Executive Vice-President of the European Commission
Mr. Frans Timmermans

Commissioner for Transport
Ms. Adina Vălean

Commissioner for Environment Mr. Virginijus Sinkevičius

Commissioner for the Internal Market Mr. Thierry Breton

Commissioner for Cohesion and Reforms
Ms. Elisa Ferreira

March 2020

Dear Executive Vice-President,
Dear Madam and Mister Commissioners,

Subject: Cities and civil society ask for at least half of new vans to be zero-emission in 2030

Vans are the Achilles' heel of the European road transport policy. They are the fastest growing road transport sector in the EU, and a rising source of air and climate pollution, especially in urban areas. Yet, they are often exempt from safety and environmental policies, such as driving regulations or tolls (unlike trucks) and benefit from less stringent CO₂ targets than cars. To clean up the air in cities - and meet the EU climate neutrality objective - we, the undersigned, call for the European Commission to **urgently prioritise zero-emission vans** in the upcoming revisions of the CO₂ standards Regulation and the Alternative Fuel Infrastructure Directive (AFID).

Van use is booming. Sales of new vans increased 57% between 2012 and 2019². This trend is set to continue with more and more vans used to transport goods, as the surge of e-commerce during the pandemic has shown³. Vans today represent 14% of NOx emissions from vehicles in cities⁴. Based on data from Paris, vans emit on average around three quarters more NOx per kilometer compared to passenger cars⁵. With 70% of Europeans living in urban areas⁶, the NOx and other pollutants coming from the rising number of vans must be tackled without delay. Vans are also the fastest growing source of CO₂ emitted from road transport. Since 1990, while CO₂ emissions from cars and trucks have both increased by around 20%, vans emissions have grown 58%⁷. To clean-up the air and meet our EU climate target, we need zero-emission vans as soon as possible.

¹ Source: Member states reporting to the UNFCCC.

² EEA, Monitoring of CO2 emissions from vans – Regulation 510/2011. <u>Link</u>

³ OECD, E-Commerce in the time of COVID-19. Link.

⁴ T&E calculations based on JRC, Urban NO₂ Atlas Link.

⁵ T&E calculations based on remote sensing by the ICCT in Paris found the average light commercial vehicle emitted 0.8gNOx/km as compared to the average passenger car at 0.46 g/km. <u>Link</u>.

⁶ Eurostat, urban and rural living in the EU. <u>Link</u>.

⁷ Source: Member states reporting to the UNFCCC.

In 2020 only 2% of new vans were electric⁸, despite cost parity with diesel already for smaller vans⁹. Cost parity for medium and larger vans will be reached in 2022 and 2023. Demand will therefore grow sharply during the 2020s while the key barrier remains a lack of supply. Fleet operators have been ordering electric vans from start-ups because traditional manufacturers are not able to meet the demand, e.g. UPS has ordered 10,000 e-vans from Arrival¹⁰. **This shows that the current van CO₂ standard regulation is not driving the market**. Ambitious CO₂ targets to reduce emissions are the solution as the car market has shown: in 2020, 10,5% of new car sales in the EU were electric, more than tripling the 3% share of 2019, despite the pandemic¹¹.

To achieve climate neutrality by 2050, and to clean up the air as soon as possible, we are calling on the Commission to include the following measures as part of the revision of the CO2 standard regulation for vans and the AFID:

- All new vans must be zero-emission by 2035 at the latest. Cities are leading the way with access restrictions for internal combustion engine vehicles in the coming years, setting a clear pathway to phase out diesel and petrol vans, some of these restrictions applying in 2025 and many more following by 2030¹². The EU should endorse this movement with an EU-wide phase-out date for internal combustion vans.
- To unlock the supply, at least 50% of new vans sold must be electric in 2030 and ideally significantly more than 50% considering the growing number of cities introducing zero-emission zones¹³.
- Incentives for plug-in hybrid electric vans (PHEVs) must be avoided, noting the lessons from passenger cars where the average real-world emissions of plug-in hybrids are two to four times higher than those recorded in lab testing.¹⁴
- Accelerated deployment of charging infrastructure is needed to support the uptake of zero-emission vans. To achieve this, an ambitious revision of the Alternative Fuels Infrastructure Directive (AFID) should deliver on setting binding national targets on the number of public fast and ultra-fast chargers for electric vans.
- For a comprehensive charging ecosystem, support should also be provided for the deployment
 of charging infrastructure at the depot (overnight charging) and at the distribution hubs
 (charging while loading and unloading cargo).

⁸ Based on Dataforce data.

⁹ Already today there is evidence of e-van leasing contracts offered for less than the cost of the equivalent diesel van. <u>Link</u>.

¹⁰ Electrive (30 January 2020), UPS invests in Arrival and orders 10k electric vans, 30 January. Link.

¹¹ Transport & Environment (2020). Mission (almost) accomplished. Link.

¹² The ICCT (2020), The end of the road? An overview of combustion-engine car phase-out announcements across Europe. <u>Link</u>.

¹³ Website summarizing all urban access regulations in the EU. <u>Link</u>.

¹⁴ The ICCT, Fact sheet: Real-world usage of plug-in hybrid electric vehicles. <u>Link</u>.

Finally, we urge you to find an effective legislative solution to allow EU cities to exchange the data needed to enforce zero- and low-emission zones against foreign-registered vehicles, and we are strongly concerned about the length of time it is taking to find a solution¹⁵.

The forthcoming proposals to revise the van CO_2 emission performance standards and the AFID represent a once in a decade opportunity to decarbonise vans - and we urge you to take it.

Yours sincerely,

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¹⁵ After rejecting the possibility to extend the scope of the Directive facilitating the cross-border exchange of information on road safety related traffic offences, DG Move recently tendered a <u>study</u> to research on this topic. Given the urgency of the issue and the time it would take to get a new directive approved, no solution is expected in the near future.