



ऊर्जा दक्षता ब्यूरो

(भारत सरकार, विद्युत मंत्रालय)

**BUREAU OF ENERGY EFFICIENCY**

(Government of India, Ministry of Power)

F.No. BEE/Transport/HDV/23/2019-20 /1438-61



7<sup>th</sup> June 2024

**Office Memorandum**

**Subject: Inviting comments on the proposal of Future Fuel Efficiency Norms i.e CAFE- III & CAFE-IV norms.**

Ministry of Power in consultation with Bureau of Energy Efficiency (BEE) introduced fuel efficiency norms for M1 category of vehicles i.e. those having a weight up to 3.5 Tonnes for the period 2017 to 2022. This was followed with introduction of second set of standards CAFE-II effective from 1st April 2022.

The CAFE norms represent Corporate Average Fuel Consumption (in litres/100 kms) of all cars sold by a manufacturer in a fiscal year and not of an individual model. According to the norms, the average weight of all the car models manufactured was considered to be 1037 kgs in first phase, and the Average Fuel Consumption was prescribed as below 5.49 litres/100 kms. The CAFE-II norms prescribed an average weight as 1082 kgs since April 2022. The fuel consumption is measured under the standard test conditions at the Nationally accredited labs using MIDC cycle.

In furtherance to the above, BEE has initiated process of developing future Corporate Average Fuel Efficiency norms i.e. for CAFE-III and CAFE –IV period. Extensive deliberations were carried out by BEE with relevant stakeholders including, representatives from OEMs selling cars in Indian Markets, MoRTH, SIAM, Testing agencies, thinktanks, and a draft proposal has been prepared. (Copy enclosed at **Annexure –A**)

This draft proposal was presented to the Ministry of Power and it has been decided to share the proposal with all stakeholders to seek comments.

Accordingly, all the Stakeholders who are willing to provide inputs on the proposal may forward their comments to [spandita@beeindia.gov.in](mailto:spandita@beeindia.gov.in) & [deepak.suri@beeindia.gov.in](mailto:deepak.suri@beeindia.gov.in) within 30 days.

यह महानिदेशक, बीईई के अनुमोदन से जारी किया गया है।

सादर,  
समीर पंडिता  
(समीर पंडिता)  
निदेशक

**To:**

All Stakeholders (as per list enclosed at Annexure B)

**Copy to:**

1. Sr.PPS to Secretary, Ministry of Road Transport and Highways
2. Sr. PPS to Secretary, Ministry of Heavy Industry
3. Sr.PPS to Secretary, Ministry of Power

**Encl.: Annexure- A, B**

## ANNEXURE -A

### Draft Proposal of Fuel Efficiency Norms (CAFE) i.e. CAFE- III & CAFE-IV period.

Based on the deliberations with the stakeholder and taking into consideration the major transition that the Indian car manufacturing Industry will witness, BEE proposes the following:

1. A block period of 5 years for next CAFE Cycles will be as follows:  
CAFE III: 2027-2032  
CAFE IV: 2032-2037
2. Existing CAFE-II norms are fixed on MIDC Cycle. It is proposed to switchover from MIDC to WLTP from 31st March 2027 for the purpose of type approval.
3. Accordingly, CAFE- III & IV targets are proposed on WLTP cycle. The proposed CAFE III & IV norms at WLTP shall be 91.7 g CO<sub>2</sub>/Km & 70 g CO<sub>2</sub> /km respectively. The proposed weighted average of unladen mass in kilogram (kg) is considered as 1170 Kg.
4. Volume Derogation factors proposed for CAFE-III and CAFE-IV cycles will be as given in Table – 1.

Table -1

S.no	Vehicle Type	Existing Volume derogation factor for Super Credit	Proposed CAFE-III norms	
			2027-2032	2032-2037
1	Hydrogen (FCEV)	3	5	5
2	Pure Electric Vehicle (BEV)	3	4	4
3	PHEV (Battery Pack minimum 7 KW)	2.5	2	1.5
4	Strong Hybrid Electric vehicle	2	1.2	1

5. Proposed derogation factor for CO<sub>2</sub> emission reduction technology will be as given in Table – 2.

**Table -2**

S.no	CO <sub>2</sub> Reducing Technologies	Existing CO <sub>2</sub> Reducing technology derogation factor on CO <sub>2</sub> Emissions	Proposed CAFE-III norms (WLTP Cycle)	Proposed CAFE-IV norms (WLTP Cycle)
			2027-2032	2032-2037
1	Ethanol (*) * Grant of derogation is subject to outcome of BEE -IIP study	NA	*0.95	*0.95
2	Regenerative Braking	0.98	0.99	1
3	Start/stop	0.98	0.99	1
4	6 or more gears	0.98	0.99	1

**Note:** Models under categories listed at S.no 3 & 4 in Table -1 shall not be eligible for claiming volume derogation factors for ethanol at S.no 1 under Table -2.

**6. Estimation of Penalty:**

It is proposed that imposition of penalty as per EC amendment Act for CAFE II, III & IV will be calculated for the cycle period. However, the assessment & reporting of performance for each OEM will be done on yearly basis.

**ANNEXURE -B****List of Stakeholders**

	<b>Designation</b>	<b>Organisation</b>
1.	Director	Internation Centre for Automotive Technology (ICAT), Manesar
2.	Director	Automotive Research Association of India (ARAI), Pune
3.	Director	Indian Institute of Petroleum - Dehradun
4.	President	Society of Indian Automotive Manufacturers- New Delhi
5.	Director	Automotive Component Manufacturers Association of India (ACMA), New Delhi
6.	Managing Director	BMW India Pvt Ltd
7.	Managing Director	Corporate group- FCA India Automobiles private limited
8.	Managing Director	Honda Cars India Limited
9.	Managing Director	Isuzu Motors India Pvt. Ltd
10.	Managing Director	Tata Motors Passenger Vehicles Limited (Jaguar Land Rover Ltd)
11.	Managing Director	Kia India Pvt Ltd (erstwhile KIA Motors India Pvt Ltd)
12.	Managing Director	Mahindra & Mahindra, Mumbai
13.	Managing Director	Maruti Suzuki India Limited, New Delhi
14.	Managing Director	Mercedes-Benz India Pvt Ltd
15.	Managing Director	MG Motor India Pvt. Ltd
16.	Managing Director	Nissan Motor India Pvt. Ltd
17.	Managing Director	Force Motor Limited, Pune
18.	Managing Director	Renault India Private Limited
19.	Managing Director	Skoda Auto Volkswagen India Private Limited
20.	Managing Director	Corporate Group- Tata Motors Limited,
21.	Managing Director	Toyota Kirloskar Motor Pvt. Ltd
22.	Managing Director	Volvo Auto India Pvt. Ltd
23.	Managing Director	Hyundai Motor India Limited