

POSITION PAPER

CountEmissionsEU Regulation must be mandatory

Measuring comparable greenhouse gas and other externality parameters of actual transport chains, using a standard methodology, is a **powerful decision-making aid**. The carbon footprint of a particular transport chain is determined by the actual weight of the cargo transported, the type of the transport technology(ies) and the various types of energy or fuel used, as well as by the concrete routing including its geography. The calculation based on actual variables provides an accurate indication of the carbon footprint and is therefore endorsed by the European Combined Transport sector.

The architecture proposed by the European Commission is lean, it does not impose any administrative burden and it produces eye-opening results that will materially support shippers and consignors in making decisions on the transport chain that is ideal for their needs.

- The ISO14083 standard¹ is a global standard adopted in March 2023 – it establishes a thorough well-to-wheel measurement of carbon footprint.
- The eFTI Regulation² defines a new digitised communication standard between businesses and authorities that will collect all the information needed for the CountEmissionEU calculation to be carried out as an algorithm; the Regulation will enter into force by the end of 2024.
- **The CSR Directive**³, which requires the disclosure of CO₂ emissions of all major operations of every major economic actor entered into force on 5 January 2023.

Although the architecture of the CountEmissionsEU is robust, it inexplicably prescribes a **voluntary opt-in**, while **excluding SMEs** or small and medium size companies:

VOLUNTARY OPT-IN EXCLUSION OF SMEs

CountEmissionsEU should become mandatory at least for those transport chains, where an alternative for inland freight transport exists.

Many actors in freight transport are SMEs, which regularly subcontract to the larger shippers and consignors, and as such have a great impact on ultimate outcomes. The eFTI Regulation will make the use of CountEmissionsEU an automatism, without imposing any administrative burden, therefore the SME-exclusion is not justified.



¹ ISO14083: Greenhouse gases – Quantification and reporting of greenhouse gas emissions arising from transport chain operations

² Regulation 2020/1056: <u>https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32020R1056&qid=1697293904454</u>

³ Directive 2022/2464: <u>https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32022L2464</u>

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23 October 2023

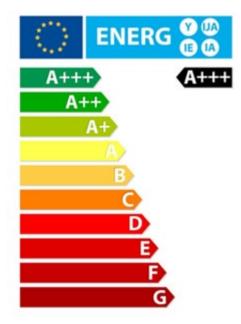
When considering the mandatory inclusion of freight sector SMEs in CountEmissionsEU, the EcoTransit⁴ calculator, or Transporeon's Carbon Visbility⁵ should be taken into account, which

- are already ISO14083 compliant,
- ready to consume primary data, and
- free in some cases and easy to use.



Therefore, freight sector SMEs should <u>not</u> find it an additional burden to be mandatorily included in the CountEmissionsEU framework.

An optional improvement could be added to the CountEmissionEU Regulation by prescribing a **carbon-labelling obligation of transport chains,** following the precedent established by the Energy Labelling Regulation⁶.



Energy labels are well known to the European public and have proven to encourage informed choices. A similar type of **carbon label** for freight transport chains could further support choosing the transport mode or combination of modes used to perform a particular transport assignment.

Summary

UIRR encourages European co-legislators to adopt the CountEmissionsEU Regulation with the following 3 changes:

- 1. Mandatory use of CountEmissionsEU
- 2. Extension of CountEmissionsEU to every transport chain, irrespective of the size of the transport service provider
- 3. Introduction of a carbon labelling

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⁴ <u>https://www.ecotransit.org/en/</u>

⁵ <u>https://www.transporeon.com/en/platform/sustainability-hub/carbon-visibility</u>

⁶ Regulation 2017/1369: <u>https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:32017R1369</u>