



European Federation for  
TRANSPORT and ENVIRONMENT

## News Release

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### Car Industry Failing on Climate Change Commitments

The European Federation for Transport and Environment (T&E) today released a report showing that the car industry's voluntary agreement with the EU to cut average CO<sub>2</sub> emissions from passenger cars is failing to deliver. The report says that the 140g/km target set for 2008 can only be reached if the industry now makes unprecedented emissions cuts. It concludes that EU legislation is now needed to create both legally-binding limits as well as incentives to encourage innovation in low-emissions technology and to boost the market for cars that pollute less.

Speaking at the T&E one-day conference, 'Clean Cars 2010', T&E Director Jos Dings told an audience of one hundred key industry representatives, European policymakers and NGOs, "There is plenty of evidence that well-designed but strict European environmental rules for cars improve rather than undermine the global position of the European car industry. From California to China we are now seeing stricter and stricter limits – if the European industry does not invest in innovation now, it's going to find it harder to catch up in future."

Publication of the report comes a week after the European Parliament passed a resolution calling on the Commission to put forward legally-binding limits for CO<sub>2</sub> emissions from new vehicles. On the same day, the Commission announced that a new 'high-level' group, CARS 21, had been set up in order to 'boost the competitiveness' of the European car industry. The group has seven industry representatives but no representatives from either the Parliament's environment committee (which is responsible for vehicle emissions legislation) or NGOs with environmental expertise.

Commenting on these developments Dings said, "The European institutions are split down the middle on this. On the one hand, the Parliament is calling for binding limits - and at the same time the Commission has set up a severely unbalanced and undemocratic group, that will effectively get to rubber-stamp all car-related policy. This is bad for the health of European citizens, bad for democracy and bad for the environment".

--- ENDS --- [additional notes for editors on page 2]

The report '*Reducing CO<sub>2</sub> Emissions from New Cars: A progress report on the car industry's voluntary agreement and an assessment of the need for policy instruments*' can be downloaded from: [www.t-e.nu](http://www.t-e.nu)

#### More information

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### **Additional notes for editors:**

#### **The Car Industry's Voluntary Agreement**

In 1998, the European Commission and the European car industry represented by the European Automobile Manufacturers Association (ACEA) reached an agreement on the reduction of CO2 emissions from cars. In this agreement, ACEA's main commitments were:

- to achieve an average CO2 emissions figure of 140 g/km by 2008 for all new passenger cars sold in the EU classified as M1 in Council Directive 93/116/EEC
- to bring to the market individual car models with CO2 emissions of 120 g/km or less by 2000

The European Commission also concluded agreements on CO2 emissions from cars with the Japan Automobile Manufacturers Association (JAMA) and the Korean Automobile Manufacturers Association (KAMA) for their sales in the EU. The only deviations are the time frame (2009) and the estimated target for 2003 (JAMA).

#### **Californian legislation**

In 2002, the state of California passed a law that demands sharp reductions in the emission of greenhouse gases from cars and light duty vehicles. Based on this law, the California Air Resources Board (CARB), in Autumn 2004, proposed that car makers should, in a first phase, be forced to reduce specific emissions from new cars and light commercial vehicles by respectively 25 and 18 per cent in 2012 and in a second phase by a total of 34 and 25 percent in 2016. In December 2004, car manufacturers including BMW Group, DaimlerChrysler, Ford Motor Company, General Motors, Mazda, Mitsubishi Motors, Porsche, Toyota and Volkswagen announced a legal challenge to the legislation.

<http://www.arb.ca.gov/homepage.htm>

#### **Impact of Chinese standards**

According to a recent report by the World Resources Institute (WRI), new Chinese fuel economy standards for 2005 (to be tightened in 2008) imply that several manufacturers will have to improve fuel efficiency in order to safeguard their position in the Chinese market.

[http://business.wri.org/newsrelease\\_text.cfm?NewsReleaseID=304](http://business.wri.org/newsrelease_text.cfm?NewsReleaseID=304)

#### **European Parliament Resolution 13/01/2004**

A resolution adopted by MEPs at their Strasbourg plenary session on 13/01/05 calls on the European Commission "urgently to put forward proposals for binding CO2 limits for new vehicles".

<http://www2.europarl.eu.int/omk/sipade2?PUBREF=-//EP//NONSGML+TA+20050113+SIT+DOC+WORD+V0//EN&LEVEL=3&NAV=X>

#### **CARS 21**

Also on 13/01/05, the European Commission announced the setting up of a high-level group with a stated objective '*to generate recommendations to improve the worldwide competitiveness of the European automotive industry*'.

<http://europa.eu.int/rapid/pressReleasesAction.do?reference=IP/05/31&format=HTML&aged=0&language=EN&guiLanguage=en>

#### **European Federation for Transport and Environment (T&E)**

T&E is Europe's principal environmental organisation campaigning specifically on transport. Members are drawn from NGOs in nearly every European country, all of whom promote a more environmentally sound approach to transport.

[www.t-e.eu](http://www.t-e.eu)