

Circularity requirements for vehicle design and management of end-of-life vehicles

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Regulation (EU) 2026/1738 establishes a harmonised framework for the circular design and production of vehicles and for the management of end-of-life vehicles. It replaces the existing EU rules on end-of-life vehicles and vehicle recyclability, with the aim of improving resource efficiency, reuse, recycling, traceability and environmentally sound treatment. The Regulation was adopted under the ordinary legislative procedure, following the European Parliament's position of 18 June 2026 and the Council's decision of 29 June 2026.

Scope and circular vehicle design

The Regulation applies primarily to passenger cars and light commercial vehicles in categories M1 and N1. It progressively extends selected provisions to special-purpose vehicles, heavy-duty vehicles, trailers and L-category vehicles, such as motorcycles and quadricycles. It excludes, among others, small-series vehicles, military and emergency-service vehicles, historic vehicles, vehicles of special cultural interest, trailer caravans and certain pedal cycles.

For new M1 and N1 vehicle types approved from 1 September 2032, vehicles must be at least 85% reusable or recyclable and 95% reusable or recoverable by mass. Manufacturers must collect and verify material data across the supply chain, document the material breakdown and ensure that specified safety-related parts are not reused in new vehicles.

Vehicles must be designed to facilitate the removal, replacement, reuse, remanufacturing, refurbishment and recycling of specified parts. Electric vehicle batteries, battery packs and electric drive motors must be removable and replaceable readily and without destructive methods. Manufacturers may not use software updates to obstruct the removal or replacement of parts, unless EU law provides otherwise.

The presence of substances of concern must be minimised. From 1 September 2032, new approved vehicle types and new parts for them may not contain lead, mercury, cadmium or hexavalent chromium, except under specified exemptions. The Commission must assess substances that hinder reuse or recycling and may establish further information requirements and restrictions.

Recycled content and information requirements

New vehicle types approved from 1 September 2032 must contain at least 15% recycled plastic from post-consumer plastic waste by weight. This rises to 25% from 1 September 2036. At least 20% of the required recycled plastic must come from end-of-life vehicles or parts removed during vehicle use.

Recycled plastic produced in third countries may count towards the targets from 14 August 2030 only where the relevant recycling installations meet environmental, health, traceability and auditing requirements. The Commission may grant temporary derogations where recycled plastics are unavailable or excessively expensive.

The Commission must assess and subsequently set minimum recycled-content requirements for steel and aluminium, with application no later than 14 August 2033. It must also assess possible targets for magnesium and specified materials used in permanent magnets.

From 1 September 2029, manufacturers must prepare and update every five years a circularity strategy. They must provide standardised, non-discriminatory access to information needed by waste-management, repair, maintenance and retrofit operators to safely remove and replace batteries, drive motors, fluids, components, critical raw materials and digitally coded parts.

From 1 September 2032, each vehicle placed on the market must have a free Digital Circularity Vehicle Passport. It must include removal information, information on certain hazardous substances, declarations on recycled content and the official spare-parts catalogue.

End-of-life vehicle management

From 1 September 2029, producers are subject to extended producer responsibility. They must ensure the collection and treatment of vehicles they first make available in a Member State, either individually or through producer responsibility organisations. Their financial contributions must cover collection, transport, treatment, public-information campaigns, notification systems and reporting. Fees in collective schemes must reflect factors such as vehicle weight, recyclability, dismantling time, recycled content and hazardous substances.

Member States must establish producer registers and authorisation systems. Producers must be registered before placing vehicles on a national market. Authorised treatment facilities and collection points must meet permit requirements. Owners must deliver end-of-life vehicles without undue delay; delivery is generally free, unless essential parts are missing or waste has been added.

Authorised treatment facilities must issue electronic certificates of destruction, which Member States must recognise. They must depollute vehicles within 30 days, separately remove batteries and specified components, keep treatment records for three years, and complete treatment within 12 months.

From 1 September 2029, specified components, including batteries, electric drive motors, catalytic converters, tyres, glass and electronic equipment, must be removed before shredding, subject to limited exemptions where equivalent post-shredder separation is demonstrated. Reused, remanufactured and refurbished parts must be assessed, labelled and protected. Certain safety-related parts may only be reused where conformity is confirmed and they are installed by qualified operators.

From 1 January 2030, reuse and recovery must reach 95%, and reuse and recycling 85%, by average vehicle weight per year, excluding batteries. From 1 January 2032, at least 30% of plastics in end-of-life vehicles must be recycled.

Vehicle status, exports and enforcement

The Regulation establishes binding criteria to distinguish used vehicles from end-of-life vehicles. Economic operators transferring used vehicles within the Union must provide evidence that a vehicle is roadworthy or is not an end-of-life vehicle. Similar obligations apply to private sellers only in specified cases, including online sales without physical handover or vehicles declared an economic total loss.

From 1 September 2031, used vehicles may be exported to third countries only if they are not end-of-life vehicles and are roadworthy. Exporters must provide the Vehicle Identification Number and a compliance statement. Customs authorities will progressively verify this information electronically through the MOVE-HUB system and the European Union Single Window Environment for Customs.

Member States must establish inspection strategies, inspect at least 10% of authorised treatment facilities and collection points each year, and provide effective, proportionate and dissuasive penalties.

Entry into force and application

The Regulation enters into force on 13 August 2026 and generally applies from 1 September 2028. Several provisions on Commission powers, methodologies and preparatory measures apply earlier. Directive 2000/53/EC is repealed from 1 September 2028, subject to transitional provisions, while Directive 2005/64/EC is repealed from 31 August 2032.

This summary was AI-generated and human-reviewed.