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Impact Assessment on Heavy Duty Vehicles (HDV) CO₂ emission standards

Fields marked with * are mandatory.

Impact Assessment on Heavy Duty Vehicles (HDV) CO₂ emission standards

The July 2016 Commission's strategy for low-emission mobility recalls that mobility is an essential component of the shift to the low-carbon, circular economy needed for Europe to stay competitive and be able to cater to the mobility needs of people and goods. The strategy set the ambition for the transport sector to reduce greenhouse gas emissions at least by 60% compared to 1990 by mid-century and be firmly on the path towards zero. Action on vehicles' fuel/CO₂ emission performance is one of the key levers to tilt the transport sector in the right direction.

The 2030 climate and energy framework agreed by EU Heads of State and Government in October 2014 requires a 30% reduction in non-ETS sector GHG emissions by 2030 compared to 2005. Road transport represents 1/3 of the non-ETS GHG emissions and heavy-duty vehicles contribute to about 1/4 of road transport emissions and some 5% of total EU GHG emissions.

The May 2014 Strategy Communication on reducing HDV fuel consumption and CO₂ emissions (<u>COM</u> /2014/0285) emphasises the importance of closing the knowledge gap regarding the CO₂ emissions of lories and buses with a view to improving market transparency.

The July 2016 Strategy for low-emission mobility furthermore announced that there is a need to curb CO₂ emissions from HDVs.

On 11 May 2017 the Technical Committee for Motor Vehicles has approved under type approval legislation a certification procedure for the determination of the CO₂ emissions and fuel consumption of new HDVs, using the results from <u>VECTO simulations</u>, which has been developed by the European Commission since 2010. HDV manufacturers will have to run VECTO at the end of the production line and declare such information at the time of registration as of 2019.

On 31 May 2017, as part of the Europe on the Move set of initiatives, the Commission adopted a proposal for the monitoring and reporting of such HDV CO₂ emissions and fuel consumption. The data collected will be made publicly available by the European Environment Agency, starting in 2020 to cover data monitored in 2019.

This <u>inception impact assessment</u> will look into different options for setting the first EU measures to actively curb CO₂ emissions from HDVs, including CO₂ emission standards.

It should be noted that EU manufacturers account for some 40% of global production. Furthermore, other parts of the world, such as the United States, China, Japan and Canada, have already introduced HDV fuel economy standards, and some European manufacturers participate in these schemes.

For the purposes of the present consultation the term HDV should be understood as including (For the definition of vehicle categories see Directive (EC) 2007/46, Annex II, part A):

- goods vehicles of categories N2 and N3 and
- passenger vehicles of categories M2 and M3 and
- all trailers of categories O3 and O4.

The Commission is carrying out this consultation in order to be properly informed by public opinion in preparation for possible future legislative action in the area of CO₂ emissions from HDVs, the results of which will be published in consolidated form.

Parts 1 to 5 of this consultation are intended to be completed by every respondent to the extent possible. Part 6 is mainly intended for experts in the field but of course every respondent may complete it as he wishes.

If data, other information or studies are available which are relevant to the assessment, these can be submitted as part of a stakeholder's general comments or directly to the mail box.

1. General information about respondent

* 1.	.1. In what capacity are you completing this questionnaire?
	Professional organisation

1.3. If professional organisation

*1.3.1. Please indicate the sectors your organisation represents

Other organisation

* If other, please specify:

Text of 3 to 200 characters will be accepted

employers' organization

*1.3.2. Where are your member companies located?

Czech Republic

*1.5. Please give your name if replying as an individual/private person, otherwise give the name of your organisation:

Text of 3 to 200 characters will be accepted

Confederation of Industry of the Czech Republic

1.6. If your organisation is registered in the <u>Transparency Register</u>, please give your Register ID number: *20 character(s) maximum*

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If your organisation is not registered, you can <u>register now</u>. Please note that contributions from respondents who choose not to register will be processed as a separate category 'non-registered organisations/business'.

*1.7. Please give your country of residence/establishment:

Czech Republic		
OZCCIT Flopublic		

1.8. If your organisation is involved in the implementation of the HDV legislation, please indicate its role (e. g. manufacturer, system supplier, technical service,...):

20	0 character(s) maximum			

- *1.9. Please indicate your preference for the publication of your response on the Commission's website: (Please note that regardless of the option chosen, your contribution may be subject to a request for access to documents under Regulation 1049/2001 on public access to European Parliament, Council and Commission documents. In this case the request will be assessed against the conditions set out in the Regulation and in accordance with applicable data protection rules.)
 - Under the name given:
 I consent to publication of all information in my contribution and I declare that none of it is subject to copyright restrictions that prevent publication
 - Anonymously: I consent to publication of all information in my contribution and I declare that none of it is subject to copyright restrictions that prevent publication

Questions

The questions below are based on the initial analysis carried out by the Commission and presented in its Inception Impact Assessment to which you may refer for further background on each specific question. Fuel consumption and CO_2 emissions of Heavy-Duty Vehicles' (HDVs) are treated together as they are strongly correlated and proportional: both would be certified and monitored together.

2. Main problem to address

The following 3 key problems have been identified in the context of the Inception Impact Assessment where more detailed information can be found. In your view, how important are the problems to be addressed?

	Very important	Important	Somewhat important	Not important	l don't know/ no views
Growing GHG emissions from the heavy-duty vehicle sector	0	0	•	0	0
Increasing competitiveness challenges for vehicle manufacturers	•	0	0	0	0
Transport operators and their clients miss out on possible fuel savings and reduced fuel bills	0	0	•	0	0

Are there other key problems to be addressed?	
200 character(s) maximum	

3. The need for EU action

There is a single market for HDVs across the EU. If no EU action was taken to address the problem, Member States might adopt individual approaches to reduce HDV CO₂ emissions, in order to achieve the needed reductions for the non-ETS sector. In your view, what would be likely to happen without EU action?

	Likely	Neutral	Unlikely
Member States would individually implement legislation to reduce HDV CO ₂ emissions	•	0	0
Legislation introduced by individual Member States would lead to market fragmentation and higher costs	0	0	•
Member States would have difficulty to achieve the necessary reductions to meet EU climate goals	0	0	•

Are there other potential effects?

200 character(s) maximum

Member States would have possibility to reflect their economic force and real possibilities of HDV fleet.

4. Main policy objectives

The following 3 key policy objectives have been identified in the context of the Inception Impact Assessment where more detailed information can be found.

- 1. Reduce the climate impact of HDVs in line with the requirements of EU climate policy and the 2030 climate and energy framework.
- 2. Contribute to the improvement of the competitiveness of HDV and component manufacturers (suppliers to HDV manufacturers)
- 3. Facilitate a reduction in the total cost of ownership for transport operators, most of which are SMEs.

In your view, how important are the following policy objectives?

	Very important	Important	Somewhat important	Not important	l don't know
Reduce the climate impact of HDVs	0	0	•	0	0
Contribute to the improvement of the competitiveness of the European HDV and component manufacturers	0	0	0	•	0
Facilitate a reduction in the total cost of ownership for transport operators	•	0	0	0	0

Are there other key objectives to be reached?

200 character(s) maximum

Strict targeting research and development to CO2 emissions will not contribute to competitiveness. Fuel consumtion is already part of the TCO. Complicated techniques can increases TCO even more.

5. Form that action should take to reduce HDV ${\rm CO_2}$ emissions

Please indicate, by order of importance, your preferred options to reduce new HDVs CO₂ emissions, and contribute to the 2030 Energy and Climate Targets (with 1st being your most preferred option and 7th the least preferred)?

	1 st	2 nd	3 rd	4 th	5 th	6 th	7 th	8 th
Legislation setting HDV CO ₂ emissions targets at EU level	0	0	0	0	0	•	0	0
Legislation defining a CO ₂ labelling scheme at EU level	•	0	0	0	0	0	0	0
Use of vehicle or fuel taxes or other incentives by Member States to affect vehicle choice and use	0	0	0	0	•	0	0	0

A voluntary agreement with industry to reduce new vehicle CO ₂ emissions	0	0	•	0	0	0	0	0
Member State actions to influence vehicle choice and use in other ways such as labelling schemes based on VECTO, best practice dissemination	0	0	0	•	0	0	0	0
Development of international standards for HDV fuel economy	0	•	0	0	0	0	0	©
No action	0	0	0	0	0	0	•	0
Other option	0	0	0	0	0	0	0	0

6. Options to consider for regulating ${\rm CO_2}$ emissions of HDV

If CO₂ emissions of HDVs will be regulated by defining binding targets, the following options are considered.

6.1. Options for the basic regulatory approach

- Option A: CO₂ emission standards would be defined for the engines only.
- Option B: CO₂ emission standards for the whole vehicles, to be based on VECTO simulations
- Option C: Separate CO₂ emission standards for engines and complete vehicles

Please indicate the order of your preference (numbers 1, 2, 3) for the different options:

	1 st	2 nd	3 rd	4 th
А	•	0	0	0
В	0	0	•	0
С	0	•	0	0
Other option	0	0	0	0

Comments on your choices on options for the basic regulatory approach:

300 character(s) maximum

Engine tests are accurate and reliable under all conditions. VECTO simulations work with the declaration of conditions of use of vehicle that varies, so the certificate does not have to declare the correct value.

6.2. Options for the types of targets

- Option A: targets at the level of each individual vehicle; CO₂ emissions would be limited at the level of individual vehicles/engines (i.e. specification of limit values)
- Option B: average targets per vehicle group on the basis of the vehicles placed on the market by each manufacturer (similar approach as for cars and light commercial vehicles)

Please indicate the order of your preference (numbers 1, 2, 3) for the different options:

	1 st	2 nd	3 rd
Α	0	•	0
В	•	0	0
Other option	0	0	0

Comments on your choices on the options for the types of targets:

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6.3. Options for the timing of the targets

- Option A: fixed dates of application
- Option B: annual reduction targets

	1 st	2 nd	3 rd
А	•	0	0
В	0	0	•
Other option	0	0	0

Comments (please indicate also your suggestions for the first application date of targets as well as the quantitative annual reductions (for option B)):

300 character(s) maximum

Annual modifications would increase costs of R&D of new models. Manufacturers should have time to produce unchanged model to recover costs. Fixed date of application gives them certainity. We suggest 2025 as the first application date with changes after 3 years period.

6.4. Options for the setting of the quantitative targets

- Option A: Targets (initial values and annual reductions, if applicable) are defined ex-ante by the legislation by relative technology improvements over some baseline (as for cars and vans)
- Option B: Targets for the year y + n (n ≥1) are defined by the performance of a certain percentile of best performing vehicles in the year y ("top runner" approach) with a minimum yearly target

	1 st	2 nd	3 rd
А	0	0	•
В	•	0	0
Other option	0	0	0

Comments your choices on options for the setting of the quantitative targets:

300 character(s) maximum

Commercial vehicles are already designed with high accent to TCO and efficiency (including fuel efficiency). Other reasons are rare (different to cars). Technological improvements may affect other areas and can in practice be unusable for production.

6.5. Options for the scope of the legislation

VECTO and the underlying type approval legislation will provide certified CO_2 emission values for the four main groups of HDVs (Vehicle groups 4, 5, 9 and 10 as defined in Table 1 of Annex I of the draft Commission Regulation implementing Regulation (EU) No 595/2009 as regards the determination of the CO_2 emissions and fuel consumption of heavy-duty vehicles, which are responsible for about 65% of all HDV CO_2 emissions), which would also be addressed by the first step of regulatory binding targets. Currently VECTO provides the CO_2 emission values for these trucks only for the long haul and regional delivery mission profiles.

However, there are also a limited (between 2-10% (indicative figures to be confirmed in the IA)) number of vocational vehicles in these groups, which serve for special purposes, for instance construction sites or waste collection.

- Option A: the targets are applied to all vehicles within the 4 main vehicle groups, regardless of their use and on the basis of the long haul and regional delivery mission profiles
- Option B: Separate targets are applied to vocational vehicles within the 4 main vehicle groups, on the basis of VECTO urban, municipal and construction mission profiles

Option C: certain vocational vehicles to be specified are excluded for this first regulatory step

Please indicate the order of your preference (numbers 1, 2, 3) for the different options:

	1 st	2 nd	3 rd	4 th
А	0	0	•	0
В	0	•	0	0
С	•	0	0	0
Other option	0	0	0	0

Comments on your choices on options for the scope of the legislation:

300 character(s) maximum

Specific vehicles shall be excluded and for the rest, separate targets respecting vehicle use shall be set.

Can you suggest technical criteria for the definition of 'vocational' trucks?

200 character(s) maximum

Vehicles primarily not designed to transport cargo (crane, snow plough, road roller). Vehicles carrying cargo in heavy urban conditions (waste collection) - speed limited to 50 kmph.

6.6. Options for the metric for expressing the targets

The CO₂ emission targets will have to be formulated in terms of a certain "metric", meaning that the regulatory target corresponds to CO₂ mass emissions divided by some "transport utility parameter", e.g. mileage travelled (km), mileage travelled times weight (km x t) or volume (km x m3) transported.

- Option A: targets expressed in g CO₂/km,
- Option B: targets expressed in g CO₂/(km x t)
- Option C: targets expressed in g CO₂/(km x m3)
- Option D: targets expressed in a combination of several metrics listed in options A to C

	1 st	2 nd	3 rd	4 th	5 th
А	0	0	0	•	0
В	•	0	0	0	0
С	0	•	0	0	0
D	0	0	•	0	0

Other	0	0	0	0	0
option					

Comments on your choices on options for the metric for expressing the targets:

300 character(s) maximum

From the point of view of road traffic, it is good to encourage the use of a smaller number of large vehicles; so value expressed as the ratio of emissions to transported cargo is better. In some specific cases, the ratio to m3 is good, but pure application of mileage seems to be counterproductive.

Would you suggest any other metric for expressing the targets?

200 character(s) maximum

In case od public transport (buses) should be used other criteria - for example gram CO2 per km x passenger transported.

6.7. Options regarding mission profiles

For mainstream HDVs used for the transport of goods, VECTO simulations provide four different ${\rm CO_2}$ emission values: for a regional delivery and long haul driving pattern, each driven "empty" and a "typically full" payload. Targets may apply to each of these four emission profiles separately or as a weighted average.

	YES	NO	Neutral
Should all four mission profiles be applied to all HDVs?	•	0	0
Should the targets be defined for each mission profile separately?	0	•	0
Should the targets be compared with a weighted average of the mission profiles?	•	0	0

If yes on the last question, how should the mission profiles be weighted?

200 character(s) maximum

Empty runs should be prevented for their inefficiency; there are possibilities how to improve transport efficiency more than by CO2 decrease of a vehicle.

If you think that the weighing of the mission profiles should depend on some technical characteristics of the vehicles, please explain and suggest these characteristics:

200 character(s) maximum

Vehicles designed for regional delivery shall have some weight for "empty" régime, as assurance of loading of delivery trucks for every travel is more difficult than those of long haul.

6.8. Options regarding utility parameters

Any future legislation defining targets aims at achieving a certain level of CO_2 savings for the least overall costs while ensuring that the requested transport utility is still available. If the design of a vehicle (e.g. stronger engine or higher transport volume) has an impact on CO_2 emissions and the vehicle's utility, it may have to be factored into the applicable target (e.g. by choosing appropriate utility factors and formulas setting the targets as a function of thereof). In the case of cars and vans, mass is used as an utility parameter in the current legislation on CO_2 emission standards.

Should utility paramete	rs be used for regulating CC	o emissions from HDVs?
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	VEC		NIO		Mandad
•	YES		NO		Neutral

If yes, what utility parameter should be used and factored in for setting the targets?

200 character(s) maximum

ratio payload/gross vehicle weight	

6.9. Options for elements supporting cost-effective implementation of the targets

Several options can be considered to support the cost-effective implementation of the targets, which may however also create additional administrative burden:

- Pooling: Several manufacturers may decide to combine their vehicle fleets for assessing the compliance with the regulatory targets (as in the case in the cars and vans CO₂ legislation.)
- Banking and borrowing: A manufacturer may compensate non-compliance with targets in a given calendar year by over-achievements in previous ("banking") or future ("borrowing") years according to well defined regulatory rules.
- Trading: a manufacturer over-achieving its targets may sell corresponding credits in order to facilitate compliance of other manufacturers.
- Transfer of credits between vehicle groups of a manufacturer. In the case of targets set at the level
 of each vehicle group, a manufacturer may transfer credits between the different groups of its
 vehicles.

What are your views on these options?

	YES	NO	Neutral
	TES	INO	iveuliai
Pooling of manufacturers	•	0	0
Banking and borrowing	0	•	0
Trading between manufacturers	•	0	0
Transfer of credits between vehicle groups of a manufacturer	•	0	0

Please provide your comments on these or possible other elements for supporting cost-effective implementation:

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"Manufacturer" as it is defined by VIN code is usually member of group, where more manufacturers can transfer credits; it may compensate f.e. fact, that one member concentrates on urban delivery and other on long haul vehicles. Trading, pooling and transfer thus shall be possible. Banking is complicated, as it is targeted to fact that cannot be 100% forecasted - intention of clients to buy specified group of vehicles with low CO2 in future.

7. Governance - HDV CO₂ certification and real driving emissions

Under the current process, CO₂ emissions of HDVs are certified on certain pre-defined mission profiles, the design of which is inspired by real driving data.

What are your views:

	YES	NO	Neutral
Will it be important to develop processes assessing the certified CO ₂ emissions against real driving emissions of HDVs?	•	0	0
If such processes are being developed, should there be some ex-post feedback mechanism requiring compliance of the certified CO ₂ emissions with real driving emissions (within certain tolerances)?	0	•	0

Can you suggest such a process?

500 character(s) maximum

The reliability of real driving emissions tests is low and therefore should not be considered as an acceptable result. Laboratory tests on a bench based on certain driving patterns with designated traffic may be developed and used for comparison.

8. Additional comments and Upload of Documents

If you wish to add further information, comments or suggestions – within the scope of this questionnaire – please feel free to do so here:

1000 character(s) maximum

The Confederation of Industry of the Czech Republic states that the impact on emissions of other pollutants should be taken into account during the reduction of CO2. The production of NOx, SOx, PM10, etc. has a major impact on the environment and health of the population. Focus on CO2 emissions and unreasonable pressure to reduce them can be counterproductive and may result in increased production of other pollutants and may reduce the competitiveness of both manufacturers and carriers. The Confederation believes that the combination of CO2 emissions and the existing EURO emission class is the appropriate tool for reducing emissions and environmental burden.

In	addition.	vou	could	also	upload	a document	providina	further in	nformation.	comments of	or suggestions.
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The maximum file size is 1 MB

Contact

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