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*Committee on Industry, Research and Energy*

**2007/0297(COD)**

8.5.2008

## **DRAFT OPINION**

of the Committee on Industry, Research and Energy

for the Committee on the Environment, Public Health and Food Safety

on the proposal for a regulation of the European Parliament and of the Council on setting emission performance standards for new passenger cars as part of the Community's integrated approach to reduce CO<sub>2</sub> standards from light-duty vehicles

(COM(2007)0856 – C6-0022/2008 – 2007/0297(COD))

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(\*): Procedure with associated committees – Rule 47 of the Rules of Procedure

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## SHORT JUSTIFICATION

Since 1995 there has been an EU Community strategy to reduce CO<sub>2</sub> emissions from cars. The strategy is based on three pillars: voluntary commitments from the car industry to cut CO<sub>2</sub> emissions, promotion of more fuel efficient cars via fiscal measures and improvements in consumer information. Between 1995 and 2007 vehicle engine technology made significant progress in fuel efficiency. Part of this improvement in fuel efficiency was, however, neutralised by the rising demand for larger vehicles. CO<sub>2</sub> emissions in the passenger car sector make up 12% of overall emissions in Europe. Cars are responsible for about 78% of all passenger transport in the EU.

### 1. Objectives of the draft regulation

With this proposed regulation the Commission seeks to achieve a single and binding target for CO<sub>2</sub> emissions of 130 g CO<sub>2</sub>/km by 2012. Parliament endorses this common aim and supports the Commission's general objectives. However, the regulation that is to be adopted by the Council and Parliament must seek to achieve sustainable reduction targets that have a neutral effect on competition, are socially acceptable and take account of the wide variety of European car manufacturers and their position in international competition.

### 2. Options and slope

A particularly controversial point is a fair distribution of reduction targets between small and larger vehicles. Larger vehicles, for which European manufacturers have an 80% share of the world market, play a leading role in new technologies. The limit value curve in line with vehicle mass is crucial. The CO<sub>2</sub> target for the average of a manufacturer's new car fleet based on average vehicle mass is the best basis for measurement. The significantly larger contribution by larger vehicles in comparison with smaller ones is conditioned by the slope of the limit value curve.

This opinion supports the Commission's proposed 60% slope for the limit value curve. The reduction targets for larger vehicles are considerably higher than for small cars. A 60% slope means that the CO<sub>2</sub> emissions do not rise in parallel with increased weight, but far below the average. Vehicle weight (mass) is the best parameter for the specific CO<sub>2</sub> targets. Vehicle weight will cause less distortions of competition than other parameters. In Japan and China weight is already used as the basis for legislation on CO<sub>2</sub>. It is easy to monitor developments as the data are available. As the vehicle manufacturers are developing platform concepts, the 'footprint' parameter would not be a suitable scale. The use of the 'footprint' parameter would lead to all vehicles on the same platform being given the same CO<sub>2</sub> target, regardless of their specifications and overall weight. Moreover, the 'footprint' parameter would place small and CO<sub>2</sub>-efficient city cars at a considerable disadvantage.

### 3. Complementary measures in the integrated approach

The limit value of 120 g CO<sub>2</sub> /km in the integrated approach envisages a CO<sub>2</sub> reduction of 10 g/km through complementary measures, including low-resistance tyres, reducing rolling resistance, tyre pressure monitoring systems, efficient air conditioning systems and gear-

change indicators, which altogether can save about 5 g/km CO<sub>2</sub>. In addition, the use of biofuels can save another 5 g/km CO<sub>2</sub>. In order to implement new technologies and energy efficient measures, it makes sense to recognise ecological innovations as carbon reduction measures. As not all ecological innovations can be covered by testing procedures, and it is awkward and time-consuming to change the existing, internationally harmonised procedure, this opinion proposes to introduce an additional procedure under Article 6 and Annex IIa. Ecological innovations may include, in addition to the testing procedure, automobile technology measures, maintenance procedures, driver training, navigational infrastructure, energy-efficient lights, more solar technology in cars and the use of waste heat. The aim is to promote all measures that help improve environmental performance.

#### **4. Introductory phase**

As the development of new models and new platforms takes at least five to eight years, it makes sense to implement the target of 120 g CO<sub>2</sub>/km not on a particular date, but over a transitional period of several years. It is therefore proposed that in 2012 a quarter of a manufacturer's new cars, in 2013 half, in 2014 three-quarters and in 2015 all of them would have to achieve the target of 120 g CO<sub>2</sub>/km, including the complementary measures. This flexibility is needed to allow manufacturers the leeway that they need for development and at the same time to make alternative routes possible.

#### **5. Penalties**

The Commission's proposed fines of between €100 and €475 per tonne of CO<sub>2</sub> are far higher than any conceivable trade prices for CO<sub>2</sub> certificates in the industry and energy sectors. Penalties should not have the effect of weakening industry's ability to innovate, but should provide an incentive for implementing measures and possibly fund replacement measures that would achieve the desired aim of reducing carbon emissions. This opinion's proposed penalties of €10 to €40 per gram of CO<sub>2</sub> for newly registered cars (corresponding to a per tonne CO<sub>2</sub> price of up to €200) should achieve this. It should be assumed that consumer information and competition between manufacturers will anyway exert far greater pressure on manufacturers to keep to all the prescribed limit values.

#### **6. Derogations**

The Commission proposal provides for a number of derogations, the details of which must be examined. This opinion reduces the Commission's proposed limit of less than 10 000 new cars sold per year in the EU to 5000 per year and an additional arrangement, limited to five years, has been introduced for those manufacturers which will find it difficult to achieve the reduction targets and are responsible for no more than 1% per year of new registrations in the EU.

#### **7. Long-term aims**

Long-term aims should be adopted in 2014 by Parliament and the Council on the basis of a survey and a Commission proposal. At that time it will also be possible to gain an overview of new technologies, including the introduction of alternative engine models, such as battery-driven vehicles. The long-term aims should also take account of the fact that the new engine

models and hybrid-powered systems that are now being developed will have only a relatively short life cycle, as 10 years after their introduction onto the market, the next generation of local CO<sub>2</sub>-free propulsion systems could be available. Policies must therefore leave open the possibility of transition to new technologies. Implementation of the limits laid down in this regulation of 120 g CO<sub>2</sub>/km over the average of all vehicles already means that average fuel consumption must be reduced to about 5 litres per 100 km for petrol-driven vehicles and about 4.5 litres per 100 km for diesel vehicles. In comparison with current figures, these are very ambitious targets.

## AMENDMENTS

The Committee on Industry, Research and Energy calls on the Committee on the Environment, Public Health and Food Safety, as the committee responsible, to incorporate the following amendments in its report:

### Amendment 1

#### Proposal for a regulation Recital 4

##### *Text proposed by the Commission*

(4) One of the implications of those commitments is ***for all Member States to reduce significantly*** emissions from passenger cars. ***Policies and measures should be implemented at Member State and Community level across all sectors of the Community economy, and*** not only within the industry and energy sectors, ***in order to generate the substantial reductions needed.*** Road transport is the second largest greenhouse gas emitting sector in the EU and its emissions continue to rise. If the ***climate change impact*** of road transport ***continues*** to increase, ***it*** will significantly undermine reductions made by other sectors to combat climate change.

##### *Amendment*

(4) One of the implications of those commitments is ***that*** emissions from passenger cars ***must also be significantly reduced. This requires rules on emissions for manufacturers and importers of new cars. Only a Community regulation can ensure that newly-registered vehicles are subject to the same conditions in all the EU Member States. If the overall aim of the Member States and the Community to reduce CO<sub>2</sub> is to be achieved, it is not enough to take action only*** within the industry and energy sectors, ***but the transport and household sectors should also be included. The proposal is concerned with the passenger car sector in Europe.*** Road transport is the second largest greenhouse gas emitting sector in the EU and its emissions continue to rise. If the ***carbon emissions*** of road transport ***continue*** to increase, ***this*** will significantly undermine reductions made by other sectors to combat climate change.

*Justification*

*It is not the Member States which must reduce emissions according to this regulation, but car manufacturers and importers. It is not the 'climate change impact' that threatens to increase further, but greenhouse gas emissions, particularly CO2.*

**Amendment 2****Proposal for a regulation****Recital 5***Text proposed by the Commission*

(5) Adopting Community targets for new passenger cars is necessary to prevent fragmentation in the internal market resulting from the adoption of different measures at Member State level. Community targets provide manufacturers with more planning certainty and more flexibility to meet the CO2 reduction requirements ***than would be provided by*** separate national reduction targets. In setting emission standards it is important to take into account the implications for markets and manufacturers' competitiveness, the direct and indirect costs imposed on business and the benefits that accrue in terms of stimulating innovation and reducing energy consumption.

*Amendment*

(5) Adopting Community targets for new passenger cars is necessary to prevent fragmentation in the internal market resulting from the adoption of different measures at Member State level. Community targets provide manufacturers with more planning certainty and more flexibility to meet the CO2 reduction requirements ***and prevent distortions of competition arising between the Member States because of*** separate national reduction targets. ***Such distortions of competition would run strictly counter to the aim of creating a single European internal market.*** In setting emission standards it is important to take into account the implications for markets and manufacturers' competitiveness, the direct and indirect costs imposed on business and the benefits that accrue in terms of stimulating innovation and reducing energy consumption.

*Justification*

*Only a unified European rule on the basis of Article 95 ECT can prevent distortions of competition, countries taking unilateral action, and special arrangements.*

### Amendment 3

#### Proposal for a regulation Recital 11

*Text proposed by the Commission*

(11) The legislative framework for implementing the average new car fleet target should ensure competitively neutral and socially equitable and sustainable reduction targets which are equitable to the diversity of the European automobile manufacturers and avoid any **unjustified** distortion of competition between automobile manufacturers. The legislative framework should be compatible with the overall objective of reaching the EU's Kyoto targets and should be complemented by other more use-related instruments such as differentiating car and energy taxes.

*Amendment*

(11) The legislative framework for implementing the average new car fleet target should ensure competitively neutral and socially equitable and sustainable reduction targets which are equitable to the diversity of the European automobile manufacturers and avoid any distortion of competition between automobile manufacturers. The legislative framework should be compatible with the overall objective of reaching the EU's Kyoto targets and should be complemented by other more use-related instruments such as differentiating car and energy taxes.

Or. de

*Justification*

*A definition of 'justified' distortions of competition by the Commission is unnecessary.*

### Amendment 4

#### Proposal for a regulation Recital 12

*Text proposed by the Commission*

(12) In order to maintain the diversity of the car market and its ability to cater for different consumer needs, CO<sub>2</sub> targets for passenger cars should be defined as a function of the **utility** of the cars on a linear basis. **To describe this utility, mass** is the most appropriate parameter because **it provides** a satisfactory correlation with present emissions **and would therefore result** in more realistic and competitively neutral targets **and because data on mass is readily available**. Data on the alternative

*Amendment*

(12) In order to maintain the diversity of the car market and its ability to cater for different consumer needs, CO<sub>2</sub> targets for passenger cars should be defined as a function of the **mass** of the cars on a linear basis. **Mass** is the most appropriate parameter **to describe this function** because **there are data available in** a satisfactory correlation with present **CO<sub>2</sub>** emissions, **thus resulting** in more realistic and competitively neutral targets. Data on the alternative parameter of footprint (track

*utility* parameter of footprint (track width times wheelbase) should, however, be collected **in order** to facilitate longer-term evaluations **of the utility-based approach**. **In the establishment of the targets, the projected evolution of new cars' mass until 2012 should be taken into account, and potential incentives to increase vehicle mass just in order to benefit from a consequential increase of the CO2 reduction target should be avoided. Therefore, the possible future autonomous mass increase evolution of vehicles produced by the manufacturers and sold on the EU market should be taken into account when defining the targets for 2012. Finally, differentiation of targets should encourage emissions reductions to be made in all categories of cars while recognising that larger emission reductions can be made for heavier cars.**

width times wheelbase) should, however, **also** be collected, **but only** to facilitate longer-term evaluations **for the review in 2014**.

Or. de

#### *Justification*

*This amendment is for the sake of linguistic clarity and precision of content. The so-called autonomous mass increase might change the requirements shortly before they come into force and thus make planning certainty up to 2015 much more difficult.*

### **Amendment 5**

#### **Proposal for a regulation Recital 13**

##### *Text proposed by the Commission*

(13) The aim of this Regulation is to create incentives for the car industry to invest in new technologies. The Regulation **actively promotes eco-innovation and takes into account** future technological developments. **In this way**, the competitiveness of the European Industry **is enhanced and more** high-quality jobs

##### *Amendment*

(13) The aim of this Regulation is to create incentives for the car industry **(vehicle manufacturers and suppliers)** to invest in new technologies. The Regulation **must therefore be set up to reward and take account of ecological innovations that reduce greenhouse gases and thus support the leading market position of the**

*created.*

**European automobile industry and its suppliers** and **take** future technological developments **sufficiently into account** . **This will promote** the competitiveness of the European industry **sustainably and guarantee** high-quality jobs **in the European Union**.

Or. de

*Justification*

*This draft regulation limits ecological innovations that can be considered for concessions to those that are best demonstrated by the existing testing procedure. A limitation to only 5 g CO<sub>2</sub>/km or, including biofuels, to 10 g CO<sub>2</sub>/km for the 'complementary measures' taken as a whole, is insufficient. It is far less than what is technologically and economically possible.*

**Amendment 6**

**Proposal for a regulation**

**Recital 19**

*Text proposed by the Commission*

(19) A **robust compliance** mechanism is necessary in order to ensure that the targets under this Regulation are met.

*Amendment*

(19) A **penalty** mechanism **in accordance with the Treaty** is necessary in order to ensure that the targets under this Regulation are met.

Or. de

*Justification*

*When penalties are laid down, all the circumstances must be taken into account and due regard paid to the scope of Article 95 ECT.*

**Amendment 7**

**Proposal for a regulation**

**Recital 22**

*Text proposed by the Commission*

(22) Manufacturers' compliance with the targets under this Regulation **should** be

*Amendment*

(22) Manufacturers' compliance with the **CO<sub>2</sub> emission** targets **for new cars** under

assessed at the Community level. Manufacturers whose average specific emissions of CO<sub>2</sub> exceed those permitted under this Regulation *should* pay an excess emissions premium in respect of each calendar year from 2012 onwards. The premium *should* be modulated as a function of the extent to which *manufacturers fail to comply with their target. It should increase over time. In order to provide a sufficient incentive to take measures to reduce specific emissions of CO<sub>2</sub> from passenger cars, the premium should reflect technological costs. The amounts of the excess emissions premium should be considered as revenue for the budget of the European Union.*

this Regulation *shall* be assessed *and monitored* at the Community level. Manufacturers whose average specific emissions of CO<sub>2</sub> exceed those permitted under this Regulation *must* pay an excess emissions premium in respect of each calendar year from 2012 onwards. The premium *shall rise continuously from 2012 to 2015 and* be modulated as a function of the extent to which *the CO<sub>2</sub> values of the relevant proportion of newly-registered vehicles exceed each target figure. Premiums shall be incurred only if the average target figure is not met in 2012 by at least a quarter, in 2013 by at least a half, in 2014 by at least three-quarters and in 2015 by the whole car fleet. The premium should be modulated so that on the one hand it provides sufficient incentive to comply with CO<sub>2</sub> emission limits, and on the other hand is reasonably comparable with the average CO<sub>2</sub> emissions avoidance costs and certificate trading costs in other sectors in the European Union.*

Or. de

#### *Justification*

*The Commission's proposed premiums of between €100 and €475 per tonne of CO<sub>2</sub> are far higher than comparable CO<sub>2</sub> certificate prices under the EU emissions trading system. Putting car manufacturers and their customers at an unfair disadvantage in this way is not justified and is economically inefficient. The proposed penalties would weaken the industry's capacity for innovation and must therefore be reduced, so that there are large enough incentives for innovation and the premium remains justifiable.*

#### **Amendment 8**

##### **Proposal for a regulation Recital 22 a (new)**

*Text proposed by the Commission*

*Amendment*

*(22a) The entire amounts raised from the excess emissions premium shall go into a*

*separate fund for research into new technologies for reducing carbon emissions in road transport and implementing carbon-saving transport systems. When allocating the funds the Commission will be supported by the committee set up pursuant to Article 12 of this Regulation.*

Or. de

*Justification*

*To promote technological innovation, revenue from the excess emissions premium should go into a specific fund which would support research and development of energy-efficient technologies and measures to avoid carbon emissions in road transport.*

**Amendment 9**

**Proposal for a regulation**

**Recital 25**

*Text proposed by the Commission*

(25) The measures necessary for the implementation of this Regulation should be adopted in accordance with Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission.

*Amendment*

(25) The measures necessary for the implementation of this Regulation should be adopted in accordance with Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission. ***At the latest five years after this Regulation comes into force, the implementing powers given to the Commission shall be reviewed to assess whether they are adequate or must be modified.***

Or. de

## Amendment 10

### Proposal for a regulation Recital 28 a (new)

*Text proposed by the Commission*

*Amendment*

***(28a) The existing test procedure does not cover all the technical possibilities for reduction of CO<sub>2</sub> and other greenhouse gas emissions. Therefore an evaluation process should be devised to include the reduction potential of introducing technological measures that do not form part of the test procedure under Regulation 2007/715/EC or are not sufficiently demonstrated in this test ('ecological innovations'). Ecological innovations should be seen as incentives for manufacturers to achieve their specific CO<sub>2</sub> reduction targets.***

Or. de

### *Justification*

*Only when all technological possibilities can be used and taken into account will there be a sufficiently large incentive for manufacturers, suppliers and customers to introduce ecological innovations. Encouraging innovations to further reduce carbon emissions will not only help to preserve the environment but also increase the competitiveness of the European automobile industry, create high-value jobs in R&D and bring about further technological developments.*

## Amendment 11

### Proposal for a regulation Article 1

*Text proposed by the Commission*

*Amendment*

This Regulation establishes CO<sub>2</sub> emission performance requirements for new passenger cars in order to ensure proper functioning of the internal market and achieve the EU's overall objective that the average new car fleet should achieve CO<sub>2</sub> emissions of 120 g CO<sub>2</sub>/km. ***The***

***1.*** This Regulation establishes CO<sub>2</sub> emission performance requirements for new passenger cars in order to ensure proper functioning of the internal market and achieve the EU's overall objective that the average new car fleet should achieve

***Regulation sets the average CO<sub>2</sub> emissions for new passenger cars at 130 g CO<sub>2</sub>/km by means of improvement in vehicle motor technology as measured in accordance with Regulation (EC) No 715/2007 and its implementing measures. This Regulation will be complemented by additional measures corresponding to 10 g/km as part of the Community's integrated approach.***

CO<sub>2</sub> emissions of 120 g CO<sub>2</sub>/km.

***1a. The target figure must be achieved in 2012 by at least a quarter, in 2013 by at least a half, in 2014 by at least three quarters and in 2015 by the whole car fleet. If the whole new car fleet is to be able to achieve the target of 120g CO<sub>2</sub> per kilometre in 2015, corresponding vehicle technology improvements are needed, leading to average CO<sub>2</sub> emissions for new passenger cars of 130g per kilometre.***

***1b. As part of the Community's overall concept, this Regulation introduces additional measures, corresponding to at least 10 g CO<sub>2</sub> per kilometre.***

***1c. CO<sub>2</sub> emissions shall be measured pursuant to Regulation 2007/715/EG and its implementing provisions. Additional proven measures by car manufacturers and their suppliers, leading to further greenhouse gas emission reductions, shall be taken into account pursuant to Article 6 and Annex III concerning vehicle technology requirements.***

Or. de

#### *Justification*

*Strictly limiting measurement results to those achieved under the existing test procedure and restricting additional measures to 10 g CO<sub>2</sub> per kilometre reduce the technological possibilities and provide no incentives for efficient ecological innovations. Registered vehicles should be regarded as a unit and be able to achieve the most advanced technology possible. Ongoing changes in the test procedure are not an effective solution. Therefore there should be a possibility of concessions under Article 6 and Annex III of this regulation.*

## Amendment 12

### Proposal for a regulation Article 1 – paragraph 1 d (new)

*Text proposed by the Commission*

*Amendment*

***1d. In 2014 the Commission, on the basis of a survey and an assessment of the legal implications, shall propose medium- and long-term targets for newly-registered vehicles from 2020 and 2025 and submit them to the Council and Parliament for a decision.***

Or. de

*Justification*

*To promote technological progress in the automobile sector and give automobile manufacturers and suppliers long-term certainty for planning and investment, it makes sense to set long-term targets on the basis of a detailed survey and a careful assessment of the legal implications and thus to promote and implement alternative technologies. These aims should be laid down in legislation under the codecision procedure in the near future.*

## Amendment 13

### Proposal for a regulation Article 2 – paragraph 2

*Text proposed by the Commission*

*Amendment*

2. A previous registration outside the Community less than **three months** before registration in the Community shall not be taken into account.

2. A previous registration outside the Community less than **one month** before registration in the Community shall not be taken into account.

Or. de

*Justification*

*New registrations should be defined so as to exclude as far as possible any possibilities of avoidance and distortions of competition.*

## Amendment 14

### Proposal for a regulation Article 2 – paragraph 3 a (new)

*Text proposed by the Commission*

*Amendment*

***3a. Vehicles with a particular social function pursuant to Article 3(1) (fc) shall not be covered by the scope of this regulation.***

Or. de

*Justification*

*The number of such vehicles is relatively small, so that a derogation is justified to meet the requirement for social acceptability of these rules on CO<sub>2</sub>.*

## Amendment 15

### Proposal for a regulation Article 3 – paragraph 1 – point f a (new)

*Text proposed by the Commission*

*Amendment*

***(fa) ‘Ecological innovations’ are all the measures taken by automobile manufacturers and suppliers that make a proven, measurable contribution to reducing greenhouse gas emissions, particularly of CO<sub>2</sub>, are not fully covered by the test procedure under Regulation 2007/715/EC and are not laid down by law (in particular forming part of the additional measures referred to in Article 1).***

Or. de

*Justification*

*Only when all technological possibilities can be used and taken into account will there be a sufficiently large incentive for manufacturers, suppliers and customers to introduce ecological innovations. Encouraging innovations to further reduce carbon emissions, going beyond the additional measures under Article 1, will not only help to preserve the*

*environment but also promote R&D in Europe, increase the competitiveness of the European automobile industry, create high-value jobs and bring about further technological developments .*

## **Amendment 16**

### **Proposal for a regulation**

#### **Article 3 – paragraph 1 – point f b (new)**

*Text proposed by the Commission*

*Amendment*

***(fb) ‘super-credits’ are credits for particularly carbon-efficient cars with CO<sub>2</sub> emissions of less than 70g/km;***

Or. de

#### *Justification*

*These ‘super-credits’ will enable manufacturers offering particularly carbon-efficient vehicles to receive corresponding credits.*

## **Amendment 17**

### **Proposal for a regulation**

#### **Article 3 – paragraph 1 – point f c (new)**

*Text proposed by the Commission*

*Amendment*

***(fc) vehicles with a particular social function are the following vehicles in Category M<sub>1</sub>:***

***i) vehicles with a particular social function pursuant to Directive 2007/46/EG with a reference mass of over 2000 kg,***

***ii) vehicles with a reference mass of over 2000 kg, intended for seven or more passengers plus driver, excluding vehicles in category M<sub>1</sub>G pursuant to Directive 2007/46/EC,***

***iii) vehicles with a reference mass of over 1760 kg, manufactured exclusively for commercial purposes and in which a***

*wheelchair can be used, in accordance with the Community policy on people with disabilities.*

Or. de

*Justification*

*The number of such vehicles is relatively small, so that a derogation is justified to meet the requirement for social acceptability of these rules on CO<sub>2</sub>.*

**Amendment 18**

**Proposal for a regulation**

**Article 3 – paragraph 2 – subparagraph 1 – introductory part**

*Text proposed by the Commission*

2. For the purposes of this Regulation, manufacturers will be considered to be ***connected if they are connected undertakings***. 'Connected undertakings' means

*Amendment*

2. For the purposes of this Regulation, ***several*** manufacturers ***forming a connected undertaking*** will be considered to be ***a single manufacturer***. 'Connected undertakings' means,

Or. de

*Justification*

*This amendment does not change the meaning of the paragraph but provides more linguistic clarity.*

**Amendment 19**

**Proposal for a regulation**

**Article 4 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

***For manufacturers producing cars with specific CO<sub>2</sub> emissions of less than 70g/km, each of these newly-registered vehicles counts as five for calculating average specific CO<sub>2</sub> emissions, up to and including 2015.***

*Justification*

*The limit of 70 g CO<sub>2</sub>/km and the level of the credit are designed to take appropriate account of the higher technology costs of alternative means of propulsion and alternative fuels. Counting them five times is a contribution to the Regulation's openness to technology.*

**Amendment 20****Proposal for a regulation****Article 5 – paragraph 2 – introductory part***Text proposed by the Commission*

2. An agreement to form a pool may relate to one or more calendar years ***provided that the overall duration of each agreement does not exceed five calendar years*** and must be entered into on or before 31 December in the first calendar year for which emissions would be pooled. Manufacturers which form a pool shall file information with the Commission:

*Amendment*

2. An agreement to form a pool may relate to one or more calendar years and must be entered into on or before 31 December in the first calendar year for which emissions would be pooled. Manufacturers which form a pool shall file information with the Commission:

*Justification*

*There are no reasons to limit pool formation to five years. The amendment does not affect the overall average reduction target of 130 g/km.*

**Amendment 21****Proposal for a regulation****Article 5 – paragraph 5 – introductory part***Text proposed by the Commission*

5. Manufacturers may enter into pooling arrangements provided that their agreements are in compliance with Articles 81 and 82 of the Treaty ***and that, they allow open, transparent and non-discriminatory participation on***

*Amendment*

5. Manufacturers may enter into pooling arrangements provided that their agreements are in compliance with Articles 81 and 82 of the Treaty. Without limiting the general applicability of EU Competition rules to such pools, all

***commercially reasonable terms by any manufacturer requesting to become a member of the pool.*** Without limiting the general applicability of EU Competition rules to such pools, all members of a pool shall in particular ensure that no data sharing nor information exchange may occur in the context of their pooling arrangement, except the following information:

members of a pool shall in particular ensure that no data sharing nor information exchange may occur in the context of their pooling arrangement, except the following information:

Or. de

#### *Justification*

*Pooling arrangements under which every external manufacturer could participate in the agreed conditions without discrimination would eventually result in introduction of a closed emissions trading system for the whole sector. In the context of undertakings' freedom to define themselves and taking account of EU competition rules, this phrase should be deleted. Pool agreements should be allowed only on a voluntary contract basis without being forced to admit external competitors.*

#### **Amendment 22**

##### **Proposal for a regulation Article 6 – paragraph 1**

###### *Text proposed by the Commission*

1. For the **year** beginning 1 January **2010** and each subsequent **year**, each Member State shall record information for each new passenger car registered in its territory in accordance with Part A of Annex II.

###### *Amendment*

1. For the **month** beginning 1 January **2012** and each subsequent **month**, each Member State shall record information for each new passenger car registered in its territory in accordance with Part A of Annex II. ***This information shall be made available to the manufacturers and their named importers or representatives in each Member State.***

Or. de

#### *Justification*

*Monitoring and reporting of average emissions should begin as and when the regulation is introduced, to avoid market distortion and discrimination against manufacturers. So the measures should not begin until 2012, should take place monthly and should be made*

*available to vehicle manufacturers so that manufacturers and customers can be more involved in achieving the targets.*

## **Amendment 23**

### **Proposal for a regulation**

#### **Article 6 – paragraph 2**

##### *Text proposed by the Commission*

2. By **28 February 2011** and each subsequent **year**, the Member State shall determine and transfer to the Commission the information listed in Part B of Annex II in respect of the preceding **calendar year**. The data shall be transmitted in accordance with the format specified in Part C of Annex II.

##### *Amendment*

2. By **31 July 2012** and each subsequent **half-year**, the Member State shall determine and transfer to the Commission the information listed in Part B of Annex II in respect of the preceding **half-year**. The data shall be transmitted in accordance with the format specified in Part C of Annex II.

Or. de

##### *Justification*

*Monitoring and reporting of average emissions should begin as and when the regulation is introduced, to avoid market distortion and discrimination against manufacturers. So the measures should not begin until 2012. Manufacturers should receive information on admissible CO2 values in good time for each half-year for the sake of planning certainty.*

## **Amendment 24**

### **Proposal for a regulation**

#### **Article 6 – paragraph 4 – subparagraph 1 – introductory part**

##### *Text proposed by the Commission*

4. The Commission shall keep a central register of the data reported by Member States under this Article and by 30 **June 2011** and each subsequent **year** shall provisionally calculate for each manufacturer:

##### *Amendment*

4. The Commission shall keep a central register of the data reported by Member States under this Article and by 30 **August 2012** and each subsequent **half-year** shall provisionally calculate for each manufacturer:

Or. de

### *Justification*

*Monitoring and reporting of average emissions should begin as and when the regulation is introduced, to avoid market distortion and discrimination against manufacturers. So the measures should not begin until 2012. Manufacturers should receive information on admissible CO2 values in good time for each half-year for the sake of planning certainty.*

### **Amendment 25**

#### **Proposal for a regulation Article 6 – paragraph 5**

##### *Text proposed by the Commission*

5. Manufacturers may, within **2** months of being notified of the provisional calculation under paragraph 4, notify the Commission of any errors in the data specifying the Member State in which it considers that the error occurred.

The Commission shall consider any notifications from manufacturers and shall by **30 September** either confirm or amend and confirm the provisional calculations under paragraph 4.

##### *Amendment*

5. Manufacturers may, within **three** months of being notified of the provisional **annual** calculation under paragraph 4, notify the Commission of any errors in the data specifying the Member State in which it considers that the error occurred.

The Commission shall consider any notifications from manufacturers and shall by **31 March of the following year** either confirm or amend and confirm the provisional calculations **for the full year** under paragraph 4.

Or. de

### *Justification*

*The accuracy of the data collected by the Member States is crucial for the exact calculation of manufacturers' specific reduction target figures. Therefore the period in which manufacturers can point out irregularities in the data should be extended to at least three months.*

### **Amendment 26**

#### **Proposal for a regulation Article 6 – paragraph 6**

##### *Text proposed by the Commission*

**6. Where, on the basis of the calculations under paragraph 5, in relation to the**

##### *Amendment*

**deleted**

*calendar year 2010 or 2011, it appears to the Commission that a manufacturer's average specific emissions of CO<sub>2</sub> in that year exceeded its specific emissions target for that year, the Commission shall notify the manufacturer.*

Or. de

*Justification*

*Monitoring and reporting of average emissions should begin as and when the regulation is introduced, to avoid market distortion and discrimination against manufacturers. So the measures should not begin until 2012.*

**Amendment 27**

**Proposal for a regulation**  
**Article 6 – paragraph 8 a (new)**

*Text proposed by the Commission*

*Amendment*

***8a. At the request of a vehicle manufacturer, the Commission shall take account of the ecological innovation values recorded pursuant to Annex III, when determining the manufacturer's specific CO<sub>2</sub> emissions.***

***Each application for this concession must:***

***i) refer to a specific year,***

***ii) state the specific measures to which the application refers,***

***iii) state the vehicles to which the measure applies,***

***iv) include a certificate from an independent entity recognised as competent for CO<sub>2</sub> emission issues.***

***Each application shall be examined by the Commission pursuant to Annex III.***

Or. de

### *Justification*

*Strictly limiting measurement results to those achieved under the existing test procedure reduces the technological possibilities and provides no incentives for ecological innovations. Registered vehicles should be regarded as a unit and be able to achieve the most advanced technology possible. Ongoing changes in the test procedure are not an effective solution. The proposal for a concession to take ecological innovations into account, for which the applicant must fulfil a number of restrictive conditions, thus contributes to environmental and climate protection and promotes innovation.*

### **Amendment 28**

#### **Proposal for a regulation Article 7 – paragraph 3**

##### *Text proposed by the Commission*

3. The excess emissions premium shall be
- (a) in relation to excess emissions in the calendar year 2012, **20** euros;
  - (b) in relation to excess emissions in the calendar year 2013, **35** euros;
  - (c) in relation to excess emissions in the calendar year 2014, **60** euros; and
  - (d) in relation to excess emissions in the calendar year 2015 and subsequent calendar years, **95** euros.

##### *Amendment*

3. The excess emissions premium ***pursuant to Article 1*** shall be
- a) in relation to excess emissions in the calendar year 2012, **10** euros;
  - b) in relation to excess emissions in the calendar year 2013, **20** euros;
  - c) in relation to excess emissions in the calendar year 2014, **30** euros; and;
  - d) in relation to excess emissions in the calendar year 2015 and subsequent calendar years, **40** euros.

Or. de

### *Justification*

*The Commission's proposed premiums of between 100 and 475 euro per tonne of CO2 are much higher than comparable CO2 certificate prices in the EU emissions trading system. Putting car manufacturers and their customers at an unfair disadvantage in this way is not justified and is economically inefficient. The proposed penalties would significantly weaken the industry's capacity for innovation.*

## Amendment 29

### Proposal for a regulation

#### Article 7 – paragraph 4 – subparagraph 1

*Text proposed by the Commission*

4. The Commission shall establish methods for the collection of excess emissions premiums under *paragraph 1*.

*Amendment*

4. The Commission shall establish methods for the collection of excess emissions premiums under *paragraphs 1, 2 and 3*.

Or. de

*Justification*

*It is up to the Community to lay down penalties in legislation. However, these need to be agreed with the Member States.*

## Amendment 30

### Proposal for a regulation

#### Article 7 – paragraph 5

*Text proposed by the Commission*

5. The amounts of the excess emissions premium shall ***be considered as revenue for the budget of the European Union***.

*Amendment*

5. The amounts of the excess emissions premium shall go into a fund, ***which must be used to reduce CO<sub>2</sub> emissions in road transport and for research into new, energy-efficient technologies***.

Or. de

*Justification*

*To promote technological innovation, any premiums should go into a specific fund to support research and development of energy-efficient technologies and measures to prevent CO<sub>2</sub> emissions in road transport.*

## Amendment 31

### Proposal for a regulation

#### Article 8 – paragraph 1 – introductory part

*Text proposed by the Commission*

1. By **31 October 2011** and each subsequent year, the Commission shall publish a list indicating for each manufacturer:

*Amendment*

1. By **30 June 2013** and each subsequent year, the Commission shall publish a list indicating for each manufacturer:

Or. de

*Justification*

*The publication of manufacturers' data should begin as and when the regulation is introduced, to avoid market distortions and discrimination against manufacturers. So publication of the data should not start until 2013.*

## Amendment 32

### Proposal for a regulation

#### Article 8 – paragraph 2

*Text proposed by the Commission*

2. **From the 31 October 2013, the** list published under paragraph 1 shall also indicate whether or not the manufacturer has complied with the requirements of Article 4 in respect of the preceding calendar year.

*Amendment*

2. **The** list published under paragraph 1 shall also indicate whether or not the manufacturer has complied with the requirements of Article 4 in respect of the preceding calendar year.

Or. de

*Justification*

*The start date was already laid down in an amendment to Article 8, paragraph 1.*

### Amendment 33

#### Proposal for a regulation Article 9 – Title

*Text proposed by the Commission*

**Specialist derogation** for small volume independent manufacturers

*Amendment*

**Derogation** for small volume independent **passenger car** manufacturers

Or. de

#### *Justification*

*There is no provision in Article 9 that limits the derogation to small-volume, specialist manufacturers.*

### Amendment 34

#### Proposal for a regulation Article 9 – paragraph 1 – point a

*Text proposed by the Commission*

(a) is responsible for less than **10 000** new passenger cars registered in the Community per calendar year; and

*Amendment*

(a) is responsible for less than **5000** new passenger cars registered in the Community per calendar year; and

Or. de

#### *Justification*

*The figure of 10 000 newly-registered passenger cars for smaller manufacturers could lead to disproportionate distortions of competition, therefore it should be reduced to 5000.*

### Amendment 35

#### Proposal for a regulation Article 9 – paragraph 1 – point b

*Text proposed by the Commission*

(b) is not **connected to another manufacturer**.

*Amendment*

(b) is not **part of a connected undertaking**.

*Justification*

*This amendment does not change the meaning of the paragraph, but is in line with the wording of Article 3 of this Regulation.*

**Amendment 36****Proposal for a regulation****Article 9 – paragraph 1 – subparagraph 1a (new)**

*Text proposed by the Commission*

*Amendment*

***On request, the Commission may allow manufacturers of specific models which make up no more than 1% per year of EU-wide new registrations of all new passenger cars an easier emissions target under Annex I Point 2a, for a maximum period of five years.***

Or. de

*Justification*

*The proposal does not take account of the special situation of manufacturers who only offer specific models but are too large to qualify for the derogation under Article 9(1)(a) and (b). Exceeding the maximum of 25 % of the specific target figure will require manufacturers to make greater efforts than fleet manufacturers, but at the same time will give them fair conditions.*

**Amendment 37****Proposal for a regulation****Article 9 – paragraph 2 – introductory part**

*Text proposed by the Commission*

*Amendment*

2. An application for a derogation under paragraph 1 ***may relate to a maximum of five calendar years. An application*** shall be made to the Commission and shall include:

2. An application for a derogation under paragraph 1, ***subparagraph 1*** shall be made to the Commission and shall include:

*Justification*

*There are no grounds for limiting the duration of the general derogation under Article 9(1)(a) and (b) to five years. Such a limit would also considerably affect the planning certainty of small-scale manufacturers.*

**Amendment 38****Proposal for a regulation  
Article 10 – paragraph 2***Text proposed by the Commission**Amendment*

***2. In 2010, the Commission shall assess, on the basis of data reported under Decision 1753/2000/EC, whether between 2006 and 2009 there has been a change in the mass of new passenger cars greater or less than 0.***

***deleted***

***If there has been a change in the mass of new passenger cars, the figure for autonomous mass increase in Annex I shall be amended to be the average of the annual changes in the mass between the calendar year 2006 to 2009.***

***Such amendment, designed to amend the non-essential elements of this Regulation shall be adopted in accordance with the regulatory power with scrutiny referred to in Article 12(3).***

*Justification*

*Changing the autonomous mass increase in Annex I and the ensuing changes to the target values will jeopardise manufacturers' planning certainty. The remaining planning and running in period would be much too short. The Commission should submit any conclusions from changing the average mass of passenger cars in the form of a proposal to amend the Parliament and Council Regulation.*

## Amendment 39

### Proposal for a regulation Article 11

#### *Text proposed by the Commission*

From 1 January 2010, manufacturers shall ensure that **labels, posters or** promotional literature and material of the type referred to in *articles* 3, 5 and 6 of Directive 1999/94/EC indicate the extent to which the specific emissions of CO<sub>2</sub> of the passenger car offered for sale differ from the specific emissions target for that passenger car under Annex I.

#### *Amendment*

From 1 January 2010, manufacturers shall ensure that promotional literature and material of the type referred to in *Articles* 3, 5 and 6 of Directive 1999/94/EC indicate the extent to which the specific emissions of CO<sub>2</sub> of the passenger car offered for sale differ from the specific emissions target for that passenger car under Annex I.

Or. de

#### *Justification*

*Including labels and posters will require regulation under the relevant EU labelling provisions, which should be laid down in a separate legislative package under the co-decision process.*

## Amendment 40

### Proposal for a regulation Annex I – point 1

#### *Text proposed by the Commission*

1. For each new passenger car, the permitted specific emissions of CO<sub>2</sub>, measured in grams per kilometre shall be determined in accordance with the following formula:

$$\text{Permitted specific emissions of CO}_2 = 130 + a \times (M - M0)$$

Where:

M = mass of the vehicle in kilograms (kg)

$$M0 = 1289.0 \times f$$

$$f = (1 + AMI)^6$$

Autonomous mass increase (AMI) = 0 %

#### *Amendment*

1. For each new passenger car, the permitted specific emissions of CO<sub>2</sub>, measured in grams per kilometre shall be determined in accordance with the following formula:

$$\text{Permitted specific emissions of CO}_2 = 130 + a \times (M - M0)$$

Where:

M = mass of the vehicle in kilograms (kg)

$$M0 = 1289.0$$

Autonomous mass increase (AMI) = 0 %

a = 0.0457

a = 0.0457

Or. de

*Justification*

*Changing the autonomous mass increase in Annex I and the ensuing changes to the target values will jeopardise manufacturers' planning certainty. The remaining planning and running in period would be much too short. The Commission should submit any conclusions from changing the average mass of passenger cars in the form of a proposal to amend the Parliament and Council Regulation.*

**Amendment 41**

**Proposal for a regulation  
Annex I – point 2 a (new)**

*Text proposed by the Commission*

*Amendment*

***2a. The specific emission targets may for a period of five years be exceeded by a maximum of 25 % by manufacturers granted a derogation under Article 9(1) subparagraph 1a.***

Or. de

*Justification*

*The proposal does not take account of the special situation of manufacturers who only offer specific models but are too large to qualify for the derogation under Article 9(1)(a) and (b). Exceeding the maximum of 25 % of the specific target figure will require manufacturers to make greater efforts than fleet manufacturers, but at the same time will give them fair conditions. This exception should apply for no more than five years.*

**Amendment 42**

**Proposal for a regulation  
Annex II – Part A – point 1 – introductory part**

*Text proposed by the Commission*

*Amendment*

1. For the **year** beginning **1 January 2010** and each subsequent **year**, Member States shall record the following details for each

For the **month** beginning **1 January 2012** and each subsequent **month**, Member States shall record the following details for

new passenger car registered in its territory:

each new passenger car registered in its territory:

Or. de

*Justification*

*The monitoring and reporting of average emissions should begin as and when the regulation is introduced, to avoid market distortion and discrimination against manufacturers. So the measures should not begin until 2012. Monthly reporting of data on new cars and on CO<sub>2</sub> monitoring is necessary for manufacturers for reasons of planning certainty.*

**Amendment 43**

**Proposal for a regulation  
Annex II – Part A – point 2**

*Text proposed by the Commission*

2. The details referred to in paragraph 1 shall be taken from the certificate of conformity for the relevant passenger car. Where the certificate of conformity specifies both a minimum and a maximum mass for a passenger car, the Member States shall use only the maximum figure for the purpose of this Regulation.

*Amendment*

2. The details referred to in paragraph 1 shall be taken from the certificate of conformity for the relevant passenger car. ***The certificate shall include the specific CO<sub>2</sub> emissions, taking account of the calculations under Article 6(8a) and Annex IIa.*** Where the certificate of conformity specifies both a minimum and a maximum mass for a passenger car, the Member States shall use only the maximum figure for the purpose of this Regulation.

Or. de

*Justification*

*For consistency with Article 6(8a) (new) and Annex IIa.*

## Amendment 44

### Proposal for a regulation

#### Annex II – Part A – point 3 – first subparagraph

*Text proposed by the Commission*

3. For the year beginning 1 January **2010** and each subsequent year, Member States shall determine, in accordance with the methods described in Part B, by manufacturer:

*Amendment*

3. For the year beginning 1 January **2012** and each subsequent year, Member States shall determine, in accordance with the methods described in Part B, by manufacturer:

Or. de

#### *Justification*

*The monitoring and reporting of average emissions should begin as and when the regulation is introduced, to avoid market distortion and discrimination against manufacturers. So the measures should not begin until 2012.*

## Amendment 45

### Proposal for a regulation

#### Annex II – Part A – point 3 – paragraph 1a (new)

*Text proposed by the Commission*

*Amendment*

***A separate list shall be produced of vehicles whose specific emissions have been determined taking account of concessions under Article 6(8a) and for which the relevant values have not been recorded in the relevant certificates, because in this case the measures concerned are not applicable to all vehicles of this type. For this purpose the number of vehicles, the corrected specific emissions and the vehicle weight shall be indicated.***

Or. de

#### *Justification*

*For consistency with Article 6(8a) (new) and Annex IIa.*

## Amendment 46

### Proposal for a regulation Annex II a (new)

*Text proposed by the Commission*

*Amendment*

#### **ANNEX IIa**

##### ***Procedure for concessions allowing for the emission reduction potentials of ecological innovations***

***1. The Commission shall appoint an expert committee (“the ecological innovation assessment committee”), composed of representatives of the relevant Commission departments, which shall decide on applications from manufacturers for concessions allowing for the emission reduction potentials on specific CO<sub>2</sub> emissions. The committee may co-opt external experts and shall report quarterly to the committee appointed under Article 8 of Decision 93/389/EEC.***

***2. Where necessary the committee shall hold quarterly hearings to approve specific emission reduction potentials of technical measures and decide on the applications concerned. Appeals against the committee’s decisions shall be admissible.***

***3. To be considered for the concession on a manufacturer’s specific emission targets, measures***

***(a) must make a measurable contribution to reducing greenhouse gas emissions,***

***(b) shall be clearly attributable to the CO<sub>2</sub> emissions of a specific vehicle type or to a defined number of vehicles of that type,***

***(c) must not be essential for type approval under Directive 2007/46/EC or other EU legal requirements,***

*(d) and must bring about reductions in greenhouse gas emissions that are not included in the test procedure.*

*4. In applying for a concession allowing for ecological innovations, vehicle manufacturers must furnish reliable data on the following points:*

*(a) the reduction in greenhouse gas emissions attributable to the measure (expressed in CO<sub>2</sub>-equivalent);*

*(b) documentary proof that the measure is not essential for type-approval;*

*(c) documentary proof that the effects of the measure are not or not sufficiently reflected in the consumption and emissions figures obtained at type-approval;*

*(d) a statement of whether and to what extent the effects of the measure correlate with the vehicle's weight or whether the effects are the same for all vehicles regardless of weight.*

*5. When applying for a correction of a manufacturer's specific emission target for a particular year, the manufacturer, in addition to a measure's recognised greenhouse gas reductions, must submit a proposal on how these reductions can be attributed to particular models, or to the whole of the manufacturer's vehicle programme.*

*6. The stated CO<sub>2</sub> or greenhouse gas reduction potential must be confirmed by an independent body. This body must*

*(a) be a reliable and qualified institution in the field of testing;*

*(b) guarantee neutrality and expertise in the area of automobile technology in assessing greenhouse gas reduction measures.*

*All institutions that are notified under Article 41 of Directive 2007/46/EG are considered competent for these tasks.*

***7. On the basis of a measure's specific CO<sub>2</sub> or greenhouse gas reductions, the confirmation by the independent body must include documentary proof that the following points have been checked:***

***(a) technical effects of the measure on greenhouse gas emissions (expressed in CO<sub>2</sub>-equivalent);***

***(b) reliability of the data provided by the manufacturer and/or supplier;***

***(c) possible interaction (including trade-offs) with other measures included in the type-approval procedure, or other measures for which a concession had been requested or already granted;***

***(d) effects of driver behaviour on the emissions reduction that can be achieved with the measure under realistic conditions;***

***(e) reliability of the data in relation to the vehicle types that are fitted with the measure, the number of such vehicles that are registered and the associated effects on the manufacturer's average carbon emissions.***

.

***8. If an application for an extension is approved for a calendar year, and the measures have not in the meantime become a mandatory part of the type-approval procedure or other legal provision, for the grant of a concession in subsequent years the only documentary proof that must be provided concerns the vehicle types that are fitted with this measure, the number of registered vehicles of this type and the associated effects on the manufacturer's average carbon emissions.***

.

***9. Automobile suppliers can apply for confirmation of the carbon and greenhouse gas reduction potential of a particular measure if they provide the relevant documentary proof and the***

*certificates from independent experts pursuant to Point 3 (a) to (d), Point 4 (a) to (d), and Point 7 (a) to (d) of this Annex.*

*10. If a manufacturer's application for a concession refers to a reduction potential for a specific measure that has already been granted to a supplier, the manufacturer need only produce documentary proof pursuant to Point 5 and a certificate from an independent expert pursuant to Point 7(e) of this Annex.*

Or. de

#### *Justification*

*Measures will only be recognised if they bring measurable advantages over and above the existing requirements. The technical burden of proof lies with the applicant and the political responsibility with the Commission. All data must be certified by independent experts who are qualified to carry out tests under the type-approval procedure. Once a measure has been recognised as an ecological innovation, the only elements that need to be checked are those that change as a function of the number of new registrations of a manufacturer's various models.*