

CO2 emission standards for cars and vans

2021/0197(COD) - 14/02/2023 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 340 votes to 279, with 21 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) 2019/631 as regards strengthening the CO2 emission performance standards for new passenger cars and new light commercial vehicles in line with the Union's increased climate ambition.

As part of the 'Fit for 55' package, the proposed regulation aims to amend the CO2 emission performance standards for new cars and vans in order to contribute to the EU's 2030 and 2050 climate targets.

The European Parliament's position adopted at first reading under the ordinary legislative procedure amends the Commission's proposal as follows:

Carbon neutrality for passenger cars and light commercial vehicles in 2035

The new legislation would raise the CO2 emission reduction targets for new cars and vans by 2030 to **55% for cars and 50% for vans**. Parliament also approved the introduction of a **100% CO2 reduction target by 2035** for new cars and vans.

In 2026, the Commission will assess progress towards the 100% emission reduction targets and the need to review these targets taking into account technological developments, including plug-in hybrid technologies, and the importance of an economically viable and socially fair transition to zero emission mobility.

Life-cycle CO2 emissions

The Commission will by **31 December 2025** publish a report setting out a methodology for the assessment and the consistent data reporting of the full life-cycle CO2 emissions of passenger cars and light commercial vehicles that are placed on the Union market.

The Commission will adopt delegated acts in order to supplement this Regulation by laying down a common Union methodology for the assessment and the consistent data reporting of the full life-cycle CO2 emissions of passenger cars and light commercial vehicles.

From 1 June 2026, manufacturers may, on a voluntary basis, submit to the Commission the life-cycle CO2 emissions data for new passenger cars and new light commercial vehicles using the methodology.

Derogation for certain manufacturers

Manufacturers responsible for small production volumes in a calendar year (1 000 to 10 000 new cars or 1 000 to 22 000 new vans) may be granted a derogation until the end **of 2035** (those registering fewer than 1 000 new vehicles per year continue to be exempt).

An application for a derogation from the specific emissions target may be made for the years until and including the calendar year 2028 by a manufacturer which is responsible, together with all of its connected undertakings, for between 10 000 and 300 000 new passenger cars registered in the Union per calendar year.

Gradual reduction of the ceiling for eco-innovation

The eco-innovation credits that can be claimed by a manufacturer are currently capped at **7 g CO₂/km**. That cap should be adjusted downwards in line with the target levels, in order to ensure a balanced proportion of the level of that cap in relation to the average specific emissions of CO₂ of manufacturers.

The total contribution of those technologies to reducing the average specific emissions of CO₂ of a manufacturer may be up to:

- **7 g CO₂/km** until 2024;
- **6 g CO₂/km** from 2025 until 2029;
- **4 g CO₂/km** from 2030 until and including 2034.

CO₂ emissions and real-world fuel or energy consumption

In order to avoid a widening gap with in-use emissions, the Commission will, no later than 1 June 2023, assess how in-use fuel and energy consumption data can be used to ensure that the CO₂ and fuel/energy consumption values of vehicles remain representative of in-use emissions over time for each manufacturer.

The Commission will: (i) monitor and report annually on how the gap referred to in the first subparagraph evolves from 2021 onwards and (ii) as soon as sufficient data is available, and no later than **31 December 2026**, publish a report setting out a **methodology** for a mechanism to adjust the average specific emissions of CO₂ of the manufacturer as of 2030 using real-world data collected pursuant to Implementing Regulation (EU) 2021/392, and assessing the feasibility of such a mechanism.

Zero- and low- emission vehicles (ZLEV) incentive mechanism

This mechanism may be adapted to meet expected sales trends. From 2025 to 2029, the ZLEV benchmark is set at **25%** for the sales of new cars, and **17%** for new vans, and as of 2030 the incentive will be removed.

Progress report

By 31 December 2025, and every two years thereafter, the Commission will submit a report on progress towards zero emission road mobility. The report will examine:

- progress in the deployment of zero- and low-emission vehicles, in particular in the light commercial vehicles segment, as well as the measures at Union, Member State and local level to facilitate Member States' transition to zero- emission light-duty vehicles;
- progress in the energy efficiency and affordability of zero- and low-emission vehicles;
- the impacts on consumers, particularly on low- and medium-income households, including on electricity prices;
- analysis of the market for second-hand vehicles;
- the potential contribution in terms of CO₂ savings of additional measures aimed to lower the average age and thus the emissions of the light-duty vehicles fleet, such as measures to support the phase out of older vehicles in a socially just and environmentally sound manner;

- the impacts on employment in the automotive sector, especially on micro, small and medium-sized enterprises (SMEs), and the effectiveness of measures to support retraining and upskilling of the workforce.

By 31 December 2024, the Commission will review Directive 1999/94/EC considering the need to provide consumers with accurate, robust and comparable information on the fuel and energy consumption, CO2 emissions and air pollutant emissions of new passenger cars placed on the market, including under real-world conditions, as well as evaluate the options for introducing a fuel economy and CO2 emissions label for new light commercial vehicles. The review will be accompanied, if appropriate, by a legislative proposal.