

EU ISSUES UPDATE

AUGUST-SEPTEMBER 2018



OPPORTUNITIES FOR DIALOGUE

Revision of the Motor Insurance Directive

In July, the European Commission consulted again on its intention to amend the Motor Insurance Directive which is in part a consequence of the ECJ Ruling on the “Vnuk” case (see October 2017 EU issues update). FIVA, FIA and other organisations responded to the previous consultation to note that the potential extension of the Directive to cover motor sports would jeopardise the viability of motorsport events because of increased insurance costs and/or because events would become dependent on insurance companies being willing to offer insurance cover. The most recent version of the proposed Directive has not fully allayed those concerns. Additionally, an ECJ decision of early September may further complicate the discussion as it ruled that registered vehicles must be insured even if they are not being used by an owner and are parked on private land. The Commission is expected to present a new proposal in the Autumn for consideration by the European Parliament and European Council.

Action: FIVA will continue to work with other interested parties, notably FIA, to ensure the views of motorists and motor sports organisations are understood by the decision makers.

INFORMATION

European Parliament Environment Committee calls for strict CO₂ cut for cars and vans

The European Parliament’s Environment Committee has called for CO₂ emissions from cars and vans to be reduced by 45% by 2030 with an interim goal of a 20% reduction by 2025. The plans differ from the European Commission’s draft targets of a 15% reduction by 2025 and a 30% cut by 2030 compared to 2021 levels. The Committee also supported:

- stronger sales’ targets for zero and ultra-low emission cars of 20% in 2025 and 40% in 2030, with penalties for failing to meet these targets – whilst allowing the industry to lower their overall targets if they sell a higher amount of low-emission vehicles.

- plans for a post-2030 emission reduction target for cars and vans, and a car labelling plan to allow consumers to identify “green” cars.
- a new real driving emissions test (RDE) for measuring NOx pollution and ultrafine particles, to complement the world harmonised light vehicle test procedure which is a laboratory test.

The trade association for the vehicle manufacturers (ACEA) has criticised the decision as too stringent, whilst in the European Council, there are indications that the Member States are divided on CO₂ emissions limits: the Austrian Presidency has proposed increasing the Commission’s proposed target to cut CO₂ output from 30% to 35% by 2030 but Member States’ positions vary greatly – some want the target to be 20% whilst others want it to be as high as 70% - these differences will be discussed during a Council meeting in early October.

European Commission to investigate potential German car manufacturers’ collusion

The European Commission has started an investigation to determine whether German carmakers BMW, Daimler, Volkswagen, Audi and Porsche colluded to restrict diesel emissions treatment systems in order to limit the development of systems to reduce harmful emissions; a possible conclusion from the investigation could be that consumers have been denied the chance to buy less-polluting cars. The investigation will look at two kinds of emission control systems: selective catalytic reduction systems, which reduce nitrogen oxide emissions from diesel engines; and “Otto” particulate filters, which reduce emissions from petrol-driven cars. The Commission is not investigating the possibility of any coordination on the use of illegal emissions-cheating “defeat devices” which were identified during the dieselgate scandal.

Fuel refiners make the case for synthetic fuels to reduce greenhouse gasses

The petroleum refiners trade association *Fuels Europe*, has reported that using low-carbon liquid fuels could reduce emissions from cars and vans by as much as a full electrification of the vehicle park by 2050 – but without the expected €630bn to €830bn investment necessary to build the charging and network infrastructure. The organisation’s assertion is based on an assumption that all new vehicles sold after 2040 will be electric, with an on-road ratio of 90% by 2050. The report claims that a scenario with 68% internal-combustion-engine-vehicles running on low-carbon liquid fuels (biofuels and e-fuels produced using electricity) and supplemented by 23% electric vehicles, would entail infrastructure costs of between €326bn to €390bn (half the cost of the necessary electrification infrastructure investment) and that both scenarios would lead to the same 87% reduction in greenhouse gas emissions by 2050.

ECJ to rule on the possibility imprisoning politicians for failing to meet air quality limits

The ECJ is to be asked by a Bavarian Court to consider whether a German court can imprison officials for failing to act on breaches of air quality limits. The action follows a decision by the Bavarian Government to ignore an earlier ruling compelling it to ban diesel cars from Munich in

order to meet reduce nitrogen dioxide levels to meet the conditions of the Ambient Air Quality Directive and an ECJ decision from 2014 regarding air quality in London which ruled that courts should take all effective remedies to make sure cities keep nitrogen dioxide levels within legal limits.

Germany is to consult widely for a sustainable transport plan

The German Government is to create a taskforce for a sustainable transport plan by the end of 2018 to outline how the country can meet its transport emission reduction goals. It will focus on electric cars, alternative fuels, digitalisation, an industry regulatory framework and employment. The initiative will involve contributions from industry, non-Governmental organisations and trade unions and is intended to develop proposals to reach the official target of cutting emissions in the transport sector by 40 to 42% by 2030 compared to 1990 levels.

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The FIVA Legislation Commission members are: Tidde Bresters (Chairman), Wolfgang Eckel, Peter Edqvist, Carla Fiocchi, Lars Genild, Alain Guillaume, Johann König, Stanislav Minářík, Bob Owen, Christos Petridis and Andrew Turner of EPPA works with the Committee.