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More selective promotion of e-mobility - having the courage to beg big climate killers to pay!

It is already clear that the 2024 Autofestival, which started this weekend, will (once again) feature ever larger, ever heavier cars. This also applies to electric cars. This government set out to drive forward the energy transition and therefore also electromobility with more socially selective subsidies, among other things. Now is the time to implement this intention: Differentiated regulations are to be established for the subsidisation of e-cars, thus indirectly ensuring social selectivity. Measures such as the introduction of "social leasing" and, if necessary, the promotion of efficient used electric cars can also be considered. At the same time, particularly polluting vehicles should be subject to a penalty and the company car privilege should be abolished and limited to EVs.

Luxembourg's provisional carbon footprint for 2022 shows that it is still important to take action in the transport sector in order to achieve the 2030 CO₂ reduction targets. CO₂ emissions in the transport sector over the last two years, it is still responsible for 60% of Luxembourg's of Luxembourg's CO₂ emissions.

There is evidence that subsidies to promote the market launch of new technologies make sense, including for electromobility. This is mainly due to the currently still higher purchase prices of e-cars. In principle, the subsidies in Luxembourg should therefore be maintained until this new technology has become established in society as a whole.

However, the Mouvement Écologique is in favour of **a targeted limitation of support, also from a social point of view**. From a certain purchase price of a car, which is more in the luxury category and very expensive, the buyer should no longer be supported. According to the principle of social selectivity, a person who can afford a vehicle costing €60,000 or more, for example, can also secure this without public subsidisation or fall back on cheaper, more resource-friendly and more efficient alternatives on the market. On oekotopten.lu, interested parties can find a list of particularly efficient and therefore recommendable e-cars, which is updated regularly. Further measures should also be considered from a social point of view, such as social leasing or the introduction of subsidies to used electric cars.

In addition to subsidies, the Mouvement Écologique is also calling for other fiscal measures, such as the introduction of a so-called "**malus system**", which already exists to some extent in France¹, the Netherlands and Belgium². This involves imposing a charge on new registrations of combustion cars with high CO₂ emissions. The aim is twofold: the polluter pays principle is at least partially respected (internalisation of external costs) and the levy has a steering effect in terms of lower-emission vehicles.

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1. There is already a social leasing system in France: <https://www.legifrance.gouv.fr/jorf/id/JORFTEXT000048567193>
 2. There is also a malus system in Wallonia.



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For vehicles with an emission value of 117 g CO₂/km or more, an additional €50 is payable on enrolment in France. This tax rises to €60,000.³ (!) up to an emission value of 193 g CO₂/km.

It is clear from both measures that **specific regulations** should apply in Luxembourg for families who need larger vehicles due to their household composition.

France has gone even further and introduced an additional weight tax (from 1.6 tonnes), which will also apply to EVs from 2025. This could also be a useful instrument for Luxembourg to counteract the trend towards ever larger and heavier vehicles.

The message from the Mouvement Écologique is therefore clear: granting undifferentiated subsidies from the state does not make sense from a certain stage of a product's market launch; a certain degree of social selectivity must be ensured. As far as cars with high emissions are concerned, it is not up to the public to bear the consequential costs caused by the behaviour of individuals.

Last but not least, the **hidden subsidies for the company car privilege** need to be reconsidered. This is where the state invests (!) tens of millions. The Mouvement Écologique is in favour of ensuring that combustion cars can no longer benefit from an "*Avantage en nature*", but only particularly efficient electric cars. If this is not possible from a legal perspective, the coefficient used to calculate the company car privilege would have to be set much higher for combustion engines in order to be a real deterrent.

The current subsidy regulations are to be reformed by June (see also coalition agreement⁴). If the current government is really serious about climate protection, the aforementioned adjustments in the transport sector must be made as quickly as possible: The 2024 Autofestival offers the opportunity to speak plainly!

Luxembourg, 22 January 2024

3. However, the discount may not exceed 50% of the purchase price.

4. Subsidies for the purchase of electric cars and other zero-emission technologies will be maintained. The criteria for awarding subsidies and the amounts of these subsidies will be reviewed periodically. - Coalition Agreement 2023-2028, p.58.



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Annexe

CO ₂ (g/km)	Montants 2023	Montants 2024
	(en €)	(en €)
118	0	50
119	0	75
120	0	100
121	0	125
122	0	150
123	50	170
124	75	190
125	100	210
126	125	230
127	150	240
128	170	260
129	190	280
130	210	310
131	230	330
132	240	360
133	260	400
134	280	450
135	310	540
136	330	650
137	360	740
138	400	818
139	450	898
140	540	983
141	650	1 074



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142	740	1 172
143	818	1 276
144	898	1 386
145	983	1 504
146	1 074	1 629
147	1 172	1 761
148	1 276	1 901
149	1 386	2 049
150	1 504	2 049
151	1 629	2 370
152	1 761	2 544
153	1 901	2 726
154	2 049	2 918
155	2 049	3 119
156	2 370	3 331
157	2 544	3 552
158	2 726	3 784
159	2 918	4 026
160	3 119	4 279
161	3 331	4 543
162	3 552	4 818
163	3 784	5 105
164	4 026	5 404
165	4 279	5 715
166	4 543	6 126
167	4 818	6 537



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168	5 105	7 248
169	5 404	7 959
170	5 715	8 770
171	6 039	9 681
172	6 375	10 692
173	6 724	11 803
174	7 086	13 014
175	7 462	14 325
176	7 851	15 736
177	8 254	17 247
178	8 671	18 858
179	9 103	20 569
180	9 550	22 380
181	10 011	24 291
182	10 488	26 302
183	10 980	28 413
184	11 488	30 624
185	12 012	32 935
186	12 552	35 346
187	13 109	37 857
188	13 682	40 468
189	14 273	43 179
190	14 881	45 990
191	15 506	48 901
192	16 149	51 912
193	16 810	55 023
194	17 490	60 000



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195	18 188	60 000
196	18 905	60 000
197	19 641	60 000
198	20 396	60 000
199	21 171	60 000
200	21 966	60 000
201	22 781	60 000
202	23 616	60 000
203	24 472	60 000
204	25 349	60 000
205	26 247	60 000
206	27 166	60 000
207	28 107	60 000
208	29 070	60 000
209	30 056	60 000
210	31 063	60 000
211	32 094	60 000
212	33 147	60 000
213	34 224	60 000
214	35 324	60 000
215	36 447	60 000
216	37 595	60 000
217	38 767	60 000
218	39 964	60 000
219	41 185	60 000
220	42 431	60 000