

Newsletter

February - March 2019

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CO2 emission standards for new passenger cars

After the interinstitutional trialogue negotiations on new regulations to reduce CO2 emissions from light vehicles (passenger cars and light commercial vehicles) ended on 17 December, the provisional agreement was approved by the Parliamentary Committee on the Environment (ENVI) on 27 February. The vote in plenary is expected to take place in March.

On 16 January, the EU ambassadors of the member states in the Council also approved the agreement. Preliminary agreements reached in trilogues are informal and therefore need to be approved following the formal procedures of both institutions (Parliament and Council). Any provisional agreement reached in trilogues is informal and must therefore be approved in accordance with the formal procedures in force in each of the two institutions. In Parliament, the text of the provisional agreement must be adopted by a vote in committee and then confirmed in plenary. Formal adoption of the new rules will take place before the summer.

Summary:

	2025	2030
European	15%	30%
Commission		
European Parliament	20%	40%
Council of the EU	15%	35%
Compromise	15%	37.5%

Overview - CO2-emission reduction targets (cars)

The agreement now stipulates that CO2 emissions from new cars must be reduced by 15 percent by 2025 and by 37.5 percent by 2030. Thus, the value of the 2025 interim target is similar to that of the Commission's original proposal and that of the Council's General Approach. Parliament argued for a 20 percent reduction by 2025, but the 2030 target is a prime example of compromise between the Council and Parliament. The negotiators agreed on the

golden mean. However, it is 7.5 percent higher than the original Commission proposal.

Currently, the EU-wide average for new cars in 2021 is not to exceed 95 grams of CO2 per kilometer. From this value 2021 the reduction of the CO2 values is calculated. The most recent EU average was 118.5 grams.

In addition to the CO2 targets, Member State and Parliament negotiators agreed on an incentive system for low-emission and zero-emission vehicles (>50 grams of CO2 per kilometer) in countries where sales were low. A bonus multiplier of 0.7 applies to these countries in order to increase the number of clean cars. If the share of low-emission and zero-emission vehicles reaches 5 percent of a country's fleet, the multiplier ends.

During the negotiations, this section in particular provided material for discussion. The Council actually envisaged a double counting of low-emission and zero-emission vehicles in those EU Member States whose turnover is below 60% of the EU average (2021). This scheme would have allowed car manufacturers to choose where to register their low-emission and zero-emission vehicles. As a result, manufacturers could register their cars in a double-counted country, but then shortly afterwards sell them in another country with a larger market.

However, Parliament suffered a setback with the introduction of a malus to penalize car manufacturers who do not supply enough zero-emission and low-emission vehicles. This was blocked by the Council and the Commission.

Small car manufacturers producing less than 300 000 cars per year will be exempted from all regulations until 2028.

Further Links:

- Council's general approach
- Statement to the minutes by "disappointed Member States"
- Euractiv on the triogue
- Analysis by Transport & Environment
- Euractiv: Transport and the EU's 2050 climate future

German Car Toll

After Austria filed a complaint against Germany before the European Court of Justice on 12 October 2017 concerning the planned German car toll, Advocate General Nils Wahl declared the planned toll to be legal.

As the primary plea, Austria stated 'indirect discrimination on grounds of nationality through the compensation of the infrastructure charges by means of tax relief for owners of cars registered in Germany.' Since German drivers are relieved by the reduction of the motor vehicle tax, only foreign drivers would in fact be burdened by the infrastructure levy.

In his Opinion of 6 February 2019, however, Advocate General Nils Wahl argued that the plans of the German infrastructure levy were legal and recommended that the judges reject Austria's complaint. Wahl states that Austria's complaint is based on a 'fundamental misunderstanding of the concept of "discrimination".'

The Opinion of the Advocate General is to be understood as a recommendation to the Judges. They do not have to comply with the opinion.

Further Links:

- Case C-591/17
- Opinion of Advocate General
- Euractiv: German car toll and deportation law stokes EU criticism in Austria

General Vehicle Safety

On 21 February 2019, the Parliament's Internal Market Committee (IMCO) approved a set of rules to make several advanced safety features standard equipment in different categories of vehicles, namely: (1) intelligent speed assistance; (2) alcohol interlock installation facilitation; (3) driver drowsiness and attention warning; (4) advanced driver distraction warning; (5) emergency stop signal; (6) reversing detection; (7) accident data recorder; emergency-braking system; (8) lane-departure warning system; and (9) tyre pressure monitoring system. These safety

features shall become mandatory in all vehicles sold in the EU.

The IMCO Committee stressed that manufacturers have to ensure that the features are accepted by consumers and made clear and transparent in their functionality. Given the increasing connectivity, vehicles and internal systems must be protected against cyberattacks. Concerning data privacy, the MEPs emphasized that accident data recorders must operate on a 'closed loop system', whereby the data stored is overwritten, and which does not allow the vehicle or driver to be identified.

The IMCO Committee also sees these new mandatory safety features and systems as an important step to increase general trust in such technologies with regard to increasing autonomous driving.

The plenary of the European Parliament will vote on 11 March. Negotiations with the Council can then begin.

Further Links:

Procedure file

Calendar

Meeting Dates

Council

Transport, Telecommunications and Energy 04/03/2019

Council

Competitiveness Council 27/05/2019

Council of Justice and Home Affairs 07/03/2019

Council of Environment 05/03/2019

<u>Plenary</u> 11-14/03/2019 (<u>Agenda</u>)

Committees

Environment (ENVI) 14/03/2019 (Agenda, tba)

21/03/2019 (Agenda, tba)

Internal Market / Consumer (IMCO) 04/03/2019 (Agenda)

Justice & Home Affairs (LIBE) 11/03/2019 (Agenda)

Transport (TRAN) 04/03/2019 (Agenda)

- Item 8: Road infrastructure safety

management

- Item 14: Scrutiny: Presentation by the Commission of draft Delegated Act on specifications for Cooperative Intelligent

Transport Systems

Events (Brussels)

06/03/2019 The European Road Transport Conference

EAC-Events

18-20/03/2019 EAC-Spring Meeting 2019 in Banja Luka 19-21/11/2019 EAC-Fall Meeting 2019 in Brussels