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NOTE

from : General Secretariat
to : Delegations

Subject : Proposal for a Regulation of the European Parliament and of the Council setting emission performance standards for new passenger cars as part of the Community's integrated approach to reduce CO₂ emissions from light-duty vehicles
- Note from the Netherlands delegation

Delegations will find annexed a note from the Netherlands delegation on the above subject, which will be dealt with under "other business" at the meeting of the Council (Environment) on 20 and 21 October 2008.

Proposal for a Regulation of the European Parliament and of the Council setting emission performance standards for new passenger cars as part of the Community's integrated approach to reduce CO₂ emissions from light-duty vehicles

- Note from the Netherlands delegation -

The EU's climate objective for 2020 includes a 30 % reduction in greenhouse gas (GHG) emissions as its contribution to a global agreement, and at least 20 % as an independent commitment . This important and ambitious target will only be achieved if all sectors play their part. To this end, the European Commission has presented a comprehensive package of climate change measures that will also be discussed at the Environment Council on 20 and 21 October. The non-ETS sectors' contribution to the climate objective is estimated at 300 megatonnes, of which 100 megatonnes should be achieved through the implementation of the Regulation on CO₂ emissions from passenger cars.

From a climate change perspective, everyone agrees that this contribution with respect to passenger cars is essential, not only in terms of reaching the EU's targets but also of maintaining the EU's credibility with both its negotiating partners in Copenhagen and the European people. The EU must show that all sectors are contributing according to their ability.

In this regard, it is alarming that the contribution made by passenger cars is at risk of being severely weakened, putting the climate change objective at stake. This is remarkable considering that the Council itself called for this package last year. In June 2007, the Environment Council requested stringent measures aimed at the car industry: 120 g/km CO₂ in 2012 (130 g/km to be achieved by means of technical innovation and a further 10 g/km by means of additional measures), plus ambitious long-term goals for 2020. In the proposals recently presented in COREPER, the target would be introduced in phases and would not be reached until 2015, by which time lower penalties would apply. The proposals make no mention of a clear long-term objective.

These changes to the original Commission proposal could reduce the car industry's contribution to the GHG reduction target by about 35 to 40 megatonnes. This would then have to be offset by other sectors. There is no justification for asking other sectors to deliver a reduction that is quite feasible for the car industry, as the challenge for the other sectors is great enough as it is.

Especially in the context of the economic headwind, it is of the utmost importance to take decisions that are beneficial for both the economy and the environment. Without losing sight of, or rather in the interests of, our sustained effort towards a healthy automotive industry, there are various ways of keeping the Regulation's environmental objectives on track. One major possibility is to include long-term targets.

If we are to genuinely stimulate technological innovation in the car industry – essential to achieving a meaningful greenhouse gas reduction – we should at the very least formulate a clear, fixed long-term objective for 2020. The Netherlands therefore calls for the formulation of a clear target that is prescriptive, not merely descriptive. A clear long-term target will maximise the industry's lead time. It must be ambitious enough – maximum emissions of 95 g/km – to stimulate real technological innovation. The target could be reviewed in 2012 or 2013 and adjusted, if necessary. But we must avoid a repeat of the same discussion and the renewed risk of delay and dilution.

The European Parliament's Environment Committee has been steadfast; it stands by the EU's original ambition. The Netherlands asks the Council to show equal resolve. The EU needs to demonstrate leadership to achieve a substantial reduction in greenhouse gas emissions by 2020.
