

## WEEK IN BRUSSELS

Week ending Friday 29 July

### Car manufacturers to receive carbon credits for “eco-innovation”

The European Commission has adopted legislation that will enable car manufacturers to receive CO<sub>2</sub> emissions credits if their new cars are fitted with approved 'eco-innovations'. An 'eco-innovation' is defined as any technology that is new to the market, contributes to "significant CO<sub>2</sub> savings", and has not already been taken into account in determining a vehicle's emissions. The credits, for innovations that reduce carbon emissions, will be usable within the EU's emissions trading scheme (ETS). It is hoped that the new legislation will assist the automobile industry in meeting the EU's goal of limiting CO<sub>2</sub> emissions from new cars to an average of 130 grams/km by 2015, around one fifth below 2007 levels. The new regulations will be gradually phased in from 2012 when 65% of each manufacturer's newly registered cars must comply, rising to 75% in 2013, 80% in 2014 and 100% by 2015. From 2012, car manufacturers whose fleet average exceeds the limit will be penalised for each car registered. (Source: EurActiv) <http://www.euractiv.com/en/climate-environment/carmakers-get-carbon-credits-eco-innovation-news-506760>

### Commercial Vehicle registrations up 13.5% in first half-year

ACEA, the European Automobile Manufacturers' Association, has announced that demand for new commercial vehicles rose 1.5% in June, compared to the same month a year ago. In total, 165,767 new vehicles were recorded in the EU. Both the UK (+12.8%) and Germany (+8.7%) posted growth, however Spain (-12.7%) and France (-6.8%) performed less well. In the first semester of 2011, registrations of new commercial vehicles amounted to 1,001,579 units, or 13.5% more than in the first half-year of 2010. Spain was the only major market to decline (-8.4%) while France (+8.5%), the UK

(+23.8%) and Germany (+24.5%) all saw their markets expand considerably. (Source: ACEA) [http://www.acea.be/index.php/news/news\\_detail/commercial\\_vehicles\\_registrations\\_up\\_13.5\\_in\\_first\\_half-year](http://www.acea.be/index.php/news/news_detail/commercial_vehicles_registrations_up_13.5_in_first_half-year)



### EU Commission car price report shows price differentials for new cars narrowing in 2010

The European Commission has published their latest car price report, which shows that car prices fell by 2.5% in real terms in 2010 in the European Union as a whole. List prices for new cars also converged slightly. Among the larger EU markets, real prices decreased most notably in the UK (-3.7%), while Germany, Spain and France experienced more moderate price reductions (-1.9%, -1.6% and -0.9% respectively). Joaquín Almunia, Commission Vice President in charge of competition policy, stated: "It is good to see that consumers in Europe are benefitting from competition in the markets for new car sales and continue to enjoy significantly falling prices in real terms. The fact that price differentials between Member States narrowed further is a positive indicator of cross-border competition". (Source: European Commission) <http://europa.eu/rapid/pressReleasesAction.do?reference=IP/11/921&format=HTML&aged=0&language=EN&guiLanguage=en>

**Due to summer recess and an office move within SMMT, this week's newsletter is briefer and will return to usual next week**