<u>Non-paper of Bulgaria, Czechia, France, Hungary, Italy, Poland, Romania and Slovakia</u> <u>on the proposal of new vehicle emission standards EURO 7</u>

The Commission's proposal on the new vehicle emission standards Euro 7 published on 10th November 2022 constitutes the next step in the long-term development of the European vehicle emission legislation. The proposal, however, in addition to new stringent exhaust emission limits to be fulfilled in wide (including extreme) operating and ambient conditions, contains several new elements, such as new requirements for on-board monitoring, anti-tampering protection, durability of batteries, as well as addresses new types of emissions, namely from brakes and tyres. That gives the proposal a high level of ambition which will be very difficult to achieve, taking into account the Union's objectives on CO2 emission targets.

The requirements for the new Euro 7 emission standards need to be considered in the broader EU legislative context, specifically regarding the recently adopted CO2 reduction targets for cars and vans and the ongoing discussion on the revised CO2 emission targets for heavy-duty vehicles (HDVs).

In general, we oppose to any new exhaust emission rules (including new testing requirements or new emission limits) for cars and vans as these new rules would divert the industry's investments from achieving the net-zero transition pathway set out in the recently adopted CO2 regulation.

We perceive the importance of improving performances in terms of emissions that will still be relevant after 2035, namely for particles linked to abrasion (brakes and tyres), as they will enable the sector to focus on emissions that will still be produced by electric vehicles after 2035. The introduction of the limit values for brakes and tyres should, however, reflect the current development of the measuring methods at the UN level, include the application of the relevant monitoring phase at UN level and take into account the properties of electric vehicles, This would enable setting the emission limits at an appropriate level.

It is crucial to evaluate the impacts of the proposed Euro 7 framework properly, including on consumer behaviour, and to ensure that the new emission standards will be fit for purpose in the sense of being realistic with regard to the state of the technical development and in terms of cost-benefit analysis. Only a well-balanced regulation will deliver the expected positive contribution to environmental protection without jeopardising the future and competitiveness of the European automotive industry, including access to mobility for citizens and its affordability.

The main concerns of the signatories on the Commission's proposal include:

Scope of application

 \rightarrow Any new exhaust emission rules (including new testing requirements or new emission limits) for cars and vans should be removed as they would divert necessary investments to achieve the 2035 target.

Dates of application

\rightarrow The dates of application must be extended.

Proposed **application dates**, namely 1 July 2025 for cars and vans and 1 July 2027 for heavyduty vehicles, are far from being realistic to meet the new requirements. They also do not reflect the fact that the legal framework will be complete only after adopting the relevant implementing regulations. Therefore, it is crucial to ensure that **the lead times are at least three years from the moment of adoption of the whole package, including the implementing acts**. This will provide manufacturers (both car manufacturers and manufacturers of measuring and testing devices), technical services and national authorities with a sufficient timeframe to adjust to the new requirements. For heavy-duty vehicles additional lead time (at least five years from the moment of adoption of the whole package, including the implementing acts) should be considered, given the high level of ambition of the new requirements and the proposed shift from current engine type approval to vehicle type approval. It is also crucial to distinguish between the new types of vehicles and the new registrations, including for small and ultra-small volume manufacturers.

Requirements for heavy-duty vehicles

\rightarrow Ambitions for the new requirements on HDVs must be set realistically. The conditions for individual HDV categories must be differentiated.

Proposed emission limits for HDVs are overambitious, especially concerning the CO and NOx cold emission limits as well as new PN limits. Extreme reduction of the limits would cause a significant diversion of resources from investments to zero-emission technologies and, as a result, slow down the transition to climate neutrality. It would also lead to an extreme increase in the price of new vehicles, resulting in a significantly lower rate of fleet renewal and hence with substantially lower air quality benefits than estimated in the Commission's Impact Assessment. Therefore, the type approval procedures as well as testing methodology, including the boundary conditions during testing, should remain those currently prescribed by the Euro VI standard.

The HDV sector covers a variety of categories of vehicles, which differ in their performance and in the way they are being operated. This aspect is not entirely taken into account in the Commission's proposal, which does not reflect the specificities of particular categories of these vehicles (trucks and buses). It is essential to **differentiate the conditions for each category of HDVs** in order to create an appropriate framework of requirements for this segment.

The scope of the Commission's empowerment to adopt implementing and delegated acts → The Commission's empowerments must be limited and clearly defined.

The empowerments for the Commission to adopt implementing acts are too broad and not explicitly defined, so the final legal framework is unpredictable. Therefore, these empowerments must be clearly defined.

The delegated empowerments should be used only in duly justified cases. Therefore, all proposed delegated powers must be properly considered and, where appropriate, diverted to the implementing empowerments to ensure adequate involvement of the national experts.

Link with the CO2 proposal for HDV

\rightarrow Coherence between the targets of the CO2 proposal and the Euro 7 proposal must be ensured.

In the current legislative scenario, the ambition of Euro 7 cannot be set without considering the impacts of the future CO2 targets for heavy-duty vehicles. Coherence and proportionality between the two regulations should be ensured. In particular, the exemption of urban buses from the provisions related to the compliance with exhaust emission limits should be considered.

Aspects that need further clarification and specification:

Boundary conditions for RDE testing

Boundary conditions for RDE testing should cover statistically relevant driving conditions. Proposed extended driving conditions cover rare driving conditions, a meeting of which, however, will require the introduction of additional technology. It would be reasonable to reconsider the proposed particular extended driving conditions in terms of their relevance for the RDE testing with regard to their potential to improve air quality. It is also crucial to clearly specify that only one extended driving condition can be applied during the one real-driving cycle.

- Biased driving

It is of crucial importance to clearly define and prohibit biased driving during the performance of the RDE tests. Otherwise, the tests would be allowed to be carried out by third parties intentionally in such a way as to undermine the emission performance of the vehicles to challenge the granted type approval.

- On-board monitoring (OBM)

It is necessary to elaborate further and clarify the provisions related to the OBM. The proposed introduction of the on-board monitoring of emissions in real-time raises a lot of concerns connected with the technical immaturity of sensor technology as well as doubts on the relevance of such monitoring without a correlation with driving conditions and driving behaviours. It will also be necessary to clearly set the respective thresholds of the monitored emissions exceedance and adequately reflect in the evaluation methodology the sensor tolerance.

- Anti-tampering

The anti-tampering provisions should be set more appropriately. The proposed antitampering obligations of manufacturers seem to be improper in terms of the real possibilities of the manufacturers to prevent tampering during the whole life-cycle of the vehicle. In that regard, the approach currently applied in the Euro 6 Regulation is more adequate.

- Category of light-duty vehicles

The category of light-duty vehicles must be explicitly defined in the text with specific requirements that correspond to their characteristics. The specificity of the light-duty vehicles is not reflected in the text of the proposal. These utility vans serve various specific purposes broadly used in particular by SMEs, playing an important role in the economy and society. They have, however, different performance characteristics that more closely mirror those of heavy-duty vehicles. Therefore, it is necessary to differentiate this vehicle category and set specific requirements for them.

- Small and ultra-small volume manufacturers (SVM and USVM)

The definitions of SVM and USVM need to be aligned with the other EU legislation. SVM and USVM need regulatory certainty and coherence between the European measures. Therefore, they should be defined with reference to the number of registrations in the EU as already defined in other sectoral legislation. It is also crucial to define SVM for HDVs and determine special rules applicable on them directly in the Regulation as it is the essential element of the legislative framework which cannot be set in the sub-regulatory provisions.

- Multistage vehicles

Provisions on multistage vehicles needs further clarification. It is crucial to provide clear rules for this type of vehicles. The Commission's text as proposed raised many questions on its practical application.

Aspect where further discussion is needed:

- PEMS measuring devices

Highly questionable is the reliability of PEMS measuring devices as regards the new types of pollutants and their sufficient industrial availability already before the application of the Regulation for the purposes of testing prototypes and type-approval testing that need to be carried out well in advance.