

## **GLOBAL MOU FOR ZE-MHDVs\***

(\*NOTE- final MOU language is still in development but below provides the general direction of the effort)

**SUMMARY.** The Global Memorandum of Understanding (MOU) will align leading countries on the same level of ambition for zero-emission medium- and heavy-duty vehicles (ZE-MHDVs), aiming to enable 30% of new MHDVs being zero emissions by 2030, and a full transition to ZE-MHDVs in new fleets by 2040, so as to enable net-zero carbon emissions by 2050.

**MOTIVATION.** MHDV emissions are on the rise, and there is a growing momentum to bolster commitments on zero-emission commercial vehicles. California adopted the Advanced Clean Trucks (ACT) rule and announced a complete transition to zero-emission technologies for all MHDVs on the road by 2045. Leveraging on California's ACT and the ensuing 15 U.S state MOU, the Global MOU will align leading countries around the same level of ambition for ZE-MHDVs, and support commitments to zero-emission vehicles being put forward by fleets and manufacturers.

**OBJECTIVE.** The main objective of the Global MOU is to accelerate the ZE-MHDV market, which will not only advance technology innovation and generate clean technology jobs, but also improve energy security, deliver tangible climate benefits, lower air pollution, and deliver associated health benefits. The Global MOU will send strong and consistent signals to industry and other governments, strengthen future country climate commitments ahead of COP-26, and lay the foundation for strong policies in key markets.

**LEVEL OF AMBITION.** The floor ambition will be a goal of 30% of new MHDVs being zero emissions by 2030, and a full transition to ZE-MHDVs in new fleets by 2040, as to enable net-zero carbon emissions by 2050. The MOU will also encourage countries to be more ambitious. MHDVs are defined as those with gross vehicle weight larger than 3.5 metric tons, and countries could have some flexibility to fine-tune vehicle definition based on their specific vehicle classification. Although the Global MOU will be non-binding, it will establish a process to support countries to develop plans for how they will enable the MOU ambition, and monitor progress through robust, consistent, and transparent data sharing.

**SIGNATORIES.** The aim is to have the MOU signed by the largest possible group of countries to maximize collective market share. At the 12<sup>th</sup> Annual Meeting of the Clean Energy Ministerial (CEM) in early June/2021, <u>eight countries</u> (Austria, Canada, Chile, Germany, Greece, Netherlands, Norway and Sweden) announced that they will work together on the Global MOU. Subnational government agencies, industry players and implementation partners will be able to endorse the MOU.

**TIMELINE.** As countries revise and strengthen their climate commitments ahead of COP26, it is important to leverage that process to announce a higher ambition for ZE-MHDVs. Final announcement of the Global MOU will happen at COP26 in November/2021 in Glasgow.

The Global MOU is being co-led by the Netherlands (Chair of the Transport Decarbonisation Alliance) and CALSTART/Drive to Zero. CALSTART's Global Commercial Vehicle <u>Drive to Zero</u> program, also an official campaign of the Clean Energy Ministerial (CEM) under the Electric Vehicle Initiative (EVI), will be the convening forum for country members.

## **CONTACTS**

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