

To:
Commission Vice-President Timmermans
Commissioner Vălean
Karima Delli MEP

Cc:
Deputy Head of Cabinet Filip Alexandru Negreanu Arboreanu
Member of Cabinet Daniel Mes
Director-General Henrik Hololei
Director Herald Ruijters
Deputy Head of Unit Edoardo Turano

Brussels, November 23^d 2020

**Subject: Call on the European Commission to set EU-wide requirements
to electrify company fleets**

Dear Vice-President Timmermans,
Dear Commissioner Vălean,

Europe's economy must be fully decarbonised by 2050 to avoid the catastrophic consequences of the climate emergency while meeting the commitments of the Paris Climate Agreement. Transport in Europe represents over a quarter¹ of greenhouse gas emissions and is the main cause of air and noise pollution in cities. Yet, it is the sector of the economy with the least progress to date: the CO₂ emissions from new cars increased for three years in a row before the entry into force of the new CO₂ targets for cars and vans² this year. To achieve a zero emissions road transport system by 2050, all new cars, vans, smaller trucks and buses must be zero emission no later than 2035.

Today, six out of 10 cars sold in Europe are company cars³, and 96% of new company car registrations were still petrol and diesel vehicles in 2019. Because company cars drive on average 2.25 times further than private cars, they disproportionately contribute to road transport emissions. Electrification of the segment is 'low hanging fruit' for governments and the EU to make progress towards decarbonising transport: corporate fleets, with millions of high-mileage polluting vehicles, can be targeted with only a few measures, and can reap huge climate benefits.

¹ EEA, <https://www.eea.europa.eu/data-and-maps/indicators/transport-emissions-of-greenhouse-gases/transport-emissions-of-greenhouse-gases-12>

² EEA, <https://www.eea.europa.eu/highlights/average-co2-emissions-from-new-cars-vans-2019>

³ DATAFORCE, https://www.transportenvironment.org/sites/te/files/publications/2020_10_Dataforce_company_car_report.pdf

Crucially for the wider transition to electric cars, corporate vehicles enter the used car market quicker than private ones, so a continuous influx of relatively new and cheap zero emission vehicles will be available to private buyers on the second hand market thanks to corporate fleets electrification. This is when a huge shift is expected in the private market, as the average European buys used cars: accelerating electrification of fleets means much faster and affordable penetration of zero emission cars into the wider European car stock.

Electrification of fleets can be achieved in part through national taxation reforms, but steering companies towards zero emission fleets at EU level can bring further benefits: boosting EU-wide demand, strengthening investments and scaling up zero-emission vehicles production in the EU, and creating jobs. Ultimately fleet electrification will accelerate EU-wide compliance of the cars CO₂ standards, and bring the much-needed ICE phase-out, while supporting the implementation of local policies for zero emission zones.

We, the undersigned, therefore call on you to:

- Expand the scope of the Clean Vehicles Directive - and introduce a new legislative framework that supports its adoption - to require private fleets to go zero emissions. For company cars, a mandate for any company with a vehicle fleet size of 25 cars or more to purchase 50% of its fleet as zero-emission vehicles from 2025, and 100% by 2030, should be put in place. For vans and LCVs, any company with any fleet size shall purchase 50% of its fleet as zero-emission vehicles from 2025, and 100% by 2030. Furthermore, companies are invited to explore and implement multimodal 'packages' for staff mobility: for vehicles that are part of that multimodal strategy, zero-emission vehicles will be considered as the best solution.
- Introduce a new legislative framework to require high-mileage fleets such as taxi, private hire, car sharing, and ride-hailing services in urban areas to go zero emissions: 100% of the high-mileage fleets operating in urban areas have to be made of zero-emission vehicles from 2025. Furthermore, it should recognise the efforts of cities to curb high air pollution levels in urban areas.
- Ensure a wide revision of key legislation for charging infrastructure to accelerate the rollout of EV charging infrastructure in locations for public charging, privately owned charging which is accessible to the public and privately owned charging which is not accessible to the public. This should be achieved through a rapid revision of the European charging infrastructure law (AFID - Alternative Fuels Infrastructure Directive) so it ensures seamless interoperable charging coverage across main EU roads as well as destination and public charging for all vehicle segments, together with a revision of the EPBD (Energy Performance of Buildings Directive) to put in place sufficient and future-proof workplace and home charging across Europe. Furthermore, recognise cities and regions in their efforts to roll-out public charging infrastructure that is also available to the EV-drivers of company fleets.

- Recognise the efforts of public and private enterprises to electrify their fleets and support their efforts in making fleets 100% zero emission by 2030 by rewarding those efforts with public recognition through an EU label and access to knowledge that supports adoption in their region.

The corporate car market transition to electric vehicles needs to accelerate drastically to allow the EU to reach its climate objectives. Furthermore, it is already making sense economically⁴ and the shift will be profitable from a total cost of ownership perspective⁵ for the vast majority of fleets in Europe. Companies have a role to play in the transition by electrifying corporate fleets and should use the opportunity to lead the change. In fact, many companies have already committed to electrifying their fleets by 2030 as part of their broader sustainability strategies.

We hope Europe takes the lead in achieving zero emissions mobility and honours the commitments under the EU Green Deal strategy. Setting an ambitious roadmap to accelerate the shift to zero emissions fleets in companies will provide the necessary clarity to focus the efforts of all stakeholders to achieve this goal.

We hope our call to electrify fleets will be heard and remain at your disposal for any further assistance.

Yours sincerely,

Stakeholders



⁴ Transport & Environment, <https://www.transportenvironment.org/sites/te/files/publications/Why%20Uber%20should%20go%20electric.pdf> and https://www.transportenvironment.org/sites/te/files/publications/2020_10_Company_cars_briefing.pdf

⁵ LeasePlan, <https://www.leaseplan.com/corporate/news-and-media/newsroom/2020/30-09-2020>