

Brussels, 1 October 2019 (OR. en)

12545/1/19 REV 1

CLIMA 259 ENV 807 TRANS 455 MI 675

#### **NOTE**

From:	General Secretariat of the Council
To:	Delegations
Subject:	Transition to a fleet of zero-emission passenger cars – a necessity for a climate neutral EU by 2050 at the latest
	<ul> <li>Information from the Danish delegation, supported by the Luxembourg delegation</li> </ul>

Delegations will find in the <u>Annex</u> an information note by the <u>Danish delegation</u>, supported by the <u>Luxembourg delegation</u> on the above subject, to be dealt with under 'Any other business' at the Council (Environment) meeting on 4 October 2019.

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# Transition to a fleet of zero-emission passenger cars – a necessity for a climate neutral EU by 2050 at the latest

### Information from the Danish delegation, supported by the Luxembourg delegation

## EU climate targets and emissions from petrol and diesel cars

For the EU to achieve climate neutrality by 2050 at the latest, we need a clear direction towards climate neutrality for all sectors of the economy, including the transport sector. During this transition, the EU must remain competitive and able to cater for the mobility needs of people and goods.

Passenger cars account for around 12 % of the EU's total CO<sub>2</sub>-emissions, and transport is the only major sector in the EU where greenhouse gas emissions are still increasing. The Commission's analysis accompanying 'A Clean Planet for All' demonstrates that <u>no new diesel and petrol cars should be sold after 2040 in the EU in order to reach climate neutrality by 2050</u>. To support the transition to climate neutrality by 2050 at the latest, we need an accelerated shift from petrol and diesel cars to a fleet of zero-emission passenger cars.

#### EU policies to support a timely transition to zero-emission cars

The transition to zero-emission vehicles will undoubtedly <u>require policies</u> on both the demand and <u>supply side</u>. Many Member States have enacted policies, fiscal and otherwise, that provide incentives for the uptake of zero-emission vehicles. In addition, several Member States have already announced plans to phase out new petrol and diesel cars, indicating that supply side measures will also be necessary.

Plans for a transition to zero-emission vehicles require coordinated EU action. This is the most effective way to drive a technology shift to zero-emission transport and cut emissions without distorting competition. However, the type-approval legislation might limit the ability of Member States to speed up the phase-out of petrol and diesel cars through the setting of target dates providing long term predictability for the automotive sector.

Further work on developing a suitable EU framework for the transition to zero-emission vehicles could involve the following steps:

- <u>Identifying and addressing possible barriers</u> and ensuring alignment of Single Market rules to support the transition to a fleet of zero-emission vehicles.
- Examining possible measures at national and EU level in order to improve the conditions for
  phasing out petrol and diesel cars, supporting the transition to climate neutrality in road
  transport. Such measures could include for example increased CO<sub>2</sub>-standards, environmental
  zones, tax incentives, road pricing and supporting infrastructure.

On this basis, we encourage the Commission to <u>present a plan with possible policy initiatives and incentives for the transition to a fleet of zero-emission vehicles</u> to support the EU in reaching climate neutrality by 2050 at the latest.

We would like to invite Member States and the Commission to engage in a dialogue on current plans for a phase-out of petrol and diesel passenger cars and how to facilitate the transition to a fleet of zero-emission passenger cars, including possible policy measures.