

Ensuring a pragmatic and inclusive pathway towards automotive decarbonisation

Automotive Mobility Europe (AME) Position on the revision of CO₂ standards for cars and Light Commercial Vehicles (LCV)

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Automotive Mobility Europe: representing the automotive services and aftermarket ecosystem

Automotive Mobility Europe (AME) represents a broad ecosystem of dealers, repairers and mobility service providers, employing 4.5 million people across the European Union, making it the largest sector of employment in the European automotive sector.

Automotive Mobility Europe supports the transition towards a decarbonised automotive sector and welcomes the active role of the European Commission in this process. We welcome the Commission's review of the CO₂ standards and its stated focus on simplification, technology neutrality, including the role of renewable fuels, additional flexibilities and a socially fair transition. These objectives correspond to the realities of our members experience across European markets and are key to ensuring a successful transformation of the sector.

Supporting climate ambition while ensuring a realistic transition

Automotive Mobility Europe supports the European Union's climate objectives and the trajectory towards carbon neutrality by 2050. The decarbonisation of road transport is both an environmental necessity and a major industrial and social challenge. The 2035 objective to end the sale of new internal combustion engine vehicles is not questioned. Rather, the focus should be on how the targets can be achieved.

Practical and inclusive solutions are essential to ensure a socially fair transition. This requires long-term visibility for consumers and professionals, including the automotive aftermarket. The emphasis should be placed on practical solutions and on ensuring the necessary conditions to reach the targets while maintaining European competitiveness.

Market reality: progress, but gaps remain

Zero-emission uptake is increasing, yet households still face high upfront costs, residual-value uncertainty and uneven access to charging infrastructure. A framework that only counts new registrations risks under-delivering in the 2020s, when the existing fleet still defines real-world emissions.

In 2025, battery electric vehicles accounted for 17.4% of new car registrations in the European Union (1,88 million of battery electric vehicles), compared to 12.5% in the previous year. Hybrid vehicles reached a market share of 34.8%, while plug-in hybrids

accounted for 8.4%. However, electric vehicles represented only around 2.2% of the overall fleet in 2024, and plug-in hybrids 1.5%.

The average age of the vehicle fleet in the EU exceeds 12 years, with vehicles typically lasting around 18 years in Western Europe and up to 28 years in Eastern Europe. This ageing fleet slows the renewal of vehicles that would be more fuel-efficient and emit less CO₂.

A differentiated approach for light commercial vehicles

Compared to passenger vehicles, electric light commercial vehicles are significantly less present on European roads. In 2025, their share of new registrations reached 8.23% for fully electric LCVs and 1.08% for plug-in hybrids, while their overall fleet share remains close to 1.3%.

Cars and vans face different challenges in terms of autonomy, price and operational use. Automotive Mobility Europe therefore highlights the need for segment-specific steering and distinct regulatory pathways reflecting their different use cases and infrastructure needs.

Technology neutrality and a system-based approach

Automotive Mobility Europe believes that the focus should be on how the targets can be achieved through a technology-open approach. Hybrid, plug-in hybrid and range-extender electric vehicles have a role to play during the transition period towards a stable electric vehicle market share.

A tailpipe-only metric ignores upstream emissions and discourages cost-effective alternatives. Moving from a purely tailpipe-based approach to a system-based perspective would recognize renewable and climate-neutral energy carriers alongside battery electric vehicles. The introduction of a Carbon Correction Factor would incorporate renewable fuels, renewable electricity and hydrogen into compliance mechanisms without diluting climate ambition.

Advanced biofuels such as HVO100 and B100 offer immediate decarbonisation levers for fleets that cannot transition to electric mobility in the short term and complement electrification efforts.

Putting consumers at the center of the transition

Decarbonisation targets are not effective if zero-emission vehicles are not actually purchased. Consumers remain concerned about vehicle prices, charging infrastructure availability and the diversity of available models.

The transition will succeed only if households can participate at scale. Public policies should therefore support consumer demand through incentives, including tax exemptions for zero-emission vehicles, accelerated depreciation mechanisms, aligned company-car taxation and reduced charging costs with transparent pricing.

Consumer acceptance and affordability must remain key considerations to ensure that environmental objectives are achieved without placing an undue financial burden on drivers.

Making the used-car market part of the solution

Electrification must cascade beyond first owners. Every used electric vehicle sold helps avoid the sale of another internal combustion vehicle. However, the used EV market faces uncertainty regarding battery condition and residual values.

Dealers required to buy back leased vehicles often resell them at a loss, with financial exposure exceeding €3 million for a mid-sized dealership group and unit losses ranging between €2,000 and €4,000 depending on the model.

Automotive Mobility Europe therefore supports EU-wide battery State-of-Health certificates, incentives for certified second-life solutions and measures that strengthen residual values and consumer confidence in the used market.

Greening corporate fleets through incentives

Greening corporate fleets represents an important lever for decarbonisation, but policies should rely on incentives rather than rigid national or corporate-level targets. A broad approach must address residual values, repairability and total cost of ownership.

The transition should be supported by European funding mechanisms, complementary to the Social Climate Fund, to ensure that vulnerable households and micro-enterprises can participate in the transition.

Charging infrastructure as a key enabling condition

A robust charging network across Europe is essential to accelerate decarbonisation. Consumer hesitation remains closely linked to infrastructure availability and reliability.

The Alternative Fuels Infrastructure Regulation (AFIR) constitutes a core element in structuring the market and should remain the reference framework. Implementation should focus on reliability, price transparency and user accessibility. Vehicle-to-grid technologies remain at an early stage and should not be subject to premature regulatory obligations.

Complementary decarbonisation pathways

Alternative fuels and retrofit solutions can contribute to reducing emissions from vehicles already in operation. Advanced biofuels provide immediate greenhouse gas reductions while supporting European energy sovereignty. Retrofitting solutions can accelerate fleet greening while maintaining mobility accessibility.

Strengthening European industrial competitiveness

Europe faces increasing global competition, particularly in battery technology and supply chains. Continued support for European manufacturing, battery production and recycling is essential to retain critical raw materials within Europe and reinforce industrial sovereignty.

Decarbonisation and competitiveness must be pursued together through a realistic industrial policy aligned with market realities and consumer expectations.

Conclusion

Europe is at a crossroads. The transition will succeed only if ambition meets adoption of a pragmatic, technology-neutral and consumer-centered regulatory framework. In this way, it will deliver effective emissions reductions while safeguarding competitiveness and ensuring a socially fair transition.

Automotive Mobility Europe stands ready to continue working alongside European institutions to develop an effective and balanced regulatory framework supporting sustainable mobility across Europe.