Position on the EU initiative "Greening Corporate Fleets"



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ABOUT POSTEUROP

POSTEUROP is the association which represents European public postal operators. It is committed to supporting and developing a sustainable and competitive European postal communication market accessible to all customers and ensuring a modern and affordable universal service. Our Members represent 2 million employees across Europe and deliver to 800 million customers daily through over 175,000 counters.

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Given the nature and scope of its Members' activities, PostEurop welcomes the opportunity to provide feedback on the consultation to the EU initiative **"Greening Corporate Fleets"**¹. PostEurop represents the European postal operators, all of whom are taking action to reduce greenhouse gas emissions within their respective operations.

The reduction of emissions, however, must be performed in the most efficient possible way. This is why **PostEurop opposes the implementation of mandatory targets, particularly regarding vans and lorries**, as they could adversely affect operators transitioning to sustainable solutions. Zeroemission vans, while environmentally friendly, still pose a financial burden compared to conventional or low-carbon alternatives. Introducing mandatory targets might not alleviate this issue and could artificially inflate or maintain high prices.

Moreover, mandatory targets could have minimal impact on emission reduction if not accompanied by solutions for infrastructure and grid connections. As a result, PostEurop further emphasizes the importance of aligning the transition to Zero-Emission Vehicles (ZEVs) with infrastructure readiness. Operators should not be compelled to invest in vehicles they cannot effectively utilize due to inadequate infrastructure. Without addressing these challenges, widespread adoption of ZEVs, especially in large logistic fleets, remains unfeasible. While some pilots and small-scale solutions exist, deploying them across entire fleets is currently impractical. Any shift towards zero-emission vehicles must therefore be operationally viable to ensure business certainty and competitiveness. Although the need for charging infrastructure is less critical for vans than for Heavy-Duty Vehicles (HDVs), current levels may not support the surge in demand resulting from mandated targets. However, the Alternative Fuels Infrastructure Regulation (AFIR) could help limit this issue.

The high cost of ZEVs compared to conventional options also remains a significant barrier for corporate fleet owners. The operational suitability of vehicles, determined by factors such as total cost of ownership (TCO) and technical specifications, must be considered alongside infrastructure requirements.

Given the above, incentives such as reduced vehicle registration fees and favourable tax treatment are crucial for encouraging the adoption of ZEVs. Yet, these benefits hinge on sufficient infrastructure to support the expected increase in ZEVs. Addressing the high upfront costs of ZEVs, especially for SMEs, requires fiscal incentives that genuinely lower vehicle costs rather than merely adding premiums. In anticipation of incentives, operators may find ZEVs more financially viable, potentially increasing their market share and reducing prices, thus enhancing sustainable competitiveness across the industry.

However, the availability of ZEV solutions must also be considered within the discussion of greening corporate fleets. Whilst ZEV availability should improve within the coming years, zero-emission HDVs currently remain limited. Despite the wider availability of Zero-Emission vans, as compared to heavy-duty vehicles (HDVs), supply chain challenges in recent years have contributed to extended lead times; posing investment risks.

Finally, within the consultation, PostEurop could not respond to some questions due to ambiguity of the relevant question, or due to difficulty in providing a response. For example, regarding prices, it is challenging to predict the impact on vehicle cost, making it difficult to assess the competitiveness of corporate fleet owners.

¹ <u>https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/14111-Greening-corporate-fleets_en</u>

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