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The end of combustion engines: the cart before the horse!

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The European Union is often accused of being the great naïve of globalisation, imposing the highest standards on its companies but importing goods from third countries that do not meet them.

THE END OF EUROPEAN NAIVETY?

In recent years, the paradigm has been changing: the introduction of a <u>carbon tax on its borders</u>, an energy roadmap to end our dependence on Russian fossil fuels (<u>REPowerEU</u>), and the beginnings of a European preference in the fields of defence and space for example. While this metamorphosis is real in some sectors, there are others where the European Union has chosen the opposite path. This is unfortunately the case for the automotive industry.

After some last-minute changes, the Council formally adopted on 28 March, the new CO2 emissions standards for new cars and vans. From 2035 onwards, only new 100% electric and hydrogen fuel cell powered vehicles for private and commercial use will be allowed to be sold on the European market. Petrol, diesel, E85, LPG, CNG and hybrids, even rechargeable ones, will be banned from sale. This decision will have a major impact on an industry that generates 12.5 million jobs in Europe, including nearly 400,000 direct jobs in France.

A DOGMATIC POLITICAL DECISION

This is not about opposing the development of the electric car, which is, at this stage, the best way to decarbonise everyday individual mobility, but about asking the right questions. Like my political group, the EPP, I defended a balanced position, namely, to lower the objective of reducing emissions from the automobile sector from 100% to 90% by 2035.

This position was primarily a response to the need for intellectual honesty: there is no such thing as "zero emissions". All industrial production pollutes. We should not only focus on exhaust emissions, but on the entire life cycle of vehicles. In 2021, for example, 80% of Polish electricity was produced using coal, adding considerably to the carbon footprint of the country's electric cars.

Secondly, this would have allowed manufacturers to market a share of combustion vehicles, including the plug-in hybrids that we know today. With this room for manoeuvre, they could have continued to invest in R&D for combustion vehicles and present us with possible future alternatives to the total electrification of vehicles.

By focusing solely on electric cars, the European Union has chosen another path: that of ignoring technological neutrality. Tens of billions of euros are now being invested in a single technology by our industry. There is no turning back. However, many questions remain.

DO NOT JEOPARDISE THE FUTURE

The first question concerns the real impact of such a radical decision on the daily lives of our fellow citizens, and in particular on their purchasing power. Today, an electric car costs on average 50% more than its combustion equivalent. Some people tell us that prices will fall as sales increase, then immediately contradict themselves by saying that the ecological transition is not compatible with the private car model.

How can prices go down if the ultimate goal is to sell fewer cars? The reality is this: such a decision puts an end to the individual car model by excluding a part of the population due to an increase in prices. A fairer alternative would have been to encourage the use of public transport and carpooling. Worse still, the adopted text contains an exemption for luxury cars. Niche manufacturers or those producing fewer than 10,000 vehicles per year (luxury cars) will not be subject to the same requirements as other manufacturers.

In these times of inflation, the same people who support these measures tell us that we need to support the poorest households: find the error! Authorising only the sale of new electric vehicles in 2035 also means delaying the purchase of a new vehicle for many households that will not be able to afford to invest in electric vehicles by then. The consequence? The car fleet will be older and therefore more polluting.

Freedom of mobility is one of the foundations of our democracies. To deprive some of our fellow citizens of this freedom is both dangerous and unfair. When the protest comes, those who supported the ban on the sale of combustion engine cars will certainly accuse Europe of all the evils. However, it is they who have chosen to oppose the ecological transition and purchasing power.

REDUCING DEPENDENCIES

No battery is currently produced without at least one component from China. When it comes to sovereignty, 100% electric should make us sit up and take notice. For decades we have made ourselves dependent on Russian gas and Middle Eastern oil, and we are about to make the same mistake with batteries. Before locking ourselves into a single path, the European Union should ensure that it can produce on its own soil and have several suppliers. It is true that the European Union is working on this issue. Two major legislative proposals are currently under discussion: one regarding the critical raw materials which focuses on supply security, and the other on a zero net emission industry which seeks to develop the production of clean technologies in Europe, including batteries.

But shouldn't we have first secured our supply of critical raw materials and built our battery production capacity before imposing a 100% electric cars? To run a 100% electric car fleet, electricity has to be produced. According to RTE, the production of decarbonised electricity (renewable and nuclear) will have to reach 615 TWh per year in France by 2035, compared with 522 in 2021 and 445 in 2022 to meet the increase in demand generated by the ecological transition, including the development of electric cars. This increase in production corresponds to about fifteen additional 900 MW nuclear reactors.

Of course, nuclear power can be supplemented by renewable capacities, such as wind power, offshore wind power and photovoltaic power. Many projects are being studied or built in France. And although a country that is traditionally opposed to it, such as Italy, seems to be turning to this source of energy, it should be noted that many European countries have chosen to leave nuclear power, such as Belgium and Germany. In January 2023, the German government announced that it intended to double its gas-fired electricity production capacity by 2030. Electric cars in the land of the car will therefore run on electricity produced from ... fossil fuels from third countries!

WHAT KIND OF AUTONOMY?

Another essential prerequisite for the operation of a 100% electric car fleet is the installation of charging stations in sufficient numbers and in a coordinated manner between the 27 Member States of the European Union.

While there are currently 100,000 charging points in France, with the aim of having 400,000 by 2030, 1 million more will be needed by 2030. At a single service station alone, about 70 ultra-fast charging stations would be needed to match the current flow. Another major unknown is how charging capacity will be organised in shared garages in buildings. Is it possible to install enough charging stations in all buildings in the EU?

European legislation that is currently being adopted calls for charging points to be installed every 60 kilometres on the trans-European transport network (TEN-T – central axes) by 2025 and across the entire network by 2030. These objectives are ambitious. It is therefore legitimate to ask once again whether the switch to 100% electric should not have been made conditional on the reality of the development of charging stations...

ATTACK ON LOCAL AUTHORITIES

Somewhat delighted at its success with cars, on 14 February last the European Commission published <u>a similar</u> proposal for lorries, cars and urban buses. Although it has chosen not to impose 100% electric vehicles on buses and trucks, city buses marketed from 2030 onwards will have to be "zero emission". Here again, the cart is being put before the horse: will local authorities have the financial means to buy electric vehicles that are twice as expensive as their bio-gas equivalents? Will depots and recharging facilities be adapted in time? Is it legitimate to impose the same obligations on communities with several million inhabitants as on rural agglomerations? The risk is great: rather than developing public transport by increasing the frequency of service and the number of places served, local authorities might cancel lines to finance the purchase of electric vehicles. In the end, citizens may be forced to use their cars more rather than being encouraged to use public transport.

"EURO VII" SCHIZOPHRENIA

In November 2022 the European Commission published its proposal to reduce air pollution from new motor vehicles sold in the European Union. These are the "Euro 7" standards. The tightening of these standards follows, among other things, the Volkswagen affair linked to the *Dieselgate* scandal, in which car manufacturers were found to have been cheating on the declarations of the real emissions of their vehicles. In short, the aim is to update emission limits, regulate emissions from brakes and tyres, ensure that new cars stay clean for longer, and set requirements for the sustainability of batteries.

All these objectives are laudable, but it is paradoxical to present a text that preserves technological neutrality, i.e. that applies to all vehicles regardless of the "fuel" used, at the very moment when 100% electric is being imposed. European industry is therefore being asked to invest simultaneously in the development of electric vehicles and in the improvement of internal combustion engines, which will be banned from sale in 2035. Once again, the competitiveness of industry and the purchasing power of European citizens are threatened.

THE CART BEFORE THE HORSE

On 28 March last, the ban on the sale of new internal combustion engine vehicles by 2035 on our continent was definitively decided. This is a decision that is more dogmatic than reasoned and plays sorcerer's apprentice with the jobs and purchasing power of our fellow citizens, with the competitiveness and dependence of our industry, and with the capacity of our public authorities to install sufficient electrical production and recharging capacities. This agreement is a historic mistake that challenges the leadership of the European automotive sector and will make its Chinese competitors happy.

It would have been preferable, and welcome, before adopting a ban, to provide incentives for industrial players to be interested in the changes, without exclusion or limitation: subsidies, tax deductions as the United States does, etc.

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