

Brussels, 2<sup>nd</sup> of February 2023

## **Cleantech companies and civil society see ambitious truck CO2 standards as catalyst for growing EU supply chains**

Dear Commissioner Breton,

We, a large group of industries and civil society organisations stakeholders from the freight, e-mobility and clean tech supply chain, welcome your efforts to respond to the U.S. IRA and boost investments into sustainable and clean European technologies. As we are actively working on the decarbonisation of our industry branches, we fully support the targets of the European Green Deal and Europe's 2030 and 2050 climate targets.

The Smart & Sustainable Mobility Strategy sets a clear goal for Europe to reduce transport emissions by 90% in 2050. Decarbonising freight transport will require reducing its dependency on fossil fuels, shifting a larger share of traffic to more sustainable transport modes and finally through the internalisation of external costs. The upcoming CO<sub>2</sub> performance standards for heavy-duty vehicles (HDV) will stimulate the investments required to achieve the first of these objectives. Cleantech in the EU road freight and heavy-duty vehicle infrastructure sectors is in the early stages. By mirroring the new targets for trucks to the blueprint Europe has just set out for its automotive sector, these sectors can surf on and amplify each other's supply chains. Mandating around half of new trucks to be zero emission from 2030 and almost all of them from 2035 will shore up demand for battery cells made in EU gigafactories and staffed with EU workers. A balanced policy mix matches increased governmental investment support with such greater demands from, and clarity on the shared end goals for, our EU industries. This will help greening homegrown EU freight sector that can compete with, and ultimately again overcome, competition from across the oceans.

Today, zero-emission trucks are still produced in small numbers. Ambitious standards for trucks can achieve what has been done for cars: seriously scaling up the supply, thereby bringing down the cost per unit. Whilst the CO<sub>2</sub> standards as a regulatory tool safeguard the roadmap for a rapid green transition, the subsidies funnel money directly into the sustainable freight and mobility solutions to enable and ensure a thriving European clean tech industry. That way all actors, especially smaller and medium-sized companies, remain competitive and can be part of Europe's green transition.

We, the undersigned organisations, see **ambitious CO<sub>2</sub> targets for trucks as an essential means to ensure EU cleantech investments are boosted and channelled into sustainable road freight technologies.** This complements the parallel push to switch traffic to more sustainable modes of transport and the internalisation of external costs. Green technologies - from renewable energy to battery production - will secure and provide jobs in Europe, now and in the future. Strong CO<sub>2</sub> standards provide certainty to our European industries in a challenging and changing world. And they utilise the momentum of progressive frontrunners that have shown electric trucks are part of Europe's flagship clean technologies.

Sincerely yours,



As members of the

