

# Sustainability Working Group – January 2026

## Agenda

- Competition rules reminder
- Automotive Package
- WGMM – Fleet cards monitoring methodologies
- Sustainability WG - 2026 roadmap
- Opening for candidacies for the position of Chair
- 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. Automotive Package (1/7)



## Revised CO2 standards

- **Cars & vans - CO<sub>2</sub> standards:** 90% reduction in tailpipe CO<sub>2</sub> emissions by 2035 (vs. 2021) instead of 100% [*in practice, the 90% target corresponds to 11g CO<sub>2</sub>/km*].
- **Emission compensation (residual 10%):** automakers can offset residual emissions through :
  - **Low-carbon steel produced in the EU** (up to 7%)
  - **E-fuels and biofuels** (up to 3%; first-generation biofuels excluded; waste-based biofuels capped at 1%).
  - OEMs may use both credits, but not on the same vehicle.
- **Technology neutrality beyond 2035:** continued sales of **PHEVs, range extenders, mild hybrids and ICE vehicles**, alongside BEVs and hydrogen vehicles, subject to compliance with the 90% target and offsetting rules.
- **Emission pooling:** automakers may pool emissions, allowing underperformers to purchase credits from over-achievers.
- **Vans:** 2030 CO<sub>2</sub> reduction target is **lowered from 50% to 40%**.
- **Heavy-duty vehicles:** targeted [amendment](#) allowing OEMs to accumulate more credits before 2030, easing post-2030 compliance while maintaining targets.

## Clean corporate vehicles

- **National targets approach:** binding Member State-level targets, calibrated to **GDP per capita**, with national authorities free to choose implementation measures.
- **Vehicles covered:**
  - applies to **passenger cars and vans only**;
  - **Heavy-duty vehicles are excluded** and will be addressed later through the revision of HDV CO<sub>2</sub> standards planned for 2027.
- **Scope limited to large companies:** defined as companies exceeding at least two of the following thresholds: **€20m balance sheet, €40m net turnover, 250 employees**. (SMEs are out of scope)
- **Timeline:** from **2030**, Member States must ensure that a **minimum share of new company LDVs** are **low- or zero-emission**, including a **mandatory share of fully zero-emission vehicles**, with targets for **2030 and 2035**.
- **Financial support rules:** from **1 January 2028**, Member States may grant financial support **only to zero- or low-emission vehicles**; after 2028, support is limited to vehicles **"made in Europe"**, with details to be set by delegated act.

## Other measures

- Regulatory **simplification** with the **Automotive "Omnibus" proposal** (€706 million in savings).
- Inclusion of a **new definition of small electric cars** (under 4.2m).
- New enhanced **car labelling rules** (emissions, range).
- Measures to **boost the EU battery value chain** (€1.5 billion in investments).

## 2. Automotive Package (2/7)



### Legislative process – state of play

- **16 December 2025:** European Commission presented the Automotive Package.
- **Current stage:** proposals have entered the ordinary legislative (co-decision) process, adoption expected in 1-3 years.
- **European Parliament – Clean Corporate vehicles:**  
Rapporteurs not yet appointed, S&D is expected to lead. TRAN likely lead committee, with ENVI for opinion.
- **European Parliament – CO<sub>2</sub> standards:**  
ENVI to lead, TRAN & ITRE to provide an opinion, rapporteur likely from ECR (with Renew support) or EPP.
- **Listed as a priority file** by both Council and European Parliament, with a target to finalise by end-2026.

\* *TRAN: Committee on Transport and Tourism*

\* *ENVI: Committee on the Environment, Climate and Food Safety*

\* *ITRE: Committee on Industry, Research and Energy*

# 2. Automotive Package (3/7): POLITICAL REACTIONS

## EU POLITICAL PARTIES

### The Greens / EFA



- **Opposition to weakening 2035 target**, warns it slows e-mobility and risks EU automotive competitiveness.
- Likely oppose any flexibility that dilutes zero-emission requirements in the Clean Corporate Vehicles initiative.
- Has **consistently pushed for stronger mandates and rapid adoption of electric vehicles**.

### Socialists and Democrats



- **2035 must remain the target year for ending the sale of new ICE vehicles.**
- Any flexibility is acceptable only if core climate targets are fully respected; the EU must maintain ambitious decarbonisation goals.
- **Clean Corporate vehicles:** binding quotas are a powerful lever to accelerate the transition and expand access to second-hand BEVs.
- **Strengthen EU industrial demand** (batteries, steel) with a strong focus on workers' rights and trade unions.
- Clean mobility policies must prioritise accessibility, affordability and social fairness.

### Centrist/ Center right liberal



- In principle, support CO<sub>2</sub> and zero-emission goals, while being open to flexibility in CO<sub>2</sub> rules.
- Balance climate ambition with competitiveness
- **Internal split** – one wing defends 2035 & EV leadership; another mentions tech neutrality.

### Center-right/ Conservative



- Pushed for measures to protect European automotive competitiveness, incl. more flexibility in CO<sub>2</sub> targets and a technology neutral approach.
- **Support the shift to the 90% reduction target by 2035.**
- Choice of technology should be left to the market.

### Center-right / Right wing



- Automotive package fails to deliver bold action needed for Europe's automotive competitiveness.
- Skeptical that 90% target plus flexibilities will help real world.
- Call for pragmatic, industry-friendly policy.
- Wants removal of ideological targets, including 2035 ban.

# 1. Automotive Package (4/7): INDUSTRY REACTIONS

## Automotive industry



Welcomed flexibilities and technology neutrality but warned "strict conditionalities may have counterproductive effect", urged urgent action on 2030 flexibilities.

VDA

(German Auto Industry) Called proposal "disappointing" and "disastrous"; criticized new requirements on green steel and renewable fuels as beyond industry control

## Environmental organisations

Transport & Environment

• Warned 90% target sends confusing signals

## E-mobility stakeholders

E-Mobility Europe

• Expressed concern that "changing rules midway undermines business confidence"

• New targets create uncertainty, will slow EV uptake and weaken Europe's competitiveness versus global rivals.

ChargeUp EUROPE

• Comprehensive and convenient EV charging network remain key enablers.

## Fuel Industry

FuelsEurope



Criticized 3% cap on renewable fuels an insufficient; called for broader eligibility and removal of caps.

Welcomed shift away from purely tailpipe-based approach but warned flexibility remains "too limited and too late"

On Clean Corporate Vehicle:

- **Concerns over ICE exclusions:** FuelsEurope and eFuel Alliance warn that current definitions effectively **exclude fuel-powered solutions**, risking competitiveness and investment certainty.
- **UPEI** advocates lifecycle approaches and harmonised rules to sustainable fuels are fairly counted in decarbonisation metrics.



## Lease Europe

Critical of binding national fleet targets. Call for enabling conditions and incentives over rigid mandates.

Supports faster EV uptake in corporate fleet

Main concerns : insufficient focus on charging infrastructure, grid readiness, fleet cost barriers and EV second-hand market.



IRU

Welcomed exclusion of HDVs from Corporate Fleet initiative.

LCV targets risk national purchase quotas and market distortion due to uneven rollout and fragmented incentives.

**CO<sub>2</sub> standards:** limited progress beyond tailpipe approach, but flexibility on clean fuels and technologies is too narrow, delayed, and poorly aligned across vehicle categories.

# 1. Automotive Package (5/7): FCE political outreach



## MEP lunch debate – 28 January

### Attending MEPs:

- Dariusz Joński – Poland – EPP
- Miriam Lexmann – Slovakia – EPP
- Alexandr Vondra – Czechia – ECR
- Kosma Złotowski – Poland - ECR

### Upcoming meeting:

- Zala Tomašič – Slovenia – EPP – 3 February

# 1. Automotive Package (6/7): FCE follow-up actions



## NSM proposal for a joint statement on CO2 emission standard for LDVs

Assessment of the Commission's proposal + key joint requests to improve it, including:

- **Extending the scope of Article 5a to all Renewable Energy Directive (EU) 2018/2001 compliant renewable fuels.** The NSM calls for Article 5a to cover all sustainable renewable fuels defined under the RED and meeting its sustainability and GHG emission criteria.
- **Enhancement of the renewable fuel crediting system and removal of the 3% cap.** At this stage, the NSM is leaning towards the cap full removal but discussion are undergoing and its increased is still considered. The paper also presents an option regarding the possible combination of the two compensation mechanisms for low-carbon steel and renewable fuels (*still under discussion within the group*)
- **Bringing forward the application of Article 5a to 2032 to better align with RED III targets set for 2030.** We propose applying both Article 5a and the fuel crediting system from 2032 (or even before), aligning with the RED III road transport targets and assuming that the Union database will be fully operational by then.
- **Recognition of Zero-Emission Vehicle status for vehicles running exclusively on CO<sub>2</sub>-neutral renewable fuels.** The NSM calls for the explicit recognition of such vehicles, as requested by Recital 11 of Regulation (EU) 2023/851, to complement electrification.
- **Possibly update of the fuel credit formula where relevant.** As long as the 3% cap does not adequately reflect the actual value of sustainable renewable.

# 1. Automotive Package (7/7): FCE follow-up actions



## WGMM proposal for a joint statement on CO2 emission standard for LDVs

Highlighting:

- **Commission proposal lacks true technology neutrality.**

Despite political commitments made in Recital 11, the proposal excludes a dedicated vehicle class for CNF-vehicles and defines “zero emission” only through tailpipe logic.

- **WGMM’s evidence ignored.**

WGMM presented robust monitoring methodologies and data proving the feasibility and sustainability of CNFs, yet the Commission limits their use through a 3% credit cap.

- **Call to action:**

A new, **technology-neutral vehicle category** and consistent EU **definition of CNFs** are needed to ensure investment certainty and preserve multiple decarbonization pathways alongside electrification.

Position Paper

WGMM

Commission Proposal on CO<sub>2</sub> Standards (LDVs) and the absence of Recital 11 commitments

Brussels, 4 January – The European Commission’s proposal of December 2025 to revise the CO<sub>2</sub> emission standards for new passenger cars and light commercial vehicles is a significant step in EU automotive policy. The reform sets new reduction targets for 2030 and 2035 and adds flexibilities for compliance.

Yet, the Working Group on Monitoring Methodologies of CO<sub>2</sub> Neutral Fuels (WGMM) believes that the proposal ultimately **falls short of achieving genuine technology neutrality**, as it omits the creation of a dedicated vehicle class for cars operating exclusively on CO<sub>2</sub>Neutral Fuels and does not propose a unique and harmonized definition for these fuels.

# 3. Sustainability WG- 2026 Roadmap



## 2026 work stream & priorities proposal

Monitoring	Knowledge-building	Influence	In-person meeting with external guests
EV tax incentives*	ETS 2 implementation	Greening Corporate Fleets	MEP lunch debate 28 January 2026  <i>Topic: Decarbonisation of Corporate fleets: a pragmatic path to cleaner mobility</i>
AFIR review	CountEmission EU implementation	CO <sub>2</sub> Emission standards	
Energy Taxation Directive revision	Non-financial reporting (CSRD/ESRS and CS3D)**	CO2 neutral fuel tracking (WGMM)	
Access to in-vehicle data AFIF / SEF TEN-T network	Tolling – Eurovignette implementation		

*\*All EV-related topics will be refined through a dedicated online meeting with EV experts before being integrated into existing WGs.*

*\* New topic suggested to the list*

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



- Cross-sector group working on tracking & certifying CO<sub>2</sub>-neutral fuels in road transport.
- FCE membership effective early 2026.

### 2026 objective:

- Get fleet cards recognised by WGMM as a methodology for carbon-neutral fuel tracking.
- Include fleet cards in the update of the 2024 report.

### New timeline

- **End of February:** submit technical abstract to WGMM Secretariat.
- **March:** legal review (competition compliance) before submission to WGMM Technical Subgroup (SG1).
- **Spring:** discussion and endorsement of technical abstract in SG 1.
- **H1:** further work on a use-case.

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



## FCE pool of experts:

- Representatives from DKV, Eurowag & WEX.

## Technical abstract – Key content

- **Description of technology**
- **Customer & retail perspectives**
  - Advantages and disadvantages
  - Implementation requirements
- **Regulatory assessment**
- Graphic summary

# 5. Opening for candidacy for new Chair



## Key Decision: Chair Rotation System

To strengthen member engagement and ensure principles of good governance, the Board has unanimously approved a formal rotation system for all Working Group Chairs.

- **Term limits:** Chairs are now appointed for a two-year term.
- **Renewal:** at the end of the term, Chairs may be either reconducted for another term or replaced.
- **Eligibility:** in accordance with the by-laws, only Full Members are eligible for appointment to Chair positions.

## Next Steps

- The Secretariat will circulate the call for candidacy by email.
- Working Group members to make a decision at the March meeting.
- The Board to endorse the decision in Q2 2026.

## 6. Information points



### Remuneration of electronic tolling service providers

- [Interpretative guidelines on Articles 6 & 7 of the EETS Directive](#)
  - Issued on 12 December
  - Clarify the rules for determining a fair remuneration for the provision of electronic tolling services, stable and transparent framework
  - Contain the methodology for establishing the level of remuneration of the EETS providers by the toll chargers.

## 6. Information points



### Alternative Fuels Infrastructure Facility (AFIF)

- **Mid-November 2025:** €600 awarded to 70 alternative fuel projects. The planned third funding round cancelled as program ran out of money.
- **January 2026:** [ACEA, IRU and T&E](#) urge the Commission to extend AFIF into 2026-27, warning that a funding gap could stall charging and hydrogen infrastructure for zero-emission trucks.
  - Investment gap just as HDV electrification is expected to accelerate
  - Request AFIF extension for two years and broaden its scope to cover depot charging, grid connections, and energy storage.

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

## **Sustainability working group calendar :**

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

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

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

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