



CONFEBUS additional comments to the Energy Taxation Directive Revision

The Spanish Bus and Coach Confederation (CONFEBUS) makes a positive evaluation of the proposed revision of the Energy Taxation Directive (ETD) within the framework of the European Green Deal.

CONFEBUS wishes to emphasize that it is essential that the revision should favour the use of the most socially, environmentally and energy-efficient means of transport, such as buses and coaches. The review offers a unique opportunity to align the taxation of energy products and electricity with the EU's energy and climate ambitions (reduction of GHG emissions by 55% by 2030, climate neutrality by 2050). In a period of significant economic uncertainty caused by the COVID-19 pandemic, a review of the ETD should contribute to the development of services that promote economic recovery and at the same time stimulate clean growth in line with EU objectives and instruments. In this connection, it should be pointed out that buses and coaches have a key role to play in sustainable economic recovery, given their interdependence with other key sectors such as tourism and their importance for economic and social cohesion.

Despite being one of the most sustainable means of transport, buses and coaches are not currently included in the exemptions laid down in Article 15 of the Directive. On the contrary, the Directive allows Member States to apply total or partial exemptions or reductions in the level of taxation to passenger transport by rail, metro, streetcar and trolley bus. This differentiation distorts the level playing field throughout the transport sector and, more importantly, penalises a mode of transport with the greatest environmental, economic and social benefits. This should be addressed to ensure and improve the economic viability of buses and coaches - one of the sectors most affected by the COVID-19 pandemic - while ensuring a fair playing field between modes of transport, which would help to safeguard the provision of services and promote sustainable mobility.

It should also be borne in mind that buses and coaches are a crucial instrument in the fight against climate change, since they generate fewer greenhouse gas emissions than any other mode of transport: 3.7 times less than an aircraft, 5.5 times less than a car and 13% less than a train. In terms of CO₂ emissions, buses and coaches generate fewer emissions per passenger and per kilometer than any other mode of land transport, excepting rail. On the other hand, buses and coaches can replace between 14 and 30 cars on the roads, being an effective tool for reducing congestion, CO₂ emissions and the use of fossil fuels.

Thus, the negative externalities associated with road transport are not related to buses and coaches. In fact, figures from the European Environment Agency

show that almost all CO2 emissions associated with road transport do not relate to these.

In view of the above, CONFEBUS calls on the Commission to consider exempting buses and coaches from the scope of the Directive, which would enable the sector to compete on a level playing field with other modes of transport and, above all, to make a greater contribution to the EU's economic and climate policy objectives. This is an opportunity for our sector to have incentives to grow and continue to invest in much-needed clean technologies, which are not yet available - particularly for long-distance services - or not mature enough.

Madrid, October 14th 2020.