acea

September 2022

Position Paper

The role of light commercial vehicles in sustainable urban mobility and logistics plans

KEY MESSAGES

1. Light commercial vehicles (LCVs) – commonly known as vans – power the European economy, helping businesses to thrive. They are key players in logistics chains, facilitating the efficient 'last-mile' delivery of goods in urban areas, as well as being key to the provision of services. They play a vital role in sustainable urban mobility and logistics plans.
2. LCVs are essential for transporting both goods and people. They are the most effective way of carrying small groups of up to eight passengers, as well as delivering goods and services. LCVs fulfil a range of very specific daily functions, with no viable alternative. They are used in many areas including:
    a. The construction sector
    b. Postal and courier services
    c. As ambulances, and in policing and rescue operations
    d. As mobile workshops
    e. For passenger transportation, eg the transport of people with disabilities
    f. Municipal services
3. There is no one-size-fits-all solution to optimising the sustainable use of commercial vehicles. The most effective approaches bring together all stakeholders and recognise that urban freight must be a central pillar of urban planning. This is crucial in order to guarantee safety, accessibility and efficiency.
4. LCV manufacturers are fully committed to achieving EU climate neutrality targets, with technologies and products in place to facilitate the transition to low- and zero-emission mobility. A wide variety of zero-emission LCVs are already on the market, and the options are continually expanding.
5. Sustainable transport is fundamentally dependent on the availability of sufficient charging and refuelling infrastructure. Electrified[1] transport is critical in this field, but needs tailored e-charging and hydrogen refuelling infrastructure, that takes the specificities of larger LCVs into account.
6. The exemption granted to holders of a category B driver's licence[2] allowing them to drive battery-powered vehicles up to 4.25 tonnes (without consideration of the weight difference compared to an ICE version) has to be turned into a general rule, equally applied in all member states. It should also be expanded to cover vehicles for the commercial transport of passengers.
7. Urban vehicle access regulations (UVARs) and sustainable urban logistics plans (SULPs) have the potential to further accelerate the shift to low- and zero-

[1] See ACEA Progress Report 2021 for a definition of electrified vehicles.
[2] Article 6 (4) of directive 2006/126/EC as modified by directive 2018/645/EC.

emission transport solutions. If they are not well coordinated however, these regulations can create additional hurdles for the provision of services and the movement of goods.

INTRODUCTION

Making urban logistics more sustainable, safe and efficient is a longstanding priority for policy makers at European, national, and local levels. Manufacturers of light commercial vehicles (LCVs) are also fully committed to achieving climate neutrality targets. Many aspects of the long-haul value chain have already been optimised, mainly as a result of a coordinated approach involving all relevant stakeholders. Optimising last-mile delivery, in which LCVs play a key role, also requires input from relevant stakeholders to unlock its full potential.

Urban freight transport, which encompasses the delivery of goods and the provision of services, is diverse and complex. It involves the interaction of different sectors, with no one-size-fits-all solution to increasing sustainability. Urban freight transport is provided as a service to a wide range of sectors. It plays a vital role in applications as diverse as manufacturing, retail, construction, services provision etc. It depends on trends and interactions between many stakeholders, whose interests do not always naturally converge. Compared with public transit, cooperation between private stakeholders is generally less developed.

The rapidly expanding e-commerce market has led to a significant increase in the importance of urban logistics, along with associated challenges. Electrified[3] transport is critical in this field, but needs tailored e-charging and hydrogen refuelling infrastructure that takes the specificities of larger LCVs into account.

Urban vehicle access regulations (UVARs) have the potential to further accelerate the shift to low- and zero-emission transport solutions, but there are concerns about their impact on commercial road freight transport companies. If not well coordinated, UVARs can create additional hurdles for the provision of services and the movement of goods.

The automotive sector recognises that a rapid shift to low- and zero-emission vehicles is essential. However, urban freight transport and service operators can only replace conventional powertrain vehicles with low- and zero-emission alternatives if they can be operated cost-effectively while meeting the requirements of both operators and end users. One prerequisite for this is a sufficiently dense suitable network of charging and refuelling stations in both urban and peri-urban areas. Combined with other enabling conditions (such as changes in fuel taxation, fleet renewal incentives, and an extension of the EU's Emissions Trading System (ETS) to road transport fuels), these improved charging and refuelling networks will speed up the market penetration of low- and zero-emission vehicles.

Alongside better charging and refuelling infrastructure, urban consolidation centres and micro hubs need to be established in peri-urban and urban areas in order to increase the efficiency of urban freight transport. They are a prerequisite for the deployment of urban freight zero-

[3] See ACEA Progress Report 2021 for a definition of electrified vehicles.

emission zones, and must be integrated into land use planning. Furthermore, operational aspects of hubs and consolidation centres need to be supported by cities or governments as a first step to implementing new logistics schemes.

The following elements must be taken into account when considering urban logistics to ensure both broad public acceptance and a balance between the different aspects of sustainability (economic, environmental, social):

- All aspects of urban logistics need to be able to function effectively: delivery, service operations and other forms of commercial traffic.
- Commercial vehicles are part of specific and complex business schemes that guarantee the supply of goods and provision of services to cities and people.
- For businesses there is a strong total cost of ownership (TCO) focus, and lifecycle costs are carefully considered when purchasing a vehicle.
- Commercial vehicles are often custom-built professional tools involving multi-stage production processes. As a result, bodybuilding will differ based on the intended use of the vehicle.
- In urban logistics schemes the external benefits that are generated are not monetised and cannot be integrated in the local TCO calculation.

VANS ARE KEY PLAYERS IN URBAN LOGISTICS

- LCVs have a major impact on the economic power, quality of life, accessibility and attractiveness of cities.
- As well as being used to transport goods, they are also vital for the delivery of services. In the latter case, the LCV is a mobile toolbox often containing a stock of consumable materials that are essential to the main activity of the user (which is not transport). LCVs also carry people, for instance between their homes and workplaces, and can be integrated into public transport systems to provide last-mile mobility options. LCVs also deliver and collect goods in urban areas. They are key components in logistics chains and must therefore be given key consideration in urban logistics plans.
- Policy makers need to consider extended access options and delivery windows for low- and zero-emission vehicles.
- Other specific needs of LCVs include better enforcement of loading and unloading rules, adapted infrastructure, and expanded and individualised delivery time-slots. Collectively, these will contribute to better urban freight distribution.
- Autonomous LCVs/special purpose vehicles, combined with the deployment of cooperative intelligent transport systems (C-ITS), will help public and private stakeholders implement innovative urban logistic schemes that will improve road

safety and reduce congestion. They will be enablers of multi-modal delivery that will reduce congestion in the last mile. Cross-docking (van to pedestrian) stations in cities are likely to become increasingly important for urban logistics.

- Policy makers should promote efficient and cost-effective measures that encourage the use of low-emission and appropriately sized freight vehicles for urban logistics, maximising the safety of both road users and pedestrians.

GOVERNANCE AND REGULATORY MEASURES

- The efficiency of urban logistics mainly results from the ability to generate scale effects. Currently, different UVARs in the EU are generating additional costs for urban logistics that could be avoided. Sustainable urban logistics plans (SULPs) must integrate a dedicated chapter on common rules that must be defined by all stakeholders, based on a holistic approach.
- Urban logistics must be treated as a central pillar of urban planning in order to ensure the efficiency of urban freight. This will include guaranteeing accessibility for LCVs and identifying sites to be transformed into hubs and consolidation centres.
- SULPs must be based on systemised stakeholder dialogue and standardised building blocks. In addition, the participation of vehicle manufacturers is essential to deliver systems that have the potential to be global and not just local, and that can generate scale effects and profitability within the global chain.
- Innovation projects (technical, organisational etc) should be shared widely among all stakeholders along with associated standards, in order to assess their conclusions and recommendations.

Governance levels for efficient urban logistics

Area	Description of activity	Actor
Fleet efficiency	Phase-out schemes for inefficient vehicles, ie scrappage of older LCVs	National, EC
	Encourage and incentivise eco driving	National, EC
Use of low-emission power sources by fleets	Create the infrastructure needed for decarbonisation (electrified and other alternatively fuelled vehicles)	Regional, local, national, EC
	Harmonisation of UVARs	Local, national, EC
	Create/facilitate the infrastructure needed for bundling (hubs/consolidation centres)	Local, national
Fleet assets usage	Incentives to encourage load optimisation, i.e. restrict the access of vehicles with low load factors to certain infrastructure	Local

Area	Description of activity	Actor
	Explicitly link incentives to sustainable benefits that are monetised (new EC handbook of urban logistics benefits)	Local, EC
Stakeholder consultation	SULPs, innovation projects, UVARs	Regional, local, EC

CONDITIONS FOR MASS ELECTRIFICATION OF VANS

The availability of suitable charging and refuelling infrastructure is crucially important for the market ramp-up of electric mobility, and hence the decarbonisation of the transport sector. A rapidly increasing number of vehicle registrations across a growing portfolio of models is driving electric mobility forward in all vehicle segments. More and more electrified[4] vehicles are appearing in the LCV segment (N1 and N2).

- Low- and especially zero-emission vehicles are already entering the EU market. As a continent, we have the opportunity to lead this transition.
- The number of zero-emission models available and their range will increase rapidly over the coming years. Nevertheless, it is important to be aware that the transition will happen segment by segment and market by market. The first vehicles to make the shift will be those that are currently used in urban environments (such as vehicles used for distribution and waste collection).
- The exemption granted to holders of a category B driver's licence[5] allowing them to drive battery-powered vehicles up to 4.25 tonnes (without consideration of the weight difference compared to an ICE version) should also be applied to commercial passenger transport.
- Providing sufficient charging and refuelling infrastructure for electrified[6] commercial vehicles is key (for example in public areas for those who do not have private charging infrastructure).
- Legal frameworks should be created to allow charging and refuelling infrastructure to be offered as part of operative leasing, as this is a necessary part of the package for running the vehicle.
- Steps need to be taken to determine municipal responsibility for key issues such as the provision of control centres and related elements such as authorisation, objectives, monitoring and management.

[4] See ACEA Progress Report 2021 for a definition of electrified vehicles.
[5] Article 6 (4) of Directive 2006/126/EC as modified by Directive 2018/645/EC.
[6] See ACEA Progress Report 2021 for a definition of electrified vehicles.

ABOUT THE EU AUTOMOBILE INDUSTRY

- 12.7 million Europeans work in the auto industry (directly and indirectly), accounting for 6.6% of all EU jobs
- 11.5% of EU manufacturing jobs – some 3.5 million – are in the automotive sector
- Motor vehicles are responsible for €374.6 billion of tax revenue for governments across key European markets
- The automobile industry generates a trade surplus of €79.5 billion for the European Union
- The turnover generated by the auto industry represents more than 7.8% of the EU's GDP
- Investing €58.8 billion in R&D per year, automotive is Europe's largest private contributor to innovation, accounting for 32% of the EU total

ACEA REPRESENTS EUROPE'S 16 MAJOR CAR, VAN, TRUCK AND BUS MANUFACTURERS

ACEA
European Automobile
Manufacturers' Association
+32 2 732 55 50
info@acea.auto
www.acea.auto

twitter.com/ACEA_auto

linkedin.com/company/acea

youtube.com/c/ACEAauto