

EU truckmakers' proposal for CO2 standards will increase climate emissions and make trucks less fuel efficient, T&E analysis shows

September 2018

In May this year the European Commission proposed the first ever European truck fuel efficiency standards. In the European Commission's proposal, truckmakers such as Daimler and MAN have to reduce fuel consumption of new trucks in 2025 by 15% compared to 2019 models. For 2030 the target is set at a minimum of 30%, to be reviewed in 2022.

Truckmakers reacted immediately calling these targets 'far too aggressive'.¹ We've since had ACEA (European Automobile Manufacturers' Association) and the German automotive lobby VDA circulate a [new position paper](#) with their take on the proposal and the targets. Their offer, when lobbying the European Parliament but also Ministries in Berlin, Paris and other European capitals, is much lower than the European Commission proposal, only calling for a 7% target in 2025 and 16% in 2030.

On top of this, manufacturers propose that zero and low emission trucks (which would include hybrids and efficient gas trucks²) would get a very high so-called supercredit multiplier, meaning that one such zero or low emission vehicle would count for three, four, or even five, while they are actually only selling one truck. Moreover, the contribution of supercredits would not be capped - at least in 2025.³ This kind of accounting trick would enable truckmakers to meet the 2025 CO2 target of 7% on paper while the actual CO2 emissions from their diesel trucks are much higher than the target.

T&E analysed the impact of the truck lobby's proposal on transport and truck emissions in Germany and Europe. We did this using our in-house model EUTRM, which is based on the ICCT Global Transportation Roadmap Model (GTRM). Our analysis shows that if policy makers were to follow the advice of European truckmakers, new vehicles in 2025 could be even less fuel efficient than those sold in 2019, and truck emissions will continue to grow in Germany and the rest of Europe.

Bad for fuel efficiency

¹<https://www.acea.be/press-releases/article/truck-industry-reacts-to-eu-proposal-for-first-ever-co2-standards>

² Trucks emitting at least 35% less CO2 than the 2019 reference value would be rewarded with supercredits

³<https://www.acea.be/publications/article/position-paper-european-commission-proposal-on-co2-standards-for-new-heavy>

If truckmakers only sold a very small share of electric trucks in 2025 (e.g. 2.5% of total sales⁴, which is around 1,800 trucks for Daimler, 1,150 for Volvo and 1,300 for MAN for the whole European market), they would meet their 7% target on paper in 2025. But at the same time:

1. The CO2 emissions of their total truck fleet (electric and diesel trucks together) would actually be at the same level as in 2019. So no improvements at all.
2. In practice, depending on the strategy adopted to the regulation they propose, the fuel efficiency of their diesel trucks in 2025 could actually be 2.5% worse than their 2019 models - while still meeting the 7% CO2 target they suggest.

We see the same trend when looking at 2030. For example, without any cap on supercredits, if truckmakers were to sell 6% electric trucks (4,500 for Daimler and 3,300 for MAN), the fuel efficiency of 2030 diesel trucks could actually be almost 7% worse than 2019 models and the CO2 emissions of their total truck fleet would again be at the same level as in 2019 while still meeting the 16% target on paper.

An earlier [Deloitte study](#) projects that in 2025, already 5% of new medium heavy trucks in Germany will be electric.⁵ Daimler and MAN are currently testing their e-trucks and both announced series production as of 2021 while Volvo will start selling its electric truck next year.^{6 7 8}

Bad for climate emissions in Germany and Europe

In sum, the 7% and 16% targets that VDA and ACEA call ‘ambitious but realistic’ would bring no reduction at all and could even worsen truck fuel efficiency in the next decade.⁹ The proposals and lobbying efforts of Daimler and MAN are not helping the German government meet their 2030 climate targets of -38% in transport, agriculture and buildings. Actually, it will make it more difficult for Germany to meet their own climate commitments.

Compared to 2019, truck emissions in Germany would actually continue to increase, rising from 47 Mt CO2 to 49 Mt CO2 in 2025 and 50 Mt CO2 in 2030. Moreover, we would only have a very small share of electric trucks and less efficient diesel trucks. The same will happen for truck emissions in Europe, going from 200 Mt CO2 to 217 Mt CO2 in 2025 and 230 Mt CO2 in 2030.

⁴ Based on an average supercredit multiplier of 4 and no cap on the supercredit loophole

⁵ <https://www2.deloitte.com/content/dam/Deloitte/de/Documents/operations/Deloitte%20Global%20Truck%20Study%202016.pdf> p. 25

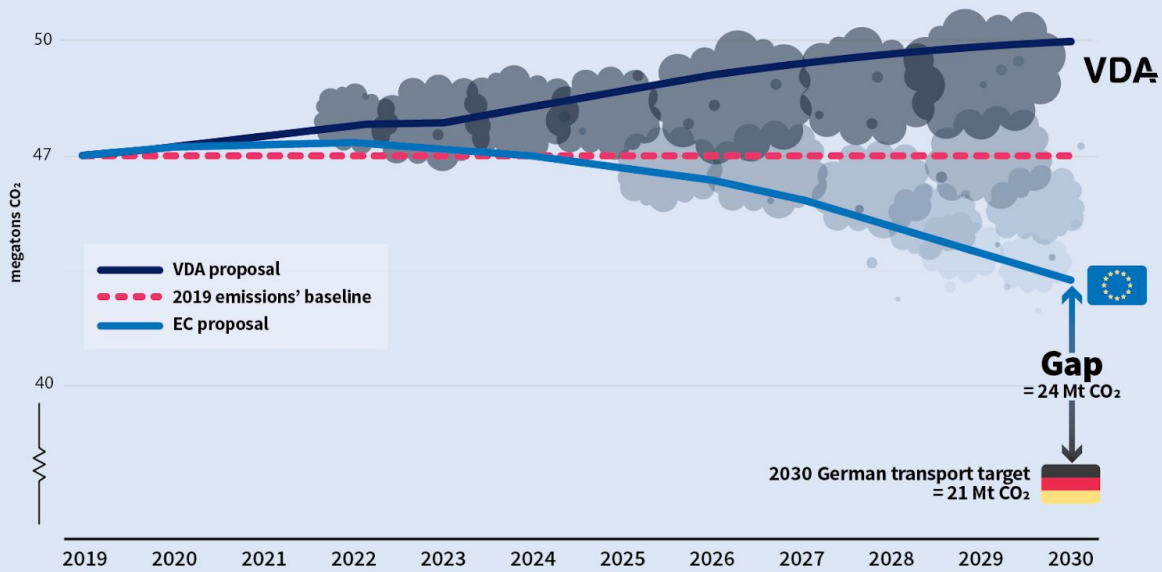
⁶ <https://media.daimler.com/marsMediaSite/de/instance/ko/Vollelektrische-Mercedes-Benz-Lkw-fuer-den-schweren-Verteilerverkehr-Nachhaltig-vollelektrisch-und-leise-Mercedes-Benz-eActros-geht-2018-in-den-Kundeneneinsatz.xhtml?oid=33451264>

⁷ <http://nieuws.man-trucks.nl/man-presenteert-etruck-en-concrete-plannen-voor-productie-in-steyr/>

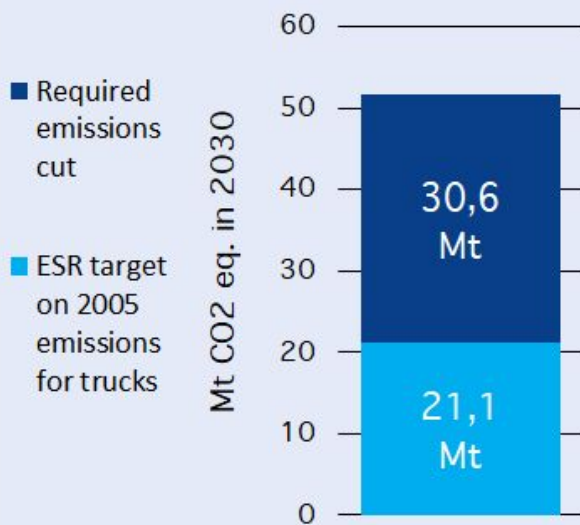
⁸ <https://www.volvogroup.com/en-en/news/2018/apr/news-2879838.html>

⁹ https://www.acea.be/uploads/publications/ACEA_position_paper-Proposal_CO2_standards_new_heavy-duty_vehicles.pdf

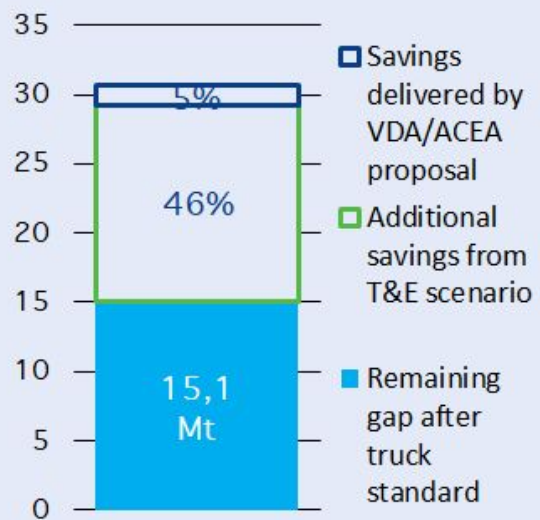
Truck emissions in Germany



Trucks emissions growth: the gap to close in DE



What truck standards can do for DE



European Commission proposal is far from sufficient

The blue line in the graphs also shows that the European Commission proposal of -15% in 2025 and at least -30% in 2030 will not bring the required CO₂ reductions from trucks to meet the 2030 climate targets in Germany and Europe.

This is why national governments should push for more ambitious targets of -20% in 2025 and -35% in 2030. The European Commission's own assessment of the proposed regulation clearly shows that these targets are technologically feasible for truckmakers and deliver the most fuel savings for truck buyers.¹⁰ On top of this Germany and Europe need a stronger market uptake of electric and zero emission trucks by 2025 and 2030. An ambitious and mandatory sales target (5-10% in 2025 and 30-35% in 2030) is the most effective way to achieve this and make sure we clean up transport, make cities cleaner and ensure Germany and other EU countries meet their climate targets for 2030 and beyond.

Further information

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¹⁰ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=SWD:2018:185:FIN>