



October 5, 2022

Dear President Biden,

The undersigned organizations are committed to transitioning the new commercial vehicle transportation sector to 100% zero-emission no later than 2040. We write to ask for U.S. leadership on zero-emission medium- and heavy-duty vehicles (MHDVs) by becoming a signatory to the Global Memorandum of Understanding (MOU), co-led by CALSTART's Global Drive to Zero program and the Government of the Netherlands. The MOU will help drive economic growth and climate benefits that build off the historic investments from the Inflation Reduction Act of 2022.

The Global MOU aligns countries around a joint target to reach an interim goal of 30% of sales of new MHDVs to be zero-emission by 2030, and a full transition of new MHDVs to zero-emission by 2040.

Transportation remains the largest source of greenhouse gas emissions in the U.S. MHDVs are only 10% of the vehicles on the road but contribute to 28% of total on-road GHG emissions.<sup>1</sup> The MOU ambition is well within our reach: according to an analysis by ERM, the recent passage of the Inflation Reduction Act (IRA) will increase sales of zero-emission medium- and heavy-duty vehicles by 46% by 2029<sup>2</sup> and modeling done by RMI shows the IRA tax credits will also pull up cost parity for the total cost of ownership (TCO) of heavy-duty electric trucks. For urban trucks that travel locally the difference is 3 years; for delivery trucks the difference is 5 years and for long-haul trucks, the difference is 10 years, with an estimation that by 2030, over 60 percent of new truck sales could be electric.<sup>3</sup>

#### **Global MOU Supports Countries in the Transition to Zero**

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<sup>1</sup> Conhttps://www.ucsusa.org/sites/default/files/2019-12/ReadyforWorkFullReport.pdf

<sup>2</sup> https://www.erm.com/public-information-sites/analysis-of-zev-bau-scenarios-for-edf/

<sup>3</sup> https://rmi.org/inflation-reduction-act-will-help-electrify-heavy-duty-trucking/

The Global MOU sends a clear market signal to industry, and is supported by hundreds of innovative companies, infrastructure providers, manufacturers, and fleets.<sup>4</sup> Country signatories benefit from the Global MOU by participating in a large knowledge-sharing network aimed at supporting the implementation of the entire suite of policies, incentives, and investments needed to make the transition to 100% zero-emission commercial vehicles.

U.S. support for the Global MOU by becoming a signatory will:

- **Generate economic growth, innovation, and additional investments.** Joining the MOU will support and advance zero-emission commercial vehicle market development, increase deployment, and spur further private sector investments in advanced technology and infrastructure while creating jobs.
- **Mitigate climate change and improve air quality.** Transportation is the largest source of greenhouse gas emissions in the U.S. and a major source of air pollutants that harm public health. A full transition to 100% zero-emission sales of commercial vehicles by 2040 would significantly reduce U.S. greenhouse gas emissions. Studies show that a full transition to 100% zero-emission commercial vehicles in 2050 in the U.S. could reduce MHDV greenhouse gas emissions up to 73%, reduce NOx emissions up to 93%, and PM2.5 emissions up to 73% below 2020 levels by 2050<sup>5</sup>.
- **Increase energy security.** A predictable steady transition to zero-emission commercial vehicles helps reduce reliance on foreign oil and insulates consumers from market fluctuations.

The Global MOU is a non-binding agreement and does not require the U.S. regulatory agencies to adopt specific emissions standards, targets, or requirements. While non-binding, the commitment would help drive critical reductions needed to achieve the Paris Agreement goal of net-zero carbon emissions by 2050<sup>6</sup> and send a signal to industry and the market that zero-emission MHDVs will be the next wave of purchases and technology.

**We urge the Administration to continue to show global climate policy leadership by announcing a U.S. commitment to the Global MOU and becoming a signatory.**

Sincerely,

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Arrival Automotive Inc

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<sup>4</sup> <https://globaldrivetozero.org/mou/endorsement/>, <https://globaldrivetozero.org/about/pledge-partners/>

<sup>5</sup> J. Houck, et. al., Benefits of State-Level Adoption of California Medium- and Heavy-Duty Regulations, Sonoma Consultants for ICCT, (Oct, 2021), <https://theicct.org/publications/state-level-hdv-emissions-reg-oct21>. Analysis does not include California, Hawaii, Nevada, Virginia, and Quebec.

<sup>6</sup> **Countries which have signed the Global MOU:** Austria, Canada, Chile, Denmark, Finland, Luxembourg, Netherlands, New Zealand, Norway, Scotland, Turkey, United Kingdom, Uruguay, and Wales. Signatories benefit the Global MOU by participating in a large knowledge-sharing network and by being perceived as leaders by the industry. Subnational government agencies, industry stakeholders and implementation partners are able to endorse the Global MOU.

Ballard Power Systems  
ChargePoint  
City Q  
DHL Express  
EV Cargo  
Iberdrola  
Integre Trans  
International Copper Association  
Last Mile Team  
Lightning eMotors  
Mayor West Coast  
Nikola Corporation  
Odyne  
Proterra  
Scania  
SEA Electric  
Smart Freight Centre  
The Lion Electric Co.  
Transficient  
Voltu Motor Inc  
Xos  
EmergeVest

Cc: Kamala Harris, Vice President of the United States  
Antony Blinken, U.S. Secretary of State  
Pete Buttigieg, U.S. Secretary of Transportation  
Jennifer Granholm, U.S. Secretary of Energy  
Michael Regan, Administrator, U.S. Environmental Protection Agency  
Brian Deese, Director, National Economic Council  
John Kerry, U.S. Special Presidential Envoy for Climate  
John Podesta, Senior Advisor to the President for Clean Energy, Innovation, and Implementation  
Brenda Mallory, Chair, Council on Environmental Quality  
Ali Zaidi, National Climate Advisor, White House Office of Domestic Climate Policy