



**Local & Regional
Europe**

Review of the Clean Vehicles Directive

**For a fair share of responsibilities in a
comprehensive manner of all actors**

Key messages

May 2018

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General considerations

1. We welcome the European Commission's goal to decarbonise road transport and reduce its impact on the environment. **Local governments are also committed to this goal.** They are taking action to provide environmentally friendly public transport solutions to ensure a better quality of life for citizens and a reduced impact of individual private vehicles on the environment.
2. But EU action should be consistent and **not target the public authorities, especially the public transport sector, alone.** The local public transport sector has been decreasing its CO₂ emissions significantly in recent years – especially in comparison to other modes of transport. To be truly effective in its approach, EU action should more importantly **apply standards to vehicle manufacturers** themselves: simultaneously addressing the energy consumption and **emissions from other transport modes such as individual transport and private bus operators.**
3. Local and regional governments have to follow strict rules, outlined in the EU public procurement directives, when purchasing products and services, as well as ensuring that the best value is achieved when spending public money. Additional public procurement measures in this field (environmental or social criteria in public contracts for example) should always be available to public authorities but would complicate the matter further if they become mandatory irrespective of the nature, scale, or goals of the public contract. Such determinations can only be made at the local level by those democratically elected. Therefore, CEMR calls for the provisions of this directive to be consistent with existing and forthcoming EU legislation on public procurement. **The choice of policy goals** and considerations when awarding public contracts **must be left to the public authority**, in line with the principle of local autonomy in organising public services. Tackling such policy goals via public contracts should be encouraged but not be prescribed at EU level.
4. The goal of the directive to boost the deployment of new clean mobility solutions **cannot be restricted to a certain number of technologies.** Moreover, its provisions need to be **technology neutral**, not only in order to foster innovation in vehicle manufacturing but also to account for local authorities' diverse nature as regards geography, as well as to protect their investments in technologies.
5. The definition of clean vehicles should be based on **sound evidence on the life cycle approach** when assessing the performance of a vehicle. We support work on common EU standards for vehicles that comply with the definitions. This can make it easier and cheaper for municipalities to navigate and decide on fleet renewal.
6. The transition to a low emission transport system at local level requires **a long-term policy framework** in order to allow cost-efficient **integrated strategies** based on cooperation with all stakeholders involved to ensure the best use of the public funds available. We are concerned about the **significant impact this directive will have in the short term on local governments' budgets** (renewal of fleet and infrastructure), limiting the possibility to provide comprehensive public transport and furthermore infringing the principle of local self-governance.
7. In the specific case of local public transport, **higher financial burden may** induce a vicious circle working against the transport modal shift we all seek: higher transport costs may lead to higher ticket prices, lower frequency and/or fewer routes being served; ultimately, this may **lead to declining use of public transport by citizens** and therefore more individual transport, more fuel consumption and higher CO₂-emissions.

8. At EU level, we should **ensure appropriate funding** is made available to local governments to accompany this transition. Moreover we recommend that investments in public infrastructure – and **specifically investments in public transport** – will **not count towards public debt under the Maastricht criteria** (“golden rule”). This would help to stimulate much-needed investment in public passenger transport financing by public authorities.
9. The European Commission should also **support the exchange of experiences and knowledge** at the European and national level between local and regional authorities. This would facilitate the cooperation and implementation of green public procurement.
10. For all the reasons above, we therefore oppose the proposal and suggest amendments to **allow more flexibility for local and regional governments** to implement cost-efficient policies within a place based approach that encompasses all relevant aspects (i.e. geographical, demographical, social, environmental, energy-related).

Recommendations on the different aspects of the proposed directive

1. Scope of the directive

- In the field of public transport, local governments can provide services themselves, award franchises/concessions, impose public service obligations, allow complete liberalisation of the market, or contract directly with private sector operators for a long-term period with a long term financial commitment. It **should be therefore explicit that the scope of the directive only applies to new public contracts concluded after 1st January 2025**: existing contracts are exempt and the proposal does not have retroactive effect.
- We recommend that the directive specifically **excludes special purpose vehicles**; trucks and special purpose vehicles with super structures (i.e. heavy vehicles used for public tasks such as for waste or snow removal), since they cannot be yet retrofitted due to their limited battery performance. Such vehicles should also be included in the exemptions, **as it is the case for construction vehicles, vehicle of the emergency services** (fire, police, ambulances etc.)

2. Definition of clean vehicles

- The Directive should apply the **technology neutrality** principle to encourage the deployment of clean vehicles in the market and **avoid a technological lock-in effect**. The best way to achieve this is by basing the definition on real driving emissions (RDE) rather than certain types of technology.
- The Directive should **consider the life cycle implications of the different technologies, including emissions generated during the vehicle’s production** (the “from well to wheels” approach) when assessing the performance of a vehicle or fuel instead of only including the local emissions from the tailpipe (“tank to wheels”) – and therefore include biofuels (such as bioethanol, biodiesel and biogas) on the list of technologies for light and heavy-duty vehicles.
- **Hybrids must be included** in the definition independent of the type of fuel they use, as should electric vehicles to enable rural and remote areas to fulfil the required criteria whilst upholding a comprehensive public transport network.

3. New minimum targets at Member State level

- In principle, we welcome the intention of the European Commission to improve the market acceptance of low-emission and zero-emission vehicles in order to reduce transport induced emissions. However, already today local authorities experience that there are not many manufacturers who can meet their needs. Currently, **buses with low-emission engines have in general not yet reached market maturity**. Moreover, **a mandatory procurement quota** not only unnecessarily limits the local authorities’ room to manoeuvre with their already tight budgets, but also **induces a vicious circle** for local public

transport. Should the quotas be introduced local public transport providers, which may be already heavily subsidised by the public authorities and thus financially strained, may end up having to either **increase ticket prices or lower frequencies or suspend certain services** altogether. This is not in line with the EU's commitment to the Climate Accord nor the aim to reduce congestion, not to mention the health risks caused by poor air quality.

- While we support the simplification of procedures to procure clean vehicles, we also believe that European local and regional governments are facing different challenges according to their territorial, social, economic and environmental context. Mandatory criteria for procurement do not allow enough flexibility for a local and regional authority to decide how to organise its public service in a sustainable manner. The European Union can however support this process by **establishing common standards for manufacturers and guidance coupled with financial incentives** at local level.
- Moreover, **the counting method** to determine achievement of the national **targets needs to be clarified**, with respect to local and regional government involvement, to ensure this aspect of the Directive can be implemented in reality.

4. Reporting

- The Directive creates new burdens for local and regional authorities: **new monitoring bodies at national level and potentially heavy reporting and notification obligations** for over 100,000 local governments across the EU, which appears likely to lead to increased bureaucracy and costs. The Commission should explore with Member States whether reporting from national level contracting authorities, and perhaps only a sample of local authorities, might be sufficient to determine progress against the targets.



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About CEMR

The Council of European Municipalities and Regions (CEMR) is the broadest organisation of local and regional governments in Europe. Its members are over 60 national associations of municipalities and regions from 41 European countries. Together these associations represent some 130 000 local and regional authorities.

CEMR's objectives are twofold: to influence European legislation on behalf of local and regional governments and to provide a platform for exchange between its member associations and their elected officials and experts.

Moreover, CEMR is the European section of United Cities and Local Governments (UCLG), the worldwide organisation of local government.

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