



CO₂ emissions from cars

The EU Implementing the Kyoto Protocol





CO₂ emissions from cars

As part of the EU's post-Kyoto strategy, the European Automobile Manufacturers Association (ACEA) has committed itself to reduce CO₂ emissions from new passenger cars by 25% over the next ten years.

International environmental commitments require domestic action to become reality. Nowhere is this more true than following the Kyoto Conference on Climate Change (December 1997). The Kyoto Protocol now has to be brought to life by the efforts of the signatory countries – especially the industrialised countries – to reduce their emissions.

Political decisions are critical in this context. Lower greenhouse gas emissions will only come about as a result of efforts by many actors: researchers developing new technologies; industries making their products and production processes cleaner and leaner; citizens and consumers changing their behaviour. Without such efforts, our global climate will continue to deteriorate.

I am therefore proud that the European automotive industry takes its environmental responsibilities seriously and has taken up the challenge of climate change. By committing itself to a substantial improvement in the fuel-efficiency of passenger cars, the *European Automobile Manufacturers Association* (ACEA) is delivering a major contribution to the EU's overall greenhouse gas objectives. ACEA is setting an example of the new partnership that we have to forge with industry if we are to achieve our climate change objectives.

I trust that Europe will not remain alone in this endeavour. Climate change is a global challenge – and all sectors will have to shoulder their responsibilities.

Ritt BJERREGAARD
Member of the European Commission
Responsible for the Environment





ACEA's collective Commitment will make a massive contribution to the EU efforts addressing climate change. It demonstrates the seriousness with which the European automotive sector takes its environmental responsibilities. Climate change is a world-wide challenge and we trust that other sectors will contribute to the response as well. We also expect that certain factors that are not under our control, for example fuel quality, will evolve satisfactorily.

This voluntary approach will allow environmental objectives to be achieved more quickly than through other means, whilst providing the flexibility needed to preserve the rich diversity of product offering within Europe's car industry - for the benefit of EU customers as well as European competitiveness and employment in Europe's car industry.

Our industry, which is a major wealth-creator throughout the EU economy, has to establish its product plans many years in advance, and a stable CO₂ vision is an essential ingredient. European car manufacturers will continue to gear massive research and product and process development towards attaining the 140g CO₂/km target by 2008.

Although extremely demanding, European car manufacturers are determined to make this environmental agreement with the Commission a success.

Bernd PISCHETSRIEDER
President of the European Automobile
Manufacturers Association (ACEA)

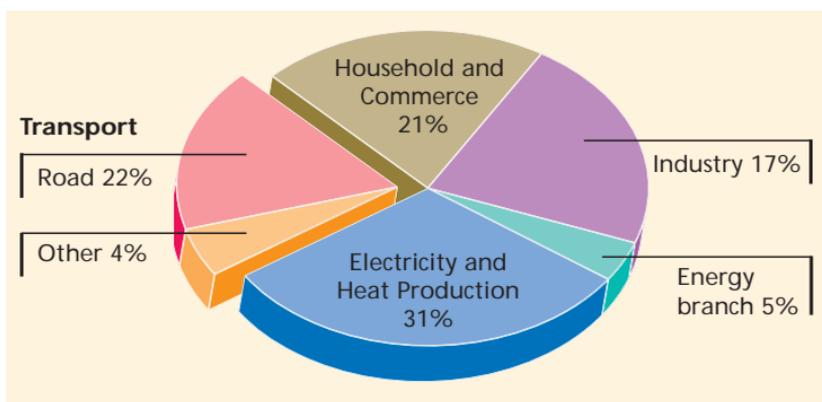




As in many other industrialised countries, passenger cars are an important source of CO₂ emissions. What is more, CO₂ emissions from cars in the European Union (EU) have grown significantly in the past as a result of growing car usage. Forecasts predict a continuation of this trend. This does not square with the EU's obligations under the Kyoto Protocol on climate change.

Passenger car traffic accounts for around 12% of total man-made CO₂ emissions in the EU. Road transport CO₂ emissions have grown by around 9% from 1990 to 1997, and passenger cars account for much of this growth.

ROAD TRANSPORT
AS A SOURCE OF CO₂ EMISSIONS IN THE EU



The conclusion is clear: the EU needs a determined policy to reduce CO₂ from cars to meet its climate change commitments.

Against this background, the Community adopted a strategy to cut by around one third the average CO₂ emissions of new cars being sold in the EU. The major element of this strategy is an agreement with car manufacturers to reduce new car CO₂ emissions mainly by technological innovation. This agreement is now being concluded and marks a new partnership between the Community and its automobile industry.



Under an agreement between the European Commission and the European Automobile Manufacturers Association (ACEA), the average of new cars sold by the European manufacturers in 2008 will emit about 25% less CO₂ than today. Further cuts will be made in particular with the perspective of 2012. This makes the EU the global frontrunner in the promotion of fuel-efficient cars. This is one example of how seriously the European Union takes its Kyoto commitments. It shows how a leading European industry is prepared to support the EU in addressing climate change.



European automotive manufacturers committed to reducing CO₂ emissions from cars

In July 1998, the European Commission and the European automotive industry – represented by the *European Automobile Manufacturers Association* (ACEA) – reached a ground-breaking agreement on the reduction of CO₂ emissions from passenger cars. This agreement is at the heart of the Community's overall strategy on CO₂ emissions from cars. In this agreement, ACEA commits itself:

- to achieve an average CO₂ emission figure of 140 g/km by 2008 for all its new cars sold in the EU, as measured according to the EU's test procedure;
- to bring to the market individual car models with CO₂ emissions of 120 g/km or less by 2000;
- to an indicative intermediate target in the order of 165–170 g/km in 2003 as the basis for monitoring progress;
- to review the potential for additional improvements with a view to moving the new car fleet average further towards 120 g/km by 2012. This review will be undertaken in 2003.

These commitments have been endorsed by the European Commission and welcomed by all 15 EU environment ministers. Their implementation will be monitored jointly by the Commission and ACEA, and the Commission will report to the European Parliament and the Council of Ministers annually. The data for this monitoring will be provided by the vehicle registration authorities in the Member States.



Certain external factors could impact on ACEA's ability to honour its commitments. These commitments are therefore linked to a number of assumptions. These include the availability of improved fuels in line with the new EU fuel quality standards, the assumption that fiscal and other policies do not hamper the penetration of fuel-efficient technologies in the EU market, and equivalent efforts being made by non-European manufacturers to reduce CO₂ emissions from cars (see below). Should any of these assumptions not be met, the Commission and ACEA will review the situation.

The agreement between the Commission and ACEA establishes a new partnership based on mutual trust and shows a new way to address environmental issues.

THE EUROPEAN CAR MANUFACTURERS IN ACEA

- BMW AG
- Daimler-Benz AG
- Fiat Auto S.p.A.
- Ford of Europe Inc.
- General Motors Europe AG
- Dr. Ing. h. c. F. Porsche AG
- PSA Peugeot Citroën
- Renault SA
- Volkswagen AG
- AB Volvo

Its commitments demonstrate ACEA's support for significant reductions in CO₂ emissions in line with the EU's undertakings under the United Nations Framework Convention on Climate Change following the Kyoto Conference. At the same time, they aim at preserving the diversity of the product offerings of the European car manufacturers and at maintaining their competitiveness.

EU STRATEGY ON CO₂ EMISSIONS FROM CARS

The EU's aim is to reach – by 2010 at the latest – an average CO₂ emissions figure of 120 g/km for all new cars in the EU (as measured according to the EU's test procedure). This represents an improvement of about one third over 1995. The objective is to be achieved by three instruments:

- Agreements committing the automotive manufacturers to reduce CO₂ emissions from cars by means of improved vehicle technology;
- Market-orientated measures to influence motorists' choice towards more fuel-efficient cars;
- A consumer fuel-economy information scheme to raise consumer awareness of fuel economy. Legislation to set up this scheme has been proposed by the Commission and is currently being discussed in the Council of Ministers and the European Parliament.

References : Commission Communication of 20.12.1995 (COM(95)689); Council conclusions of 25.6.1996; Commission Communication of 29.7.1998 (COM(1998)495); Council conclusions of 6.10.1998; Proposal for a Council Directive on a consumer fuel-economy information scheme of 3.9.1998 (COM(1998)489)

Equivalent efforts required from non-European car manufacturers

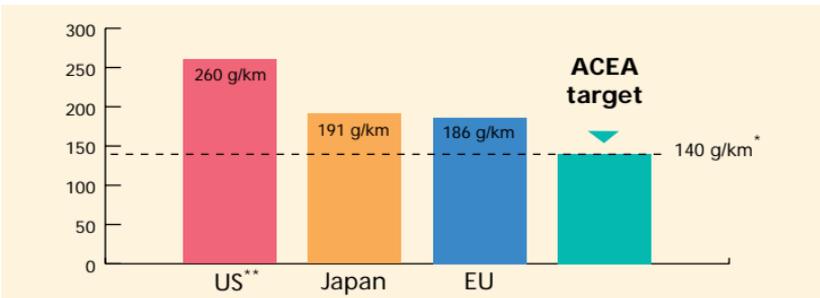


Climate change is a world-wide challenge and the automotive industry world-wide has to contribute by cutting CO₂ emissions. European manufacturers should not be put at a competitive disadvantage as a consequence of these efforts.

Therefore, the European Commission is now seeking to conclude agreements on CO₂ emissions from cars with non-ACEA manufacturers for their sales in the EU, and in particular the Japan Automobile Manufacturers Association (JAMA) and the Korean Automobile Manufacturers Association (KAMA). In addition, the main other car-manufacturing countries (Japan, Korea, USA) are expected to adopt policies to substantially improve the fuel-efficiency of cars of their own and thereby follow the European example.

An international effort to improve the CO₂ performance of cars is an opportunity to address climate change collectively.

PASSENGER CAR FUEL-EFFICIENCY IN DIFFERENT COUNTRIES
(CO₂ VALUES)



* Comparison according to Directive 93/116/EC

** US, average market (Cars and SUV)

Source: ACEA

The EU : Implementing domestic measures on CO₂

The industrialised countries agreed at Kyoto to legally binding commitments to reduce greenhouse gas emissions. The EU is fully committed to meeting its objective. Domestic policies and measures are the cornerstone of the EU's strategy to implement the Kyoto Protocol.

Its agreement with the European automobile manufacturers (ACEA) represents a major step towards the EU's compliance with its emission reduction obligation under the Kyoto Protocol. It is estimated that the achievement of ACEA's CO₂ emission target for all new cars sold in the EU* will contribute about 15% of the total emissions reductions required from the EU under the Kyoto Protocol. Sharing responsibility for our global climate, the European car manufacturers support the EU's efforts to reduce greenhouse gases.

** This assumes also that non-ACEA manufacturers achieve this objective for their sales in the EU. Other assumptions include: a reference scenario based on an annual growth in passenger car mileages of 2% and constant average new passenger car CO₂ emissions; an average vehicle lifetime of 12 years.*





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*For more information on this agreement, visit the following
Website : <http://europa.eu.int/en/comm/dg11/dg11home.html>*



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