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INFORMATION NOTE

From: To:	General Secretariat of the Council Council
Clean Planet for all: A European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy	
 information from the Presidency 	

Delegations will find attached an information note prepared by the <u>Presidency</u> on the above-mentioned subject for consideration under "Any other business" at the meeting of the Council (<u>Transport</u>, Telecommunications and Energy) on 6 June 2019.

9457/19 PDM/mm 1 TREE.2.A EN On 28 November 2018, the Commission adopted the Communication 'A Clean Planet for all: A European strategic vision for a prosperous, modern, competitive and climate neutral economy'¹. The Communication was presented to the Council on 19 December 2018 (Energy) and 20 December 2018 (Environment) and further discussed at the Council on 18 February (Competitiveness), 4 March (Energy), 5 March (Environment) and 14 May 2019 (Agriculture and fisheries). Transport ministers also exchanged views on this topic during the Informal Ministerial meeting in Bucharest (Romania) on 27 March 2019. The European Council called in its conclusions of 22 March 2019 on the Council to intensify its work on a long-term climate strategy ahead of a further discussion in the European Council in June 2019. During the Romanian Presidency the transport aspects of the long-term vision have been discussed in the Working Party on the Environment on 14 February and on 7 May, where the transport attaches were invited to participate. The discussion focused in particular on the potential of the sector to contribute to the transition to a climate neutral economy, the opportunities and challenges in that regard, as well as the tools needed to enable that transition. The Romanian Presidency will send a letter to the President of the European Council in which it will present a summary of the discussions held in the various Council formations ahead of the European Council meeting of 20-21 June.

The EU stands firmly behind its commitment to the Paris Agreement. It has already translated into legislation its own ambitious commitments for 2030 as agreed under the climate and energy policy framework. In this context, certain important files in the transport field were agreed during the Romanian Presidency, namely the Directive on the promotion of clean vehicles in road transport and the Decision regarding the time limits for the implementation of rules regarding aerodynamic truck cabins.

¹ doc. 15011/18

Transport is responsible for around a quarter of greenhouse gas emissions in the EU. The main challenge for transport is to ensure optimal conditions for the growing demand for the transport of people and goods while reducing the negative impact on the environment and public health. All transport modes will need to contribute to the decarbonisation of the mobility system. Although some of the necessary tools already exist, new and innovative solutions will still be needed to achieve that aim. For an industrial transformation of this kind of scale a technology neutral approach makes it possible to take all options and alternatives into account in a diversified way.

The electrification of railways is already advanced, and the sectors of cars, vans and other personal or private means of transport, as well as (shared) services, have seen rapid developments. For heavy duty vehicles and other transport modes (shipping, aviation, inland waterways) more work is needed, in particular on research, development and demonstration; also, other powertrain alternatives, differentiated between short- and long-haul use, may need to be considered. In any case, future investments must focus on the least polluting modes or zero-emission alternatives and promote synergies between transport, digital and electricity networks. Multimodality will play an important role in reducing transport emissions, and internalising the external costs of transport will also be an important part of the equation.

The following main elements were highlighted during the discussions at technical level:

Leading role for the EU at a global level: the EU should continue to take a leading role
in the global discussion and preparation of actions to ensure the delivery of the Paris
Agreement goals, especially in ICAO and IMO, aviation and maritime being two modes
of transport where decarbonisation is more difficult to achieve.

- Research, development and demonstration: the principle of technology neutrality is important while diverse new technologies and developments are starting to find their way to the market. In the longer term, it will be important to continue to look for further improvements, for instance related to renewable energy sources and the development of vehicles powered by alternative (non-fossil) fuels. A more comprehensive life-cycle approach would be helpful to better understand the overall risks and benefits of both current practices and their alternatives. The need to gradually phase out the selling of vehicles with an internal combustion engine and the need for improved infrastructure were also mentioned.
- Digitalisation has a great potential to organise transport more efficiently by developing new services, ensuring better connectivity and planning between different modes. It will have a big impact on safety management. The aspect of improved tailoring of transport needs to demand was also mentioned. Digitalisation could help to bring different aspects of mobility together in an integrated way, bringing about synergies that are difficult to realise otherwise.
- Health aspects: the transition to zero-emission mobility will have a significant positive impact on air quality and public health.
- Access to transport and social-economic challenges, especially related to the transition to zero-emission vehicles: access to mobility should be ensured; scarcely populated or rural areas might face problems in the transition, related to for instance higher investment costs for infrastructure, higher transport costs due to longer distances or lower purchasing power in view of replacing existing vehicles. Good public transport services will be crucial in this regard.

- <u>Fiscal incentives</u> are an essential tool for internalising the external costs of transport (polluter pays principle) and to stimulate and enable the transition to alternative-fuelled vehicles.
- The urban dimension and the importance of the 'last mile delivery' was also highlighted,
 especially as new technologies are often easier to test in the urban environment.
- The specific needs of different regions, the transitional periods for allowing the industry
 to adapt and compete at international level and the need to encourage and incentivise
 behavioural changes amongst citizens should be taken into consideration.