

COUNCIL OF THE EUROPEAN UNION

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NOTE

from:	General Secretariat
to:	Delegations
Subject:	Revision of Regulations on CO ₂ emissions from passenger cars and light commercial vehicles in the context of the competitiveness of the European Car industry
	 Requested by the Spanish delegation, supported by the Slovak and Czech delegations Information from the Spanish delegation

Delegations will find attached an information note on the above, submitted by the <u>Spanish delegation</u>, to be dealt with under "any other business" at the meeting of the Council (Competitiveness (Internal Market, Industry, Research and Space)) on 29-30 May 2013.

Proposals for amending Regulation (EC) n° 443/2009 and Regulation (EU) n° 510/2011 to define the modalities for reaching the 2020 target to reduce CO2 emissions from new passenger cars and light commercial vehicles, respectively

- Information note from the Spanish delegation -

Background

The European Union adopted in 2009 mandatory emission reduction targets for new cars, Regulation (EC) 443/2009. This legislation is similar to that for new light commercial vehicles adopted in 2011, Regulation (EU) 510/2011.

Under the cars regulation, the fleet average to be achieved by all new cars is 130 gCO₂/km by 2015 and 95 gCO₂/km by 2020. The Regulation establishes a two-step operation. In the first period to 2015 the modalities of compliance with the target have been established. For the second period to 2020, Article 13(5) requests the Commission to review the "modalities" of achieving the targets set for cars for 2020 and to make proposals to amend the Regulation in a way that is "as neutral as possible from the point of competition, socially equitable and sustainable", including an "overall assessment of the impact on the car industry and its dependent industries".

In the same way, the light commercial vehicles Regulation limits CO2 emissions from new vans to a fleet average of 175 gCO₂/km by 2017 and 147 gCO₂/km by 2020. This 2020 target is subject to confirmation of feasibility by the Commission and also a review should be done to define details of the implementation of that target.

Amendments to Regulation (EC) 443/2009 and Regulation (EU) 510/2011 were presented by the Commission in July 2012. Recently the European Parliament's Environment Committee has approved amended rules for car and vans CO₂ emissions which call for more ambitious targets.

Objective

In order to define the position of the Council with a view to negotiations with the EP, Spain would like to draw attention of Competitiveness Council Members on this important issue. CO₂ legislation for cars and vans has a big impact on the future of the European automotive industry. It constitutes a major factor for the technology applied in the production of automobiles and the resulting competitiveness of the industry.

Spain is the second largest producer of vehicles and first producer in light commercial vehicles in EU. We believe that the EU's strategy to improve the fuel economy of new cars and vans is positive and helping vehicle technology to become more efficient, but future objectives for European car makers should be realistic and achievable to maintain industry competitiveness. Reduction in CO₂ emissions and fuel consumption for future years involve major investments in all aspects of the vehicle, engines, transmissions, lighter materials, recycling and hybrid formulas at all different levels. It is not yet even clear which will be the lead technology in the long-term: advanced gasoline and diesel, plug-in hybrids and fully electrified cars, hydrogen In this context, there are legal and market uncertainties that should be considered before taking decisions with a long-term impact on the competitiveness of the industry.