



European Commission

Enterprise and Industry Directorate General

Transport Efficiency: the European strategy

Climate 2050

25 October 2007

Montreal

Reinhard Schulte-Braucks
Head of Unit, Automotive Industry
Enterprise and Industry Directorate-General
European Commission, Brussels

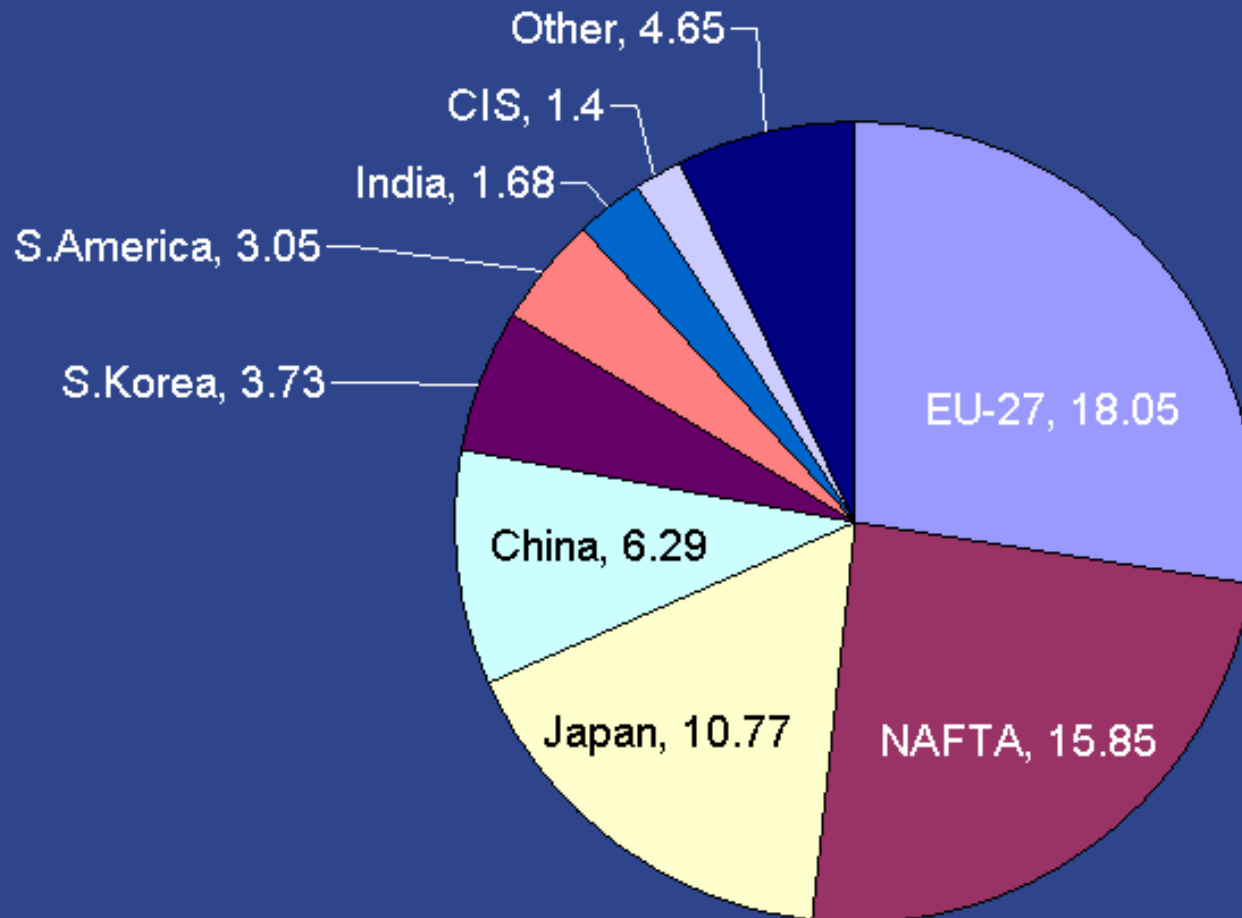


Agenda

- **The automotive industry**
- **Road transport and CO₂ emissions**
- **The EU strategy**
- **International Comparison**
- **Stakeholder reactions**
- **Future legislation**

Vehicle production worldwide

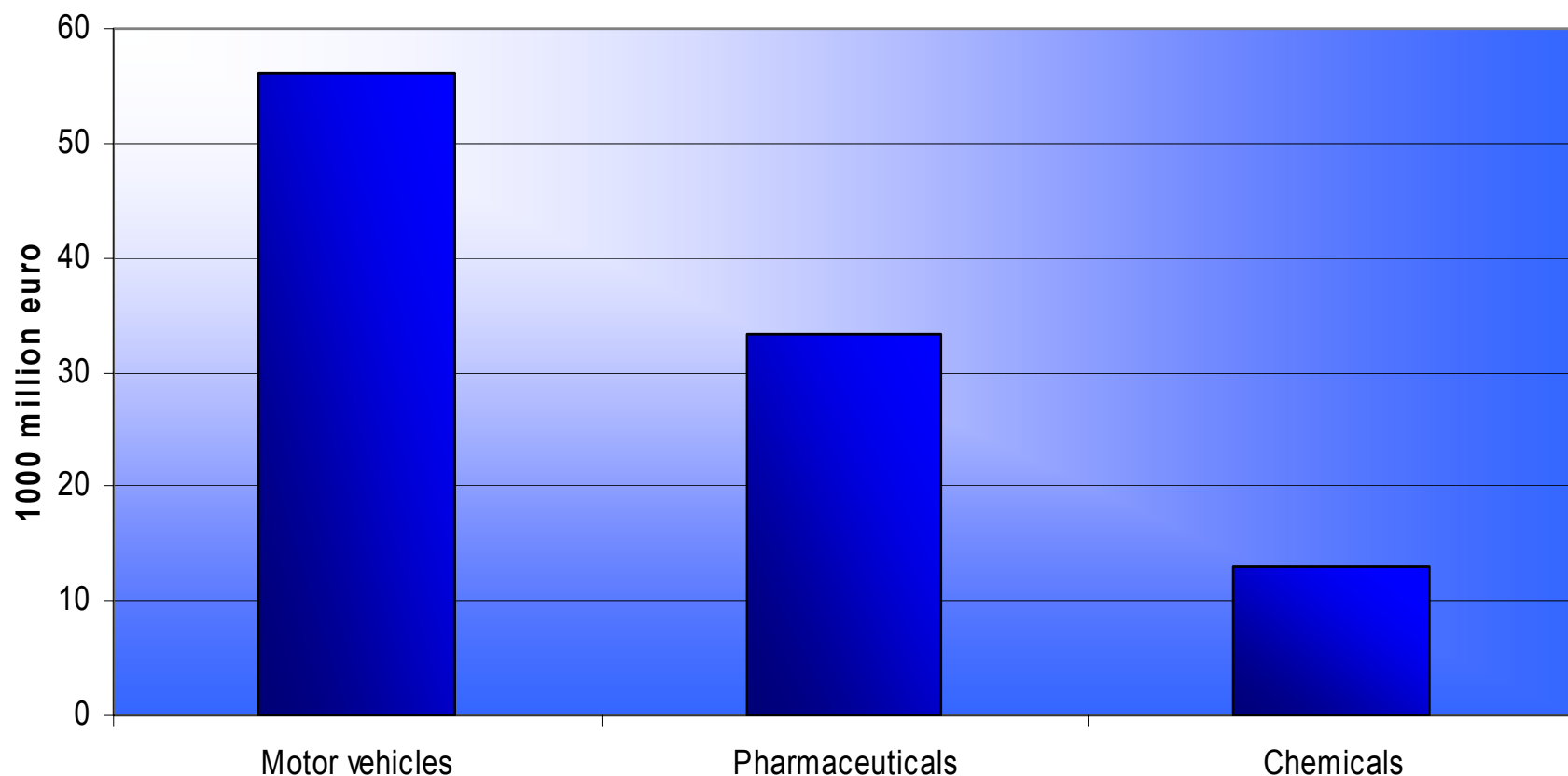
Global passenger car and light-commercial vehicle production (in millions units)



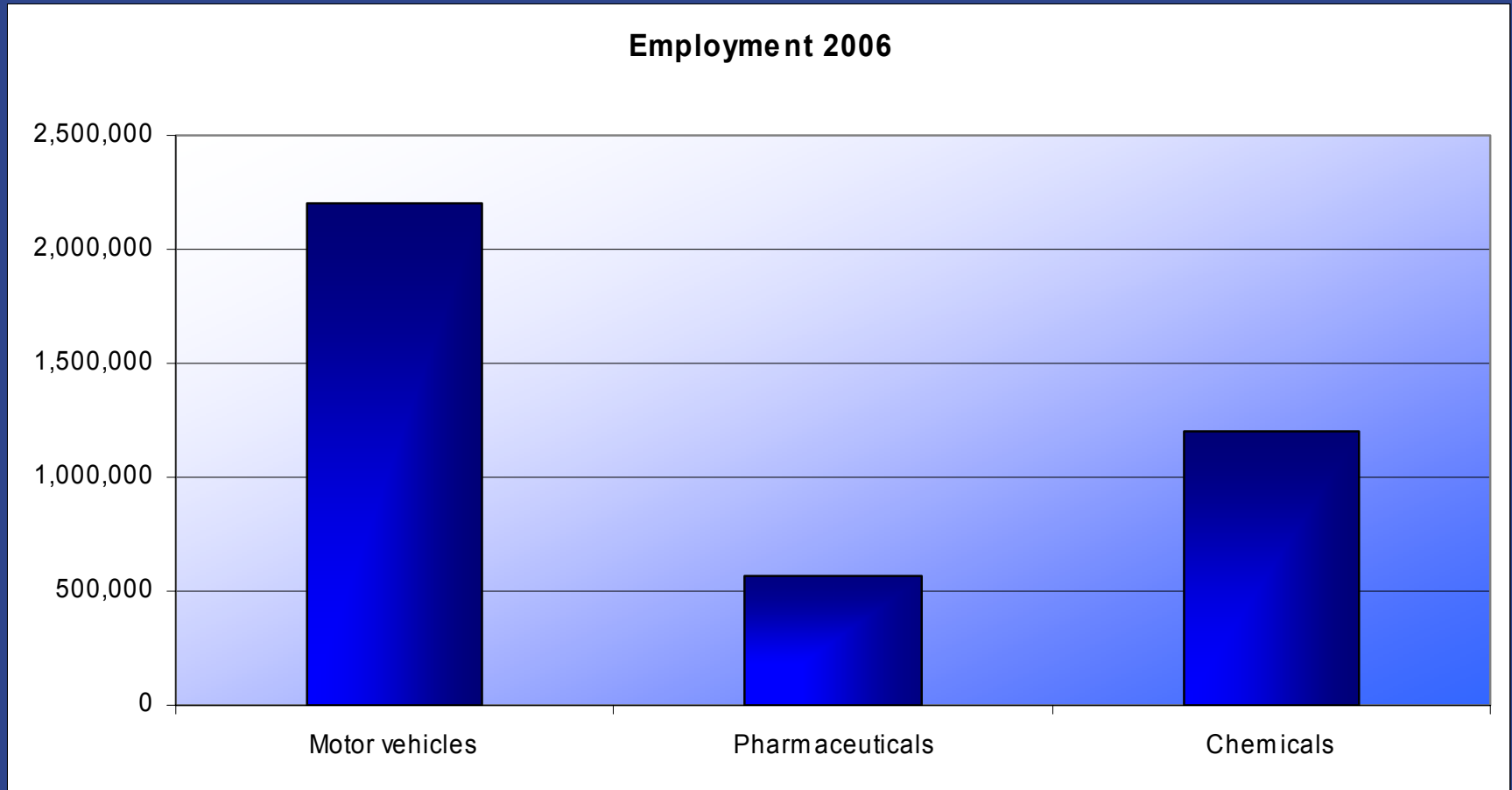
Source: The International Organisation of Motor Vehicle Manufacturers

The automotive industry is important in terms of trade...

Trade balance 2006



...as well as in terms of employment

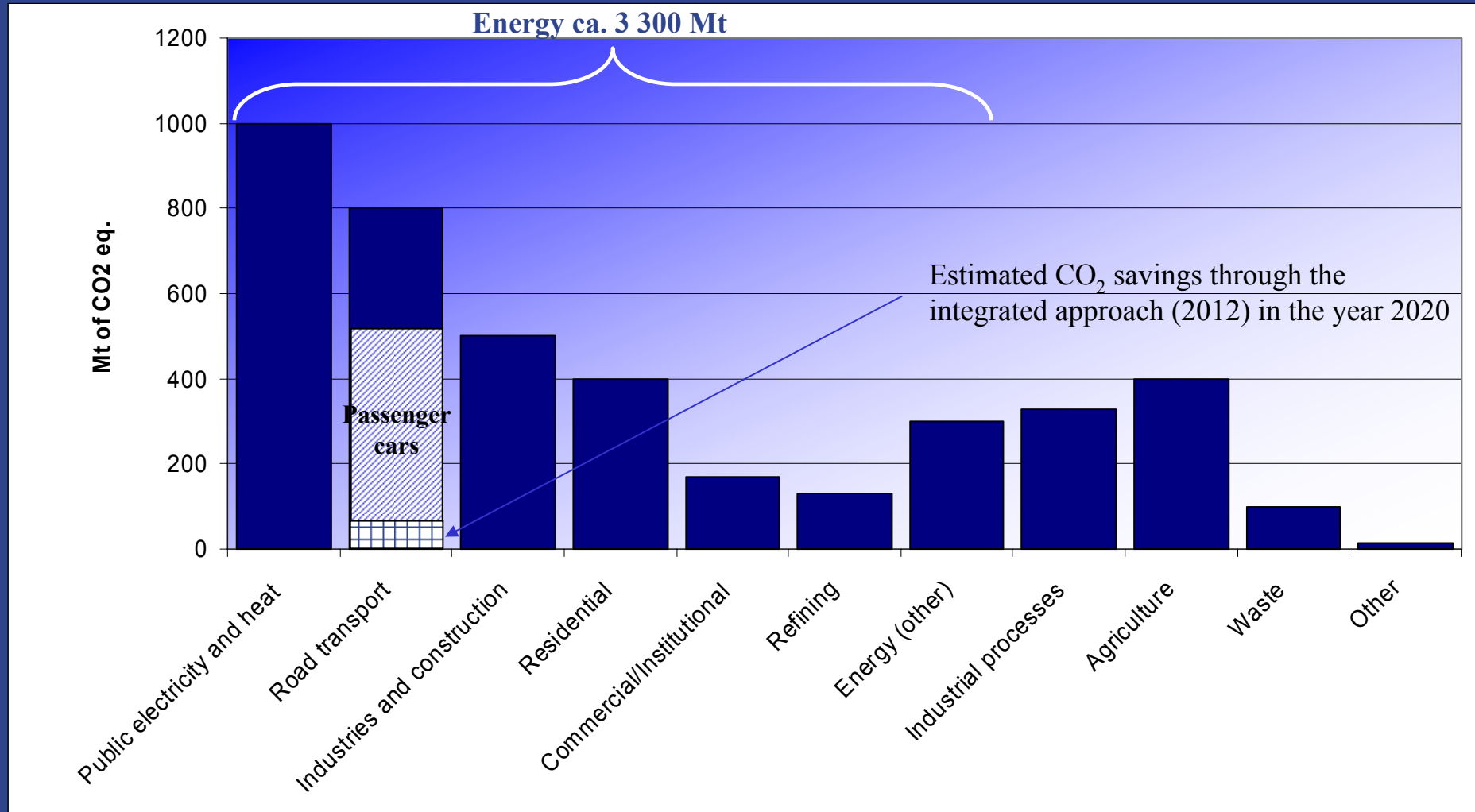


Road transport and CO₂ emissions

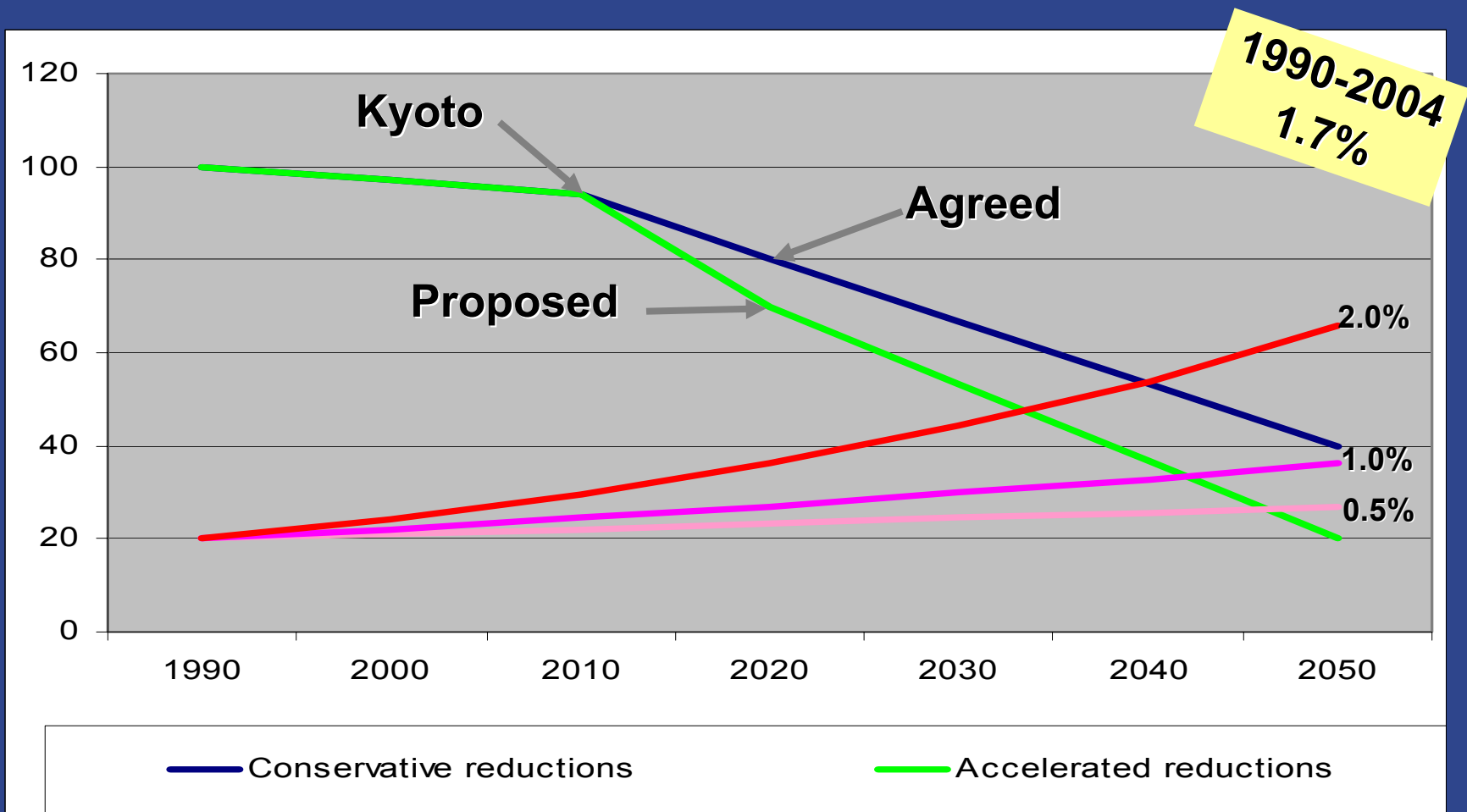
- **Road transport's** role in energy consumption and CO₂ emissions in the EU:
 - Ca 25 % of energy consumption
 - Ca 20 % of CO₂ emissions
 - CO₂ emissions from road transport increased by 26% over the 1990-2004 period
- **Passenger cars** alone represent ca **12 %** of CO₂ emissions in the EU

CO₂ emissions in a wider perspective

Breakdown of total EU CO₂ emissions of ca. 4200 Mt



Transport growth and emission reductions



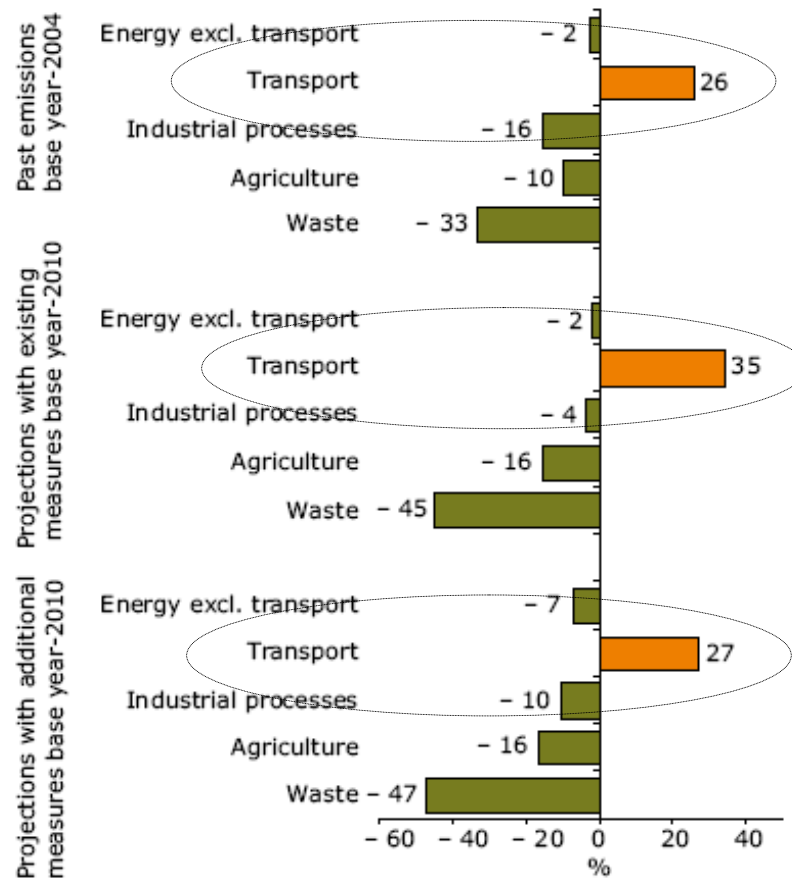
CO₂ emissions in a wider perspective

- GHG emissions from transport are increasing while going down in other sectors

Sector evolution 1990 – 2004 by sector:

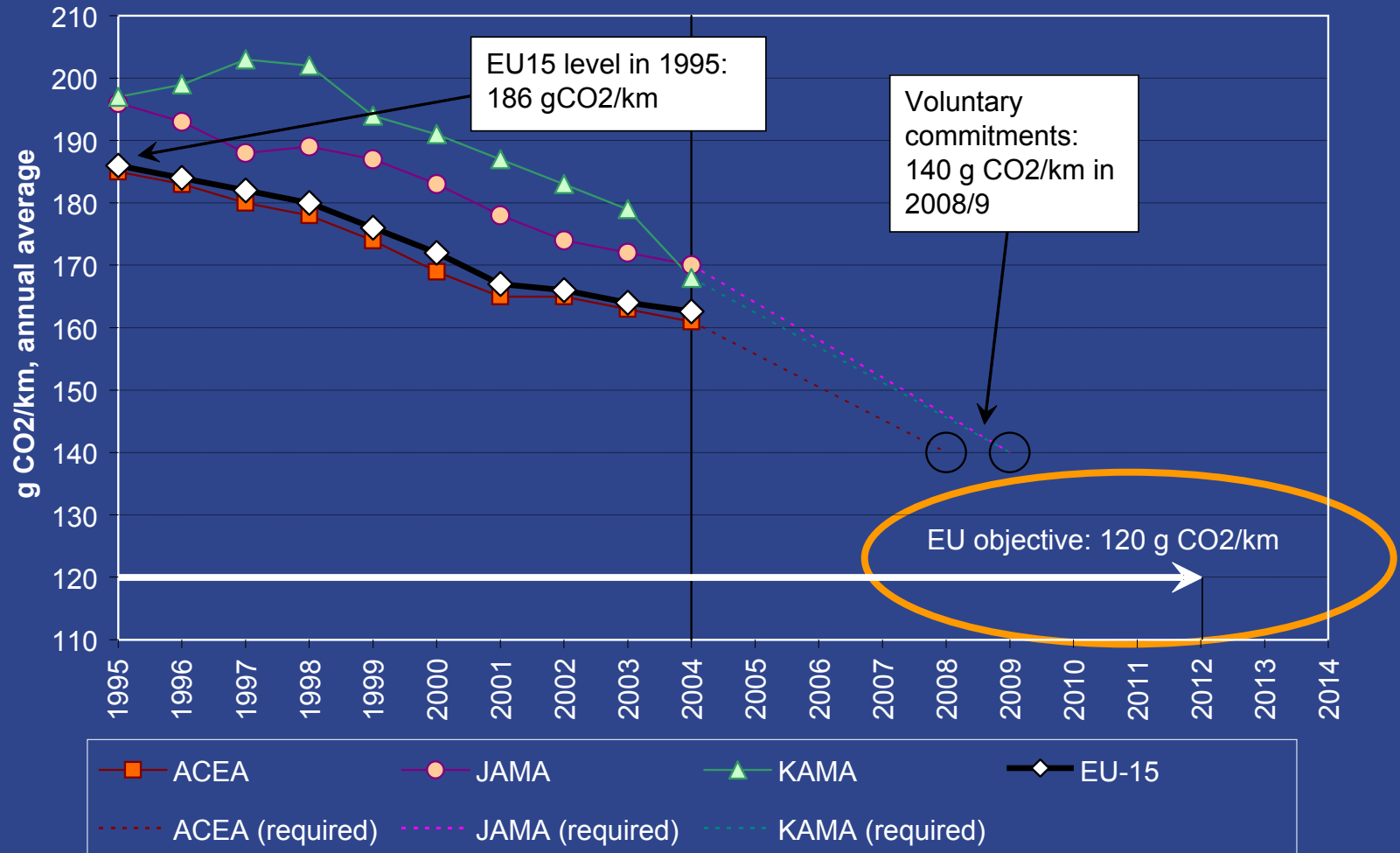
Sector projections 1990 – 2010 with existing measures:

Sector projections 1990 - 2010 with additional measures:



Progress 1995-2004 in reducing new-car CO₂ emissions

– 12.4% reduction in 2004 compared to 1995



A revised strategy is needed...

- Improvements insufficient
- 2008 target (140 g/km) under voluntary commitment will be missed
- **New** approach needed to ensure that **120 g/km** is reached by 2012
- Commission presented revised strategy in February 2007

The EU Strategy on CO₂

- **Parallel Communications on CARS 21 and CO₂ and cars:**
 - General objective remains 120 g/km CO₂ by 2012
 - Instrument: a broader integrated approach
 - Specific targets:
 - **Average new car fleet of 130 g/km** CO₂ through vehicle technology
 - Additional 10 g/km by other technological improvements and increased use of bio-fuels
 - Flanking measures on demand side
- **Explore the EU emissions trading scheme for post-2012**

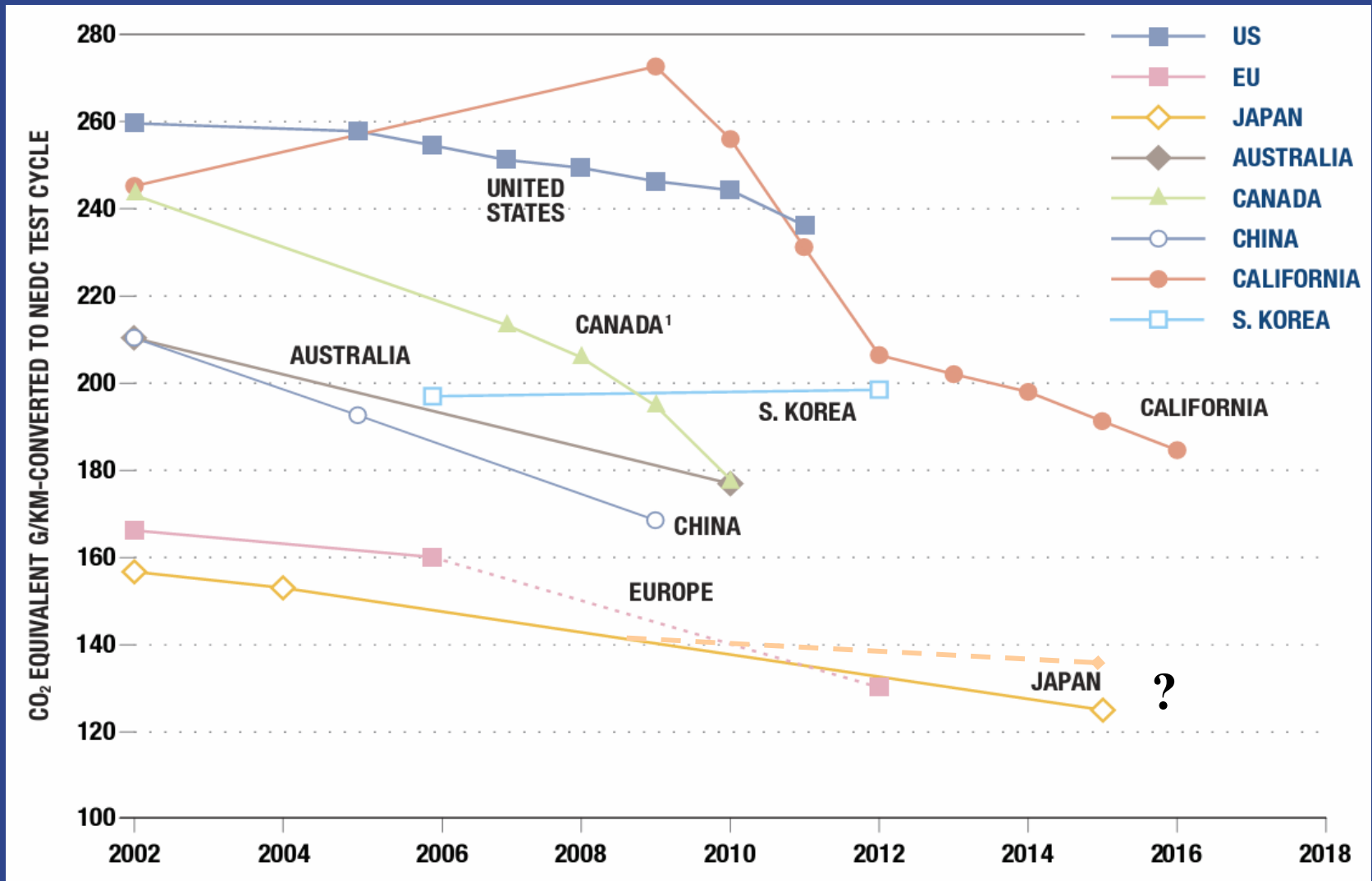
The EU Strategy on CO₂

- **The automotive value chain remains at the heart of the new strategy...**
 - **Vehicle technology improvements (engine, transmission, hybridisation, vehicle body etc.)**
 - **Efficiency requirements for air-conditioning systems**
 - **Tyre pressure monitoring systems**
 - **Low rolling resistance tyres**
 - **Gear shift indicators**
 - **Mandatory fuel efficiency targets for light-commercial vehicles**

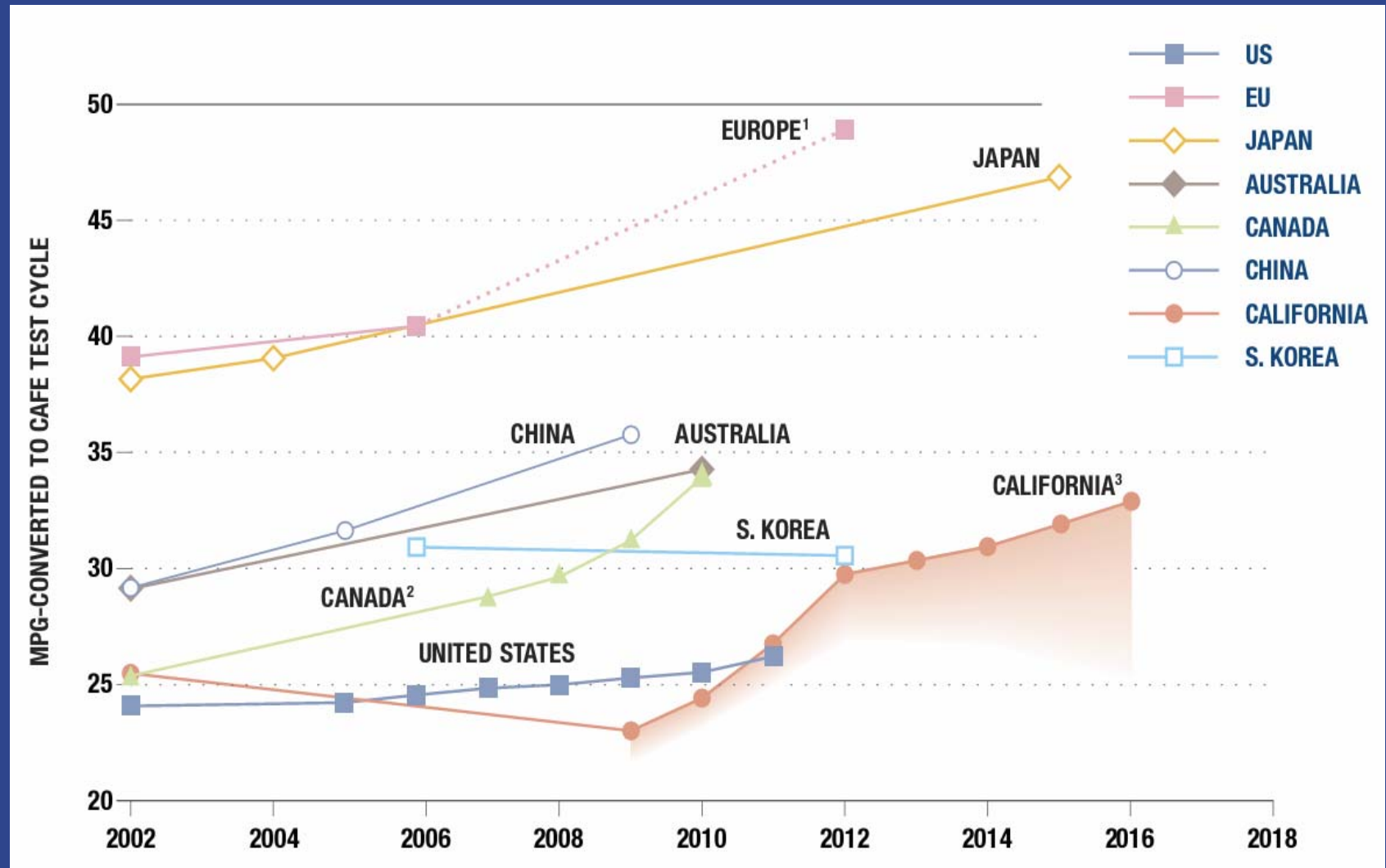
The EU Strategy on CO₂

- **...with increased involvement of other stakeholders**
 - Fuel suppliers (low carbon content fuels – e.g. biofuels)
 - Member States (taxation, fiscal incentives, traffic management, infrastructure etc.)
 - Consumer awareness (e.g. amending the labelling directive)
 - Drivers' behaviour (e.g. eco-driving)
- **Accountability and monitorability are needed for different elements**

International Comparison

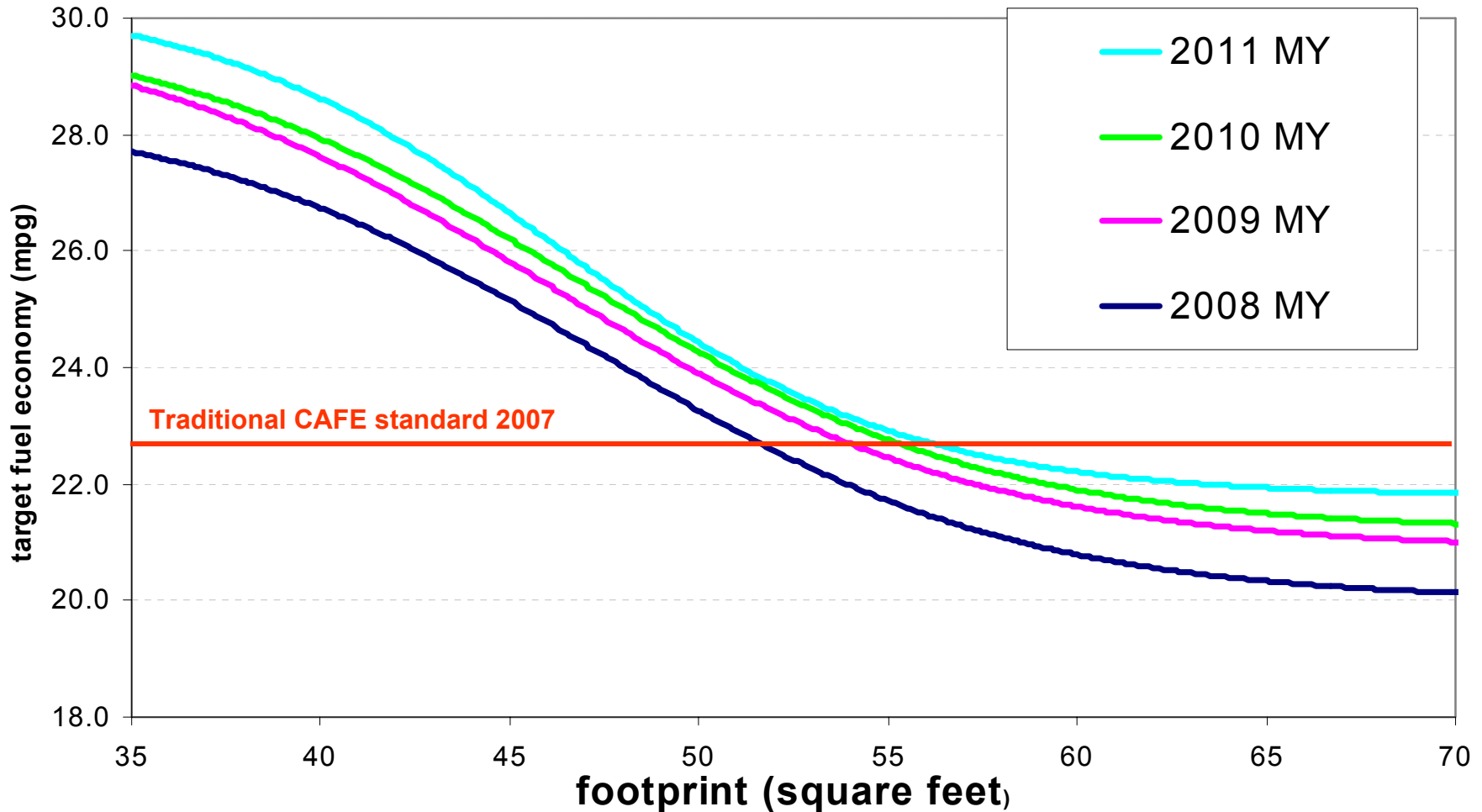


International Comparison

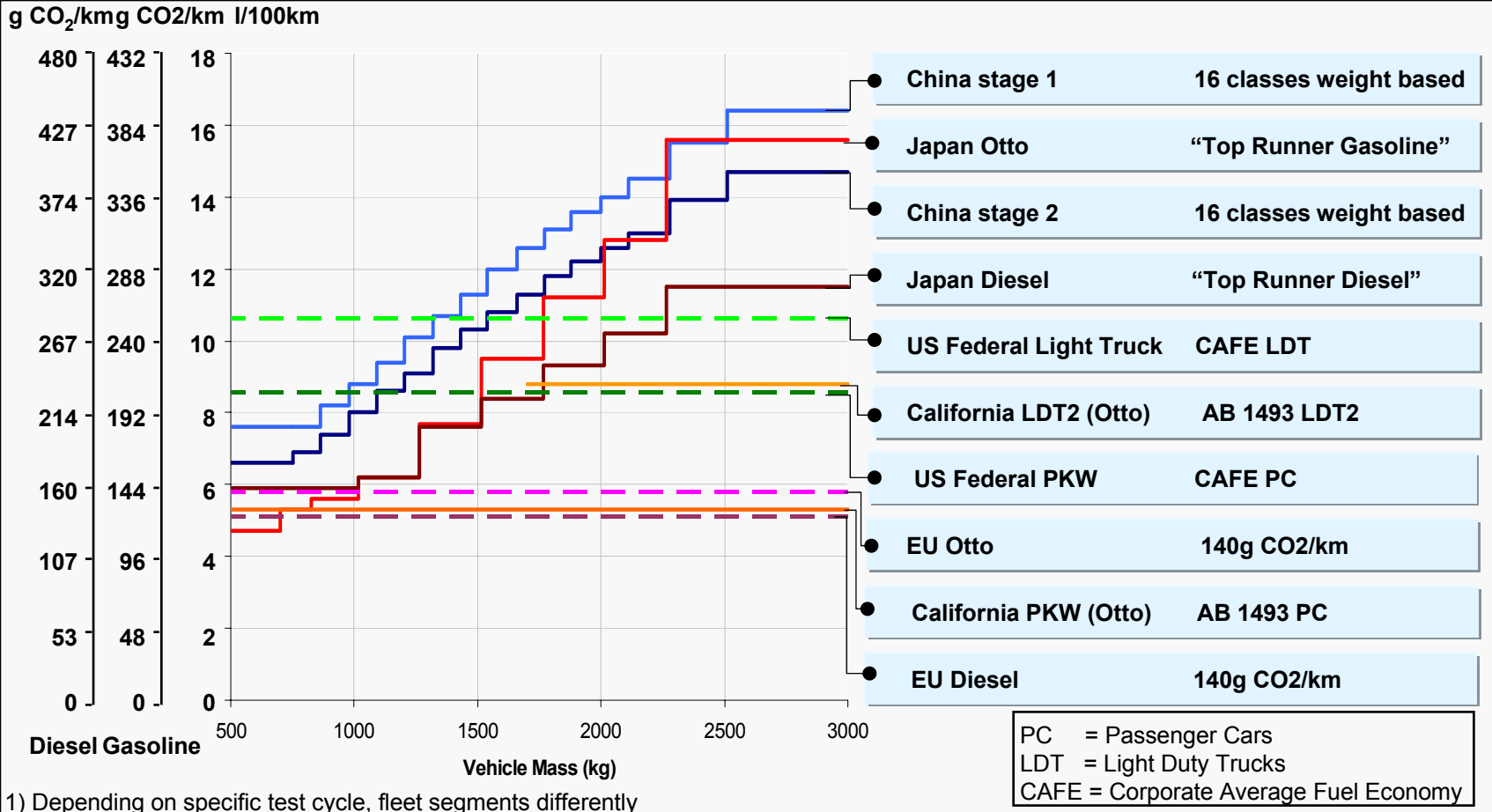


International Comparison

Continuous Footprint for US light trucks



International Comparison



Initial stakeholder reactions

- **General support for the integrated approach and mandatory targets**
 - but views on implementation diverge...
- **Industry:**
 - Target and timeframe too ambitious, 135 g/km could be achieved by 2015
 - The complementary measures should be broadened (eco-driving, infrastructure, etc)
 - Targets should be set by a utility function, based on weight (**sloped line**)

Initial stakeholder reactions

- **NGOs** and individuals:
 - 120 g/km should be met by improvements in vehicle technology alone
 - Complementary measures to achieve further reductions (below 120 g/km)
 - A uniform target should be met by all manufacturers (**flat line**)
- The **European Parliament** has adopted a first Report:
 - It favours a target of **125 g/km** to be met **in 2015**
 - Exemption for **300,000 vehicles** per year

Status of preparing the proposal

- **Internet public consultation held between early May and mid-July 2007**
- **Public hearing held on 11 July**
- **Supporting study for impact assessment ongoing**
- **Legislative proposal accompanied by impact assessment to be put forward in 2007**
- **Proposals for complementary measures to be put forward in 2008**

Principles for future legislation

- **Ambition levels of 130g + 10g set out in February Communications**
- **Legislation will primarily address the issue of distribution:**
 - **Competitively neutral targets**
 - **Socially equitable and sustainable**
 - **Equitable to the diversity of the European automobile manufacturer**
 - **Avoidance of any unjustified distortion of competition between automobile manufacturers**

The End



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THANK YOU
for your attention

Reinhard Schulte-Braucks

Head of Unit, Automotive Unit

Enterprise and Industry Directorate-General

European Commission, Brussels