# Procedure file

## **Basic information**

COD - Ordinary legislative procedure (ex-codecision 2023/0042(COD) procedure)

Regulation

Strengthening the CO2 emission performance targets for new heavy-duty vehicles

Repealing Regulation 2018/956 <u>2017/0111(COD)</u> Amending Regulation 2019/1242 <u>2018/0143(COD)</u>

Subject

2.10.03 Standardisation, EC/EU standards and trade mark, certification, compliance

3.20.05 Road transport: passengers and freight

3.40.03 Motor industry, cycle and motorcycle, commercial and agricultural vehicles

3.70.02 Atmospheric pollution, motor vehicle pollution

Legislative priorities

Joint Declaration 2023-24

Awaiting Council's 1st reading position

# Key players

European Parliament Committee responsible Rapporteur Appointed

Environment, Public Health and Food Safety

EICKHOUT Bas

Shadow rapporteur

GIESEKE Jens

S&D SCHALDEMOSE

Christel

CANFIN Pascal

SARDONE Silvia

FIOCCHI Pietro

VILLUMSEN Nikolaj

Committee for opinion

ITRE Industry, Research and Energy

Rapporteur for opinion

Appointed

01/10/2023

19/04/2023

KUMPULA-NATRI Miapetra

Internal Market and Consumer Protection

The committee decided not to give an opinion.

TRAN Transport and Tourism 19/04/2023



AGRI Agriculture and Rural Development

The committee decided not to give an opinion.

Council of the European Union European Commission

Commission DG Commissioner

<u>Climate Action</u> TIMMERMANS Frans

European Economic and Social Committee European Committee of the Regions

events			
14/02/2023	Legislative proposal published	COM(2023)0088	Summary
29/03/2023	Committee referral announced in Parliament, 1st reading		
24/10/2023	Vote in committee, 1st reading		
30/10/2023	Committee report tabled for plenary, 1st reading	A9-0313/2023	Summary
21/11/2023	Results of vote in Parliament		
21/11/2023	Debate in Parliament	<b>F</b>	
21/11/2023	Decision by Parliament, 1st reading	T9-0403/2023	Summary
21/11/2023	Matter referred back to the committee responsible		
14/02/2024	Approval in committee of the text agreed at 1st reading interinstitutional negotiations	PE759.693 EP(2024)000911	
10/04/2024	Decision by Parliament, 1st reading	T9-0192/2024	Summary

Technical information			
Procedure reference	2023/0042(COD)		
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)		
Procedure subtype	Legislation		
Legislative instrument	Regulation		
	Repealing Regulation 2018/956 2017/0111(COD)		
	Amending Regulation 2019/1242 2018/0143(COD)		
Legal basis	Treaty on the Functioning of the EU TFEU 192-p1		
Mandatory consultation of other institutions	European Economic and Social Committee European Committee of the Regions		
Stage reached in procedure	Awaiting Council's 1st reading position		
Committee dossier	ENVI/9/11359		

Legislative proposal	COM(2023)0088	14/02/2023	EC	Summar
Document attached to the procedure	SEC(2023)0100	15/02/2023	EC	
Document attached to the procedure	SWD(2023)0088	15/02/2023	EC	
Document attached to the procedure	SWD(2023)0089	15/02/2023	EC	
Committee draft report	PE746.858	26/05/2023	EP	
Amendments tabled in committee	PE749.993	07/07/2023	EP	
Amendments tabled in committee	PE751.643	07/07/2023	EP	
Economic and Social Committee: opinion, report	CES0325/2023	12/07/2023	ESC	
Amendments tabled in committee	PE751.554	13/07/2023	EP	
Committee opinion TRAN	PE748.959	21/09/2023	EP	
Committee opinion ITRE	PE749.317	13/10/2023	EP	
Committee report tabled for plenary, 1st reading/single reading	A9-0313/2023	30/10/2023	EP	Summai
Fext adopted by Parliament, partial vote at streading/single reading	<u>T9-0403/2023</u>	21/11/2023	EP	Summa
Fext agreed during interinstitutional negotiations	PE759.693	09/02/2024	EP	
Coreper letter confirming interinstitutional agreement	EP(2024)000911	12/02/2024	CSL	
Text adopted by Parliament, 1st	T9-0192/2024	10/04/2024	EP	Summa

Additional information		
Research document	Briefing	12/12/2023

# Strengthening the CO2 emission performance targets for new heavy-duty vehicles

PURPOSE: to provide new emission standards to reduce CO? emissions from new heavy-duty vehicles (HDV) and contribute to the shift to zero-emission mobility in the broader context of increased EU climate ambition by 2030 and EU climate neutrality by 2050.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: the heavy-duty vehicles (HDVs) CO2 Standards Regulation (EU) 2019/1242 was adopted and entered into force in 2019. It sets new binding CO2 targets starting to apply from the year 2025 onwards. An evaluation of the effective application of these provisions is not possible at this stage. However, a revision is necessary in order to bring the Regulation in line with the ambitions of the European Green Deal and the strengthened emission reduction targets of the European Climate Law.

Heavy-duty vehicles, such as trucks, city buses and long-distance buses, are responsible for more than 25% of GHG emissions from road transport in the EU and account for over 6% of total EU GHG emissions. These emissions continue to increase, especially in freight transport. This upward curve is mainly driven by growing road transport demand, which is expected to keep increasing in the future.

Therefore, stronger CO2 emission standards for heavy-duty vehicles are key to drive down CO2 emissions in the sector and improve air quality. The Commission's proposal will strengthen the CO2 standards from 2030 onwards and extend the scope to almost all vehicles with certified CO2 emissions, to help reach the EU's commitment to reach climate neutrality by 2050.

CONTENT: the Commission is proposing to revise Regulation (EU) 2019/1242 setting CO2 performance standards for heavy-duty vehicles (HDVs). The proposal will ensure that CO2 emissions from heavy-duty vehicles are reduced, will provide benefits for transport operators and users in terms of air quality and reduction of energy consumption, and will strengthen the technological and innovation leadership of the

automotive value chain.

Subject matter and objectives

The new proposal lays down the requirements for the reporting of CO?emissions from and fuel consumption of new heavy-duty vehicles registered in the Union.

Its specific objectives are to:

- reduce CO2 emissions from HDV, cost-effectively, in line with the EU climate goals, while contributing to improve EU energy security;
- provide benefits for European transport operators and users, most of which are SMEs, resulting from wider deployment of more energy-efficient vehicles;
- strengthen the technological and innovation leadership industry in the EU by channelling investments into zero-emission technologies.

### Scope

The proposal expands the scope of application of the Regulation to include trailers, including now trailers, urban buses, coaches and other types of lorries. Vehicles designed and constructed or adapted for use by civil protection, fire services and forces responsible for maintaining public order are not subject to the CO2emissions targets.

Manufacturers who produce less than 100 vehicles per year are also exempt from the CO? emissions targets.

### CO2 emission targets

The new proposal lays down how much the specific CO? emissions of the Union fleet of new heavy-duty motor vehicles should be reduced in certain years and defines how such targets are allocated to the HDV sub-groups.

More specifically, the average CO2 emissions of the Union fleet of new heavy-duty motor vehicles, other than special purpose, off-road, off-road special purpose, and vocational vehicles such as mobile cranes, forestry or agricultural vehicles, should be reduced by the following percentages compared to the average CO2 emissions of the reporting period of the year 2019:

- 45% from 1 January 2030;
- 65% from 1 January 2035;
- 90% from 1 January 2040 onwards.

New city buses in the EU will all have to be zero emissions (100% share of zero-emission vehicles) as of 2030.

It will be for manufacturers to decide which technologies they use to achieve these targets, e.g. electrification, hydrogen fuel cells or hydrogen in internal combustion vehicles.

The zero- and low-emission incentive scheme

The proposal amends the Regulation to end the zero- and low-emission incentive scheme in 2029. This scheme will end in 2029 as it is no longer considered necessary after that time as an incentive to promote the market entrance of zero-emission vehicles.

### Monitoring and reporting

The proposal sets out new obligations for Member States to monitor and report certain data on the new heavy-duty vehicles. Manufacturers and other entities are obliged to monitor and report certain data on the new heavy-duty vehicles.

New provisions have been included concerning the obligation for the Commission to keep and update a central register and for it to monitor the results of on-road verification tests.

### Review

The proposal suggested a review of the proposed Regulation in 2028.

# Strengthening the CO2 emission performance targets for new heavy-duty vehicles

The Committee on the Environment, Public Health and Food Safety adopted the report by Bas EICKHOUT (Greens/EFA, NL) on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) 2019/1242 as regards strengthening the CO? emission performance standards for new heavy-duty vehicles and integrating reporting obligations, and repealing Regulation (EU) 2018/956.

The committee responsible recommended that the European Parliament's position adopted at first reading under the ordinary legislative procedure should amend the proposal as follows:

### Definitions

The report included the definition of Extra Heavy Combination lorry or EHC lorry to mean a category N3 vehicle suitable for usage in a vehicle combination.

### Stricter overall target for 2035

Members called for strong CO2 emissions reduction targets for medium and heavy trucks, including vocational vehicles (such as garbage trucks, tippers or concrete mixers) and buses. These targets would be set at 44% for the period 2030-2034, 70% for 2035-2039 (compared to 65% proposed by the Commission) and 90% as of 2040.

### **Exclusions**

While agreeing that all new registered urban buses should be zero-emission vehicles from 2030. They added the possibility for member states to request a temporary exemption (until 2035) for urban buses fuelled by biomethane, under strict conditions linked to the presence of

refuelling infrastructure and to the fuels origin.

### Zero-Emission HDVs Forum

Members proposed that as soon as the regulation enters into force, the European Commission should convene a Zero-Emission HDV forum, which should be composed of representatives from public charging stations operators, electricity transmission system operators, long-haul transporters, urban logistic operators, public transport operators, civil society organisations, Member States and manufacturers, in order to work together on the effective and cost-efficient roll-out of recharging and refuelling infrastructure in view of the increased CO2 emissions reduction target set out in this draft regulation.

The forum will allow for consultation to ensure that charging infrastructure is available and accessible at an affordable cost. It will also provide for a constructive dialogue with a view to the revision of the alternative fuels infrastructure (AFIR) Regulation in 2026, to align the AFIRs goals with the new CO2 emission reduction standards for HDVs.

#### Review

The Commission should by 31 December 2026 publish a report assessing the possibility of developing a common Union methodology for the assessment, and the consistent data reporting, of the full lifecycle CO2 emissions of new heavy-duty vehicles that are placed on the Union market

# Strengthening the CO2 emission performance targets for new heavy-duty vehicles

The European Parliament adopted, by 445 votes to 152 with 30 abstentions, amendments to the proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) 2019/1242 as regards strengthening the CO? emission performance standards for new heavy-duty vehicles and integrating reporting obligations, and repealing Regulation (EU) 2018/956.

The matter was referred back to the committee responsible for inter-institutional negotiations.

CO2 emission reduction targets for heavy-duty vehicles

Parliament recalled that heavy-duty vehicles are currently responsible for more than a quarter of greenhouse gas emissions from road transport in the Union and for over 6% of Union's total greenhouse gas emissions, more than those from aviation or maritime transport. The EUs Sustainable and Smart Mobility Strategy aims for a 90% reduction in the transport sectors emissions by 2050, including hard-to-abate sectors like aviation and maritime transport.

Strengthening CO2 emission reduction requirements for heavy-duty vehicles and rolling-out the necessary recharging and refuelling infrastructure will play a key role in reducing the emissions of the entire heavy-duty vehicles fleet to achieve economy-wide climate-neutrality at the very latest by 2050.

Members called for strong CO2 emissions reduction targets for medium and heavy trucks, including vocational vehicles (such as garbage trucks, tippers or concrete mixers) and buses. The targets would be 45% for the period 2030-2034, 65% for 2035-2039 and 90% as of 2040.

### Urban buses

Members backed the Commission's proposal that all new urban buses in the EU should be zero-emission (100% share of zero-emission vehicles) from 2030. They propose a temporary exemption (until 2035) for urban buses fuelled by biomethane, under strict conditions.

To benefit from this exemption, the vehicles should be fuelled by biomethane produced from a virtuous waste treatment process, such as the treatment of slurry, urban waste and urban wastewater, which must be guaranteed by certificates of origin.

Members also introduced provisions to ensure sustainable and resilient supply chains for urban buses through public procurement procedures.

### Additional measures

By 6 months from the date of entry into force of this Regulation, the Commission should adopt a delegated act to harmonise the type-approval rules for vehicles with internal combustion engines converted to zero-emission vehicles as defined under this Regulation, in order to allow for series approval. By 30 June 2024, the Commission should present a legislative proposal to the European Parliament and to the Council to increase the share of zero-emission heavy-duty motor vehicles owner or leased by large fleet operators.

### Zero-Emission HDVs Forum

Members proposed that as soon as the regulation enters into force, the European Commission should convene a Zero-Emission HDV forum, which should be composed of representatives from public charging stations operators, electricity transmission system operators, long-haul transporters, urban logistic operators, public transport operators, civil society organisations, Member States and manufacturers, in order to work together on the effective and cost-efficient roll-out of recharging and refuelling infrastructure in view of the increased CO2 emissions reduction target set out in this draft regulation.

Methodology for registration of heavy-duty vehicles running exclusively on CO2 neutral fuels

Members introduced a definition of CO2 neutral fuels. Following consultation with stakeholders, at the latest by one year from the date of the entry into force of the amending Regulation, the Commission should develop a methodology for registering heavy-duty vehicles running exclusively on CO2 neutral fuels for compliance purposes in conformity with Union law and with the Unions climate-neutrality objective.

## Assessment and reporting

The Commission should, not later than 31 December 2027, review the effectiveness and impact of this Regulation and submit a report assessing in particular:

- the number of registrations of zero-emission heavy-duty vehicles in Member States;
- the progress made in deployment of charging and refuelling infrastructure suitable for heavy-duty vehicles in Member States;

- considerations of heavy-duty vehicles and vehicle combinations taking into account weights and dimensions applicable to national transport, for example modular and intermodal concepts, while also assessing possible transport safety and efficiency aspects, intermodal, environmental, infrastructural and rebound effects as well as the geographical situation of Member States;
- impacts on employment, especially on micro, small and medium-sized enterprises (SMEs), the effectiveness of measures to support retraining and upskilling of the workforce, and the importance of an economically viable and socially fair transition towards zero-emission road mobility;
- the impacts of establishing minimum energy efficiency thresholds for new zero-emission heavy-duty vehicles placed on the Union market;
- the impacts of ensuring that special purpose, off-road and off-road special vehicles are subject to CO2 emissions reduction targets.

The Commission should by 31 December 2026 publish a report assessing the possibility of developing a common Union methodology for the assessment, and the consistent data reporting, of the full lifecycle CO2 emissions of new heavy-duty vehicles that are placed on the Union market.

# Strengthening the CO2 emission performance targets for new heavy-duty vehicles

The European Parliament adopted by 341 votes to 268, with 14 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) 2019/1242 as regards strengthening the CO? emission performance standards for new heavy-duty vehicles and integrating reporting obligations, and repealing Regulation (EU) 2018/956.

The position adopted by the European Parliament at first reading under the ordinary legislative procedure is as follows:

### Objective

The Regulation as amended sets CO?emission performance standards for new heavy-duty vehicles. These standards will contribute to the achievement of the Union's climate neutrality objective and the intermediate Union climate targets as set out in the European Climate Act, the Member States' targets for reducing their greenhouse gas emissions as set out in Regulation (EU) 2023/857 of the European Parliament and of the Council and the objectives of the Paris Agreement, as well as ensuring the proper functioning of the internal market.

### Definitions

The amended text modifies the definition of zero-emission heavy-duty vehicle by specifying that it is a heavy-duty motor vehicle without an internal combustion engine or equipped with an internal combustion engine whose emissions are less than or equal to 3g of CO?/(tkm) or 1g of CO?/(pkm). In addition, it adds a subgroup of vehicles to include extra-heavy combination lorry (EHCs).

### CO2 emissions reduction targets

CO2 emissions from large trucks (including vocational vehicles, such as garbage trucks, tippers or concrete mixers) and buses should be reduced by 15 % for the report periods of the years 2025 to 2029; 45 % for 2030 to 2034; 65 % for 2035 to 2039; 90 % for 2040 onwards.

Emissions reduction targets are also set for trailers (7.5%) and semi-trailers (10%), starting from 2040.

Member States should also be entitled to exempt heavy-duty vehicles from the obligation to meet the CO2 emissions reduction targets set in this Regulation where those heavy-duty vehicles are not specifically designed, but are registered, for use by civil protection services, fire services, forces responsible for maintaining the public order or urgent medical care services, such as normal coaches used for the transport of police or armed services, by confirming that such exemption would be in the public interest. Member States should also be entitled to exempt vehicles registered for the armed services from this Regulation in its entirety.

### Urban buses

For urban buses, manufacturers should comply with minimum shares of 90% and 100% of zero-emission heavy commercial vehicles in their fleets of new heavy commercial vehicles from 2040.

Contracting authorities and contracting entities should base the award of public supply contracts for the purchase, lease, rent or hire-purchase of new zero-emission urban buses, as well as of public service contracts having as their main subject matter the use of such urban buses, on the most economically advantageous tender which should include the best price-quality ratio.

### Review

By 31 December 2027, the Commission should review the effectiveness and impact of this Regulation, in particular as regards the objective of climate neutrality at the latest by 2050, and submit a report to the European Parliament and to the Council with the results of that review.

In that report, the Commission should particularly assess:

- the number of registrations of zero-emission heavy-duty vehicles in Member States;
- the progress in the deployment of public and private alternative fuels recharging and refuelling infrastructure for heavy-duty vehicles covered by this Regulation;
- the impact on employment, especially on micro, small and medium-sized enterprises (SMEs), the effectiveness of measures to support retraining and upskilling of the workforce, and the importance of an economically viable and socially fair transition towards zero-emission road mobility;
- whether the continuation of the exemption for manufacturers producing few vehicles is still justified;
- the impact of establishing minimum energy-efficiency thresholds for new zero-emission heavy-duty vehicles placed on the Union market;
- the role of a carbon correction factor in the transition towards zero-emission mobility in the heavy-duty vehicles sector;
- the role of a methodology for registering heavy-duty vehicles running exclusively on CO2 neutral fuels, in conformity with Union law and with the Union climate-neutrality objective;

- whether the creation of new vehicle sub-groups for EHC lorries has led to an undue increase in engine rated power;
- the possibility of developing a common Union methodology for the assessment, and the consistent data reporting, of the full lifecycle CO2 emissions of new heavy-duty vehicles that are placed on the Union market.

The Commission should by 31 December 2025 present a report to the European Parliament and to the Council with a comprehensive analysis of the need to further incentivise the uptake of advanced biofuels and biogas and renewable fuels of non-biological origin in the heavy-duty vehicles sector and the appropriate framework of measures, including financial incentives, to achieve that deployment. Based on that analysis, the Commission should, where appropriate, make additional legislative proposals or should make recommendations to the Member States.

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GIESEKE Jens	Shadow rapporteur	ENVI	13/03/2024	Volkswagen Aktiengesellschaft
GIESEKE Jens	Shadow rapporteur	ENVI	22/02/2024	Verband der Automobilindustrie Fahrzeugwerk Bernard KRONE GmbH
GIESEKE Jens	Shadow rapporteur	ENVI	21/02/2024	Robert Bosch GmbH
GIESEKE Jens	Shadow rapporteur	ENVI	19/02/2024	Fahrzeugwerk Bernard KRONE GmbH
GIESEKE Jens	Shadow rapporteur	ENVI	19/02/2024	Q1 Energie AG
GIESEKE Jens	Shadow rapporteur	ENVI	13/02/2024	Volkswagen Aktiengesellschaft
GIESEKE Jens	Shadow rapporteur	ENVI	13/02/2024	Cryoshelter BioLNG GmbH
GIESEKE Jens	Shadow rapporteur	ENVI	13/02/2024	Verband der Automobilindustrie
KUMPULA-NATRI Miapetra	Rapporteur for opinion	ITRE	17/01/2024	ExxonMobil Petroleum Chemical
GIESEKE Jens	Shadow rapporteur	ENVI	15/01/2024	Cyroshelter BioLNG GmbH
GLÜCK Andreas	Member	15/03/2024	ExxonMobil Petroleum & Chemical	
ZANNI Marco	Member	13/03/2024	Eni S.p.A.	
GLÜCK Andreas	Member	19/01/2024	eFuel Alliance	
GLÜCK Andreas	Member	17/01/2024	TotalEnergies SE	
BRESSO Mercedes	Member	17/01/2024	ExxonMobil Petroleum & Chemical	
OIA Patrizia	Member	16/01/2024	ExxonMobil Petroleum & Chemical	
GUALMINI Elisabetta	Member	21/11/2023	Eni S.p.A. IVECO GROUP N.V. NOVE	
BEGHIN Tiziana	Member	21/11/2023	Eni S.p.A. IVECO GROUP N.V.	
VÖLKEN Tiemo	Member	16/11/2023	Avanca Energy	
GLÜCK Andreas	Member	16/11/2023	NOVE	