

CONTENTS

Background

- Introduction
- Context
- Existing situation
- Parliament's starting position

Proposal

- Preparation of the proposal
- The changes the proposal would bring

Views

- Advisory committees
- National parliaments
- Stakeholders' views

Legislative process

References

- EP supporting analysis
- Other sources

Review of the Clean Vehicles Directive

In November 2017, the European Commission proposed a revision of Directive 2009/33/EC on the promotion of clean and energy-efficient road transport vehicles (the Clean Vehicles Directive), after an evaluation showed that the directive had yielded limited results.

The proposed directive aims to promote clean mobility solutions in public procurement tenders and thereby raise the demand for, and the further deployment of, clean vehicles. The proposal provides a definition for clean light-duty vehicles based on a combined CO₂ and air-pollutant emissions threshold; for heavy-duty vehicles, it gives a definition based on alternative fuels. The proposal is in line with the European Commission's energy union package, which plans action on the further decarbonisation of road transport in line with the 2030 climate and energy targets.

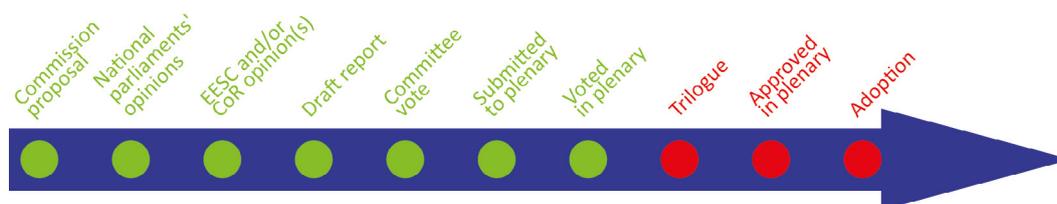
The proposal was referred to the European Parliament's Committee on Environment, Public Health and Food Safety (ENVI). The committee adopted its report on 10 October 2018. The Parliament then voted on the report during the October II 2018 plenary session, and gave the committee a mandate for trilogue negotiations.

Proposal for a Directive of the European Parliament and of the Council amending Directive 2009/33/EU on the promotion of clean and energy-efficient road transport vehicles

COM(2017) 653, 8.11.2017, 2017/0291(COD), Ordinary legislative procedure (COD) (Parliament and Council on equal footing – formerly 'co-decision')

Committee responsible:	Environment, Public Health and Food Safety (ENVI)
Rapporteur:	Andrzej Grzyb (EPP, Poland)
Shadow rapporteurs:	Seb Dance (S&D, UK); Rupert Matthews (ECR, UK); Jan Huitema (ALDE, the Netherlands); Kateřina Konečná (GUE/NGL, Czech Republic); Keith Taylor (Greens/EFA, UK); Eleonora Evi (EFDD, Italy); Joëlle Mélin (ENF, France)
Next steps expected:	Trilogue negotiations

19 December 2018
Second edition
The 'EU Legislation in Progress' briefings are updated at key stages throughout the legislative procedure. Please note this document has been designed for on-line viewing.



[Introduction](#)[Context](#)[Existing situation](#)[Parliament's starting position](#)

Introduction

In November 2017, the Commission proposed a revision of [Directive 2009/33/EC](#) on the promotion of clean and energy efficient road transport vehicles (the Clean Vehicles Directive). This is in line with the Commission's energy union strategy of February 2015, which envisages action on the further decarbonisation of road transport in line with the 2030 climate and energy goals.

The [legislative proposal](#) is part of the [clean mobility package](#), consisting of legislative proposals on road transport vehicles, infrastructure and the combined transport of goods; of non-legislative measures presented in an alternative-fuels action plan; and of a communication on low-emission mobility.

Context

Transport is the only sector in the EU that has not recorded a significant decline in greenhouse gas (GHG) emissions since 1990. [GHG emissions in the EU transport sector](#) have increased since 2014. In 2016, they were 25 % above 1990 levels (including international aviation but excluding maritime shipping).

Of all transport modes in the EU, road transport generates the largest share of GHG emissions (72.9 % in 2016) and is responsible for around 20 % of the EU's total GHG emissions.

Road transport was responsible for 78 % of EU oil consumption in 2015. Energy consumption in road transport was 23 % higher in 2015 than in 1990. The share of diesel used in road transport grew from 51 % in 2000 to more than 66 % in 2015.

Public procurement is estimated to account for 3.4 % of new car registrations in 2012-2014, 2.8 % of new vans, 6.4 % of new trucks and 75 % of new buses.

For all these reasons, many EU policy instruments in the transport sector need to be coordinated to achieve the 2030 climate and energy targets and the EU's commitments under the Paris Agreement. The 2030 targets, endorsed at the October 2014 European Council, envisage that sectors outside the EU emissions trading system – such as transport, buildings, agriculture, and waste – must reduce their emissions by 30 % by 2030 compared with 2005 levels. The [effort sharing regulation](#), which entered into force in July 2018, determines the share of each Member State in the post-2020 collective emission reduction effort in the non-ETS sectors.

In July 2016, the Commission adopted a [European strategy for low-emission mobility](#), focused on improving transport-system efficiency through digital technologies, smart road charging and multimodality, low-emission energy (such as electricity and advanced biofuels) for transport, and zero-emission vehicles.

A new [regulation](#) on the approval and market surveillance of motor vehicles was adopted in May 2018. It introduces EU oversight in the type-approval process, and strengthens enforcement and market surveillance, and quality of testing. In November 2017, the Commission issued a [proposal for a regulation](#) revising and tightening the CO₂ emission standards for new cars and vans. In addition, the Commission adopted a legislative proposal regarding [CO₂ standards for heavy-duty vehicles](#) in May 2018.

[Introduction](#)[Context](#)[Existing situation](#)[Parliament's starting position](#)

Existing situation

The current [Directive 2009/33/EC](#) on the promotion of clean and energy-efficient road transport vehicles (Clean Vehicles Directive) is a public procurement-related instrument aiming to promote and incentivise the market for clean and energy-efficient road transport vehicles by ensuring a steady demand.

The directive applies to vehicles purchased by contracting authorities and contracting entities as defined by the [public procurement directives](#), and to public transport operators as defined by the [Regulation on public passenger transport services](#). It introduced, for the first time, sustainability obligations into public procurement law for the whole EU.

The directive requires that lifetime operational energy consumption, CO₂ emissions and emissions of oxides of nitrogen (NO_x), non-methane hydrocarbons (NMHC) and particulate matter (PM) are taken into account, and defines a methodology for calculating them.

Contracting authorities have three options for taking energy and environmental impacts into account:

1. using a set of technical specifications for energy and environmental performance in the procurement documentation;
2. including energy and environmental impacts in the purchasing decision by using these impacts as award criteria in the context of a procurement procedure;
3. including energy and environmental impacts in the purchasing decision by monetising them, thus internalising the external transport costs.

With regard to the first two options, the directive does not set any minimum specifications for environmental performance or any minimum weighting for the award criteria – these may be determined by each purchasing organisation. The monetisation approach requires calculating an 'operational lifetime cost' according to the 'harmonised' methodology laid out in the directive.

However, the Commission's latest evaluation revealed that the directive has yielded limited results. The Commission's [final report](#) on the evaluation, published in September 2015, highlights three main problems, related to the overall functioning of the directive; to its ability to reduce GHGs and pollutant emissions; and to the application of the monetisation methodology.

The report concludes that the limitations to the scope of the directive result in too few vehicle procurements falling within its remit. Moreover, the choice of options for transposing the directive into national law leads to a great variety of national legal frameworks and causes fragmentation in procurement rules. Furthermore, the current monetisation methodology, with its high emphasis on fuel consumption, provides counter-incentives to purchasing cleaner vehicles and, on certain occasions, conflicts with EU air quality targets. The methodology tends to favour diesel vehicles, whose NO₂ emissions have a negative impact on air-quality objectives.

[Introduction](#)[Context](#)[Existing situation](#)[Parliament's starting position](#)

Parliament's starting position

The European Parliament has been strongly supportive of a wider deployment of alternative-fuel vehicles on European market. In its [resolution](#) of 9 September 2015, it called for 'an EU Action Plan for the implementation of the strategy set out in the Commission communication entitled 'Clean Power for Transport: A European alternative fuels strategy' in order to achieve the broadest possible use of alternative fuels for transport and to promote sustainable electric mobility throughout the Union'.

Parliament's [recommendation](#) following the inquiry into emission measurements in the automotive sector reaffirmed the need for the Commission and the Member States to foster green public procurement policies. It called on public authorities to purchase zero-emission and ultra-low-emission vehicles for their own fleets or for (semi-)public car-sharing programmes.

The [resolution](#) of 2 December 2015 on sustainable urban mobility underlined the importance of sustainable urban mobility plans in achieving the EU's CO₂ emissions reduction targets and stressed the need for a holistic approach to air pollution in European cities. It added that Member States and local authorities should be encouraged to define environmental performance requirements in public procurement procedures, particularly when purchasing vehicles for public transport or vehicles used by public authorities.



Proposal

Preparation of the proposal

The Commission held a [public consultation](#) from 19 December 2016 to 24 March 2017. The vast majority of respondents (86 %) considered it important that public procurement be used effectively to stimulate the market for clean vehicles in the EU. A majority considered it important to revise the directive's scope (61 %), provisions for the purchase of clean vehicles (76 %) and the methodology for the calculation of operational lifetime costs (71 %), and to adapt the directive to technological progress (77 %).

The Commission's [impact assessment](#) found that the proposed directive is expected to reduce CO₂, NO_x and particulate matter (PM10) emissions and to reduce environmental costs related to CO₂ and air pollution emissions by €2.2 billion over the lifetime of the vehicles procured over the 2020-2035 period. It is projected to result in the creation of an estimated 6 700 additional jobs over the same period and a concomitant increase of industry revenue by €4.2 billion. The net cost savings relative to the baseline are estimated at around €4.2 billion for this period, indicating wider socio-economic benefits (increase of revenue for companies, job creation) and environmental benefits (related to the reduction of CO₂ and air pollutants). Additional procurement costs are assumed to amount to €2.2 billion over this period, alongside slight administrative cost savings of around €2.4 million. SME manufacturers of low and zero-emission vehicles in the heavy-duty sector are expected to benefit, whereas SME suppliers of conventional vehicles would have to adapt. Predictable long-term demand for buses would support the sector's competitiveness.

The EPRS [initial appraisal](#) finds that the impact assessment does not clearly state the added value of the proposal; lacks information about how similar, parallel clean transport initiatives affect the policy options; is not entirely clear about the interaction of the preferred option with the procurement directives; and does not explain why the policy options concern mainly passenger cars and vans, which have only a limited market share under public procurement procedures. The appraisal also notes that the support study is not annexed or referenced, although it appears to contain a lot of valuable information.

The changes the proposal would bring

The Commission [proposal](#) for a revised directive on the promotion of clean and energy-efficient road transport vehicles (Clean Vehicles Directive) aims to promote clean mobility solutions in public procurement tenders and thereby raise the demand for, and the further deployment of, clean vehicles. The scope of the directive is broadened to include forms of procurement other than purchase, namely vehicle lease, rent or hire-purchase, and to public service contracts for passenger transport by road and rail, special-purpose road transport passenger services, non-scheduled passenger transport and hire of buses and coaches with driver.

For light-duty vehicles, the proposal provides a definition of clean vehicles based on a combined CO₂ and air pollutant emissions threshold, while for heavy-duty vehicles it uses a definition based on alternative fuels (electricity, hydrogen, natural gas including biomethane). It also makes it possible to adopt a delegated act to use emission thresholds for heavy-duty vehicles after a future adoption of CO₂ emission standards for such vehicles (a legislative proposal to that effect is expected in the first half of 2018). CO₂ emission



Preparation of the proposal

The changes the proposal would bring

thresholds for light-duty vehicles range between 25 and 40 grams CO₂/km in 2025 and fall to zero by 2030. Emissions of air pollutants must be at least 20 % below the emission limits set in Annex I of [Regulation \(EC\) 715/2007](#) (the Euro 5/6 emissions type approval regulation) and its successors.

The proposal sets minimum procurement targets for each category of vehicle and for each Member State. For light-duty vehicles, Member States must reach a share ranging from 16 % to 35 %, which is the same for the 2025 and for the 2030 deadlines. For buses, individual Member State targets range from 29 % to 50 % (2025) and from 43 % to 75 % (2030), and for trucks from 6 % to 10 % (2025) and from 7 % to 15 % (2030).

The methodology for monetisation of external effects would be abolished.

The proposal introduces reporting and monitoring obligations for the Member States and aligns the Commission's and Member States' reporting obligations. It provides for intermediate reporting in 2023 and full reporting in 2026 on the implementation of the targets for 2025, and further reporting every three years thereafter.

The Commission would have to evaluate the new legislation in 2027.

[Advisory committees](#)[National parliaments](#)[Stakeholders' views](#)

Views

Advisory committees

The European Economic and Social Committee (EESC) appointed Ulrich Sann (Employers – Group I, Germany) as rapporteur and adopted its [opinion](#) in April 2018. The EESC acknowledges the rationale for the Clean Vehicles Directive, but notes that it will only make a small contribution to EU climate objectives. The EESC therefore recommends a more flexible approach rather than fixed emission thresholds and procurement targets, in view of ongoing developments in modern transport technology. It points out that the proposal imposes additional burdens on cities and municipalities, whose financial scope is quite limited, and could lead to higher ticket prices, higher local taxes or a reduced offer of public transport. The EESC urges the Commission to reconsider the proposal with a focus on financing, to postpone the inclusion of heavy-duty vehicles and to acknowledge the potential of propulsion technologies other than electric vehicles with batteries. It warns that the proposed transition period until 2025 may lead to greatly delayed procurements, or even to accelerated procurement with old technology, which would then block future investment in zero-emission vehicles.

The Committee of the Regions (CoR) adopted its opinion [Delivering on low-emission mobility](#) on 5 July 2018. Regarding the Clean Vehicle Directive, the CoR notes that public transport only accounts for a small share of transport emissions, and calls for encouraging Member States to regulate the purchase of clean vehicles by other fleet owners, such as taxi, car rental and ride-pooling companies. Moreover, the CoR calls for strengthening the coherence with previous Union legislation in the field of vehicles, renewable energy and alternative fuels. It proposes amendments to prevent a retroactive effect on existing contracts and to apply the procurement targets over a period of several years, in order to allow for annual variations in purchasing.

National parliaments

Some 13 [parliamentary chambers](#) from 10 Member States scrutinised the proposal by the subsidiarity deadline of 22 January 2018, and none raised subsidiarity concerns.

Stakeholders' views¹

[Transport & Environment](#), an environmental NGO, considers that the 2030 targets for light-duty vehicles are quite low in view of the expected mainstreaming of light zero-emission vehicles. With respect to trucks, it questions the GHG emission benefits of compressed or liquefied natural gas and asks how it will be ensured that gas trucks are actually running on biomethane when they are used. Environmental NGO [Bellona](#) regrets the lack of ambition in the Commission proposal, and calls for giving zero-emission electric vehicles priority over low-emission ones.

¹ This section aims to provide a flavour of the debate and is not intended to be an exhaustive account of all different views on the proposal. Additional information can be found in related publications listed under 'EP supporting analysis'.



Advisory committees

National parliaments

Stakeholders' views

[Union Internationale des Transports Publics](#) (association of public transport stakeholders) notes that the proposal sets the highest procurement targets for buses, thereby placing an extra burden on a mode of transport that already has the lowest CO₂ emissions per passenger. It points out that this treatment of buses is 'incomprehensible', given the high costs and low technological maturity.

The [Platform for Electro-Mobility](#) (a European alliance of manufacturers, infrastructure managers, transport operators, transport users, cities and civil society organisations) welcomes the main elements of the proposal, but calls for higher targets for clean vehicles, direct support for recharging infrastructure and quick adoption of the proposed directive.



Legislative process

In the European Parliament, the file was referred to the ENVI committee, which appointed Andrzej Grzyb (EPP, Poland) as rapporteur. He presented his [draft report](#) in April 2018. The Committee adopted its [report](#) on 10 October 2018. On 25 October 2018, the Parliament voted on the report in plenary and gave a mandate for trilogue negotiations.

Parliament's [position](#) links the definition of clean vehicle to Directive 2014/94/EU on alternative fuels infrastructure, allows the counting of retrofitted vehicles towards procurement targets, and extends the scope of the directive to public service contracts for parcel and mail delivery services and urban and household waste collection. It raises the 2025 and 2030 procurement targets for light-duty vehicles, with targets for individual Member States ranging from 25 % to 50 % (compared to a range from 16 % to 35 % in the Commission proposal), but sets less strict emission thresholds for 2025 than the Commission proposal (50 g CO₂/km instead of 25 g CO₂/km for cars and 50 g CO₂/km instead of 40 g CO₂/km for vans). Procurement targets for EU institutions, agencies and bodies are introduced (50 % for 2025 and 2030, for light-duty vehicles). Member States would be required to provide sufficient funding instruments for the procurement of clean vehicles and the installation of related infrastructure, complemented by additional EU funding. For the purpose of calculating the minimum procurement targets, the date of the public procurement to be taken into account is the completion of the public procurement procedure (signature of the contract). The reference period for the 2025 targets is set, from the day after the date of transposition of the directive to 31 December 2024, and the reference period for the 2030 targets, from 2025 to 2029. Contracts must be awarded based on the most economically advantageous tender, where tender specifications should include other criteria besides total cost of ownership.

Starting in 2026, Member States would be required to report every three years on the implementation of the directive, and the numbers and categories of vehicles procured. A preliminary report would be due in 2023.

The Commission would be required to present, by 2021, an action plan to accelerate the setting-up of charging and refuelling infrastructure for heavy-duty vehicles, including proposals on EU funding instruments. Moreover, the Commission would have to set up a Union platform for cross-border and joint procurement of low-emission and energy-efficient road transport vehicles and to provide technical assistance for joint procurement. The Commission would have to propose, by 31 December 2022, a methodology for counting the life-cycle CO₂ emissions and well-to-wheel CO₂ emissions of vehicles. By April 2027, it would have to review Directive 2009/33/EC and other legislation related to alternative fuels, to take into account the life cycle and well-to-wheel CO₂ emissions. Member States would be free to decide on mechanisms to regulate the purchase of clean vehicles by other fleet owners (such as taxis, car-sharing and ride-pooling companies).

Parliament calls on the Commission to analyse unfair competition practices in third countries, where Union manufacturers do not have access to public procurement tenders, and to take appropriate measures to protect European industry.

The Council Working Party on Transport Intermodal Questions and Networks had a first exchange of views with the Commission on the proposal on 27 November 2017. The proposal continues to be discussed at



working party level. Ministers assessed progress on the proposal in the Council meeting of 7 June, and again on [3 December 2018](#).



References

EP supporting analysis

Zandersone, Laura, [Clean Vehicles Directive: initial appraisal of a European Commission impact assessment](#), EPRS, March 2018

Thirion, Elodie, [Clean Vehicles Directive: implementation appraisal](#), EPRS, May 2017.

Pape, Marketa, [Towards low-emission EU mobility](#), briefing, EPRS, March 2017.

Other sources

[Promotion of clean road transport vehicles in support of low-emission mobility](#), European Parliament, Legislative Observatory (OEL).

[Ex-post evaluation of Directive 2009/33/EC on the promotion of clean and energy efficient road transport vehicles: final report](#), European Commission, September 2015.

Disclaimer and Copyright

This document is prepared for, and addressed to, the Members and staff of the European Parliament as background material to assist them in their parliamentary work. The content of the document is the sole responsibility of its author(s) and any opinions expressed herein should not be taken to represent an official position of the Parliament.

Reproduction and translation for non-commercial purposes are authorised, provided the source is acknowledged and the European Parliament is given prior notice and sent a copy.

© European Union, 2018.

eprs@ep.europa.eu | [EPRS](#) (intranet) | [Thinktank](#) (internet) | [Blog](#)