Netherlands input to the public consultation on: Reducing carbon emissions – review of emission standards for heavy-duty vehicles

The Netherlands welcomes the revision of the CO2-standards for heavy duty vehicles (HDV). That revision is timely and much needed to bring the emissions of transport in line with the Paris Agreement and European agreed climate ambition. A growing support for Zero Emission Vehicles as demonstrated at COP26 and the increasingly growing availability of cost-effective solutions offers a great potential to bolster the standards, so they give strong signals to the markets and incentivize the timely transition.

This input is the first input into this process of revision. At appropriate moments the Netherlands will further input into this process.

1. Objectives

The Netherlands favors a revision of the CO2-standards for HDV consistent with the Fit-for-55 and European Green Deal ambition. The transition to Zero Emission Vehicles and an accelerated uptake is key to that ambition. The review of the HDV CO2 standards is a very important opportunity to put HDVs on a Green Deal consistent trajectory.

European truck OEM's have already made public commitments on increased ZEV sales and models, including concrete plans and commitments for long-haul and HDV. The technology is there. This also gives confidence that total cost of ownership (TCO) parity of long-haul zero-emission HDV will be reached within the next few years.

The revision of the European HDV standards should build on and bolster those commitments and set strong market signals.

2. Emissions targets for new HDV

2.1. Revising existing targets

Cost effective solutions offering cost parity are growingly becoming available yet their accelerated uptake will require strong ambition and market signals. The current CO2 reduction targets are too weak to make the needed transition to ZEVs on time. Since the average age of

retirement of HDV is 10-15 years and our goal is to have all vehicles on the road to be zero emission by 2050, the Netherlands advocates to set a 100% CO2 reduction target on a date that is in line with the Green Deal ambitions and such a date should be part of the impact assessment. A goal for 2027, 2030 and 2035 should be set to provide a credible pathway to the end goal.

2.2. Setting new targets for other types of vehicles

The current standards only cover 65-70% of the fleet. The Netherlands thus favors setting appropriate standards for other categories of the fleet. The Netherlands favors welcomes an assessment of energy efficiency standards for trailers. Only in very specific circumstances should exemptions be formulated for vocational and special purposes vehicles

3. Incentivizing zero- and low-emission HDV

3.1. In your view, what are the main barriers for market uptake of ZLEV? A timely transition to Zero Emission freight requires ZEV freight vehicles tot o applicable, available, and affordable. A competing Total Cost of ownership will be crucial to that extend. Availability of ZEV-vehicles with sufficient range is also crucial. Market developments and market signals are encouraging with several European OEM's announcing their ambition for 50% of their sales to be to be ZEV in 2030. In 2024 already commercially viable models will be available with a range more than 500 kms making ZEV a good long-haul option.

An adequate charging infrastructure is pivotal to a timely transition to ZEV freight. The Netherlands thus favors a timely approval of the AFIR with an adequate ambition for charging infrastructure for heavy duty vehicles.

3.2. Should the existing ZLEV incentive scheme set out in the HDV Regulation be amended for the period before 2030? Yes/No?

The currently installed ZLEV incentive mechanism is <u>a temporary</u> <u>incentive</u> to promote marketing of ZEVs. This incentive weakens the legislation and leads to increased CO2 emissions compared to a situation without the incentive. The Netherlands thus favors the revision of this scheme as it undercuts the ambitions set out. ZEV credits for ZEVs sold in categories that are not or not yet regulated requires certification and monitoring of not (yet) regulated vehicle groups & requires lifetime mileage weighting. In the absence of these requirements the Netherlands does not favor introduction of these ZEV credits.

4. Contribution of renewable and low-carbon fuels

4.1. A mechanism should be introduced in the HDV Regulation so that compliance assessment takes into account the contribution of renewable and low-carbon fuels.

Credits for renewable and low-carbon fuels should not be included in HDV CO2 standards as it would not help solve the emissions problem of HDVs. OEMs are the regulated entity with the CO2-standards. It is the OEMs' primary responsibility to apply measures that are within their sphere of influence and that contribute to the specific objective of the regulation. The focus of what is requested of OEMs should thus be a reduction of the g/km emissions of the vehicles they sell in the EU. Furthermore, regulation of fuels is and should be addressed in specific fuels regulations.

5. Non-CO2-emissions of HDV

As the ambition is to reach zero-emission HDV's, the Netherlands urges the Commission to take into consideration the emission of fluorinated greenhouse gases used in refrigeration units and air-conditioning systems fitted to HDV. The first is already regulated in the F-gas-regulation, but the latter is not yet regulated for HDV in the MAC-directive. The Netherlands calls on the Commission to regulate those emissions from mobile air-conditioning as well.