

# Newsletter

March – April 2021

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## Future of the tourism sector

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On 17 March 2021, TRAN Chair Karima Delli, together with members of the Tourism Task Force (TTF) Steering Group, held an informal exchange of views with the Portuguese Secretary of State for Tourism Rita Marques on the current situation in the tourism sector. The State Secretary outlined three main priorities for the Council Presidency in this sector:

(a) A definition of all the requirements that would allow for a safe resumption of travel. While each individual Member State may face a different situation than its neighbours, there is definitely a need to learn from past mistakes in border management. Beyond and alongside the introduction of vaccination, trust between countries needs to be rebuilt. The Commission's proposal on the Digital Green Card will move closer to this goal.

(b) Ensure that the appropriate financial instruments are available to the industry. Companies with liquidity problems could face solvency problems in the near future if the right capitalisation tools are not made available. Many companies have had little or no revenue for up to a year. Therefore, the Presidency has called for an extension of the deadlines for the temporary support mechanism.

(c) Establishing a roadmap for the future of the tourism sector, highlighting the contribution tourism can make to the European Green Digital Agenda. The Presidency is working on a set of conclusions to be adopted at the June European Council. These include up-skilling and re-skilling workers, enabling the digital transition process, embracing innovation, improving sustainability which can lead to many new opportunities, and working to promote diversity within the tourism ecosystem by promoting tourism opportunities within regions.

Task Force Steering Group members confirmed their support for these priorities, as they have been calling for such steps for some time, including the need to accelerate targeted financial support for businesses, as SMEs make up the

largest part of the sector, and the urgent need for coordination in reopening borders.

### Study: Effects on tourism and transport

In addition, an overall study of a research project carried out by Panteia for the European Parliament on the impact of COVID-19 on the transport and tourism sector and EU and Member State policies was published and presented at the last TRAN meeting in March. The study describes several challenges the industry is facing, but also explains some opportunities for the transport and tourism sector. It also includes some examples of good practices, such as the contactless solution for transport which improves booking and information services, apps to display passenger occupancy, the use of congestion data at borders to inform truck drivers about delays or for the tourism sector - "Save Ravel Stamp", Staycation voucher scheme in Slovenia, aid to tour operators.

#### Further Links:

- [Procedure File: EU Strategy for Sustainable Tourism](#)
- [Summary of the Study](#)

## Road transport under the EU ETS

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The European Commission's upcoming energy and climate legislation package in June 2021 will "propose the extension of the Emissions Trading Scheme (ETS) to sectors such as buildings and road transport", said EU Energy Commissioner Kadri Simson on 25 March 2021. So far, the inclusion of road transport in the ETS has only been speculation and has not been officially confirmed by the European Commission.

EU climate policy emissions are generally regulated by the EU Emissions Trading System (EU ETS), which is a European cap-and-trade mechanism for the power and industry sectors covering 40 percent of emissions. All other emissions are the sole responsibility of EU Member States. In accordance with the effort

sharing law, Member States have to meet national targets for transport, buildings and agriculture.

The EU ETS has proven to be an effective tool in reducing GHG emissions. It is clear that when the carbon price is sufficiently robust, it becomes a strong driver for immediate change, and a clear signal for low carbon investments. It thus contributes decisively to the deployment of renewable energy and energy efficiency technologies. Therefore, the Commission is thinking about the development of an expanded EU ETS that would also include road transport. The Commission argues that in road transport, emissions trading has the advantage of capturing fleet emissions under the cap and simultaneously incentivizing behavioral change with lasting effects on mobility solutions through the price signal.

The idea to include road transport in the EU ETS was already criticized last year when first speculations appeared. Even Frans Timmermans, Executive Vice President of the European Commission for the European Green Deal and European Commissioner for Climate Action, said that he is not convinced that this is the right way forward at this point in time. He stated that the EU would further tighten the CO2 emissions targets it imposes on carmakers in the coming years, and that this was a more efficient method of forcing deep pollution cuts.

Also environment NGOs like Transport & Environment argued that including transport in the EU ETS by simultaneously proposing higher CO2 standards can be highly problematic as it would remove national accountability for transport emissions according to the effort sharing law. Some governments (i.e. northern and western European states) certainly like this idea, as it would prevent holding them accountable. However, the national climate goals are key drivers for major reforms and regulations such as fuel tax increases, car tax reforms or lower speed limits. Moreover, not complying to the effort sharing law exposes Member States to court cases filed by the Commission or own citizens. Finally, national accountability has been key in getting Member States backing for

ambitious EU measures such as CO2 standards for cars and trucks.

One instrument, for example, could be to include transport fuels in the EU ETS. As a result, oil companies would have to buy carbon allowances raising fuel and heating prices, which could lead to an enormous political backlash for the European Green Deal. In addition, the ETS is a political instrument influencing the price in the exposed sectors as well as popular acceptance. The Gilets Jaunes (Yellow vests movement) should be a warning in that regard.

Further Links:

- [Euractiv: ETS revision will include buildings and road transport, EU Commissioner says](#)

## Fuel consumption monitoring and reporting

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On 4 March 2021, the Commission adopted a new implementing regulation requiring all new vehicles in the EU to be equipped with a device that records fuel consumption.

The data will be collected by manufacturers when vehicles are brought in for repair and by authorities when vehicles are occasionally subject to special assessments. This information will be collected from new vehicles sold from March 2021 and reported to the European Environment Agency (EEA) from April 2022.

According to the text of the regulation, "monitoring and reporting of data on passenger cars and light commercial vehicles registered in the Union are essential for the functioning of the CO2 emission performance standards set out in Regulation (EU) 2019/631." This collected data will allow the monitoring of the gap between the approval through a certificate of conformity (EC Whole Vehicle Type Approval, ECWVTA), by the national competent authority and the actual CO2 emissions. The data will also allow a better assessment of vehicle performance under real driving conditions, helping to ensure that CO2 emission reduction targets remain achievable. The collection of live data is the first implementing measure adopted under the CO2

emissions standards, which come into force on 1 January 2020. The installation of on-board devices is optional for low-volume manufacturers.

Based on the General Data Protection Regulation (GDPR), the Commission, EU member states and also car manufacturers must guarantee that appropriate standards are met and vehicle owners have the possibility to object to the collection of data.

The aggregated data will be published annually by the Commission from December 2022 onwards to illustrate, among other things, the difference between the former WLTP procedure and the real CO2 emissions for each manufacturer's new vehicle fleet.

Further Links:

- [Text of the implementing regulation](#)

## Member states: Accelerating the transition to zero-emission vehicles

On 10 March 2021, nine Member States - Denmark, Austria, Belgium, Greece, Ireland, Luxembourg, Malta, the Netherlands and Lithuania - issued a joint call to the European Commission asking it to propose ambitious and cost-effective measures to support an accelerated and balanced transition to zero-emission vehicles. Specifically, the nine countries call for: (a) A phase-out date for the sale of new petrol and diesel cars and vans in the EU as an important policy tool to incentivise the transition to zero-emission vehicles; (b) EU legislation that allows member states to take action at national level to incentivise early phase-out of new petrol and diesel cars and vans; (c) Ambitious and cost-effective regulation at EU level, including a significant tightening of CO2 emission performance standards for new passenger cars and new light commercial vehicles; (d) Strengthening the recharging and refuelling infrastructure for zero-emission vehicles.

Further Links:

- [Press Release of the Danish Government](#)

## Report: Application of the AFID

On 8 March 2021, the European Commission published a report to the European Parliament and the Council on the application of Directive (EU) 2014/94 on the deployment of alternative fuels infrastructure (AFID).

The report states that AFID has been instrumental in triggering the development of policies and measures for the deployment of alternative fuels infrastructure in Member States. Member States have implemented the Directive and developed their National Policy Frameworks (NPFs). Considering the differences between Member States, these policy frameworks have helped to create a long-term future perspective for electricity, natural gas and hydrogen infrastructure until 2030.

Furthermore, according to the Commission services' analysis, the Directive has had a positive impact on the diffusion of alternative fuel vehicles and their infrastructure. However, it also reveals shortcomings in the current policy framework. In the absence of a detailed and binding methodology for the calculation of targets and the adoption of measures by Member States, the level of ambition in setting targets and existing supporting measures varies widely between Member States. For example, the share of electric cars in the total vehicle fleet projected by Member States for 2030 varies from less than 1 per cent to more than 40 per cent.

The report expresses very clearly that there is not yet a comprehensive and complete infrastructure network for alternative fuels and also that it is rather unlikely that under the current legal framework the required infrastructure network will be built across Europe in the coming years, even if all Member States meet their targets. This is also true for other alternative fuel infrastructure, especially waterborne transport. While the technical specifications developed under the Directive have proven to be highly

relevant, new requirements for technical specifications have emerged under the Directive. These relate in particular to interoperability and the transparent exchange of information between the different actors within the electric vehicle charging ecosystem. Standards are needed for heavy-duty vehicle charging and liquid hydrogen refuelling.

From the consumer's perspective, using alternative fuel infrastructure must be as easy as using conventional refuelling infrastructure. This requires that information about the location as well as the prices to be paid are available and that payment is seamless. The current policy framework has shortcomings and consumers may encounter problems, especially for cross-border journeys.

In addition, public funding for publicly accessible charging or refuelling stations needs to be continued and focused on those parts of the network where private investment is not viable in order to achieve the Commission's targets of at least 1 million publicly accessible charging and refuelling stations by 2025.

Further action at EU level is also needed to ensure that the development of interoperable and user-friendly charging and refuelling infrastructure goes hand in hand with the need to accelerate the uptake of vehicles and fuels across all transport modes. This requires strengthening the current policy framework at EU level to achieve the increased climate ambitions of the European Green Deal and avoid further barriers to market growth.

The Commission is currently carrying out an impact assessment for the revision of AFID and will take into account the findings of this report as well as the results of the ongoing evaluation of the Directive in this context.

Further Links:

- [Report of the Commission to the Parliament](#)
- [EAC: With alternative propulsion systems across Europe](#)

## MEPs: Exclusion of low-carbon fuels

Against the background of the planned revision of the EU's Renewable Energy Directive, a group of 88 MEPs have joined environmental NGOs and the renewable energy industry to demand the exclusion of low-carbon fossil fuels from the directive.

In their mutual letter to the European Commission, the MEPs – mostly Greens, United Left–Nordic Green Left and Social Democrats in the European Parliament as well as the centrist Renew Europe group - argue that the current intention to broaden the scope of the Directive beyond renewables is counter-productive and risks promoting the very fossil fuels that renewables should be displacing in Europe's energy system, as defined in the European Commission's long-term strategy. Non-renewable and low-carbon fuels, including so-called 'low carbon' fossil fuels, should not be included in any provision under the Renewable Energy Directive nor should they count towards the EU's binding 2030 renewable energy target. This will generate significant public confusion and undermine trust in the EU's renewable energy policy which is key to leveraging one of the fastest growing sectors in the economy.

The revision process of the Renewable Energy Directive is expected to begin in June.

Further Links:

- [Letter to the Commission](#)

### Meeting Dates

#### Council

Transport, Telecommunications and Energy Council 03/06/2021

Competitiveness Council 27/04/2021

Council of Justice and Home Affairs 07/06/2021

Council of Environment 21/06/2021

Plenary 26-29/04/2021 ([Agenda](#))

#### Committees

Environment (ENVI) 15-16/04/2021 ([Agenda](#), tba)

Internal Market / Consumer (IMCO) 14/04/2021 ([Agenda](#))

Justice & Home Affairs (LIBE) 12-13/04/2021 ([Agenda](#))

Transport (TRAN) 14-15/04/2021 ([Agenda](#))