

Statement ahead of the review of the CO₂ standards regulation for cars and vans

11th December 2025

2035: a milestone that cannot be compromised. As sectors powering the shift to decarbonised mobility, we call on the French and European decision-makers to preserve the CO₂ Standards for cars and vans in full. The upcoming review must safeguard the regulation and its milestones; any attempt to dilute the targets would threaten Europe's path to climate neutrality in transport¹.

1. Europe's energy sovereignty, industrial leadership and climate credibility are at stake

European institutions must stay the course. A clear, ambitious and predictable regulatory framework for the CO₂ standards is the only way to secure Europe's industrial leadership and competitiveness, ensure the EU's energy sovereignty and achieve our climate commitments. While Europe hesitates, other major economies move swiftly toward electrification: China achieved 47% EV market share in total while the EU stands at 24%. More recently, EV sales represented 42% of the market share in Vietnam and 30% in China (H1 2025)².

Backtracking would undermine Europe's climate credibility and weaken its position in the global automotive market. Maintaining the 2035 target sends a strong and necessary signal that Europe intends to lead the electric future while protecting its industrial and energy interests.

2. Strengthening the supply of zero-emission vehicles rather than undermining it

The CO₂ standards regulation has proven to be one of the EU's most effective tools to decarbonise the light vehicle fleet, providing the **regulatory certainty needed for the industry to confidently invest in the development of zero-emission vehicles (ZEVs).** This framework has already delivered tangible results: according to the European Environment Agency (EEA), CO₂ emissions from new passenger cars fell by 28% between 2019 and 2023, largely driven by the surge in electric vehicle sales.

¹ Considering that the average lifetime of an internal combustion car (ICE) in Europe is around 15 years, ensuring that all new passenger cars sold in the EU will be zero-emission by 2035 is the only way to meet the 2050 target.

² Transport & Environment. *The world is going electric – with or without us.*

<https://www.transportenvironment.org/articles/the-world-is-going-electric-with-or-without-us>

Battery electric vehicle (BEV) registrations grew by 34% in the first half of 2025 compared to the same period in 2024³.

Rolling back on these commitments would not only halt this progress but also severely undermine industry confidence, jeopardising years of investment planning for the whole electromobility ecosystem. Between 2021 and 2023 €265 billion of investments in EV, battery and charging investments were announced⁴. The 2020 target itself triggered €60 billion of EV value-chain investment in Europe in 2019⁵.

We also urge the Commission not to include additional flexibilities, such as on multi-years averages for target compliance. Such flexibilities would allow more high-emitting vehicles on the road and weaken the decarbonisation pathway. Instead, the regulatory framework should **prioritise the deployment of electric vans**, which already represent the most cost-effective option for consumers⁶.

3. Prioritise investments in BEVs to meet the 2035 target

Investments must prioritise BEVs, which are most efficient technology in terms of GHG emissions reduction⁷, air pollution mitigation, energy efficiency, and costs for the consumers and the energy system⁸. For instance, e-fuel vehicles require four times more primary energy than BEVs to travel the same distance⁹, and PHEVs emit on average 73% more GHG emissions than BEVs over their full life cycle¹⁰. In this context, **reopening the Regulation in terms of the technologies for the decarbonisation of light vehicles would go against the latest technical and economical analysis.**

4. Driving widespread and confident BEV adoption

³ European Alternative Fuels Observatory. *European battery electric vehicle market surges 34% in first half of 2025*. <https://alternative-fuels-observatory.ec.europa.eu/general-information/news/european-battery-electric-vehicle-market-surges-34-first-half-2025-led>

⁴ Transport & Environment. *OEM EV investment briefing*. 2024.

https://www.transportenvironment.org/uploads/files/2024_06_OEM_EV_investment_briefing_compressed.pdf

⁵ Transport & Environment. *Can electric cars beat the COVID crunch?* 2020.

https://www.transportenvironment.org/uploads/files/2020_05_Can_electric_cars_beat_the_COVID_crunch.pdf

⁶ Transport & Environment. *Vans TCO Report*. 2022.

Data cited: the average EU electric van is 25% cheaper to operate than the average diesel van (€0.15/km vs €0.20/km).

https://www.transportenvironment.org/uploads/files/2022_03_van_TCO_report-1.pdf

⁷ UFE & Avere-France. *Summary of studies: GHG emissions differences between energy pathways – LCA comparison*. 2023.

https://www.ave-re-france.org/wp-content/uploads/2023/06/20230627_Synthese_Note_Energies_vCA.pdf

⁸ Notably when smart charging solutions are available.

⁹ Platform for Electromobility. *Prioritising energy efficiency in post-2035 mobility*. 2024.

https://www.platformelectromobility.eu/wp-content/uploads/2024/11/Platform-for-Electromobility_Prioritising-energy-efficiency-in-post-2035-mobility.pdf

¹⁰ Institute for Mobility in Transition. *Plug-in hybrid electric vehicles – Critical analysis*. 2025.

https://institut-mobilites-en-transition.org/wp-content/uploads/2025/11/Vehicules-hybrides-rechargeables-IMT_2025.pdf

Insufficient demand in BEVs remains a barrier to fleet electrification, mainly due to high upfront costs for households. **Ambitious supply-side regulation must be accompanied by measures to support demand and ensure affordability, especially for low-income households.** In France, for instance, social leasing significantly contributed to reaching a new record in EVs market share in October 2025, standing at 24%¹¹.

To boost BEV demand, we call for:

- Adopting a **binding legislation on greening corporate fleet** to support the demand of zero-emission vehicles, first and foremost among which are electric vehicles.
- **Implementing demand support mechanisms at national level** (e.g. ecological bonus) **and European level** (i.e. European social leasing) while **incentivising the manufacturing of ZEVs made in EU**. This would help to close the price gap between EVs and ICE cars, in particular through the second-hand market. These mechanisms should prioritise a diverse range of battery electric vehicles. Special attention should be given to supporting low-income households and rural communities who depend heavily on cars for transportation. Revenues from excess emissions premiums should also be redirected to finance these mechanisms.
- **Encouraging Member States to implement attractive tax schemes and financial incentives** (e.g. tax deductions) to reduce the price gap with ICE vehicles and support corporate fleet electrification.

Europe cannot afford delay or hesitation. Keeping the 2035 target intact is the only way to stay competitive, sovereign and credible.

¹¹ Observatory of the Electric Industry (OIE). *Electromobility market figures – October 2025*.