



Subject: IRU supports Heavy Duty Vehicle CO₂ Standards 15% target but calls for caution in 2030 discussion

Dear Minister,

- IRU strongly supports the EC proposal for CO₂ emissions reduction standards for new trucks and endorses the EC's proposed target level of 15% for 2025 as an ambitious but realistic objective.
- The 2030 target can only be finalised in the 2022 revision and must be based on the Well-to-Wheel approach.
- Electrification is not the silver bullet for all market segments - long-haul heavy duty vehicles will continue to rely on renewable and synthetic liquid and gaseous fuels used in internal combustion engines.

IRU takes the opportunity of the ongoing Council discussions on the European Commission (EC) proposal for Heavy Duty Vehicle CO₂ Standards, which are due to be finalised in the Environment Council by 20 December, to share the road transport operators' views on this proposal. IRU and its Members are fully committed to reducing their CO₂ emissions and striving as far as possible towards a low-carbon future, as demonstrated in the recently adopted global [IRU 2050 Decarbonisation Vision](#).

IRU strongly supports the EC proposal for CO₂ emissions reduction standards for new trucks and endorses the EC's proposed target level of 15% for 2025 as an ambitious but realistic objective to encourage further rollout of fuel efficient technology.

IRU believes that the 2030 target can only be finalised in the 2022 revision, when it is clear which technologies will contribute to meeting the eventual ambition level and when it is based on the Well-to-Wheel (WTW) approach recognising the role of renewable and synthetic liquid and gaseous fuels used in internal combustion engines. IRU is concerned that the 2030 target of 35% adopted by the European Parliament is unrealistic when only considering tailpipe emissions.

Based on current technology projection, any possibility of meeting a 35% reduction would require a shift to electrification across the board, which will not be market ready for long-haul operations which represent 80% of the energy consumed and therefore CO₂ emissions (over 150 km). Electrification will be a solution for short-haul and regional delivery but certainly not for long-haul operations in this timeframe. Therefore, meeting such a target could see a shift of investment to smaller and less efficient vehicles, ultimately creating greater congestion and more CO₂ emissions.

IRU supports the proposed super-credit system which will help drive investment into innovative solutions but several changes to the existing proposal should be made. IRU proposes a differentiation per vehicle subgroup, for example offering higher incentives based on the different 'mileage, payload weighting' of the vehicle as including a measurement of the range and payload of the vehicle would ensure that incentives are offered for investment into long-

haul, heavy duty vehicles. It would also safeguard the ambition level by ensuring that the targets cannot be met by investing in only a limited number of urban and regional delivery vehicles.

The super-credit system should create incentives for investments into the more challenging long-haul segment. It should not include buses, nor other non-VECTO vehicles (such as trucks between 3.5 and 7.5 tonnes) where the market demand for electric vehicles is already further developed. Finally, the Low-Emission-Vehicle definition must be realistic - the current definition is not in line with technology readiness.

Decision-makers must also bear in mind that given the tight margins facing the sector, transport operators have limited purchasing power which may prevent them from investing in new technologies. Their ability to do so, and to make subsequent fuel cost savings, ultimately depends on sufficiently short payback periods. Where investments are not cost-effective, they may limit the possibility for operators to invest in other decarbonisation measures.

IRU calls on decision-makers to adopt a realistic level of ambition that will tangibly help the sector to make the needed CO₂ emissions reductions. In order to ensure investment stability, and to avoid national measures being taken in place, IRU urges decision-makers to reach an accord before the end of the current parliamentary mandate.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Maedge', with a long horizontal stroke extending to the right.

Matthias Maedge

General Delegate of the IRU Permanent Delegation to the EU