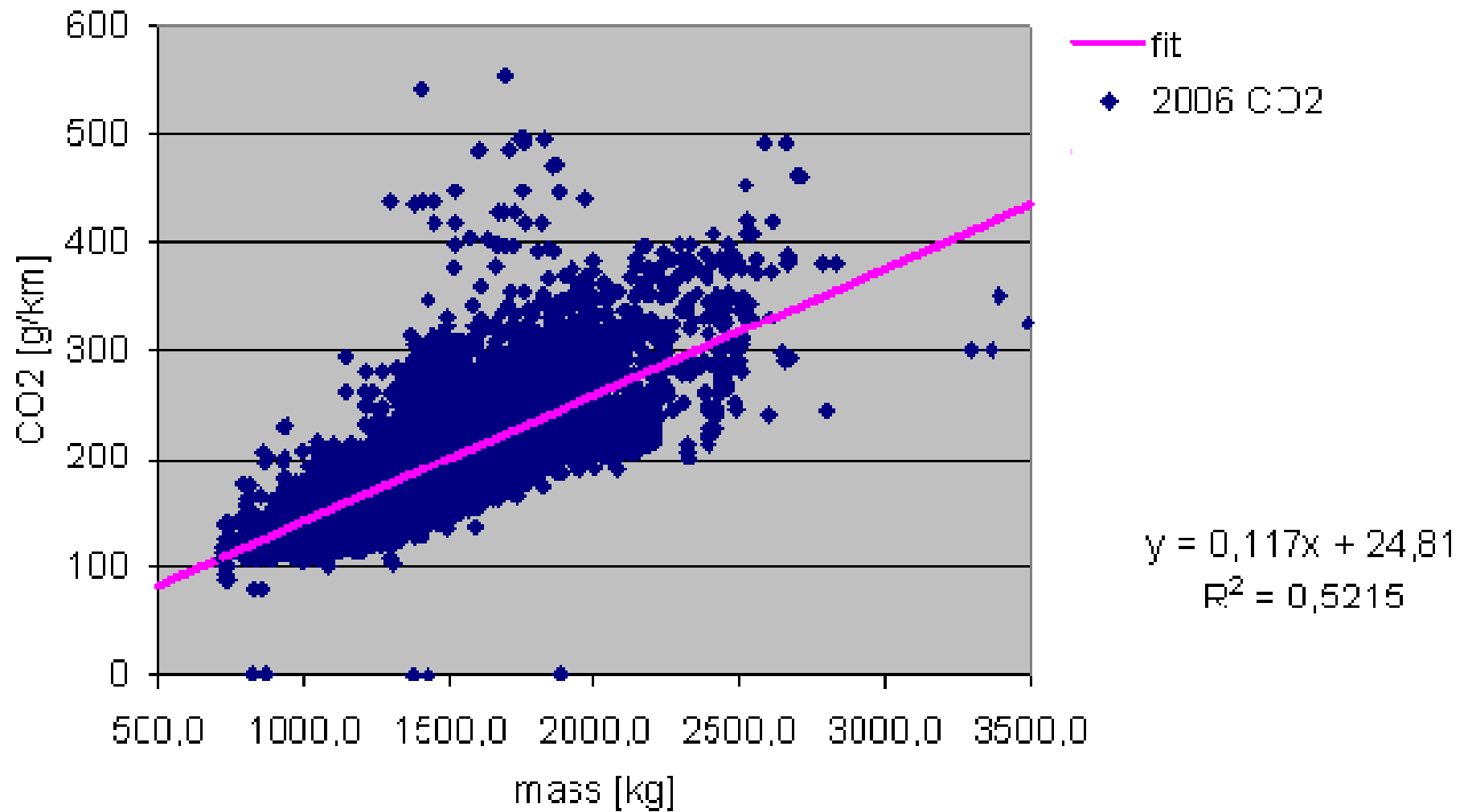
This would correspond to a new car fleet average of **95 g/km**.



Preparing the legislation...

- **Legislation to be designed:**
 - To ensure competitively neutral, socially equitable and sustainable reduction targets
 - Equitable to the diversity of European car manufacturers
 - Avoid any unjustified distortion of competition
 - Compatible with the achievement of Kyoto

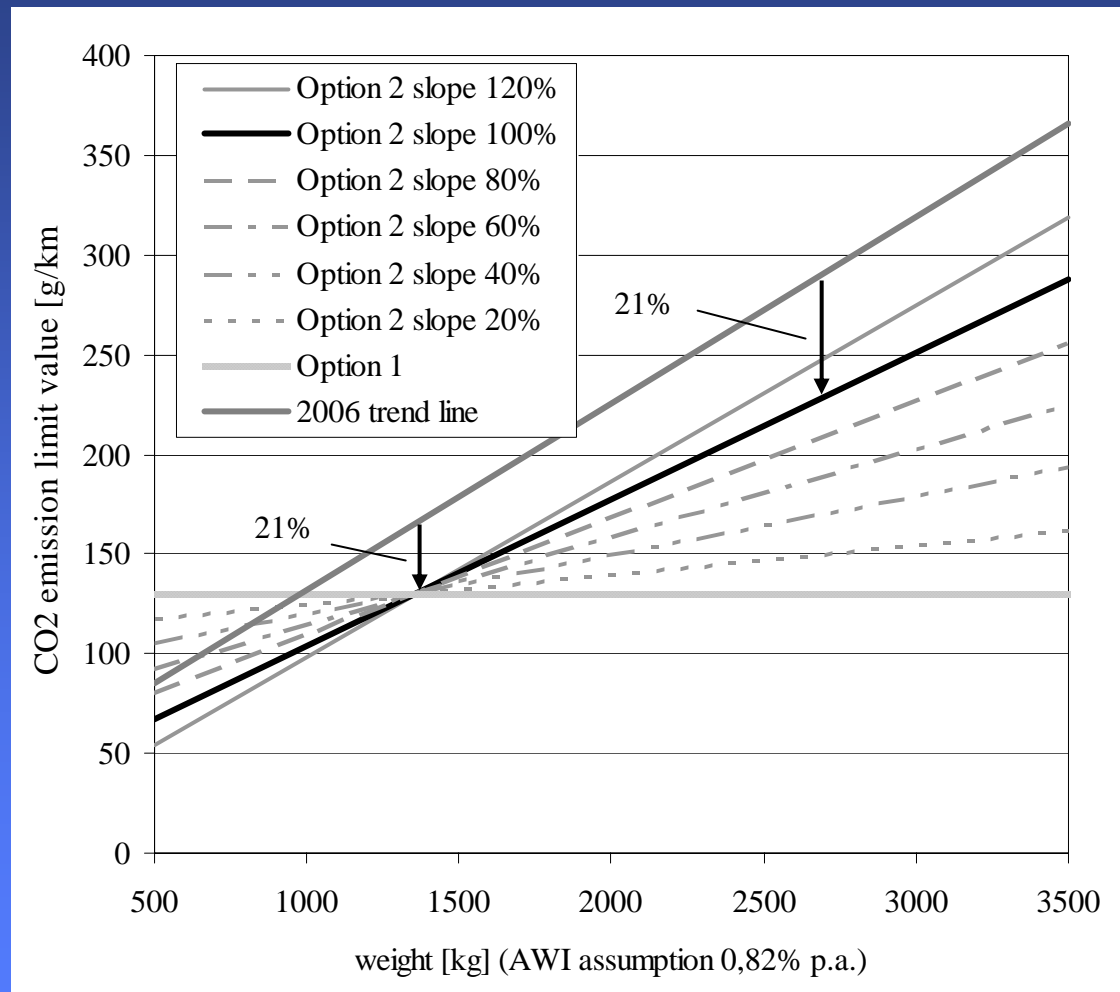
2006 CO2 vs mass





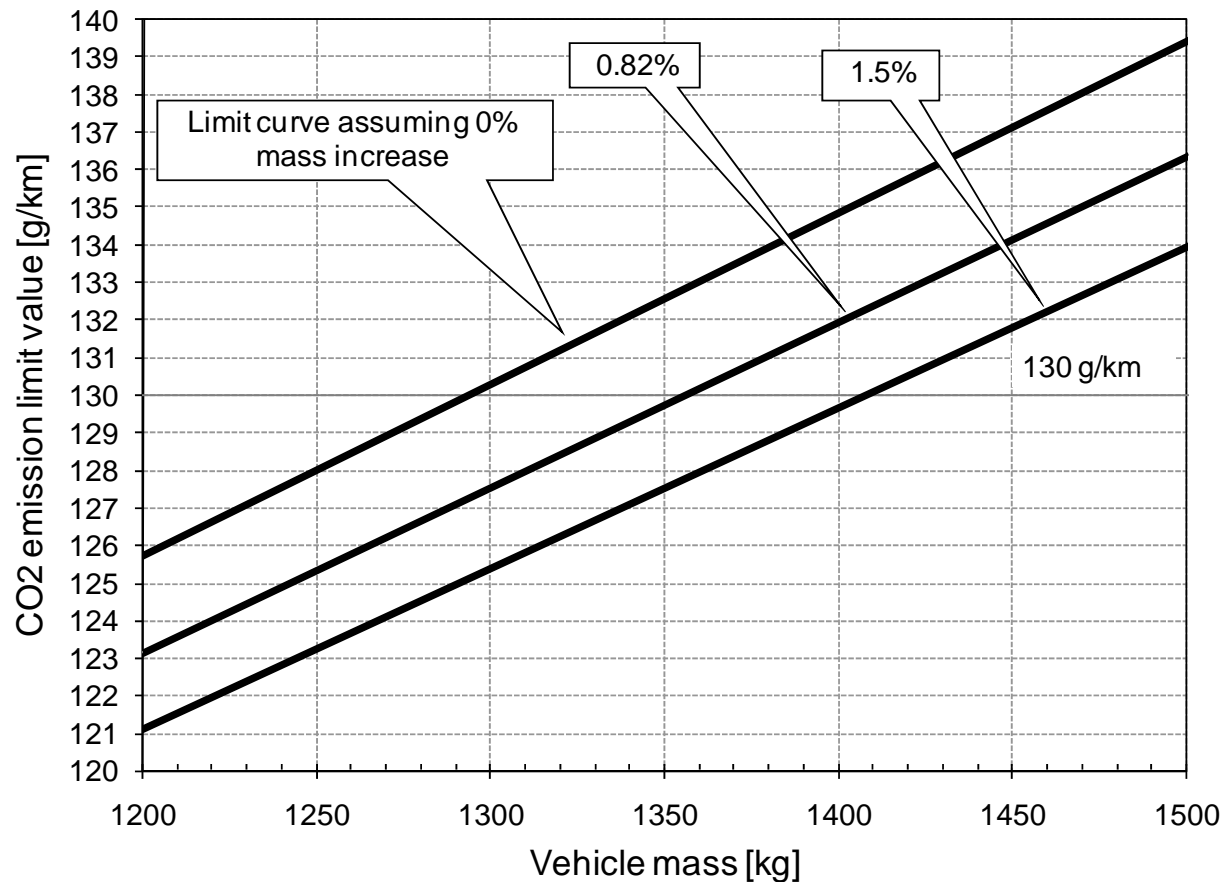
Determining the limit value curve

- Starting point: 2006 trend line
- Scale the curve to achieve 130g/km no average in 2012: this is the “100% curve”
- Consider Option 1 (uniform target) as “0% curve”
- Slope can be varied by applying different % values





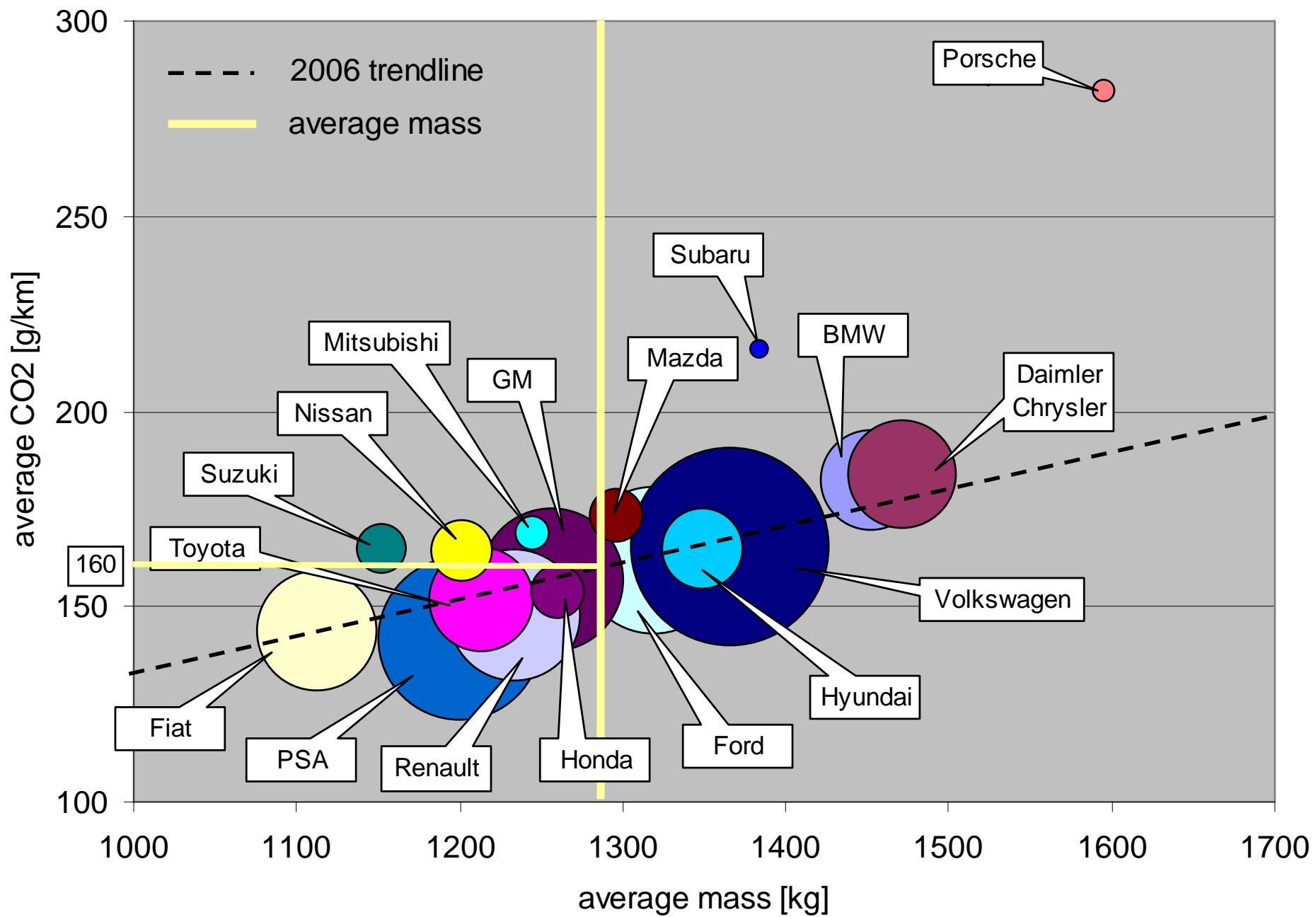
The impact of autonomous mass increase on the limit value curve





Choice of the slope of the curve

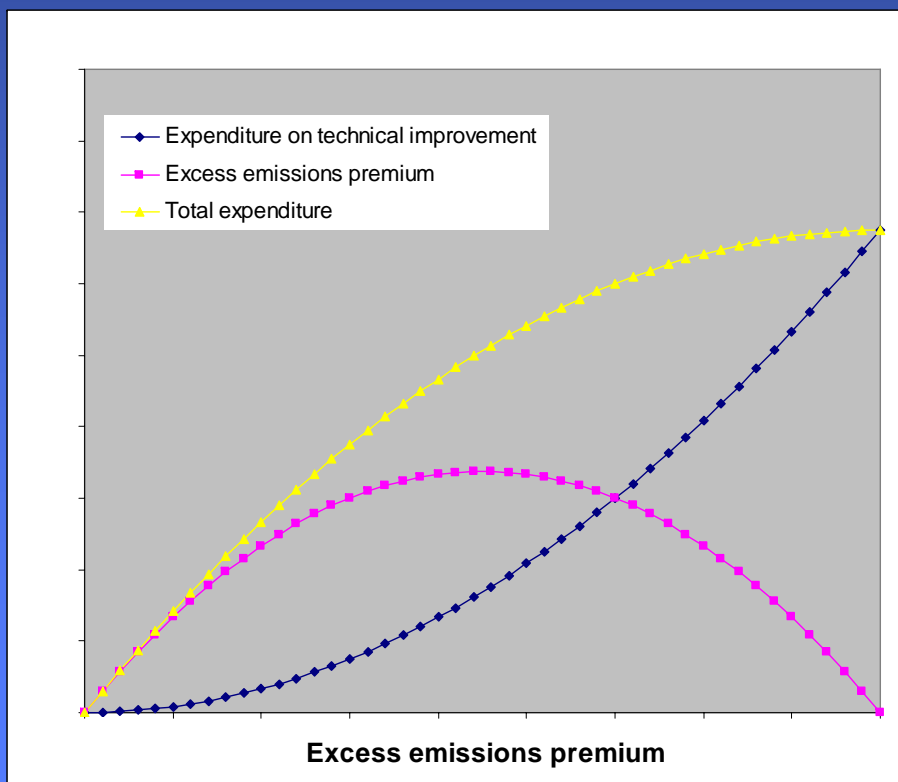
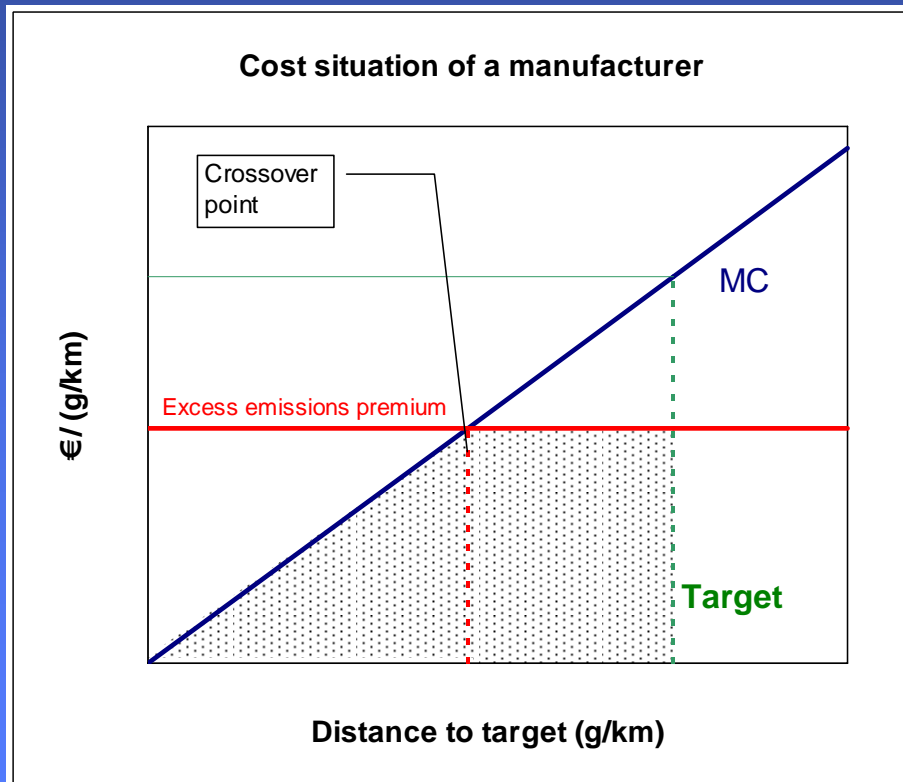
- **Environmental: ensure delivery of the target**
 - Slope needs to remain well below 80% in order to avoid perverse incentive to increase mass
- **Competitive neutrality between firms**
 - Lower slope favours manufacturers with an average mass lower than M_0
 - Higher slope favours manufacturers with an average mass higher than M_0
- **Chosen slope: 60%**





Ensuring compliance

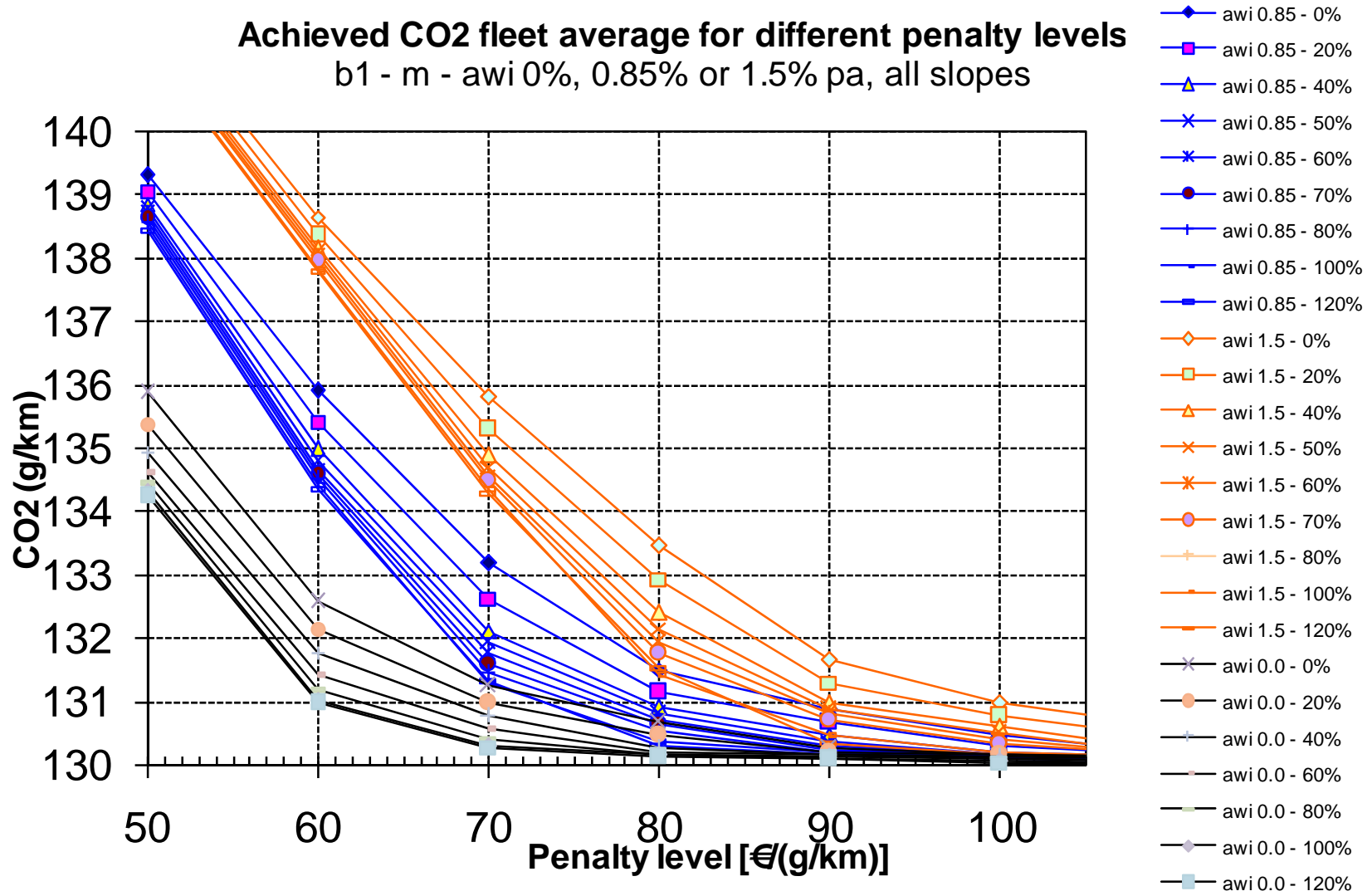
- **Excess emissions premium from the perspective of an individual manufacturer**





Choice of the level of the excess emissions premium

Achieved CO2 fleet average for different penalty levels
b1 - m - awi 0%, 0.85% or 1.5% pa, all slopes





The proposed Regulation

- Adopted by the Commission on 19 December 2007
- Establishes emission performance standards for new passenger cars
- Ensures that the average CO₂ emissions from new passenger cars (as measured through type-approval) will be limited to 130g/km from 2012



Scope

- **The Regulation would apply to vehicles which meet the following conditions:**
 - Fall with in category M1 as defined in Directive 2007/46/EC
 - Have a reference mass not more than 2610kg (or are the subject of an extension of type approval in accordance with Regulation 715/2007) and
 - Are registered in the Community for the first time and has not previously be registered outside the Community for more than 3 months
- **The Regulation would not apply to special purpose vehicles.**



Manufacturer's Obligation

- **The Regulation would set targets for specific emissions of CO₂ from new passenger cars as a function of their mass (calculated in accordance with Annex I)**
- **Each manufacturers would be obliged to ensure that the average emissions from its new passenger cars do not exceed the average of the targets for those cars.**



Limit value curve (Annex I)

$$\text{Permitted specific emissions of CO}_2 = 130 + a \times (M - M_0)$$

Where:

M = mass of the vehicle in kilograms (kg)

$M_0 = 1289.0 \times f$

$f = (1 + AMI)^6$

Autonomous mass increase (AMI) = 0 %

$a = 0.0457$



Flexibility: pooling

- **The proposal provides for the possibility for manufacturers to form a pool in order to meet their targets.**
- **Where two manufacturers form a pool they will be treated as if they are one manufacturer for the purpose of assessing compliance with the Regulation.**



Procedure & conditions for pooling

- **Agreement can be for up to 5 calendar years**
 - **Must be entered into before 31 December prior to the year the pool will start**
 - **Manufacturers must inform the Commission indicating which manufacturers are in the pool and nominating one manufacturer as the pool manager and must notify any changes.**
 - **Agreement must respect competition rules**
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Derogation for small independent manufacturers

- **Specialist derogation available to manufacturers which are:**
 - **responsible for less than 10,000 new passenger cars per year**
 - **not connected to another manufacturer**
 - **Specific emissions target would be set for the manufacturer consistent with its reduction potential, including technological potential to reduce its specific emissions**
 - **Applications must be made to the Commission for a maximum of 5 years**
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Monitoring and Reporting

- **Builds on procedure used to monitor voluntary agreements and from 2010 will replace existing monitoring decision**
- **Member States will continue to be required to collect data on new cars registered and report it to the Commission**
- **The Commission will then calculate whether each manufacturer has met its target.**



Reporting timetable

- **2010+ - MS collect data on registrations**
- **28 Feb – MS report data to Commission for preceding year**
- **30 June - Commission provisionally calculates for each manufacturer target, specific emissions and over/under-achievement**
- **31 August – comments from manufacturers**
- **30 Sept – Commission confirms calculations**
- **31 Oct – Commission publishes manufacturers performances**



Excess Emissions Premium

- **Manufacturers which fail to meet their targets will be subject to an excess emissions premium**

- **Calculation:**

Excess emissions x no of vehicles registered x excess emissions premium

- **Premium will be paid to the Commission**
 - **Details of payment procedure to be set out in Comitology Regulations**
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Level of Premium

- **Staggered introduction of excess emissions premium over first four years:**
 - **2012: 20€ per (g/km)**
 - **2013: 35€ per (g/km)**
 - **2014: 60€ per (g/km)**
 - **2015+: 95€ per (g/km)**



Review and report

- **In 2010 the Commission will:**
 - review progress on the implementation of the integrated approach
 - Consider whether there has been a change in the mass of cars and if so amend the figure for autonomous mass increase in Annex I to be the average of any increase.
- **In the longer term the Commission will consider how the type approval process should be amended to take into account technological developments**