

How can we now reduce CO<sub>2</sub> emissions from cars?

Nicolas Meilhan – Scientific Advisor





- 1. Reducing CO<sub>2</sub> emissions in the automotive sector : a European failure
- 2. What measures can reduce CO2 emissions and car energy consumption?
- 3. Example of a bonus-malus scheme based on car weight









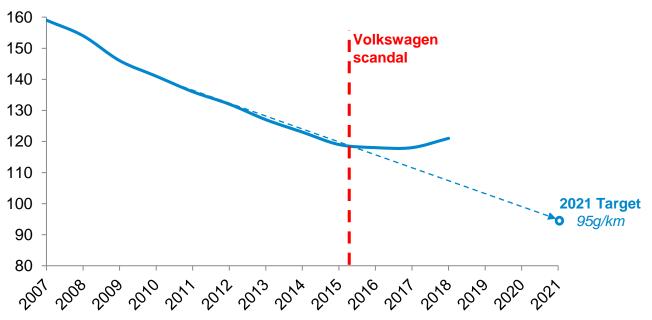
### Transport is the black ship of the Kyoto Protocol

Greenhouse gas emissions from the transport sector in the European Union, 1990-2017



## For the 1st time over the last 25 years, CO<sub>2</sub> emissions from new passenger cars have increased following the VW diesel gate

#### Average CO2 emissions measured in the laboratory and targets for new cars in the European Union



Source: JATO

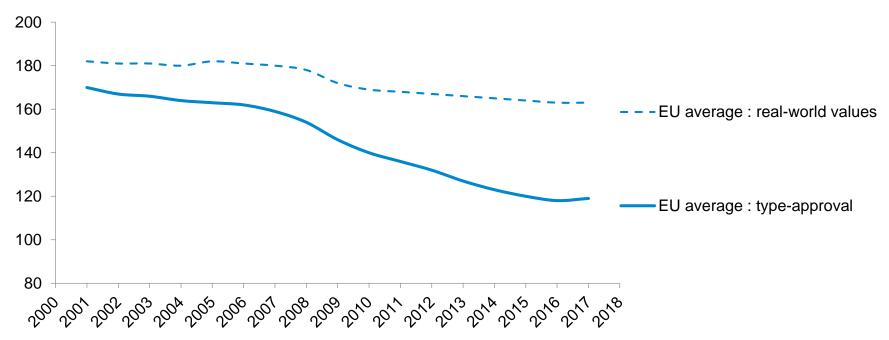






### Two thirds of CO<sub>2</sub> emissions reductions since 2001 are artificial

#### Average CO2 emissions from new cars measured under real-world driving conditions and in the laboratory in Europe

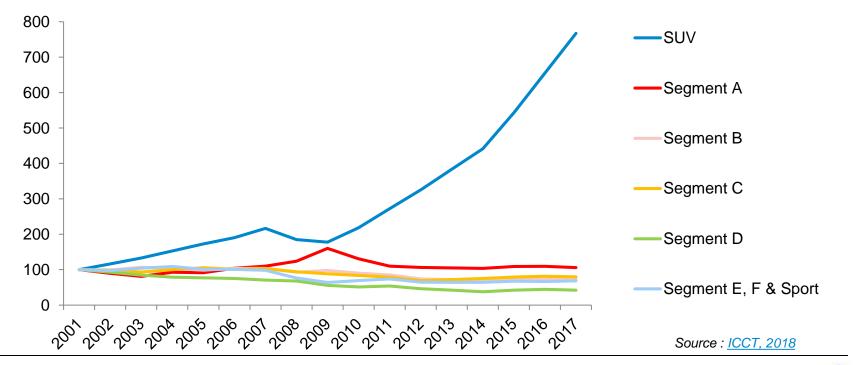


Source: ICCT, 2019



The only significant decrease in real CO<sub>2</sub> emissions was caused by a peak in small car sales combined with a decrease in large car sales

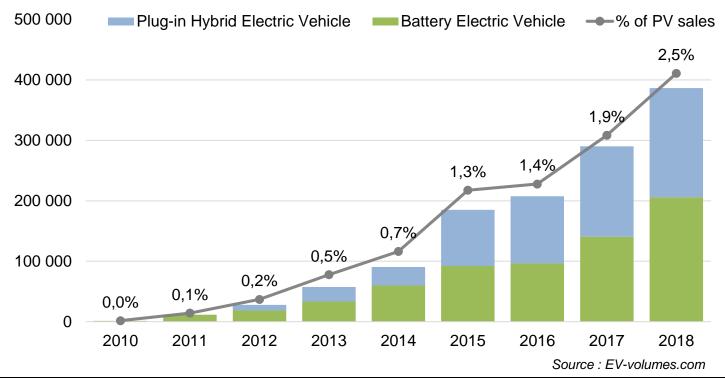
New car sales in the European Union, by segment, 2001-2017 (100 base = 2001)





## Diesel market share decrease has not been offset – for the time being - by a significant increase in sales of electric cars, as in Norway

#### Electric cars sales in Europe, by type, 2010 - 2018

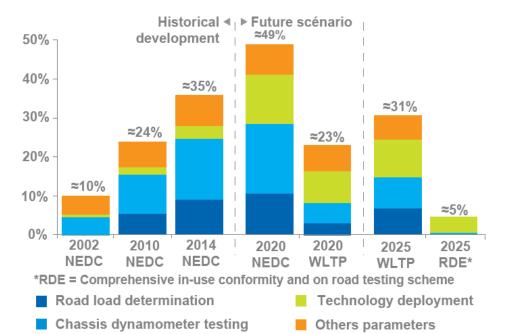






## Even though the CO<sub>2</sub> « thermometer » reliability was slightly improved, no real-driving emissions test are planned for the time being

Gaps between official and real-world CO2 emissions from new cars in the European Union, as a percentage

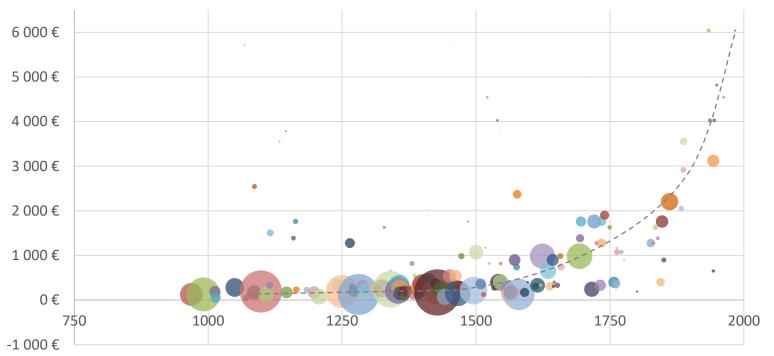


Source: Element Energy / ICCT, 2015



## Tax incentives schemes efficiency is limited. In France, only 10% of new car sold will pay a 500€+ malus in 2020.

Malus 2020 (€) vs. weight (kg) vs. 2018 new cars registrations



Source : EEA, France Stratégie



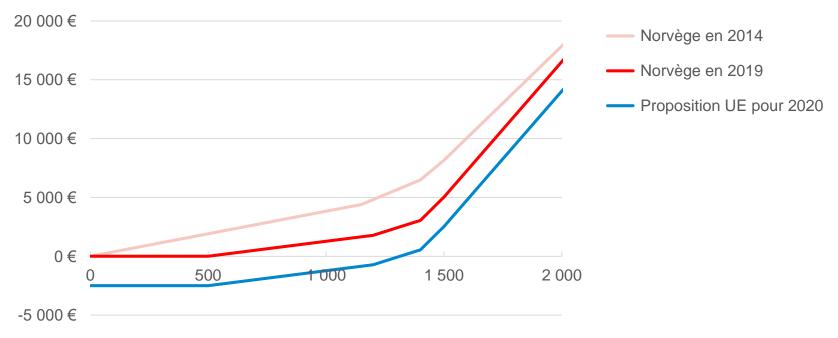






## We propose to improve the existing tax incentives on CO2 by adding a weight component to discourage the purchase of 1,4t+ cars

#### Bonus/malus based on car weight



Source : Gouvernement norvégien & Analyse France Stratégie





Why adding a weight component to existing tax incentives on CO<sub>2</sub>?

- 1. CO<sub>2</sub> based incentive schemes are not working as CO<sub>2</sub> emissions from new passenger cars have increased over the last 2 years.
- 2. « Optimizing » a weight balance is much harder than optimizing a typeapproval test: latitude and margin are close to null.
- 3. Weight is a factor in 3 of the 4 reasons affecting driving resistance, hence energy consumption, for cars: rolling drag, potential energy and inertia
- 4. Weight is a better proxy for well-to-wheel and life-cycle energy consumption & CO2 emissions but also metal footprint (cobalt in batteries)

### Exemptions from the malus associated to this weight component

- 1. Large families will continue to benefit from reductions
- in France, 20 gr and 65 kg per children for 3 children or more

2. Any electric car « lighter » than 2 tons

- 3. Plug-in Hybrid Electric Vehicles proportionally to their electric mileage
- → 80% electric mode driving = 80% exemption







# Electric cars are as clean as the electricity used to manufacture them (and their battery) and to charge them

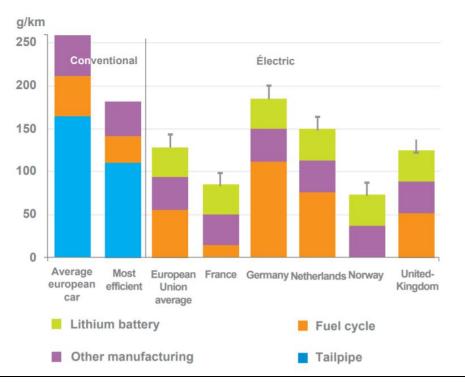






## We propose to introduce a standard limiting the carbon footprint associated to the production of low-emissions cars and their batteries

CO<sub>2</sub> emissions over the life-cycle of an electric or combustion-engine vehicle in Europe



Source: ICCT 2018



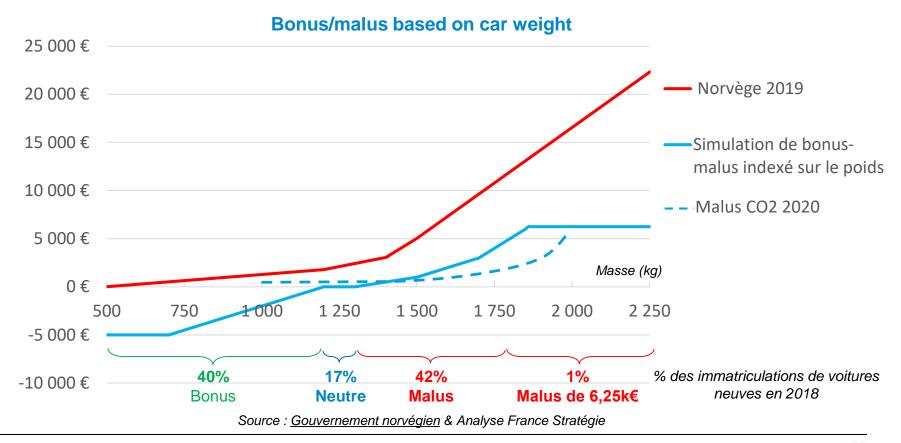








### Example of a bonus-malus scheme based on car weight

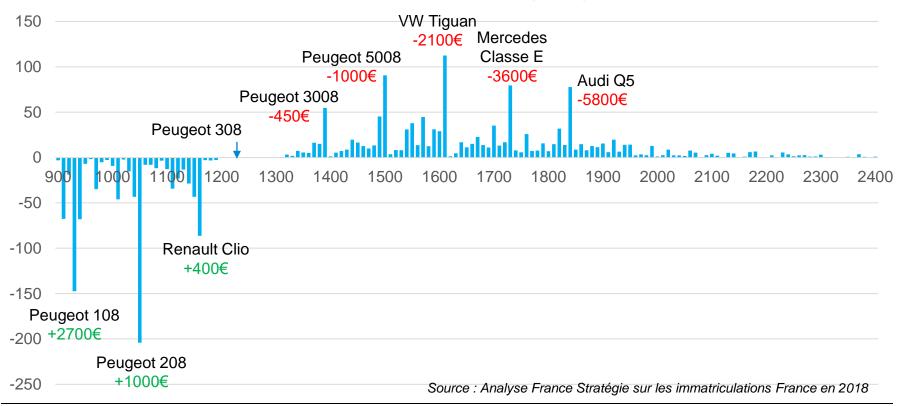






### Example of a bonus-malus scheme based on car weight

#### Bonus-malus (M€) vs. Weight (kg)







### Example of a bonus-malus scheme based on car weight

Car model	Weight (kg)	CO <sub>2</sub> emissions (g/km)	Bonus-malus CO <sub>2</sub> (€)		Bonus-malus CO <sub>2</sub> + weight (€)	
			2019	2020	Weight	Total
Peugeot 108	930	95	-	-	+2700	+2700
Peugeot 208	1100	103	-	-	+1000	+1000
Renault Clio	1160	103	-	-	+400	+400
Peugeot 308	1270	105	-	-	-	-
Peugeot 3008	1400	116	-	-190	-500	-690
Peugeot 5008	1500	117	-35	-210	-1000	-1210
VW Tiguan	1610	133	-210	-1074	-2100	-3174
Mercedes Classe E	1730	125	-75	-400	-3600	-4000
Audi Q5	1840	139	-613	-1761	-5800	-6761
Audi Q7	2140	162	-3473	-7462	-6250	-13712

Source : Analyse France Stratégie





## **Questions & Answers**





You can read and download this 12-page paper

"We will be a strategie of the strategie of t

