

# Sustainability Working Group – October 2025

## Agenda

- Competition rules reminder
- Public consultation on CO<sub>2</sub> Emission standards for cars and vans
- FCE pp on driving decarbonisation in CRT
- Working Group on Monitoring Methodologies of CO<sub>2</sub> Neutral Fuels
- Update on the Sustainable Transport Forum
- Information points
- AOB



# 1. Competition and compliance rules



## DO'S:

- Ensure business contacts with competitors have a legitimate purpose and are supervised by the FCE Secretariat.
- If discussions go off-topic or are anti-competitive: change the subject, leave, and report the incident.
- Review agendas, follow them, and keep approved meeting minutes.
- Keep social interactions with competitors non-business related.
- Discuss general industry issues, publicly available info, and non-sensitive topics.

## DON'TS:

- Do not discuss sensitive commercial strategies with competitors (pricing, marketing, target markets, etc.).
- Avoid sharing forward-looking, recent, or competitive data without FCE Secretariat's prior written consent.
- Do not use FCE premises for unofficial business activities outside of the official program.
- Do not engage in exclusionary practices or collective boycotts.

## 2. Public consultation on revision of CO2 Emission standards for cars and vans



- FCE submitted contribution to EC public consultation (10 October 2025)
- **LDVs:** EC plans to accelerate review → **package expected mid-December 2025/early 2026**
  - Package to include *“Clean Corporate Vehicle Initiative”*
- **HDVs:** revision still planned for **Q4 2026**.
- EC exploring **“flexibilities”** and **“technology neutral approach”**
- Growing Member States pushback – call to revise or scrap ICE ban → Major point of discussion at today’s EU leaders’ summit

# 3. FCE position paper on Driving decarbonization in Commercial Road Transport



**Objective:** position FCE as a key stakeholder in CRT decarbonisation.

## Timeline

- **Early December 2025:** publication (finalisation mid-November)
- **8 December 2025:** presentation of recommendations at FCE Board meeting (target: EC officials)
- **February 2026: EP dinner-debate** hosted by MEP Alexandr Vondra (*with support from Eurowag*) – open to all FCE members
- Additional outreach activities to be defined

## Next steps:

- **Today:** Members' discussion and alignment on policy recommendations

### 3. FCE position paper on Driving decarbonisation in Commercial Road Transport



The EU's ambition to decarbonize road transport is currently hampered by a lack of coherence and inconsistent implementation of key legislative texts across Member States

- **Inconsistent implementation:** the main instruments are Directives requiring national transposition, which leads to varying and unaligned national rules across the EU. This fragments the single market and sends conflicting signals to road operators.
  - **Lack of coherence:** the main texts such as RED III, Eurovignette and ETS2 send conflicting signals to fleet operators and investors.
  - **Over-regulation:** the focus must shift from creating new policy frameworks to optimising existing ones. Constantly adding new layers of regulation is a short-term fix that ultimately leads to regulatory gridlock, greater complexity, delayed action, and increased legislative burdens — running counter to the simplification agenda pursued by the European Commission.
- FCE recommends a focused **set of targeted policy adjustments** aimed at enhancing consistency, simplifying compliance, and providing a clear, unified investment signal across the EU. FCE stands ready to contribute to technical discussions and public events to help advance policy alignment.

# 3. FCE position paper on Driving decarbonisation in Commercial Road Transport



## 1. Greening corporate fleets: promote a strategic, technology-neutral approach

### Primary recommendation

The upcoming Clean Corporate Vehicle Initiative must reject binding fleet purchase mandates in favour of data-driven incentives and market levers.

#### 1.1 – Reject any measure that translates into binding fleet purchase mandates

*Binding mandates would impose a disproportionate financial burden on CRT operators, particularly SMEs, and remove the necessary operational flexibility for businesses to choose cost-effective and context-appropriate decarbonisation solutions (e.g., electric, hydrogen, or renewable fuels).*

#### 1.2 – Ensure equitable cost sharing via green procurement tenders

*To balance the cost of greening transport, the EU should promote green tenders for shippers. As key drivers of freight demand, shippers should share decarbonisation costs through “green clauses” in procurement. Tenders should remain technology-neutral, rewarding operators based on verified emissions reductions (TER).*

#### 1.3 – Develop a technology-neutral guidance framework supported by the digitalisation capabilities of the fleet cards industry

*The technical guidance should provide companies operating fleets of 50+ vehicles with a technology-agnostic methodology to assess Total Cost of Ownership (TCO) and Total Emissions Reduction (TER) across electric, hydrogen, and renewable fuel options before major investments. Fleet card providers can supply the real-world data needed for accurate TCO/TER assessments, using digital tools and telematics to help fleets make informed, cost-effective decarbonisation decisions.*

# 3. FCE position paper on Driving decarbonisation in Commercial Road Transport



## 2. Achieve alignment by amending the HDVs CO<sub>2</sub> Standards Regulation

### Primary Recommendation

FCE calls for specific amendments to the CO<sub>2</sub> Standards Regulation for Heavy-Duty Vehicles (HDVs) to foster a unified legislative environment.

#### 2.1 – Implement a well-to-wheel (WTW) methodology

*Replace the restrictive tailpipe-only accounting with a comprehensive WTW methodology. This ensures the full environmental impact of all propulsion technologies and energy carriers, including sustainable renewable fuels, is reflected, aligning the regulation with RED III.*

#### 2.2 – Introduce a Carbon Correction Factor (CCF)

*Implement a CCF to operationalise the WTW principle. This mechanism would adjust a vehicle's reported emissions based on the verified share of certified carbon-neutral or low-carbon fuels used annually, bringing the regulation in line with emissions accounting principles established under RED. Fleet card companies are crucial for the technical implementation of the CCF. They provide the auditable, high-integrity transaction and consumption data needed to verify the annual use of certified renewable fuels, ensuring accurate and reliable carbon accounting for regulatory compliance.*

#### 2.3 – Maximize the impact of renewable fuels by increasing RED III targets

*To secure the necessary volume and continuous supply of renewable fuels critical for decarbonisation alongside ZEVs, the binding combined sub-target of 5.5% for Advanced Biofuels and RFNBOs under RED III should be made significantly more ambitious.*

# 3. FCE position paper on Driving decarbonisation in Commercial Road Transport



## 3. Build a unified, coherent EU system for CO2 emissions accounting in road transport

### Primary Recommendation

Recognise Fleet Cards as essential digital infrastructure for road transport emissions monitoring, leveraging their auditable data streams to underpin a single, coherent accounting system across all relevant legislation.

#### 3.1 – Recognise fleet card providers as essential digital infrastructure for emissions tracking

*Fleet card data offers a trusted, verifiable source for monitoring and reporting renewable fuel consumption in corporate fleets under a WTW framework. EU and national policymakers should explicitly recognise fleet cards in upcoming CNF monitoring regulations, as they provide the simplest, most technically neutral and open methodology.*

#### 3.2 – Finalise and implement the CountEmission EU Regulation

*FCE calls for the swift and consistent adoption and implementation of the CountEmission EU Regulation. This will ensure transparent, WTW-based emissions reporting and must be applied coherently across regulatory frameworks, including the Carbon Correction Factor (CCF) for HDV standards, using robust, auditable data.*

#### 3.3 – Mandate a common digital system for cross-border crediting and transfer of RED3 compliant renewable fuels

*This provides the missing mechanism to de-couple renewable fuel production from consumption reporting across borders. It ensures that fuels consumed in one Member State are properly credited in the operator's home Member State. This system should be based on robust guarantee of origin mechanisms.*

# 3. FCE position paper on Driving decarbonisation in Commercial Road Transport



## 4. Financing and taxation: reducing cost barriers for SMEs

### Primary Recommendation

Adopt targeted financial and fiscal measures to reduce the Total Cost of Ownership (TCO) gap between ZEVs and conventional diesel trucks, focusing on SMEs.

#### 4.1 – Introduce EU-level financial instruments and guarantee schemes

*Mitigates residual value risk for new ZEV HDVs and associated assets, helping commercial banks lower lending risk, increase capital access for operators, and reduce interest rates. This measure addresses a primary financial barrier for SMEs, making the large upfront investment in ZEV technology more manageable and insurable.*

#### 4.2 – Implement a taxation paradigm shift: tax CO<sub>2</sub> emissions, not the energy type

*The EU should shift fuel taxation to a carbon-based model, taxing emissions by carbon content rather than energy source. Modernising energy taxation will ensure consistent, lowest-aligned rates across Member States and send a clear market signal.*

#### 4.3 - Encourage Member States to establish user-centric incentives and subsidies

*FCE calls on Member States to urgently redirect funding from broad public infrastructure to targeted purchase incentives and operational subsidies for fleets. Financial support must be technology-neutral and tied directly to carbon reduction outcomes, not specific solutions. This means prioritising vehicle purchase incentives and subsidies for depot-based charging and refuelling infrastructure.*

# 3. FCE position paper on Driving decarbonisation in Commercial Road Transport



## 5. Infrastructure deployment: ensuring a technology-neutral and scalable roll-out

### Primary Recommendation

**Implement a comprehensive, market-led infrastructure strategy that is both technology-open and investment-friendly.**

**5.1 – Align public funding and regulatory incentives with a technology-neutral demand outlook**

*Boosting investor confidence and ensuring the commercial viability of infrastructure requires supporting all viable decarbonisation pathways. This stability is critical for attracting the necessary private capital investment.*

**5.2 – Prioritise large-scale reform and investment in electricity grid infrastructure**

*To tackle the main bottleneck for e-HDVs, the EU must prioritise grid capacity upgrades and streamline connection procedures. High-power charging along TEN-T corridors is constrained by limited capacity and delays. The Commission should work with the fleet card industry to target investments where verifiable demand exists, ensuring grid readiness for commercial transport.*

**5.3 – Redirect public subsidies to user- and depot-centric charging solutions**

*CRT operators primarily charge/refuel at their depots or major logistics hubs. Redirecting subsidies to private infrastructure directly supports users, lowers the TCO barrier (as detailed in recommendation N°4) and offers the necessary control and power capacity without the limitations of public availability.*

**5.4 – Mandate a transparent, market-led AFIR implementation framework**

*AFIR risks remaining a political goal with limited market impact as Member States advance fragmented national plans, leaving operators “driving blind” on future network availability. The Commission must accelerate the review of rollout plans and ensure transparent, regular dialogue within the Sustainable Transport Forum (STF). STF discussions should be driven by market demand, leveraging fleet card data on freight flows to guide a coordinated, data-based rollout that delivers real operational impact.*

# 4. Working Group on Monitoring Methodologies of CO<sub>2</sub> Neutral Fuels



## What is WGMM?

- Cross-sector group working on tracking & certifying CO<sub>2</sub>-neutral fuels in road transport

## FCE membership

- Approved by Board
- Effective early 2026

## Why it matters?

- Promoting fleet cards recognition in EU carbon-neutral fuel tracking
- Influence next methodology update.

## Action required from members

- **Technical input:** Secretariat needs contributions and data to draft the technical paper on fleet card integration.
- **Volunteers needed to represent FCE in WGMM** (≈ 45 meetings/year)



# 6. Information points



## European Commission 2026 work programme (21 October)

- **No new FCE-relevant initiatives** beyond March 2025 Industrial Action Plan for the European automotive sector
- Focus: affordable EVs (LDVs only), battery manufacturing, social leasing
- Boost deployment of charging infrastructure + the supply of sustainable alternative fuels (for maritime/aviation only).
- Will continue regulatory simplification efforts

## Cyprus Presidency – Preliminary Priorities (January 2026)

- Focus on air & sea connectivity, ports and military mobility → road freight and key regulatory files not central.
- Road transport mentioned only in relation to road safety, links to ports/airports, indicating low priority for broader road dossiers.

# 6. Information points



## European Commission [study](#) on ETS 2 decarbonisation measures

- Focus on cost-effective, scalable, replicable solutions with high short-term impact
- 21 measures identified

Name of the supporting measure	Category/type of measure
Emission based taxes and tolls (bonus-malus). Tax advantaged for ZEV and malus for ICEV	Financing – Tax incentives
CO2 based tax deductibility for company cars	Financing – Tax incentives
Price transparency for public charging	Regulation & standards
Financial incentives for grid connection of charging infrastructure for HDVs, including grid connection	Financing – grants/subsidies
Streamlining and harmonizing administrative processes for grid connections	Regulation & standards
Eurovignette – Truck tolling in favour of ZE HDVs	Financing – tolling mechanism

# 6. Information points



## ETS 2 implementation

- Cyprus, backed by several CEE countries (CZ, SK, PL, HU), is circulating a draft letter urging the EC to postpone ETS2 to 2030.
- **Environment Council announcement / Hoekstra**
- **We propose the following 5 measures to keep ETS2 prices in check**
- strengthening the mechanism to release allowances if market prices exceed €45/t CO2, with a top-up to double the volume of allowances to be released in the market.
- Measure 2. Expand liquidity and long-term predictability, by keeping in the reserve all allowances not released by the end of 2030.
- **Measure 3:** the reserve's earlier and smoother intervention in case of lower market liquidity through gradual injections of allowances into the market by adding a buffer to the lower threshold
- **Measure 4:** changes to the Auctioning Regulation to allow for an earlier start for

## 6. Information points



### Hydrogen Europe new study

- **Hydrogen gap:** EU production + imports expected to cover **only 60%** of 2030 green H<sub>2</sub> demand (1.7 Mt available vs. 2.8 Mt needed).
- **Transport leads demand** (≈50%) thanks to RED & ReFuel Aviation incentives; **industry uptake lags** due to weaker incentives and slow national transposition

AOB : Any other question you would like to raise with the group?

Sustainability working group calendar :

**December 11<sup>th</sup> at 14:00 CET**

January 29<sup>th</sup> at 10:00 CET

March 19<sup>th</sup> at 10:00 CET

April 21<sup>st</sup> at 10:00 CET

June 11<sup>th</sup> at 10:00 CET

July 23<sup>rd</sup> at 10:00 CET