Regulation (EU) 2019/631 of the European Parliament and of the Council of 17 April 2019 setting CO2 emission performance standards for new passenger cars and for new light commercial vehicles, and repealing Regulations (EC) No 443/2009 and (EU) No 510/2011 (recast) (Text with EEA relevance)

REGULATION (EU) 2019/631 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of 17 April 2019

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(recast)

(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) Regulation (EC) No 443/2009 of the European Parliament and of the Council[(3)] and Regulation (EU) No 510/2011 of the European Parliament and of the Council[(4)] have been substantially amended several times. Since further amendments are to be made, those Regulations should be recast in the interests of clarity.

(2) In order to provide a coherent and efficient transition following the recast and repeal of Regulations (EC) No 443/2009 and (EU) No 510/2011, this Regulation should apply from 1 January 2020. However, it is appropriate to maintain the CO_2 emission performance standards and the modalities for achieving them as set out in those Regulations without changes until 2024.

(3) The Paris Agreement[(5)] 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

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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.

(4) 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 from transport that significantly harm our health and the environment need also to be drastically reduced without delay. Emissions from conventional combustion engine vehicles will need to be further reduced after 2020. Zero- and low-emission vehicles will need to be deployed and gain significant market share by 2030. Further CO_2 emissions reductions for passenger cars and light commercial vehicles will be necessary beyond 2030.

(5) The Commission's communications of 31 May 2017 entitled 'Europe on the move — An agenda for a socially fair transition towards clean, competitive and connected mobility for all' and of 8 November 2017 entitled 'Delivering on low-emission mobility — A European Union that protects the planet, empowers its consumers and defends its industry and workers' highlight that the CO_2 emission performance standards for passenger cars and light commercial vehicles are a strong driver for innovation and efficiency and will contribute to strengthening competitiveness of the automotive industry and pave the way for zero- and low-emission vehicles in a technology-neutral way.

(6) This Regulation 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 European Council conclusions of 23-24 October 2014, and approved as the Intended Nationally Determined Contribution of the Union and its Member States under the Paris Agreement at the Environment Council meeting on 6 March 2015.

(7) Regulation (EU) 2018/842 of the European Parliament and of the Council[(6)] lays down obligations on Member States to fulfil the Union's target of reducing its greenhouse gas emissions by 30 % below 2005 levels in 2030 for the sectors that are not part of the European Union Emissions Trading System established by Directive 2003/87/EC of the European Parliament and of the Council[(7)]. Road transport is a major contributor to the emissions from those sectors. Moreover, emissions from road transport show an increasing trend, and remain significantly above 1990 levels. If road transport emissions increase further, such increases will continue to counteract emissions reductions made by other sectors to combat climate change.

(8) 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

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the transport sector through a comprehensive and technology neutral approach for the promotion of emissions reduction and energy efficiency in transport, for electric transportation and for renewable energy sources in transport also after 2020.

(9) In order to give consumers in the Union secure, sustainable, competitive and affordable energy, energy efficiency contributing to moderation of demand is one of the five mutually-reinforcing and closely interrelated dimensions set out in the Commission's 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, transport has a huge energy efficiency potential, which can be realised also with a continued focus on tightening CO_2 emission performance standards for passenger cars and light commercial vehicles in a 2030 perspective.

(10) An evaluation of Regulations (EC) No 443/2009 and (EU) No 510/2011 in 2015 concluded that those Regulations have been relevant, broadly coherent, and have generated significant emissions savings, whilst being more cost-effective than originally anticipated. They have also generated significant added value for the Union that could not have been achieved to the same extent through national measures. However, the benefits of those Regulations have been eroded due to the increasing discrepancy between the CO_2 emissions measured under the New European Driving Cycle (NEDC) and the CO_2 emissions emitted from vehicles driven under real-world conditions.

(11) It is, therefore, appropriate to pursue the objectives of Regulations (EC) No 443/2009 and (EU) No 510/2011 by setting new EU fleet-wide CO_2 emissions reduction targets for passenger cars and light commercial vehicles for the period up to 2030. In defining the levels of those targets, account has been taken of their effectiveness in delivering a cost-effective contribution to reducing emissions of the sectors covered by Regulation (EU) 2018/842 by 2030, of the resulting costs and savings for society, manufacturers and vehicle users, as well as of their direct and indirect implications for employment, competitiveness and innovation and the co-benefits generated in terms of reduced air pollution and energy security. Considering that the market share and, consequently, the overall contribution of CO_2 emissions from passenger cars are significantly higher than those of light commercial vehicles, a differentiated approach between passenger cars and light commercial vehicles is considered appropriate.

(12) A socially acceptable and just transition towards zero-emission mobility should be ensured. It is important, therefore, to take into account the social effects of such 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, women's employment, as well as equal opportunities in this sector, should be strengthened.

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(13) 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 this sector. That includes public and private investments in research and innovation, the increasing supply of zero- and low-emission vehicles, the roll-out of recharging and refuelling infrastructure, integration into the energy systems, as well as the sustainable materials supply and sustainable production, re-use and recycling of batteries in Europe. That requires coherent action at Union, national, regional and local levels.

(14) As part of the implementation of Regulation (EC) No 715/2007 of the European Parliament and of the Council[(8)], a new test procedure for measuring CO_2 emissions from, and fuel consumption of, passenger cars and light commercial vehicles, the Worldwide Harmonised Light Vehicles Test procedure ('WLTP'), set out in Commission Regulation (EU) 2017/1151[(9)], started to apply in 2017. That test procedure provides CO_2 emission and fuel consumption values that are more representative of real-world conditions.
It is appropriate, therefore, that the new CO_2 emissions targets should be based on the CO_2 emissions determined on the basis of that test procedure. Considering, however, that WLTP-based CO_2 emissions will be available for target compliance purposes from 2021, it is appropriate that the new CO_2 emission performance standards should be defined as reduction levels set in relation to the 2021 targets calculated on the basis of the CO_2 emissions measured for the purpose of the WLTP emissions test. In order to ensure the robustness and representativeness of the values used as the starting point for defining the emissions reduction targets to be applied in 2025 and 2030, the conditions for performing those measurements have been clarified as part of the implementation of Commission Implementing Regulations (EU) 2017/1152[(10)] and (EU) 2017/1153[(11)].

(15) It is important that the setting of CO_2 emissions reduction requirements continue to provide Union-wide predictability and planning security for vehicle manufacturers across their new passenger car and light commercial vehicle fleets in the Union.

(16) The Commission's evaluation of Directive 1999/94/EC of the European Parliament and of the Council[(12)] in 2016 identified a need for further clarification and simplification of that legislative act, which could increase its relevance, effectiveness, efficiency and coherence. The Commission should, therefore, review that Directive no later than 31 December 2020 and, where appropriate, put forward a relevant legislative proposal. In order to support the uptake of the most fuel efficient and environmentally friendly vehicles, that review should in particular consider the inclusion of light commercial vehicles and the need for better designed and further harmonised Union requirements on labelling that could provide consumers with comparable, reliable and user friendly information about the benefits of zero- and low-emission vehicles, including information concerning air pollutants.

(17) Emissions reduction targets for the Union-wide fleets of new passenger cars and light commercial 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 2030 climate and energy targets. That stepwise approach also provides a clear and

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early signal for the automotive industry not to delay the market introduction of energy efficient technologies and zero- and low-emission vehicles.

(18) The CO_2 emission performance standards set out in this Regulation apply to new passenger cars and new light commercial vehicles. With regard to the existing fleet of such vehicles, including second-hand vehicles, additional measures aimed at reducing emissions may also be taken, inter alia, at national and Union level. For instance, measures may be taken to encourage a higher fleet renewal rate, in order to replace as fast as possible older, more emitting vehicles by more performant ones. Access to more affordable zero- and low-emission vehicles could stimulate consumer behaviour change and faster deployment of low-emission technologies.

(19) While the Union is among the world's major producers of motor vehicles and demonstrates technological leadership in the global automotive sector, competition is increasing and this sector is changing rapidly through new innovations in electrified powertrains, and cooperative, connected and automated mobility. In order to retain its global competitiveness and access to markets, the Union needs a regulatory framework, including a particular incentive in the area of zero- and low-emission vehicles, which will contribute to creating a large domestic market and support technological development and innovation.

(20) A dedicated incentive mechanism should be introduced to facilitate a smooth transition towards zero-emission mobility. That mechanism should be designed so as to promote the deployment on the Union market of zero- and low-emission vehicles. Also, a specific transitional measure should be put in place to enable access to zero- and low-emission vehicles to consumers from Member States with low levels of market penetration of such vehicles.

(21) Setting appropriate benchmarks for the share of zero- and low-emission vehicles in the EU fleet, together with a well-designed mechanism for adjusting a manufacturer's specific emissions target based on the share of zero- and low-emission vehicles in the manufacturer's own fleet, should provide a strong and credible signal for the development, deployment and marketing of such vehicles while still allowing for the further improvement of the efficiency of the conventional internal combustion engines.

(22) In determining the credits for the zero- and low-emission vehicles, it is appropriate to account for the difference in CO_2 emissions between the vehicles. As concerns passenger cars, the role of low-emission vehicles, in particular of plug-in hybrid vehicles, in the transition towards zero-emission vehicles should be recognised. The adjustment mechanism should ensure that a manufacturer exceeding the benchmark level would benefit from a higher specific emissions target. In order to ensure a balanced approach, limits should be set to the level of adjustment possible within that mechanism. This will provide for incentives, promoting a timely roll-out of recharging and refuelling infrastructure and yielding high benefits for consumers, competitiveness and the environment.

(23) The legislative framework for implementing the EU fleet-wide target should ensure competitively neutral, socially equitable and sustainable emissions reduction targets