

## **BEE Position Paper**

On the European Commission's „*European Strategy for Low-Emission Mobility*“

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## Introduction

In July 2016, the European Commission published its strategy for low-emission mobility. The goal of the strategy is to set clear and fair guiding principles to Member States in order to accelerate the shift towards a low-carbon, circular economy. The strategy thus frames the initiatives that the Commission is planning over the coming years, and maps the areas in which it is exploring options.

The German Renewable Energy Federation welcomes the publication of the strategy as an important step towards addressing the pressing issues relating to the decarbonization of the transport sector. As is the case with the heating sector, the transport sector's huge potential to contribute to the European energy transformation has been overlooked for far too long.

The strategy for low-emission mobility also mentions the publication of the Consultation on the Revision of Regulation (EU) No 443/2009 and Regulation (EU) No 510/2011 which set CO<sub>2</sub> emission performance standards for light duty vehicles. As there is no dedicated consultation for the strategy itself, we want to use this opportunity to express our views on the strategy as is, without going into detail about performance standards for new cars and vans.

## Evaluation

We warmly welcome the Commission's intention to take externalities into account and to provide the correct price signals as the "most economically rational way" of lowering emissions. We also welcome that a new global test procedure will be implemented to deliver more realistic and accurate carbon dioxide emissions. Furthermore, the Commission recognizes the need for European car manufacturers to modernize and to embrace new technologies, thus continuing to innovate and regaining the trust of consumers.

However, there are several issues where the strategy is falling behind the desired ambition and role it is meant to fulfill. For one, there is no mention of dedicated transport targets in the upcoming Renewable Energy Directive. Only a dedicated sub-target for advanced biofuels is mentioned. This means that Member States wishing to introduce decarbonisation targets in the transport sector can only do so under the framework of the Effort Sharing Decision. However, the options are broad for Member States, as they can choose between the building, the waste, the agriculture and the transport sectors, which will, in turn, lead to 28 different national approaches to transport policies. Without a binding sectoral target for transport there can be no great breakthroughs expected in the transport sector, as investment conditions are not favourable.

In addition, the strategy mostly focuses on urban mobility and electrification. While BEE welcomes the Commission's intention to maximize synergies between the transport and the energy systems, as well as facilitating the integration of electromobility, we would like to draw attention to the fact that rural areas and long distances might pose different challenges which will also need addressing. Furthermore, it is necessary to extend the focus beyond cars to include sustainable, renewable energy concepts for both public and railway transportation.

The European Commission states that "transport in the EU still depends on oil for about 94% of its energy needs, which is much higher than in any other sector and makes transport heavily dependent on imports". In view of this, it is incomprehensible as to why food-based

biofuels are to be phased-out after 2020. Compared to oil, food-based biofuels save greenhouse gas emissions and offer additional income possibilities for farmers, in turn incentivizing the development of rural areas in Europe. There is still room for intensifying crop yields and reclaiming land for agricultural purposes in several Member States. Furthermore, sustainability criteria ensure that the production of food-based biofuels is sustainable. The decision to stop support for food-based biofuels entirely should thus be urgently reevaluated, as the alternatives would produce more greenhouse gas emissions.

On a more positive note, we welcome the recognition of biomethane as a valuable solution for lorries, buses and the shipping sector. Furthermore, we recommend that the Commission tap into the potential of power-to-gas technologies and grant biomethane the role of virtual storage for electricity, as mentioned in the strategy.

As regards contradictory tax incentives, such as fossil fuel subsidies through low rates on some fuels and tax schemes for company cars, the German Renewable Energy Federation welcomes the Commission's proposal to assist Member States in reviewing their policies to ensure positive incentives for the use of low-emission vehicles.

## Conclusion

The strategy for low-emission mobility is one step forward to lowering greenhouse gas emissions by at least 60% by 2050 as compared to 1990. It also recognizes that the European regulatory framework needs to change if the transition to low-emission mobility is to succeed, whilst also providing certainty for investors. However, the strategy fails to mention binding sectoral goals for the transport sector and also fails to enter into more detail regarding clear and precise requirements for Member States. If these positive intentions are to materialize, stable and ambitious legislative proposals have to follow suit.

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