



European
Automobile
Manufacturers
Association



Mr Frans Timmermans, Executive Vice-President
Mr Maroš Šefčovič, Vice President
Mr Thierry Breton, Commissioner Internal Market
Mr Virginijus Sinkevičius, Commissioner for Environment, Oceans and Fishery
Ms Adina Vălean, Commissioner for Transport

Brussels, 20 November 2020

Subject: Reaction from industrial stakeholders on the process the European Commission is following in the DG GROW Advisory Group on Vehicle Emission Standards (AGVES) on Euro 7

Dear Executive Vice-President,
Dear Vice-President,
Dear Commissioners,

The undersigned associations represent the European vehicle manufacturers (ACEA), the suppliers (CLEPA), the fuel industry (FuelsEurope), the natural gas vehicle industry (NGVA) and the international road transport organisation (IRU). In their own way, each have a major interest in the content of any new potential European regulation for pollutant emissions and also in the way such a regulation is debated, prepared and framed in an eventual proposal of the European Commission to the co-legislators.

Each association has attended all of the Advisory Group on Vehicle Emission Standards (AGVES) meetings held so far and have been supporting the DG GROW 'CLOVE' consortium and the European Commission with their on-going studies to evaluate a new pollutant emission regulation and the potential content of such a new regulation.

Our concern is the direction in which the 27 October AGVES meeting was steered. Indeed, an interpretation of a non-exhaustive – and in some cases limited – amount of test results was used to build scenarios for a potential Euro 7 regulation ⁽¹⁾ that would have severe consequences for the automotive industry. Rest assured, all industry stakeholders see a need for a balanced Euro 7 pollutant emission regulation for new vehicles in order to contribute to further improving air quality. But the content of any new regulation must be defined by and based on a data-driven, objective analysis that includes an assessment of the benefits that the current Euro 6/VI regulations will make to determine the need for lower emission limits, not broad statements about “*best available*” or “*best known*”

⁽¹⁾ In all cases where 'Euro 7' (the term used by the European Commission) is used in this statement, industry recalls its definite request for separate focused Euro 7 and Euro VII regulations addressing the very different nature of light-duty and heavy-duty vehicles and their different commercial needs.

technologies.

We fully support the objective of improving air quality and ensuring the protection of human health by taking effective, efficient and proportional measures. The history of preparing EU pollutant emission regulations has indeed been based on setting measurable targets which should be achievable in a cost-effective way, while taking into consideration many factors such as the diverse requirements of the personal and commercial vehicle segments and of the use cases of customers and operators.

We are fully aware of and endorse the commitment to carbon-neutrality by 2050 and we are working on contributing to the necessary transition of the road transport sector. The CO₂ regulations and the decarbonisation strategy of the industry will have a major influence on industry technology decisions. However how industry reacts to targets should be a commercial decision made with confidence that others will put the necessary measures in place. The pace at which those supporting measures are being addressed at EU and national level (e.g. REDII, Alternative Fuels Infrastructure Directive, carbon pricing etc) is unfortunately not sufficient. The discussion on Euro 7 must therefore not be used to force a specific design requirement. We interpret the direction of AGVES on 27 October as an intention to severely limit, or even cancel, the future role of the internal combustion engine in the European market.

We would like to recall that the Treaty on European Union ⁽²⁾ links Union competences to the principles of **proportionality** and under that principle says, “[...] *the content and form of Union action shall not exceed what is necessary to achieve the objectives of the Treaties. The institutions of the Union shall apply the principle of proportionality as laid down in the Protocol on the application of the principles of [...] proportionality*”.

Protocol 2 to the Treaties ⁽³⁾ adds, “*Draft legislative acts shall be justified with regard to the principles of [...] proportionality. Any draft legislative act should contain a detailed statement making it possible to appraise compliance with the principles of [...] proportionality. [...]. The reasons for concluding that a Union objective can be better achieved at Union level shall be substantiated by qualitative and, wherever possible, quantitative indicators. Draft legislative acts shall take account of the need for any burden, whether financial or administrative, falling upon the Union, national governments, regional or local authorities, economic operators and citizens, to be minimized and commensurate with the objective to be achieved*”.

We also recall that the Commission’s consultation on the roadmap/inception impact assessment on Euro 7 said, “*The specific objectives are to improve air quality, with a particular emphasis on urban areas, by reducing air pollutant emissions from road transport and setting harmonised rules for vehicles*”. This appears not to correspond to some statements made in AGVES that suggested that the intention is to restrict the competitiveness of internal combustion engine technology. As a matter of fact, CLOVE even said during the AGVES meetings that evaluating the potential impact of their proposal on air quality improvement was not in the scope of their study.

⁽²⁾ Treaty on European Union; Title 1, Common Provisions, Article 5.

⁽³⁾ Treaty on the Functioning of the European Union; Protocol (No 2) Article 5 on the application of the principles of subsidiarity and proportionality.

As stakeholders in this process, we would like again to draw the attention of the European Commission and other stakeholders to key principles for the Euro 7 preparations:

- Strict adherence to the principles laid out in the Treaty as mentioned above.
- Clear definition of the objectives for new Euro 7/VII regulations – this should be a data-driven need to identify what and where improvements are necessary while also assessing the impact on fuel consumption, CO₂ emissions and also looking at vehicle load capacity for any future technology solutions.
- Consider new pollutant emission targets that are commensurate with need, proportionality and cost-effectiveness. While we appreciate the 'zero pollution ambition' of the EU, a hypothetical 'zero pollution target' is not proportional and cannot be judged to be cost-effective if directed at one sector.
- Consider changes to pollutant emission test procedures that, on their own, could achieve a proportionate impact on air quality where it is needed.
- Join-up the potential for further pollutant emission reductions from new vehicles to the achievement of future CO₂ targets. The overall aim of the EU is to achieve carbon-neutral road transport by 2050. While industry shares the ambition and is committed to doing its part, this requires a fully coherent policy framework to enable the transition over a timeline with distinct milestones that are in line with industry-specific development cycles.
- Ensure the work in AGVES on Euro 7 is a transparent data-driven process that allows stakeholders sufficient time to analyse new proposals and collect input for evidence-based responses.

We remain ready to continue to engage with the Commission and to contribute to the development of the Euro 7 standards. We offer our knowledge and expertise to support the achievement of an optimal outcome for all stakeholders.

We hope that you will agree these principles remain an important basis for the on-going work by the Commission on Euro 7 and we look forward to the work continuing on this basis.

Yours sincerely,



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ACEA



Ms Sigrid de Vries
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CLEPA



Mr John Cooper
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Mr Andrea Gerini
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Ms Raluca Marian
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