
POST 2020 CO₂ TARGETS FOR HEAVY DUTY VEHICLES

On 14 November, the European Parliament adopted its negotiating mandate on the Commission's proposal for CO₂ standards for new heavy-duty vehicles¹. UPEI welcomes the initiative to introduce CO₂ standards for the sector for the first time but fears that the position of the European Parliament may undermine broader efforts to cut transport emissions.

For the legislation to achieve its desired impact it needs to be ambitious but also achievable. Whilst vehicle manufacturers are in the front-line, the level of ambition will require a concerted and collective effort from other economic sectors, including the fuel supply sector and its customers.

The legislation must not only spur further improvements in vehicle technology but must also send the right signals to developers who are working on solutions that can be applied to future technologies as well as *existing* ones – this concerns ongoing developments in fuel technology, including the possibility to electrify the freight transport sector through e-fuels. If this aspect is ignored, Europe risks missing an important opportunity to decarbonise the HDV transport sector, with a 12 year average age of the EU heavy commercial vehicles fleet.

Following the Parliament's vote, UPEI would like to emphasise the fuel supply sector's commitment towards decarbonised transport. While they persevere in the mitigation of the impact of conventional transport fuels, the members of UPEI keep driving the market uptake of alternative powertrains.

In order to fully exploit the potential of these emerging markets, UPEI believes that legislation should not bet on single solutions but should rather encourage the use of all fuels that demonstrate the capability to cut emissions. Abrupt or artificially-driven promotions of single technologies would not only severely distort the market, but would also slow down the current progress towards a greater availability of lower-emissions alternatives such as sustainable biofuels, synthetic fuels, etc.

Moreover, future-proof legislation must allow for emerging alternatives that offer better propositions to the market in terms of affordability (total costs of ownership or usership, including both fuel and vehicle) and contribution to improving the climate and environmental performance of transport (lower emissions).

In this context, UPEI welcomes the European Parliament's recognition of the contribution of natural gas (bio LNG and bio CNG) in the computation of average fleet emissions. However, UPEI regrets that this approach has not been adopted for all renewable transport fuels that comply with the sustainability criteria under the RED II. The divergence between the European

¹ Proposal for a Regulation of the European Parliament and of the Council setting CO₂ emission performance standards for new heavy-duty vehicles (COM(2018)0284 – C8-0197/2018 – 2018/0143(COD))

Commission and the European Parliament on the level of ambition and the approach on Zero and Low Emission Vehicles (ZLEVs) gives cause for concern.

Similarly, UPEI stresses the need to take account of the market availability and actual technological maturity of alternative fuels when reviewing the reduction target in 2022, as intended in the European Commission's original proposal.

UPEI calls on national governments to address these issues in their common position, in order to deliver a legislative framework which is coherent with other legislation – notably the Directive on Alternative Fuels Infrastructure and the Renewable Energy Directive – and enables all technologies to contribute to the ambitious targets and cut emissions in the challenging transport sector.

UPEI and its members will continue playing a pivotal role in the transition towards more sustainable mobility, and as such will further support efficient, balanced and ambitious policy-making.

Contact: Yvonne Stausbøll, Secretary General | +32 2 7402020 | info@upei.org

UPEI represents nearly 2,000 European importers and wholesale/retail distributors of energy for the transport and heating sectors, supplying Europe's customers independently of the major energy producers. They are the interface between producers and consumers, using their own infrastructure and flexibility to supply existing demand for conventional and renewable liquid fuels, as well as non-liquid alternatives as part of the energy transition. They cover more than a third of Europe's current demand. The organisation brings together national associations and suppliers across Europe.

Independent fuel suppliers bring competition to Europe's energy market and are able to respond rapidly to changes affecting supply, contributing to security on a local, national and regional level. They have developed and maintain a comprehensive infrastructure for the sourcing, storage and distribution of transport and heating fuels, with a commitment to delivering a high-quality service to all consumers, including those in remote areas.

Since 1962 UPEI has been advocating for a level playing field and fair competition to ensure an affordable, sustainable and secure energy supply for Europe's consumers. Today, in the context of the transition to a low carbon economy, UPEI and its members are also addressing the challenges of adapting the product range and meeting consumer demand through market-oriented solutions.

With its strong track record in pioneering the supply of renewable fuels in the EU, UPEI's members remain committed to delivering and embracing new, cost effective solutions which further promote energy efficiency and reduce pollutants and emissions.