

# CAFE

March 31, 2020

**CAFE (Corporate average fuel efficiency)**

**Why in news?**

- The government is looking to tighten the corporate average fuel economy (CAFE) norms, in a bid to push automakers to incrementally increase production of electric vehicles by 2-3% every year.

**What are the cafe norms?**

- CAFE is the **average fuel efficiency of all vehicles produced by a manufacturer in a given period**, taking into consideration the sales volume of each model.
- It is **achieved by lowering carbon dioxide (CO<sub>2</sub>) emissions**.
- Thus, it serves the twin purposes of reducing dependence on oil for fuel and controlling pollution.
- The norms are **applicable for petrol, diesel, and LPG and CNG passenger vehicles**.
- CAFE regulations in India came into force from April 1, 2017.

**Significance:**

- A strict CAFE target will provide incentives to auto makers to produce and sell more EVs, to improve their average fuel efficiency.
- By tightening the norms, auto makers will have to indirectly invest in EVs, rather than make production of EVs mandatory.
- The government has **reduced its initial target of getting aggregators to make 40% of their fleet electric by 2026**.
- Now **aggregators are asked to procure EVs as part of their new fleet additions**, and this could be in 2%

increments (annually).

- While CAFE regulations focus on reducing CO2 emissions, BS VI focuses on other harmful exhausts from vehicles.

### **World environment day:**

- **World Environment Day (WED) was established by the UN General Assembly in 1972 on the first day of the Stockholm Conference on the Human Environment.**
- **In 1974 the first WED was held** with the theme “Only One Earth”.
- Since then, World Environment Day takes place every year on 5 June.
- Since then it is observed on 5th June annually with a country as a host.
- **The world environment 2019 was observed with the theme “Air pollution” and is being hosted by China.**
- India hosted World Environment Day 2018 with the theme ‘Plastic Pollution’.
- **Colombia will host World Environment Day 2020** in partnership with Germany and that it will focus on biodiversity.