Regulation (EU) 2019/1242 of the European Parliament and of the Council of 20 June 2019 setting CO2 emission performance standards for new heavy-duty vehicles and amending Regulations (EC) No 595/2009 and (EU) 2018/956 of the European Parliament and of the Council and Council Directive 96/53/EC (Text with EEA relevance)

REGULATION (EU) 2019/1242 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of 20 June 2019

setting CO_2 emission performance standards for new heavy-duty vehicles and amending Regulations (EC) No 595/2009 and (EU) 2018/956 of the European Parliament and of the Council and Council Directive 96/53/EC

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 192(1) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee[(1)],

After consulting the Committee of the Regions,

Acting in accordance with the ordinary legislative procedure[(2)],

Whereas:

(1) The Paris Agreement sets out, inter alia, a long-term goal in line with the objective to keep the global average temperature increase well below 2 °C above pre-industrial levels and to pursue efforts to keep it to 1,5 °C above pre-industrial levels. The latest scientific findings reported by the Intergovernmental Panel on Climate Change (IPCC) in its special report on the impacts of global warming of 1,5 °C above pre-industrial levels and related global greenhouse gas emission pathways unequivocally confirm the negative impacts of climate change. That special report concludes that emissions reductions in all sectors are crucial to limit global warming.

(2) In order to contribute to the objectives of the Paris Agreement, the transformation of the entire transport sector towards zero emissions needs to be accelerated, considering the Commission's communication of 28 November 2018 entitled 'A Clean Planet for all — a European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy', which outlines a vision of the economic and societal transformations required, engaging all sectors of the economy and society, to achieve the transition to net-zero greenhouse gas emissions by 2050. Emissions of air pollutants

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from transport that significantly harm our health, and the environment, need also to be drastically reduced without delay.

(3) The Commission adopted mobility packages on 31 May 2017 ('Europe on the Move: An agenda for a socially fair transition towards clean, competitive and connected mobility for all') and 8 November 2017 ('Delivering on low-emission mobility — A European Union that protects the planet, empowers its consumers and defends its industry and workers'). Those packages set out a positive agenda which also aimed at ensuring a smooth transition towards clean, competitive and connected mobility for all.

(4) This Regulation is part of the Commission's third mobility package, of 17 May 2018, entitled 'Europe on the Move — Sustainable Mobility for Europe: safe, connected and clean', which is a follow-up to the Commission's communication of 13 September 2017 entitled 'Investing in a smart, innovative and sustainable Industry: A renewed EU Industrial Policy Strategy'. This Regulation is also designed to complete the process of enabling the Union to reap the full benefits of the modernisation and decarbonisation of mobility. The aim of that third mobility package is to make European mobility safer and more accessible, European industry more competitive, European jobs more secure, and the mobility system cleaner and better adapted to the imperative of tackling climate change. That will require the full commitment of the Union, Member States and stakeholders, not least in strengthening efforts to reduce carbon dioxide (CO_2) emissions and air pollution.

(5) This Regulation, together with Regulation (EU) 2019/631 of the European Parliament and of the Council[(3)], provides a clear pathway for CO_2 emissions reductions from the road transport sector and contributes to the binding target of at least a 40 % domestic reduction in economy-wide greenhouse gas emissions by 2030 compared to 1990, as was endorsed in the conclusions of the European Council of 23-24 October 2014, and approved by the Council on 6 March 2015 as the 'Union Intended Nationally Determined Contribution under the Paris Agreement'.

(6) The European Council conclusions of 23-24 October 2014 endorsed a greenhouse gas emissions reduction of 30 % by 2030 compared to 2005 for the sectors that are not part of the Union's emissions trading system. Greenhouse gas emissions from the road transport sector constitute a major contribution to the emissions of those sectors. The road transport sector was responsible for around a quarter of the total Union's emissions in 2016. Its emissions show an increasing trend and remain significantly above 1990 levels. If road transport emissions increase further, they will offset emissions reductions made by other sectors to combat climate change.

(7) The European Council conclusions of 23-24 October 2014 highlighted the importance of reducing greenhouse gas emissions and risks related to fossil fuel dependency in the transport sector through a comprehensive and technology neutral approach for the promotion of emissions reductions and energy efficiency in transport, for electric transportation and for renewable energy sources in the transport sector also after 2020.

(8) In order to give consumers in the Union secure, sustainable, competitive and affordable energy, the contribution of energy efficiency to moderation of demand is one of the five mutually-reinforcing and closely interrelated dimensions set out in the Commission's

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communication of 25 February 2015 entitled 'A Framework Strategy for a Resilient Energy Union with a Forward-Looking Climate Change Policy'. That communication states that, while all economic sectors must take steps to increase the efficiency of their energy consumption, the transport sector has huge energy efficiency potential.

(9) CO_2 emissions from heavy-duty vehicles, including lorries, buses and coaches, represent around 6 % of total CO_2 emissions in the Union and about 25 % of total road transport CO_2 emissions. Without further action, the share of CO_2 emissions from heavy-duty vehicles is expected to grow by around 9 % between 2010 and 2030. Currently, Union law does not set any CO_2 emissions reduction requirements for heavy-duty vehicles, and therefore specific measures for such vehicles are needed without delay.

(10) CO_2 emissions reduction targets for the Union-wide fleets of new heavy-duty vehicles should therefore be set for 2025 and for 2030, taking into account the vehicle fleet renewal time and the need for the road transport sector to contribute to the Union climate and energy targets for 2030 and beyond. Such a stepwise approach also provides a clear and early signal for the industry to accelerate the market introduction of energy efficient technologies and zero- and low-emission heavy-duty vehicles. The deployment of zero-emission heavy-duty vehicles should also contribute to addressing urban mobility problems. While it is essential to reduce CO_2 emissions from road transport, the promotion of such heavy-duty vehicles by manufacturers is also important for the effective reduction of air pollutants and excessive noise levels in cities and urban areas.

(11) In order to fully realise the energy efficiency potential and ensure that the road transport sector as a whole contributes to the greenhouse gas emission reductions agreed, it is appropriate to complement the already existing CO_2 emission performance standards for new passenger cars and for light commercial vehicles by setting CO_2 emission performance standards for new heavy-duty vehicles. Those performance standards will be a driver for innovation in fuel-efficient technologies, contributing to the strengthening of the technological leadership of the Union's manufacturers and suppliers, and securing high-skilled jobs in the long term.

(12) Taking into account that climate change is a trans-boundary problem and the need to safeguard a well-functioning single market both for road transport services as well as for heavy-duty vehicles while avoiding market fragmentation, it is appropriate to set CO_2 emission performance standards for heavy-duty vehicles at Union level. Those performance standards should be without prejudice to Union competition law.

(13) In defining the CO_2 emissions reduction levels that should be achieved by the Union fleet of heavy-duty vehicles, account should be taken of the effectiveness of those reduction levels in delivering a cost-effective contribution to reducing the CO_2 emissions of the sectors covered by Regulation (EU) 2018/842 of the European Parliament and of the Council[(4)] by 2030, of the resulting costs and savings for society, manufacturers, transport operators, consumers, as well as of their direct and indirect implications for employment, innovation and co-benefits generated in terms of reduced air pollution and improved energy security.

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(14) A socially acceptable and just transition towards zero-emission mobility should be ensured. It is therefore important to take into account the social effects of the transition throughout the whole automotive value chain and to address proactively the implications on employment. Targeted programmes at Union, national and regional levels are therefore to be considered for the re-skilling, up-skilling and redeployment of workers, as well as education and job-seeking initiatives in adversely affected communities and regions, in close dialogue with the social partners and competent authorities. As part of that transition, the employment of women as well as equal opportunities in that sector should be strengthened.

(15) A successful transition to zero-emission mobility requires an integrated approach and the right enabling environment to stimulate innovation and maintain the Union's technological leadership in the road transport sector. This includes public and private investments in research and innovation, the increasing supply of zero-and low-emission heavy-duty vehicles, the roll-out of recharging and refuelling infrastructure, integration into the energy systems, as well as the sustainable materials supply for, and sustainable production, re-use and recycling of, batteries in Europe. This requires coherent action at Union, national, regional and local levels, including through incentives to support the uptake of zero- and low-emission heavy-duty vehicles.

(16) A new procedure for determining the CO_2 emissions and fuel consumption of individual heavy-duty vehicles has been introduced as part of the implementation of Regulation (EC) No 595/2009 of the European Parliament and of the Council[(5)]. Commission Regulation (EU) 2017/2400[(6)] provides a methodology, based on the VECTO tool, through which the CO_2 emissions and fuel consumption of whole heavy-duty vehicles can be simulated. That methodology allows the diversity of the heavy-duty vehicle sector and the high degree of customisation of individual heavy-duty vehicles to be taken into account. As a first step, from 1 July 2019, the CO_2 emissions are determined for four groups of heavy-duty vehicles that account for around 65 % to 70 % of all CO_2 emissions from the Union fleet of heavy-duty vehicles.

(17) In light of innovation and to take into account the implementation of new technologies that improve the fuel efficiency of heavy-duty vehicles, the VECTO simulation tool as well as Regulation (EU) 2017/2400 will be continually updated in a timely manner.

(18) The CO_2 emissions data determined pursuant to Regulation (EU) 2017/2400 are to be monitored under Regulation (EU) 2018/956 of the European Parliament and of the Council[(7)]. Those data should form the basis for determining the CO_2 emissions reduction targets to be achieved by the four groups of the most emitting heavy-duty vehicles in the Union, as well as for determining a manufacturer's average specific CO_2 emissions in a given reporting period.

(19) A CO_2 emissions reduction target should be set for 2025 as a relative reduction based on the average CO_2 emissions of those heavy-duty vehicles that were newly registered in the period from 1 July 2019 to 30 June 2020, reflecting the deployment of readily available cost-effective technologies for conventional vehicles. For 2030 onwards, a CO_2 emissions reduction target should also be set. That target should apply unless decided otherwise pursuant to the review to be carried out in 2022. The 2030 target

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should be assessed in accordance with the European Union commitments under the Paris Agreement.

(20) To ensure the robustness of the reference CO_2 emissions against increasing CO_2 emissions of heavy-duty vehicles by undue procedural means, which would not be representative for a situation where CO_2 emissions are already regulated, it is appropriate to provide a methodology for correcting the reference CO_2 emissions where necessary.

(21) Liquefied natural gas (LNG) is an available alternative fuel to diesel for heavy-duty vehicles. The deployment of current and upcoming more innovative LNG-based technologies will contribute to meeting the CO_2 emissions reduction targets in the short and medium term as the use of LNG technologies leads to lower CO_2 emissions when compared to diesel vehicles. The CO_2 emissions reduction potential of LNG vehicles is already fully reflected in VECTO. In addition, current LNG technologies ensure a low level of air pollutant emissions, such as NO_x and particulate matters. A sufficient minimum refuelling infrastructure is also in place and is being further deployed as part of national policy frameworks for alternative fuel infrastructure.

(22) In calculating the reference CO_2 emissions serving as the basis for determining the 2025 and 2030 specific CO_2 emissions targets, the expected CO_2 emissions reduction potential of the heavy-duty fleet should be taken into account. It is therefore appropriate to exclude vocational vehicles, such as vehicles used for garbage collection or construction works, from that calculation. Those vehicles have a comparatively low mileage, and due to their specific driving pattern, technical measures for reducing CO_2 emissions and fuel consumption do not appear to be as cost effective in the same way as they are for heavy-duty vehicles used for the delivery of goods.

(23) The CO_2 emissions reduction requirements should be expressed in grams of CO_2 per tonne kilometre to reflect the utility of the heavy-duty vehicles.

(24) A fair distribution of the overall CO_2 emissions reduction requirements among the manufacturers needs to be ensured, taking into account the diversity of heavy-duty vehicles in terms of their design and driving pattern, annual mileage, payload and trailer configuration. It is therefore appropriate to distinguish the heavy-duty vehicles according to different and separate vehicle sub-groups that reflect the vehicles' typical usage pattern and specific technical characteristics. By setting annual manufacturer specific CO_2 emissions targets as a weighted average of the targets defined for each such vehicle sub-group, manufacturers are also given the means to effectively balance a possible underperformance of vehicles in certain vehicle sub-groups with an overachievement in other vehicle sub-groups, taking into account the average lifetime CO_2 emissions of vehicles in the different vehicle sub-groups.

(25) A manufacturer's compliance with its annual specific CO_2 emissions targets should be assessed on the basis of its average CO_2 emissions. In determining the average specific CO_2 emissions, the specificities that are reflected in the different vehicle sub-groups should also be considered. As a consequence, the average specific CO_2 emissions of a manufacturer should be based on the average CO_2 emissions determined for each vehicle sub-group, including a weighting based on its assumed average annual mileage