EVENT REPORT
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TAMING HEAVY ROAD TRANSPORT EMISSIONS

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Transport is responsible for a quarter of the EU’s total emissions, and 25% of that comes from heavy-duty vehicles like trucks and buses. But countries are struggling to bring the levels down and it remains unclear what is the best way to go about taming such a problematic sector.

Following the European Commission’s first foray into trying to regulate heavy-duty vehicles, policymakers and influential figures from the transport industry will attend the European Transport Forum in Brussels to see what happens next.
Contents

Truck emissions and the Pandora’s Box of ambition

'We don’t have to rush our trucks legislation’, warns MEP

Realistic ambition in truck CO2 cuts
EU lawmakers are currently tinkering with the European Commission’s first attempt to regulate heavy-duty vehicle CO2 emissions. But a debate is now raging about how strict those cuts should be and how soon they should be enforced.

Carbon dioxide emissions from heavy-duty vehicles (HDVs) must fall by 15% by 2025, according to the Commission proposal, published in May. It also includes a non-binding 30% CO2 reduction target for 2030.

Members of the European Parliament are now deliberating over a draft report by Greens lawmaker Bas Eickhout, which ups those benchmarks to 20% and 45%, respectively.

Other political groups in the assembly are pushing for even higher targets and EU countries like the Netherlands, France and Luxembourg all want long-term goals put in place.

The Parliament’s environment committee (ENVI) is meant to vote on the report in mid-October but doubts have been raised about the assembly’s quest for more ambitious targets within such a short timeframe.

An arms race to “raise ambition with a capital ‘A’” would be counterproductive, warned Adina-Ioana Vălean, the chair of ENVI, who hails from the centre-right European People’s Party (EPP).

“Simply opening the Pandora’s Box of ambition, without increasing sales [of low and zero emission vehicles] at home and abroad is pointless,” she told the European Transport Forum (ETF) in Brussels on Tuesday (25 September).

The Romanian lawmaker also cast doubt on whether “sustainable legislation” could be passed by the Parliament before its mandate ends in May.

Vălean’s note of caution was reflected in part by the ETF audience, who were asked to vote electronically on whether the Commission’s proposal had struck the right balance or not.

Half the participants said that the proposal’s targets were adequate but needed additional measures, while 25% said it was not ambitious enough. Just 5% backed the EU executive’s effort in its current form.

Continued on Page 5
But Eickhout, who could not attend the forum as planned due to other commitments, told EURACTIV after the event that he intends to stick to his proposed targets, adding that “a clear majority around the table does see the urgency of getting the legislation passed”.

SCEPTICAL INDUSTRY

Manufacturers are still dubious about whether the 2025 binding target is actually achievable or not. The Volvo Group’s environmental affairs chief, Rolf Willkrans, insisted that truck designs and tech for seven years time are already finalised.

2025 is “closer than you may think”, Willkrans cautioned, pointing to the long-lasting nature of heavy-duty vehicles, many of which are expected to run for over a million kilometres with only regular servicing.

But the head of road transport at the European Commission’s climate directorate, Alexandre Paquot, dismissed those fears, explaining that the EU executive’s modelling was based “on a detailed analysis” and that the 15% target was “feasible in 2025 with existing technology”.

That has not stopped members of the industry proposing a 7% target instead, ahead of a more concerted effort towards the end of the decade, once buying cycles ramp up again and the market responds to the new technology.

TINKERING WITH TRUCKS

Regulating the heavy-duty sector is set to get a shot in the arm next year, according to Paquot, who confirmed that the Vehicle Energy Consumption Calculation Tool (VECTO) will be ready in 2019.

VECTO is a simulation tool that is meant to accurately simulate carbon emissions from heavy-duty vehicles and will be essential if plans to introduce road pricing based on pollution are to come to fruition.

Such a polluter-pays model was supported by the head of service provider Vos Logistics, Frank Verhoeven, whose company boasts a fleet of over 1,000 heavy vehicles.

Verhoeven suggested that the market should be regulated by making clean transport cheaper per kilometre than more polluting transport, as it would promote the development of new technology.

The logistics CEO also championed efficiency efforts as a way to bring down fuel consumption, over the riskier strategy of expecting operators to shell out for expensive new vehicles.

Verhoeven explained that drivers should be taught how best to handle their vehicles in order to squeeze the maximum out of a tank of fuel, adding that 35% of trucks run empty through Europe, meaning better load management could also yield big results.

The Commission is expected to come out with a regulation in 2022 on truck trailers and Verhoeven insisted that it could prove to be “a quantum leap for CO2 reduction” if the trailers are allowed to be longer.

Other measures like ‘platooning’, a semi-automated driving technique that puts two or three trucks within close proximity of one another on highways, was also mentioned as a low-hanging fruit. Platooning reduces fuel consumption by up to 10% through the use of connected car technology.

THE TECH NEUTRALITY CONUNDRUM

EU legislation is meant to be technology neutral, i.e. in the case of transport, non-discriminatory against certain fuels. But, just like the car and van legislation, the Commission’s effort has been criticised for overly favouring electrification.

Alexandre Paquot dismissed those criticisms though, saying “it is fully up to manufacturers to decide how to meet targets”.

“We have no particular religion for technology,” the EU official assured the ETF crowd.

Eickhout’s draft report includes low and zero emission vehicle sales targets and has even headed off a potential loophole by proposing a separate target for electric buses, which are seen as an easy out for manufacturers.

Electrifying heavy-duty trucks would indeed be a tall order and is “no silver bullet”, Paquot acknowledged. Their power demands are far greater than light vehicles and separate infrastructure is needed due to needs like increased voltage and more spacious charging areas.

John Cooper, the head of EU refining industry association FuelsEurope, admitted that battery power is making a “good contribution” to light transportation but insisted that petrochemicals remain the best energy storage option for heavier vehicles.

The ENVI committee will meet on the 18 October to vote on Eickhout’s report, as well as consider opinions from other committees.

If the report is passed then it is likely that a full plenary sitting of the Parliament will be asked to vote, given the apparent divisions between MEPs on how best to tackle what is proving to be an extremely divisive issue.
The head of the European Parliament’s environment committee has urged her MEP colleagues not to rush the adoption of new EU rules on heavy-duty vehicle emissions, casting doubt on whether the Third Mobility Package can be finalised under this current Parliament.

Adina-Ioana Vălean is a Romanian MEP with the European People’s Party (EPP) and head of the Parliament’s environment committee (ENVI).

She spoke to EURACTIV’s Sam Morgan on the sidelines of the European Transport Forum (ETF), held in Brussels on 25 September.

This is the EU’s first go at regulating heavy-duty vehicle CO2 emissions. It’s been called “overdue” by some, including European Commission Vice-President Maroš Šefčovič. What do you think of the timing?

My main worry at this stage is the fact that there is an ongoing push from the Parliament to get tonnes of legislation off the books before the next elections in May and the end of the mandate. So I worry that with the hundreds of amendments to the trucks legislation, it won’t get the proper debate it deserves. From this perspective, I would’ve preferred to have seen it earlier or to leave it for the next Parliament. Otherwise, we might end up with something that is not so solid. Especially since this is

Continued on Page 7
something new.

You're the head of the Parliament's environment committee, which is the lead on this file, but there are clearly a lot of issue relating to jobs, infrastructure, energy, manufacturing and so on. Was your committee the right one to tackle this?

Well it's about emissions so we have exclusivity on any legislation that deals with climate change and emissions. So it couldn't have found a home anywhere else. Of course, I think we will have opinions from other committees but even getting those opinions is going to be challenging in terms of the timing. They will have to read it, amend it, debate it, all before we rush into a vote. Everything right now is under time pressure, which is not, in my opinion, a good thing for legislation.

Greens MEP Bas Eickhout is the lead rapporteur on the dossier and his draft report has already increased the targets originally proposed by the Commission. During this event you spoke about opening a ‘Pandora’s Box of ambition’: what did you mean by that?

Between myself and Bas Eickhout there is this debate, stemming from my own personal market-orientated ideology and his green ideology. From this perspective, that is why I'm saying don't rush into new steps and talk only about ambition. Talk also about consolidation, let's see new technologies on the market and what the pick-up is like. We've already seen with electric cars that not everyone can afford something like a Tesla, even if we all would like one. The market isn't fully prepared for total electrification of cars. Not to mention, where is the electricity produced? Is it from coal? If it is, it's not a clean vehicle. Where are the batteries produced? That's why we need to let the market develop, grow, adapt, adopt new technologies. Binding targets can come when we have consistency. It's an ideological thing though. For the Greens, targets and ambition are what will move things forward.

Do these rules risk exposing a ‘two-speed Europe’, given the differences between EU countries? Vehicles on the road in eastern member states are typically much older, for example.

Transport is about free movement at European level. From this perspective, it makes sense to have a unified regulation or else it would be difficult to deal with this. Then you have to take into consideration all the existing differences in Europe. That's why my idea is not to fight against the legislation but to be cautious and give it a bit of time. That gives new technologies and public debate to come out with solid solutions. Also, it makes no sense to ask people or operators to invest in something more expensive. It's going to put smaller businesses out of business.

Your committee adopted a report on light vehicle emissions earlier this month. Do you think that was rushed? Has that legislation just been copy and pasted into the truck rules?

No it's not a case of that. There was also some tension when we adopted that, as we had so many amendments, and I'm not sure about the amount of time we even had to debate it. In the environment committee, parties are rather split on the subject. That's why having more time would be beneficial for compromises. Personally, I appreciate it when legislation is adopted with broad support. That is solid legislation, not ones that pass by just a few votes.
The European Commission recently released its proposal on regulating heavy duty CO2 emissions. Rolf Willkrans describes the “not insurmountable challenge” ahead and calls for realistic yet ambitious rules to be adopted.

Rolf Willkrans is the director of environmental affairs at the Volvo Group.

The battle against rising CO2 levels in our atmosphere has come to be seen as one of the great challenges of our time. The effects are clear, and there is growing consensus among citizens, industry and policymakers that something needs to be done.

The Paris Climate Agreement of 2015 was seen as a great leap forward, spurring governments around Europe and the world to address the need to keep global average temperatures below 2 degrees above pre-industrial levels.

This recognition and impetus is welcome, and something that we at the Volvo Group fully support. Indeed, for trucks and buses fuel represents 30% of operators’ costs, so the importance of lowering emissions by fuel efficiency has been at the forefront of manufacturers’ minds for decades. After all, which business would buy a truck or bus that was more expensive to run than another?

It is for this dual benefit – environmental and economic – that the Volvo Group, together with other manufacturers, have supported and aided the development of VECTO, the tool by which emissions are calculated, taking into account the various components and profile of each vehicle.

It is why we actively participated in discussions about monitoring and publication of this data; and it is why we are engaging now with
the Commission's proposal for CO2 limits from trucks and buses, and want to make sure that this is done right. Otherwise, the CO2 strategy risks failing to decarbonise European transport as efficiently as possible.

Vehicles for delivery in 2025, when the first Commission target is set for, are already in development, and it is important to remember that trucks are not big cars – they are business tools, have a longer lifecycle, and take a longer time to develop. It is important to understand the complexity of the commercial vehicles industry and our markets to get the best results from the CO2 limits proposal.

Above all, it is important to be realistic. The Volvo Group is supportive of CO2 standards and what they can achieve, but we are also pragmatic.

So when we calculate the savings from each individual technology, we know that these must be taken as part of the whole vehicle, and that while one technology may provide a specific reduction in a lab, it is less effective on the road, in conjunction with other crucial elements of a vehicle, or vary between vehicle classes.

There is no silver bullet, and we must be wary of any suggestion to the contrary. No one component, fuel, or powertrain will solve this problem for us.

It will take massive investment by manufacturers to try out a variety of options to get this right and make sure decarbonisation happens in the best way possible, for our environment and for the economy.

Flexible measures such as allowing manufacturers to have a credit and debit banking system for reaching targets like in the U.S – being over target some years, and under on others – means that targets can be reached as quickly as possible taking into account market realities.

So too does the system of super credits, which allow vehicles which are low- and zero-emission at tailpipe to count higher towards the achievement of targets. While critics might say these offer industry an out, what they really do is avoid unhelpful arbitrary dates, when the important thing is that targets are met in the most efficient way possible. What matters is that we get there.

CO2 standards must also recognise and encourage the work that manufacturers are already doing in reducing the CO2 impact of haulage. One example is the European Modular System (EMS), where different loading units can be combined to carry more at a greater level of fuel efficiency.

The current proposal should recognise this as a separate subgroup of truck. Giving them a higher CO2 performance value is not reflective of their real emissions, and can only result in a greater number of smaller vehicles being used to transport the same volume of goods, thus increasing emissions. Recognition must also be given to the potential of technologies such as platooning in reducing real-world emissions.

To this end, we actively support real-world checks to verify VECTO values, provided of course that these respect customer privacy and that costs are in proportion to benefits.

The challenge that faces industry, policymakers, and society in decarbonising European transport is not easy, but neither is it insurmountable. A combination of ambition, realism, and understanding of the complexities of the commercial vehicle sector and market is needed to make sure that CO2 standards help us to achieve this aim in the best way possible.

Only then can the CO2 emissions reduction strategy be deemed a success, and pave the way for a European transport system which is clean, effective, and continues to nourish and support our economy.