

Adam House 7-10 Adam Street London WC2N 6AA +44 (0)20 7960 2970 info@theclimategroup.org www.theclimategroup.org

To:

Mr Pascal Canfin, European Parliament Chair of the ENVI Committee,

Ms Karima Delli, European Parliament Chair of the TRAN Committee

Mr **Jan Huitema**, European Parliament Rapporteur for Revision of CO2 Emission Performance Standards for Cars and Vans

Mr **Ismail Ertug**, European Parliament Rapporteur on Deployment of Alternative Fuels Infrastructure

Mr **Petar Vitanov**, European Parliament Rapporteur in the TRAN Committee Mr **Dominique Riquet**, European Parliament Member of the TRAN Committee and Rapporteur in ITRE Committee

Copy to:

Mr Bas Eickhout, European Parliament Vice-Chair of the ENVI Committee

Mr Cesar Luena, European Parliament Vice-Chair of the ENVI Committee

Mr Dan-Stefan Motreanu, European Parliament Vice-Chair of the ENVI Committee

Ms Anja Hazekamp, European Parliament Vice-Chair of the ENVI Committee

Mr Istvan Ujehlyi, European Parliament Vice-Chair of the TRAN Committee

Mr Andris Ameriks, European Parliament Vice-Chair of the TRAN Committee

Mr Jan-Christoph Oetjen, European Parliament Vice-Chair of the TRAN Committee

Mr Ciarán Cuffe, European Parliament Coordinator of the TRAN Committee

Mr Marian-Jean Marinescu, European Parliament Coordinator of the TRAN Committee

Ms Esther de Lange, European Parliament Member of the TRAN Committee

Mr **Jens Gieseke**, European Parliament Shadow Rapporteur for Revision of CO2 Emission Performance Standards for Cars and Vans

Ms **Sara Cerdas**, European Parliament Shadow Rapporteur for Revision of CO2 Emission Performance Standards for Cars and Vans

Ms **Iskra Mihaylova**, European Parliament Shadow Rapporteur on Maximising the Energy Efficiency Potential of Building Stock

Ms Maria Spyraki, European Parliament Member of the ITRE Committee

Mr Pascal Arimont, European Parliament Shadow Rapporteur in the ITRE Committee

December 13, 2021

Subject: Ambition of the Fit for 55 Package must be maintained and strengthened

Dear MEP Canfin, MEP Delli, MEP Huitema, MEP Ertug, MEP Vitanov, and MEP Riquet,

The European Commission's proposals under the Fit for 55 Package represent a step in the right direction and ensure that the EU would maintain its role as a leader in the climate transition. We were very encouraged to see the proposals to revise car and van CO2 emission standards to introduce the end of sales of new internal combustion engine (ICE) vehicles from 2035.

Since 1990, transport is the only sector in the EU that has not seen a decline in emissions. Yet to achieve the EU's net zero 2050 goal, transport, especially road transport, must be completely decarbonised in the next 30 years. The proposals to revise the vehicle CO2 standards will keep the EU on track to net zero and send a clear signal to consumers, businesses and industry that the future



of road transport in the EU is electric and would help to significantly reduce noise and air pollution, as well as CO2 emissions.

Major companies across the EU support the need for this ambition not only to address the climate emergency, but also as the key to a green recovery and transforming the European economy. As companies committed to electrifying our own fleets as soon as possible, we are calling for the ambition in the European Commission's proposals to not only be maintained, but built upon, to ensure the EU is leading the zero-emission vehicle (ZEV) transition.

Businesses are acting already but need policy support too

EV100¹ is a global initiative of companies committed to accelerating the transition to electric vehicles (EVs). By 2030, these companies will have light vehicle fleets that are 100% EVs, totalling to nearly 5.5 million cars and vans across 80 markets, including in almost every EU member state. The business case for switching to EVs is already there in most EU countries and it's crucial that other companies follow the lead of our already 120-strong coalition of businesses. However, we know that the speed and scale of the transition required ultimately depends on a supportive and ambitious policy environment.

Businesses need certainty and clarity to invest in new technologies at scale and with speed. This is true on both the supply and demand side. Some are early adopters (like EV100 members) but the majority follow when incentives and regulations are clear and supportive. It is essential that the package is implemented as a whole, and there is transparency on how industries will be supported with reskilling and training as part of a just transition². Specific areas that we would like to see are detailed below.

Vehicle CO2 standards

The proposed revision to the CO2 Emission Performance Standards for Cars and Vans, to introduce de-facto 2035 sales ban on fossil fuel vehicles, is the level of ambition we have been calling for. This will enable businesses to plan and invest with certainty as they transition their fleets³.

However, without more ambitious short and mid-terms targets up to 2030, carmakers will not be required to deliver their EV productions plans in a timely and consistent way, which could stall Europe's EV market. Research by Transport & Environment (T&E) shows that regulatory flexibilities in the vehicle CO2 regulation may prevent the sale of 840,000 battery electric vehicles across Europe in 2021⁴.

Ambitious, interim targets between 2022 and 2030 are crucial to stimulate strong EV sales across Europe, ensure accessibility and affordability of vehicles, and enable member states to reach their proposed national climate goals by 2030.

Early adoption of EVs will be important to stimulate a thriving second-hand market, which will enable wider access to EVs for those who may not be able to afford a new one. With businesses responsible for purchasing nearly two-thirds of new vehicles, and a quick turnover of these fleets

⁴ https://www.transportenvironment.org/discover/electric-car-boom-at-risk/



¹ https://www.theclimategroup.org/ev100

https://www.corporateleadersgroup.com/files/clg_europe_policy_fit_for_55_a_progressive_business_perspective_on_the_eus_transformative_climate_package_v4.pdf

³ See Climate Group's response: https://www.theclimategroup.org/our-work/news/climate-group-reacts-eu-fit-55-package

(normally 3-4 years)⁵, fleet operators have a crucial role to play in underpinning the second-hand market.

We support T&E's recommendation of introducing a more ambitious 30% CO2 reduction target from 2025, followed by 45% target from 2027 and 80% from 2030. This will help to ensure manufacturers commercialise mass market EVs early and have a clear path to follow to the final phase-out date of 2035. These recommendations will put the EU on the path to a zero-emission car fleet by 2050.

We also support T&E's recommendations to tighten the CO2 regulation design by:

- Removing the mass adjustment factor for heavier cars, as well as limiting CO2 savings that can be claimed from eco innovations; and
- Reforming the tests for plug-in hybrids to provide a realistic CO2 rating with the help of real-world data from fuel consumption meters.

Charging infrastructure

The decision from the European Commission to change the Alternative Fuels Infrastructure Directive to a Regulation (AFIR) is very welcome as it will create an EU-wide single charging market, that will be immediately binding across the EU. By guaranteeing unified standards, making charging cheaper to install and easier to use, the EU has taken a big step towards making range anxiety a thing of the past.

The fleet-based target proposed in AFIR to ensure the number of public chargers increases with EV uptake is crucial to ensure certainty behind the plan. However, it is not sufficiently addressing that some countries might need higher initial targets to achieve minimal viable coverage where their infrastructure is less developed than other parts of Europe. We would, therefore, **recommend that the fleet-based targets are strengthened by ensuring an absolute minimum target**⁶.

We also welcome the AFIR proposal to include requirements for distance-based targets to deploy charging infrastructure along the EU's TEN-T. These targets are key to enable long-distance trips across Europe. We would **recommend the distance-based targets are brought forward to 2025 instead of 2030** to alleviate fears of range or charging anxiety sooner.

It's important that the AFIR revisions address the non-cost barriers to EV uptake in urban and suburban areas. All forms of EV charging should be supported to prevent a lack of access to charging in cities, particularly for those who don't have their own parking space.

One way to support people in urban areas would be to **guarantee the "right to plug" to all EV users by revising article 8 of the Energy Performance for Buildings Directive (EPBD)**⁷, in line with legislation in Spain, the Netherlands and Norway. This provision, detailed by Platform for Electromobility, would enable all EV users to charge at locations most convenient to them (i.e. at home or work). The right to plug should cover all residential and non-residential buildings and not just be limited to new buildings or those undergoing major renovation. The exemptions applied to SMEs (article 8(4)) should also be removed given that SMEs represent 99% of businesses in Europe. The right to plug provision should be simple and enable quick, easy access to a charging station at collective properties.



⁵ https://www.theclimategroup.org/sites/default/files/2021-07/Fleets%20first%20report.pdf

⁶ https://www.transportenvironment.org/wp-content/uploads/2021/11/20211004_AFIR_Briefing.pdf

⁷ https://www.platformelectromobility.eu/wp-content/uploads/2021/03/PfE_EPBD_Platforms-Reply-to-the-Roadmap 20210322.pdf

We recommend the EU sets an obligation that, where possible, all buildings are pre-cabled by 2035 to enable scaling up of charging points at a low cost and that pre-cabling should be redefined to also include electrical installation.

We're also pleased that the EU is targeting to install charging infrastructure for electric trucks, providing a clear signal to industry that the future of trucking is electric. However, we are disappointed to see no targets set to guarantee chargers are installed in line with electric truck sales. We are also disappointed that the Commission continues to consider gas refuelling infrastructure as a credible Green Deal compliant option for trucks; electrification should be prioritised as the primary means for decarbonisation.

We recognise the Fit for 55 package as world leading, underlining the economic benefits of climate action, and demonstrating that climate ambition and sustainable growth can go hand in hand. However, more needs to be done to set the EU on the right path towards meetings its longer-term CO2 reduction goals.

We remain at your disposal to discuss these issues further at your convenience.

EV100
An Post
Currys
Danfoss
Delta Electronics
Grundfos
Iberdrola
Ingka Group (IKEA)
LeasePlan
Novo Nordisk
Unilever
Vattenfall
7urich

Yours Sincerely,



°CLIMATE GROUP EV100























