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Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on clean corporate vehicles

{SEC(2025) 994 final} - {SWD(2025) 1060 final} - {SWD(2025) 1061 final}

(Text with EEA relevance)

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

• Reasons for and objectives of the proposal

Corporate vehicles have a significant potential to accelerate the uptake of zero-emission vehicles (ZEV), due to their high share in new vehicle registrations (around 60% for new registration of cars and around 90% for new registration of vans) and their specific characteristics in terms of vehicle operations. A higher share of zero-emission corporate vehicles can in turn boost the competitiveness of the EU's automotive industry, help accelerate transport emission reductions, and facilitate a fair transition by increasing the availability of ZEV in the second-hand market. That potential is currently underexploited. The Commission has already noted the key role of corporate fleets in the Decarbonise Corporate Fleets Communication[1] in which it concluded that further action in this sense would be decided after an impact assessment. The Commission further confirmed the need to accelerate the uptake of ZEV in corporate fleets during the Third Strategic Automotive Dialogue on 12 September 2025[2].

The proposal will address the low uptake and insufficient availability of zero- and low-emission vehicles in corporate fleets by ensuring a faster uptake of zero- and low- emission corporate cars and vans. This will in turn help increase the availability of zero- and low-emission vehicles on the second-hand market, given the fast turnover of corporate vehicles to the second-hand market, which can foster a swifter transition away from older combustion engine vehicles. This will thereby reduce fossil fuel consumption and expenditure in the road transport sector, thus contributing to the Union's energy security goals.

Demanding compliance of the vehicles in scope of this Regulation with targeted requirements to help strengthen domestic value chains for corporate fleet vehicles under the upcoming Industrial Accelerator Act will make it possible to reduce strategic dependencies, boost EU-based suppliers of components, help to attract new investments in EU production capacity in those sectors and more generally foster the competitiveness of the EU automotive ecosystem.

• Consistency with existing policy provisions in the policy area

The proposal ensures consistency with other aspects of EU legislation affecting corporate fleets, most notably the CO_2 emission performance standards for road transport vehicles set out in Regulation 2023/851[3], Regulation (EU) 2024/1610[4] and Directive 2009/33/EC[5] (the Clean Vehicles Directive).

1 Communication: Decarbonise Corporate Fleets

2 President von der Leyen chairs third Strategic Dialogue with the European Automotive Industry

3 Regulation (EU) 2023/851 of the European Parliament and of the Council of 19 April 2023 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 (OJ L 110, 25.4.2023, pp. 5, ELI: http://data.europa.eu/eli/reg/2023/851/oj

4 Regulation (EU) 2024/1610 of the European Parliament and of the Council of 14 May 2024 amending Regulation (EU) 2019/1242 as regards strengthening the CO2 emission performance standards for new heavy-duty vehicles and integrating reporting obligations, amending Regulation (EU) 2018/858 and repealing Regulation (EU) 2018/956 (OJ L, 2024/1610, 6.6.2024, ELI: http://data.europa.eu/eli/reg/2024/1610/oj)

In particular, the proposal is coordinated with the proposed revision of the CO_2 emission performance standards for light-duty vehicles, in order to ensure a consistent framework to support the decarbonisation and competitiveness of road transport through a combination of flexibilities introduced on the supply side and stimulation of demand from corporate actors. It thus complements the demand-side measures for public procurement in the Clean Vehicles Directive, which address contracting authorities and entities and have their highest impacts on the urban buses market, of which public procurement represents over 70%.

The proposal acts in synergy with existing EU legislation that contributes to improving the business case and competitiveness of road transport decarbonisation solutions, in particular the EU Emissions Trading System for road transport (EU ETS2) established under Directive 2003/87/EC[6], Directive 2003/87/EC on Energy Taxation[7] and Directive 1999/62/EC on the charging of road vehicles for the use of road infrastructure[8]. The uptake of zero- and low-emission vehicles in corporate fleets is supported through the provisions on deployment of recharging and refuelling infrastructure under the Alternative Fuels Infrastructure Regulation (EU) 2023/1804[9] (AFIR), which ensures the necessary enabling conditions for the switch to ZEV. Availability of recharging infrastructure is critical for this transition. To date, more than 1 million recharging points have been installed in the EU and these efforts continue. Most Member States are on track to meet the recharging requirements set under AFIR, which will be reviewed by end 2026, to account for developing market conditions. Furthermore, for some segments of the corporate car fleet market (e.g. rental companies), their operational conditions may require further support measures. In the coming months, the Commission will also consider the need for promoting dedicated measures, facilitating the availability of (fast) recharging points at key locations, (e.g. railway stations and airports). The deployment of recharging infrastructure has been further supported through the Alternative Fuels Infrastructure Facility, as well as by Member States but more infrastructure is still needed, and some differences across Member States persist.

[5] Directive 2009/33/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of clean and energy-efficient road transport vehicles (OJ L 120, 15.5.2009, pp. 5 ELI: http://data.europa.eu/eli/dir/2009/33/oj

[6] Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a system for greenhouse gas emission allowance trading within the Union and amending Council Directive 96/61/EC (*J L 275, 25.10.2003, pp. 32,* ELI:oj).

[7] Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC (OJ L 275, 25.10.2003, pp. 32 ELI: http://data.europa.eu/eli/dir/2003/87/oj

[8] Directive 1999/62/EC of the European Parliament and of the Council of 17 June 1999 on the charging of heavy goods vehicles for the use of certain infrastructures (OJ L 187, 20.7.1999, pp. 42 ELI: http://data.europa.eu/eli/dir/1999/62/oj

[9] Regulation (EU) 2023/1804 of the European Parliament and of the Council of 13 September 2023 on the deployment of alternative fuels infrastructure, and repealing Directive 2014/94/EU, (OJ L 234, 22.9.2023, p. 1, ELI: http://data.europa.eu/eli/reg/2023/1804/oj

- **Consistency with other Union policies**

The proposal contributes to the road transport decarbonisation and industrial competitiveness objectives set out in the Industrial Action Plan for the European automotive sector[10], the Clean Industrial Deal[11], the Sustainable and Smart Mobility Strategy[12] in accordance with the European Green Deal Communication[13] and the Regulation (EU) 2021/1119 (European Climate Law)[14]. The Sustainable and Smart Mobility Strategy, in particular, recognises that meeting the EU's decarbonisation targets requires almost all road transport vehicles in the EU to be zero-emission by 2050 and introduces targeted actions to boost the uptake of ZEV in corporate and urban fleets.

The proposal further contributes to the industrial policy framework set out under the Clean Industrial Deal, and specifically in the Industrial Automotive Action Plan[15], to help the automotive industry master the coming transition to sustainable and smart mobility, by stimulating demand for zero- and low-emission vehicles.

By increasing the availability of affordable zero- and low-emission vehicles this initiative will contribute to achieving the United Nations' Sustainable Development Goal (SDG) 7 ('Affordable and Clean Energy'). Through its potential to reduce emissions, this initiative will contribute to achieving Sustainable Development Goal (SDG) 13 ('Take urgent action to combat climate change and its impacts'). It will also indirectly support efforts to achieve Sustainable Development Goal (SDG) 3 ('Ensure healthy lives and promote well-being for all at all ages") and particularly SDG 3's target 3.9 ('substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination'), by reducing air pollutant emissions from road transport by reducing the share of fossil-fuel use by newly registered corporate cars and vans. With the requirement to help strengthen domestic value chains for corporate fleet vehicles, this initiative will also indirectly contribute towards achieving Sustainable Development Goal (SDG) 8 ('Decent Work and Economic Growth').

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10 Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – Industrial Action Plan for the European automotive sector, COM(2025) 95 final, 5.3.2025, CELEX: 52025DC0095

11 Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – The Clean Industrial Deal: A joint roadmap for competitiveness and decarbonisation, COM(2025) 85 final, 26.2.2025, CELEX: 52025DC0085

12 Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – Sustainable and Smart Mobility Strategy – putting European transport on track for the future, COM(2020- 789 final, 9.12.2020.

13 Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – The European Green Deal, COM/2019/640 final, 11.12.2019.

14 Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 (OJ L 243, 9.7.2021, pp. 1, ELI: http://data.europa.eu/eli/reg/2021/1119/oj

15 Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – Industrial Action Plan for the European automotive sector, COM (2025) 95 final.

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

• Legal basis

The legal basis for this initiative is Article 192(1) of the Treaty on the Functioning of the European Union (TFEU), which enables the EU to set rules to contribute to the environmental objectives of the Union. Corporate fleets consist of vehicles with high mileage, which are responsible for a disproportionate share of fuel consumption and emissions, and can therefore contribute to the decarbonisation of the road transport sector faster than private vehicles by switching to -zero- and low-emission options. By accelerating the deployment of zero- and low-emission vehicles in this key segment, this initiative will contribute to the objectives of preserving, protecting and improving the quality of the environment, and of a prudent and rational utilisation of natural resources.

• Subsidiarity (for non-exclusive competence)

Current national measures alone cannot boost the required acceleration of zero- and low-emission vehicles in the EU sufficiently to also support the automotive industry in its twin transition. A coherent regulatory push with mandatory targets for Member States is therefore preferred.

The national targets for Member States will stimulate increased use of zero- and low-emission vehicles by corporate fleet operators, creating a demand signal for vehicle manufacturers and charging infrastructure providers, while providing certainty and thus promoting the competitiveness of the EU automotive industry. This demand signal across the single market will also support the objectives of the Industrial Automotive Action Plan by strengthening investment certainty, fostering innovation and scaling up zero- and low- emission value chains.

Existing EU-level supply-side measures (CO_2 emission performance standards for cars and vans) will be complemented more effectively by demand-side measures taken at the same level than by current national measures alone. EU-level action can also promote a faster impact on the market. This is important because there is an urgent need to safeguard the competitiveness of the EU's automotive industry and the need to accelerate the uptake of zero- and low- emission vehicles in second-hand markets throughout the EU.

• Proportionality

The proposal requires the EU to reach a certain share of new registrations of zero- and low-emission corporate cars and vans by large companies, starting from 2030. Corporate vehicles registered by SMEs are not included in the scope of the proposal.

National targets for Member States will encourage them to put in place measures to incentivise the use of corporate zero- and low-emission vehicles by large companies. The design of the measures is at the discretion of each Member State. The resulting increase in the share of new zero- and low-emission vehicles in corporate fleets can help reduce road transport emissions faster, while increasing the availability of zero- and low- emission vehicles for citizens and businesses that rely on second-hand vehicles.

These national targets are set at different levels of ambition for cars and vans in order to reflect the different levels of technology and market development, as well as the differences in targets for the respective vehicle categories under the CO_2 emission performance standards. They are also differentiated between Member States in order to take account of the specific situation and characteristics of different Member States, in relation to their economy's ability to address the higher initial capital costs of ZEV. In respect the principle of technological neutrality, and to leave sufficient flexibility to the Member States, the proposal should set national targets that can be met through the combined share of zero- and low-emission vehicles. At the same time, in order to provide a sufficiently clear market signal and adequately contribute to the achievement of the objective of decarbonising road transport, and in light of the emission reduction targets set in Regulation 2019/631, a specific sub-target for the share of ZEV should also be set.

This approach ensures full proportionality because action at EU level is limited to what is necessary to support the decarbonisation of the EU road transport sector. It also safeguards the competitiveness of the EU automotive industry and ensures a fair transition. The proposal leaves full flexibility for decisions by public authorities at national level as regards the measures to encourage the uptake of zero- and low-emission vehicles, while ensuring that the proposal's objectives are met.

- **Choice of the instrument**

Accelerating the uptake of zero- and low-emission vehicles in corporate fleets requires a common approach in order to trigger market action across the EU (particularly in view of supporting compliance with the 2030 and 2035 targets and supporting the objective to reduce transport greenhouse gas emissions by 90% by 2050, relative to 1990) by making affordable zero- and low-emission vehicles available to second-hand markets. Such an orientation to Member States and markets on vehicle uptake in corporate fleets is best achieved through a regulation. This is important in order to provide the necessary signals to the automotive industry, as well as for recharging and electricity providers at a critical time of strategic decisions concerning investments in new production chains and energy infrastructure while also creating certainty for large fleet operators of consistent market rules throughout the EU.

3. RESULTS OF EX-POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS

- **Ex-post evaluations/fitness checks of existing legislation**

N/A

- **Stakeholder consultations**

An Open Public Consultation[16] (OPC) was carried out from 6 February 2024 to 8 July 2024 on the Commission's centralised 'Have your say' platform. It allowed the Commission to collect information and views on the state of play of the corporate fleet market and whether the current pace of ZEV take-up in corporate fleets is sufficient in the broader context of the transition to zero-emission mobility, as well as aspects related to the overall affordability of ZEV and competitiveness of EU market actors. 268 participants responded to the OPC and 111 provided written contributions and position papers.

A strategic dialogue took place on 17 July 2025, involving 15 participating stakeholders. It allowed representatives from the automotive industry associations, fleet operators, ride-hailing platforms, component suppliers, leasing companies and other relevant parties to exchange views with representatives from the Commission, and provide evidence on some aspects of the electrification of corporate fleets and the broader push towards the

[16] Greening corporate fleets

decarbonisation of road transport. The dialogue emphasised the need for a mix of intelligent policy measures, fiscal incentives, infrastructure investment, and other enabling measures, while expressing a general preference against binding legislative mandates for light-duty vehicles at fleet or company level.

A subsequent call for evidence[17] was open between 25 July and 8 September 2025 on the Commission's centralised 'Have your say' platform. It aimed to collect information and views to support the preparation of the impact assessment accompanying this proposal. The Commission received 483 responses from 25[18] EU Member States as well as the United Kingdom, United States, Norway, Switzerland, and Brazil. This was further supported by targeted stakeholder interviews, which were carried out between July and October 2025. These collected factual information and contextual data on current business practices and operational use-cases, and available data on vehicles and operations from the most-affected stakeholders. Across the different consultation activities, stakeholders broadly agreed that the uptake of ZEV in corporate fleets remains too limited to align with the current EU requirements for sustainable transport. They also confirmed that limited affordability and accessibility as well as versatility of ZEV hinder a fair and inclusive transition away from fossil fuels use. Many participants highlighted the point that the higher purchase price of ZEV, coupled with uncertain residual values and immature second-hand markets, keeps total ownership costs high, particularly for SMEs.

Stakeholders generally emphasised the point that firm EU signals would strengthen EU manufacturing and supply chains, support job creation, and sustain industrial leadership in zero-emission technologies. In the absence of effective EU-level demand-side measures and clear market signals, many stakeholders consider that these issues are likely to persist and will continue to undermine and delay both the decarbonisation of transport fleets and the achievement of the EU's broader climate and industrial policy objectives.

Several stakeholders (including vehicle manufacturers and fleet operators) highlighted the fragmented and inconsistent support framework across Member States, noting that national policy levers (such as fiscal and non-fiscal incentives supporting fleet purchase decisions) are unevenly applied and often underused in many Member States. In their view, this results in inconsistent demand signals for zero- and low-emission vehicles, despite improvements in larger fleets and among leading companies. Several stakeholders also expressed caution about legal mandates and stressed the need to consider technological neutrality in any initiative to promote the decarbonisation of road transport.

- **Collection and use of expertise**

The impact assessment accompanying this proposal relies on an accompanying external support study carried out by a consultant. Furthermore, the Commission acquired access to detailed data on new vehicle registrations by category, which informed its analysis of the market and the modelling of the impacts of different policy options (including in the context of the external support study).

Stakeholders provided a significant amount of additional information in the context of the consultation activities. This included detailed information on the market structure and

17 Clean corporate vehicles. The Call for evidence was published initially in English with all the other language translations published on 11 August 2025.

18 MT and LU did not provide feedback.

business practices in the different corporate fleet segments, which helped confirm available information from previous studies and inform the modelling assumptions and analysis. The information included aspects such as typical fleet composition, vehicle mileage and retention rates for different types of corporate fleets; use cases and operational requirements of different fleets; use of different vehicle types; interactions between own fleet and sub-contractors, and typical contractual arrangements and types of sub-contracting; and SME's share and role in different types of fleets and contractual arrangements. Overall, the sources used to draft the impact assessment report were numerous, largely exhaustive and representative of the various stakeholder groups.

- **Impact assessment**

The Impact Assessment screened a comprehensive list of possible policy measures and options, based on the likely effectiveness, efficiency and proportionality of the proposed measures in relation to the given objectives, as well as their legal and technical feasibility.

The option of setting mandatory targets for the minimum share of ZEV in all corporate fleets above a certain size was discarded because it was not considered proportionate due to the very high administrative costs and the risk of imposing stringent targets on fleets for specific use cases where the availability of ZEV is still limited. The setting of mandatory targets for the minimum share of ZEV in specific types of corporate fleets (such as leasing or taxis) was also discarded on the basis of insufficient internal consistency, due to the very high risk of unintended consequences and avoidance action (such as shifting from vehicle leasing to other financial solutions) and expected low effectiveness as a result of the limited scope.

Two main groups of policy options have been retained for further analysis. Each including three different levels of ambition for the uptake of zero-emission cars, vans and lorries.

The first group of options (PO1) sets targets for Member States, enabling clear market direction which will require Member States to activate key national policy levers (such as incentives for ZEV uptake in corporate fleets through differentiated vehicle and income taxation or e.g. favourable road charging regimes) if such measures are not in place already. Under this group of options, Member States retain full flexibility for the implementation pathway under the binding overall target. This ensures greater flexibility and minimises the risk of imposing strict targets on specific fleets whose operational requirements cannot yet be met with ZEV, but it also maintains a clear overall level of ambition across the Union.

The second group of options (PO2) follows the same approach for new registrations of zero-emission cars and vans, but requires the achievement of minimum shares of zero-emission lorries used in the overall transport activities of large companies. This would thus address certain large companies directly, which increases the certainty of the implementation pathway, but would still not directly set mandatory targets for the broader set of individual transport operators. This approach aims to provide predictability that large shippers will perform part of their freight transport services through zero-emission lorries. This demand from shippers will encourage transport hauliers to increase the share of zero-emission lorries in their fleets.

PO1 will require each Member State to ensure that, starting from 2029, a certain share of new registrations of corporate cars, vans and lorries by large companies in its territory during that year is zero-emission. Corporate vehicles registered by SMEs are therefore not included in the scope. Member States will have to put in place measures to increase the demand of corporate

ZEV from large companies. The design of those measures will be at the discretion of each Member State.

Under PO1, the minimum national targets are set at different levels of ambition for cars, vans and lorries, in order to reflect the different levels of technology and market development, as well as the differences in targets for the respective vehicle categories under the CO_2 emission performance standards. The level of ambition set for the EU as a whole has been modulated across Member States. GDP per capita in 2024 is used for the modulation, with equal weight. However, setting differentiated national targets for lorries – which are significantly involved in international transport – would carry a significant risk of distorting the market, by encouraging the registration of new vehicles used for this purpose in Member States with lower levels of ambition. For these vehicles, therefore, this option foresees the same level of ambition across all Member States.

For lorries, it is also necessary to refer to the payload weighting factors under the CO_2 emission performance standards, so that different sub-groups are counted correctly for the purpose of meeting the targets. This is necessary in order to ensure that the proposal effectively contributes to transport emission reductions across the fleet. Monitoring and reporting will be ensured directly by the Member States by extracting relevant data from their vehicle registries, with minimal administrative burden.

The three sub options of policy option 1 (PO1A, PO1B and PO1C) are only different in terms of the levels of ambition for the targets for cars, vans and lorries. All the other elements are the same.

For cars and vans, PO2 follows the same approach as PO1, with national targets set on Member States for the share of zero-emission cars and vans in yearly new corporate vehicles registrations by large companies in their territory. For lorries, however, PO2 targets apply directly to all large companies (companies with at least 250 employees and EUR 50 million turnover), irrespective of their economic field of activity (i.e. 54 219 large companies). Under this policy option, these large companies would be required to report yearly the total road freight transport activity performed on their behalf – both by their own lorries and by direct and indirect sub-contractors – in tonne-km and to ensure that a minimum share of that activity has been performed with zero-emission lorries.

Most large companies perform a relatively low share of their road freight transport activity through their own fleets and generally rely on subcontracting for the vast majority of their freight transport needs. In order to meet their target, large companies would therefore need to ensure a certain share of zero-emission lorries used in their own fleet, and that a certain share of the transport activity they procure – directly or indirectly – is performed by zero-emission lorries. To this end, they would effectively need to ensure that their direct and indirect sub-contractors (the vast majority of which are SMEs and microenterprises) have in their fleets the number of zero-emission lorries needed in order to comply with the targets for their transport activities. This option therefore impacts the whole road freight transport sector but only sets the legal obligation for large companies.

The three sub options of policy option 2 (PO2A, PO2B and PO2C) are only different in terms of the levels of ambition for the targets for cars, vans and lorries (as described below). All the other elements are the same.

The Impact Assessment shows that all policy options achieve their objectives without significantly affecting the overall level of ambition for the CO_2 emission standards for vehicles set for vehicle manufacturers, while leading to reduced emissions through increased registration and use of ZEV. For cars and vans, the impacts in terms of share of ZEV and emission reductions are the same for both PO1 and PO2, for sub options with comparable levels of ambition. For lorries, the uptake of ZEV in the stock is higher in PO2 than PO1 for all sub options due to the broader scope of the targets – including not only lorries registered by large companies but also all lorries used by their sub-contractors (including SMEs). PO1 will not create administrative burden for businesses because the reporting is required from Member States on the basis of existing national vehicle registers. However, PO2 will impose significant administrative costs on businesses, both one-off and recurrent, because these policy options imply a new reporting activity for lorries, on top of the reporting requirements for the Member States related to cars and vans. Importantly, in PO2, the targets for shippers will indirectly affect far more companies (notably SMEs and micro-enterprises which represent the majority of operators providing freight transport services to large companies). To comply with the targets, shippers will need to require their sub-contractors to provide a share of their services using ZEV. SMEs that provide freight transport services to large companies will therefore face higher capital costs, that may be a serious barrier in terms of access to finance, alongside reductions in fuel and operational costs. In addition, the need to monitor and report activity in tonne-km for individual vehicles with sub-contracting arrangements may impose substantial administrative costs on affected SMEs and micro-enterprises.

Overall, the Impact Assessment concluded that PO1A, PO1B and PO1C would all result in net benefits compared with the baseline, while PO2A, PO2B and PO2C would result in net costs. The preferred policy option is therefore PO1 - leaving the choice between PO1A, PO1B and PO1C, which only differ in terms of the level of ambition of the national targets. The analysis shows that PO1C is the most effective in addressing the objectives, has the highest net benefits, shows the highest benefits-to-costs ratio and leads to the lowest indirect net costs for citizens among PO1A, PO1B and PO1C. However, it also leads to the highest indirect net costs for SMEs and highest losses in tax revenues for national authorities. PO1B also shows relatively high effectiveness and similar benefits to costs ratio with PO1C, leads to somewhat lower indirect net costs for SMEs and lower losses in tax revenues for national authorities and only somewhat higher indirect net costs for citizens. Finally, PO1A has the lowest net benefits and benefits to costs ratio out of PO1A, PO1B and PO1C, but it is still effective in addressing the objectives and comes with the lowest net costs for SMEs and lowest losses in tax revenues for national authorities while the net costs for citizens are relatively similar to those of PO1B. Nevertheless, besides costs and administrative burden, all scenarios present risks that companies may be facing operational difficulties. This may be the case if the required share of ZEVs for the new registration set for a Member State leads to national measures that unduly constrain the suitability and versatility of the large companies' fleets against their specific operational needs, while access to suitable charging infrastructure and low electricity prices remains limited in their areas of operation.

The climate consistency check has been performed. As shown in the impact assessment the preferred policy option is consistent with the environmental objectives of the European Green Deal and the European Climate Law.

On the basis of this analysis and taking account of the need to ensure full consistency with the proposal for a revision of the CO_2 emission performance standards for cars and vans, and of the risks mentioned above, the Commission has decided to set the level of ambition of the targets for cars and vans at the level indicated in the Annex. At the same time, taking account of the need to reduce administrative burden, the current situation of charging infrastructure for heavy-duty vehicles and the need to maintain long-term consistency in view of the upcoming revision of the CO_2 emission performance standards for heavy-duty vehicles, the Commission has decided not to include lorries within the scope of this proposal. Possible measures to increase the share of zero- and low-emission vehicles in corporate lorries will be considered when the CO_2 standards for heavy-duty vehicles are revised. Such measures should account for the different profile of the freight transport services market which operate extensively cross-border, the necessity to increase the wide availability of recharging infrastructure along EU transport corridors, as well as increased demand for low emission transport services. This is why the upcoming review of AFIR and of the CO_2 standards for heavy-duty vehicles may provide a more appropriate framework to act.

In order to support decarbonisation in key industry sectors supplying the automotive industry and also promote clean technology products and the domestic production of technologies such as batteries for electric vehicles, the Commission has announced in the Clean Industrial Deal a proposal for an Industrial Accelerator Act. Since the transition towards zero-emission mobility in corporate fleets may be subject to public financial support in Member States, there is a potential for using public support to help strengthen domestic value chains in the automotive sector. ‘Made in the European Union’ requirements can contribute to the creation of a stable lead markets for European suppliers, enhancing the competitiveness of EU industry, maintaining its workforce and helping attract new investments in EU production capacity in those sectors. In order to be in a position to align requirements on strengthening domestic value chains in the automotive sector with the upcoming Industrial Accelerator Act, the Commission will rely on delegated acts to set up a methodology for determining the criteria for a car or van to be considered ‘made in EU’.The financial and fiscal treatment of corporate vehicles plays a key role in steering the choice of operators and determining the speed of the transition to zero-emission mobility options. The effectiveness of such measures has been demonstrated by recent examples of Belgium, France and Germany. There is also very strong support among stakeholders for measures improving the competitiveness and availability of corporate ZEV through fiscal and financial measures. Member States should make use of this instrument by phasing out financial incentives provided to corporate vehicles other than zero- and low-emission vehicles; a provision in this sense has been included in the proposal.

In view of the need to stimulate the market for zero- and low-emission vehicles while also supporting the further deployment of alternative fuels and leaving appropriate flexibility to Member States and market actors, the Commission has decided to set national targets. The resulting acceleration of zero- and low- emission vehicles uptake in corporate fleets will substantially stimulate the second-hand market for private citizens and businesses, improving the availability and affordability of zero- and low- emission vehicles.

This proposal is accompanied by an impact assessment report, a draft of which was submitted to the Regulatory Scrutiny Board (RSB) on 3 December 2025. The RSB issued a positive opinion with reservations on 10 December 2025[19]. The impact assessment report was adjusted accordingly to address the RSB’s comments.

[19] Ares(2025)10947680

- **Regulatory fitness and simplification**

While the initiative introduces targets for Member States in the form of the share of new zero- and low-emission vehicles for large companies, the additional administrative burden for public authorities is kept to a minimum. The proposal builds on existing vehicle datasets and modalities that Member States already operate for vehicle registration and statistics, including business and fiscal statistics. While all Member States already have the necessary systems in place to identify new registrations of corporate vehicles, for distinguishing vehicle registered by SMEs or large companies in place, one-off administrative costs are expected.

SMEs are excluded from the scope of the proposal, which only targets new corporate vehicles registered by large companies.

The proposal is expected to have a positive impact on the application of the 'digital by default' principle, as the reporting activities by Member States will be facilitated through the extension of the central register on CO_2 standards for vehicles, maintained by European Environment Agency.

- **Fundamental rights**

The proposal has no impact on fundamental rights.

4. BUDGETARY IMPLICATIONS

The proposal has no impact on the European Union budget.

5. OTHER ELEMENTS

- **Implementation plans and monitoring, evaluation and reporting arrangements**

The Commission services will monitor the implementation and effectiveness of this initiative through a number of actions and a set of core indicators that will measure progress towards achieving the objectives. Five years after the implementation date of the legislation, the Commission services should carry out an evaluation to verify to what extent the objectives of the initiative have been reached.

The monitoring of compliance with the national targets and increase in the share of zero- and low-emission vehicles in new corporate vehicle registrations by large companies will be based on the reporting of registration figures by Member States under this initiative, based on their vehicle registers. Further monitoring on the reduction of fossil fuels expenditures in the road transport sector will be done on the basis of Eurostat statistics regarding final energy consumption in road transport, which are well established and regularly reported.

After the adoption of the legal instrument the Commission will also initiate a specific study to analyse the progress per Member State in terms of availability of second-hand zero- and low-emission vehicles. Results of this assessment will be made available through the Commission's European Alternative Fuels Observatory and hence enable a full access and comparability of the results of the assessment.

The Commission will make use of the Sustainable Transport Forum to support stakeholders and Member States in putting in place measures to meet the targets and to discuss follow up initiatives.

- **Detailed explanation of the specific provisions of the proposal**

The proposal sets up a new Regulation with the following structure:

Article 1 defines the subject matter of the Regulation;

Article 2 sets out a series of definitions, referring to relevant legal instruments to ensure consistency;

Article 3 sets national targets for the minimum share of zero- and low- emission vehicles in new corporate vehicle registrations by large companies in each Member State, and the methodology to calculate those shares for the purpose of demonstrating compliance with the targets;

Article 4 includes a provision on financial support for zero- and low-emissions corporate vehicles and empowers the Commission to adopt delegated acts to set out a methodology for determining the criteria for 'made in the European Union';

Article 5 sets out the conditions for exercising of the delegation;

Article 6 sets monitoring and reporting obligations;

Article 7 sets a review clause

Article 8 sets the date of entry into force of the Regulation;

The Annex sets national targets for each Member State.

2025/0421 (COD)

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on clean corporate vehicles

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 192(1) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee ([20]),

Having regard to the opinion of the Committee of the Regions ([21]),

Acting in accordance with the ordinary legislative procedure,

Whereas:

(1) Road transport is the dominant transport mode in the Union, accounting in 2023 for 52.6 % of total freight transport activity and 81.2 % of passenger transport activity, while being responsible for 22.6 % of the Union greenhouse gas emissions and 35 % of its NOx emissions.

(2) The Communication of the Commission on 'The European Green Deal'[22] and Regulation (EU) 2021/1119 of the European Parliament and of the Council[23] set out the steps towards climate-neutrality by 2050 and the need to reduce transport greenhouse gas emissions by 90% by 2050, relative to 1990. The Industrial Action Plan for the European automotive sector[24] and the Clean Industrial Deal[25] outline the

[20] OJ C , , p. .
[21] OJ C , , p. .
[22] Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions 'The European Green Deal' of 11 December 2019, COM(2019) 640 final.
[23] Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1, ELI: http://data.europa.eu/eli/reg/2021/1119/oj).
[24] Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – Industrial Action Plan for the European automotive sector, COM(2025) 95 final, 5.3.2025, CELEX: 52025DC0095.
[25] Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – The Clean Industrial Deal: A joint roadmap for competitiveness and decarbonisation, COM/2025/85 final, 26.2.2025, CELEX: 52025DC0085.

importance of the automotive sector for European Union industrial competitiveness and show the need for action on corporate vehicles.

(3) Regulations (EU) 2019/631 ([26]) and (EU) 2019/1242 of the European Parliament and of the Council ([27]) set CO_2 emissions performance requirements for new road transport vehicles, in order to contribute to achieving the Union's target of reducing its greenhouse gas emissions. Directive 2009/33/EC of the European Parliament and of the Council ([28]) sets national targets for the share of clean vehicles in public procurement on each Member State's territory, over two five-year periods. It applies to all procurement of vehicles by a contracting authority or contracting entity.

(4) Each year, around 10 million new cars and 1.5 million new vans are registered in the Union. Around 60% of cars, and around 90 % of the vans, are corporate vehicles registered by legal entities. Those include various types of vehicles and use cases, among others: vehicles registered by leasing and rental companies; company cars provided as benefit-in-kind for company employees; vehicles used by hauliers, taxi, ride-hailing, and car-sharing companies to provide mobility and logistics services; vehicles used for own account, the cars used to drive a company's management to meetings, or the distribution vehicles; showroom and test vehicles available at vehicle dealerships.

(5) Due to the high share of corporate vehicles in new vehicle registrations, and their specific characteristics in terms of vehicle operations, measures targeting corporate vehicles have significant potential to accelerate the uptake of zero- and low-emission vehicles and the reduction of road transport emissions in the Union. However, that potential is currently underexploited. Corporate vehicles are responsible for a comparatively higher share of emissions compared to private vehicles, due to their generally higher yearly mileage, as is the case for example for some corporate fleets such as taxi and ride-hailing. A higher share of zero- and low-emission vehicles in those high-mileage fleets would result in high real-world fuel savings and emission reductions compared to current trends.

(6) Corporate vehicles also generally reach the second-hand market much faster than private vehicles; in particular, rental vehicles are often resold within a year, and leasing vehicles which are often resold after three to five years. A higher share of zero- and low-emission corporate vehicles would therefore significantly enhance their swift availability in the second-hand market, making it more affordable for citizens and businesses to replace other more CO_2 emitting and polluting technologies with zero- and low-emission vehicles.

(7) Several Member States have put in place incentives and support schemes to accelerate the transition to zero-emission vehicles in corporate fleets. Those good practices, in

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[26] Regulation (EU) 2019/631 of the European Parliament and of the Council of 17 April 2019 setting CO_2 emission performance standards for new passenger cars and for new light commercial vehicles, and repealing Regulations (EC) No 443/2009 and (EU) No 510/2011 (OJ L 111, 25.4.2019, p. 13, ELI: http://data.europa.eu/eli/reg/2019/631/oj).

[27] Regulation (EU) 2019/1242 of the European Parliament and of the Council of 20 June 2019 setting CO_2 emission performance standards for new heavy-duty vehicles and amending Regulations (EC) No 595/2009 and (EU) 2018/956 of the European Parliament and of the Council and Council Directive 96/53/EC (OJ L 198, 25.7.2019, p. 202, ELI: http://data.europa.eu/eli/reg/2019/1242/oj).

[28] Directive 2009/33/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of clean road transport vehicles in support of low-emission mobility (OJ L 120, 15.5.2009, p. 5, ELI: http://data.europa.eu/eli/dir/2009/33/oj).

particular targeted reforms of company-car taxation, accelerated depreciation schemes for zero- and low-emission vehicles and local requirements for urban mobility services, provide useful guidance for the design and implementation of measures taken by Member States. However, those measures are not sufficient and fragmented across Member States, while support for high-emission vehicles still continues to be provided in many instances across the Union. This situation does not ensure a level playing field nor support the necessary level of new zero- and low-emission vehicles registrations across the Union, hampering the single market integration in terms of both supply and use of zero- and low-emission vehicles. Furthermore, insufficiently coordinated national action risks hindering fleets operating across borders and limits the efficient allocation of zero- and low-emission vehicles in the internal market, increases information cost for key transport actors and hinders cost-effective implementation of fleet transitions towards zero emissions. A coherent measure to stimulate the uptake of zero- and low-emission vehicles at Union level is therefore necessary.

(8) A Union-level legal instrument to stimulate demand for zero- and low-emission vehicles in corporate markets should provide the necessary certainty for investments in increased production capacity in these technologies, contributing to the competitiveness of the Union automotive sector in the context of a rapidly evolving global market.

(9) Unlike cars and vans, heavy-duty vehicles are almost exclusively registered by legal entities, so that corporate registrations represent almost the totality of the market. In the cases of buses and coaches, public procurement plays a significant role on the market. Directive 2009/33/EC already provides a stimulus through mandatory targets for zero-emission buses. In order to maintain full long-term consistency with the relevant legal instruments, and in particular in view of the upcoming revision of the CO_2 emission performance standards for heavy-duty vehicles, only the new registrations of light-duty vehicles should be included in the scope of this Regulation. Possible measures to increase the share of zero- and low- emission vehicles in corporate fleets of lorries may be considered at the time of the revision of the CO_2 emission performance standards for heavy-duty vehicles. This would allow to better account for the different operational profile of this market segment and the efforts to substantially increase recharging points availability along EU transport corridors.

(10) In light of the significant diversity of use cases, operational requirements, and economic performances across different types of corporate vehicles, setting mandatory zero-emission vehicle shares for individual companies would risk having disproportionate negative impacts on some of those companies and create significant administrative burden for operators and public authorities. Such rules would also create significant risks of avoidance and other unintended consequences, such as shifts between vehicle leasing and ownership, or changes in the competitiveness of different types of logistics and mobility services. Therefore, mandatory targets should be set for Member States, rather than on individual companies.

(11) Given the higher barriers they often face to access finance, SMEs are generally disproportionately affected by the higher purchase costs of zero-emission vehicles. Therefore, the national targets should be based on the share of zero- and low-emission vehicles in total corporate registrations only by large undertakings; for the sake of

consistency, the notion of large undertakings should be drawn from Directive 2013/34/EU of the European Parliament and of the Council ([29]).

(12) The Regulation should set targets per Member State for the share of zero- and low-emission vehicles in new corporate vehicles registrations by large undertakings in their territory. In order to meet the emission reduction targets set in Regulation 2019/631, those targets should ensure that a minimum share of new corporate cars and vans registered by large undertakings is zero-emission. Collectively, the national targets would lead to a minimum Union share of 69% zero- and low-emission cars, of which at least 45% with a zero-emission, in 2030, and be consistent with Regulation 2019/631 for 2035; and of 40% zero- and low-emission vans, of which at least 36% zero-emission, in 2030, and be consistent with Regulation 2019/631 for 2035.

(13) Cars and vans are primarily used within the Member State where they are registered, and the markets for vehicles and services are mostly segmented by Member State. The national targets for the cumulated share of zero- and low- emission vehicles in new registrations by large undertakings should be set at different levels for cars and vans, to reflect the different level of technology and market development. For those vehicles, differences across Member States should be reflected in the level of the targets that respectively apply to them. Those national targets should be calculated starting from a level of ambition set for the whole Union taking account of the emission requirements set out for the respective vehicle categories in Regulation (EU) 2019/631, and modulated across Member States. The modulation should take account of each Member State's economic capacity, with the gross domestic product per capita used as proxy.

(14) Plug-in hybrid electric vehicles and range-extended electric vehicles can play a role in the transition towards zero-emission mobility and can be useful for specific use cases as well as in other global markets beyond 2035. The recognition of their contribution can support continued investments and innovation of such technologies.

(15) Member States should be allowed to apply any measure they deem necessary to reach the targets set out in this Regulation, including introducing more favourable road tolling; taxation favouring the uptake of zero- and low-emission vehicles or other State support measures subject to applicable State aid rules; introducing requirements in licensing for specific passenger transport services (such as taxis, ride-hailing); improving enabling conditions for the use of zero-and low-emission vehicles, such as availability of dedicated recharging points at specific locations or preferential access to parking. Member States should also be allowed to set targets for specific categories of companies or fleet operators. The availability of recharging infrastructure allowing to recharge easily and at accessible prices is a key enabling factor, which can be ensured by Member States taking into account the specific operational requirements of corporate fleets, also contributing to meeting their targets set in Regulation (EU) 2023/1804 of the European Parliament and of the Council[30]. The Communication "Decarbonising corporate fleets"[31] provides several examples of good practices and effective measures that can be put in place at national level to increase the share of zero-emission vehicles in corporate fleets.

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30 Regulation (EU) 2023/1804

31 Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions 'Decarbonising corporate fleets', COM(2025) 96

(16) Diffusion of low-emission vehicles based on electric traction will also increase demand for charging infrastructure, which will enhance the density of the charging network with benefits also for zero-emission vehicles.

(17) The way financial support measures are devised is often decisive for choosing which corporate vehicle to purchase. Without prejudice to national competences, Member States should make full use of this lever, by providing financial support for corporate vehicles exclusively to zero- and low-emission vehicles. Council conclusions have repeatedly emphasised the need to phase out as soon as possible fossil fuel subsidies.[32] Financial support that only benefits zero- and low emission vehicles can support Union efforts to increase at an accelerated pace its energy security and move away from imports of fossil fuels. In order to support decarbonisation in key industry sectors supplying the automotive industry and also promote clean technology products and the domestic production of technologies such as batteries for electric vehicles, the Commission has announced in the Clean Industrial Deal a proposal for an Industrial Accelerator Act. Since the transition towards zero-emission vehicles in corporate fleets may be subject to public financial support in Member States, there is a potential for using public support to help strengthen domestic value chains in the automotive sector. Cars and vans 'made in the European Union' can contribute to the creation of a stable lead market for European suppliers, enhancing the competitiveness of Union industry, maintaining its workforce and helping attract new investments in Union production capacity in those sectors.

(18) In order to be in a position to align requirements on strengthening domestic value chains in the automotive sector with the upcoming Industrial Accelerator Act, as announced in the Clean Industrial Deal, the Commission should be empowered to adopt delegated acts to set up a methodology for determining the criteria for a car or van to be considered 'made in the European Union'.

(19) To allow the Commission to appropriately monitor and to follow the implementation of this Regulation, each Member State should submit to the Commission a national plan describing the measures it has in place and the measures it plans to implement to reach the national targets set out in the Annex. In order to demonstrate compliance with the new registration targets, each Member State should report to the Commission, on a yearly basis, the number of new vehicles registered by large undertakings on its territory, and the share of zero- and low-emission vehicles therein, by vehicle category, based on data extracted from their vehicle registries or any other relevant sources of information such as fiscal databases and registries. The Commission should review this Regulation in 2032, and where relevant adopt proposals for its revision, including by setting targets for subsequent periods, taking into account relevant market and technology developments. In evaluating the functioning of this Regulation, the Commission should assess the extent to which the objectives of this Regulation have been met and the extent to which it has impacted the competitiveness of the relevant sectors. That review should also cover the interaction of this Regulation with other relevant Union legal acts. The Commission should make use of the Sustainable Transport Forum to collect information in view of the review, and to support stakeholders and Member States in putting in place measures to meet the targets and to discuss follow up initiatives.

[32] For example Council Conclusions on Green Diplomacy of 18 March 2024, st07865-en24.pdf.

(20) Since the objectives of this Regulation, namely accelerating the uptake of zero- and low-emission vehicles in corporate fleets, while fostering the competitiveness of the Union’s automotive sector, cannot be sufficiently achieved by the Member States alone in a way that ensures sufficient and clear market signals for fleet operators across the EU but can rather, by reason of consistency with EU-level legal instruments addressing vehicle manufacturers, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve those objectives.

HAVE ADOPTED THIS REGULATION:

Article 1

Subject matter

This Regulation establishes a framework for increasing the uptake of zero-and low-emission vehicles within the Union. It sets targets for the share of zero- and low emission vehicles in new corporate cars and vans registered by large undertakings in each Member State. This Regulation does not prevent any Member State from setting more ambitious targets.

Article 2

Definitions

For the purposes of this Regulation, the following definitions apply:

(1) ‘vehicle’ means a motor vehicle of Category M or N set out in Article 4(1), points (a) and (b), of Regulation (EU) 2018/858 of the European Parliament and of the Council([33]);

(2) ‘new vehicle’ means a vehicle that is registered in the Union for the first time;

(3) ‘car’ means a vehicle of Category M_1 set out in Article 4(1), point (a)(i), of Regulation (EU) 2018/858;

(4) ‘van’ means a vehicle of Category N_1 set out in Article 4(1), point (b)(i), of Regulation (EU) 2018/858;

(5) ‘corporate vehicle’ means a vehicle registered by a legal entity;

(6) ‘zero-emission vehicle’ means a zero-emission vehicle as defined in Article 3(1)(n) of [Proposal for a revision of Regulation 2019/631];

(7) ‘Zero and low emission vehicle’ means a zero- and low emission vehicle as defined in Article 3(1)(m) of Regulation 2019/631;

(8) ‘large undertaking’ means a large undertaking as defined in Article 3(4) of Directive 2013/34/EU.

[33] Regulation (EU) 2018/858 of the European Parliament and of the Council of 30 May 2018 on the approval and market surveillance of motor vehicles and their trailers, and of systems, components and separate technical units intended for such vehicles, amending Regulations (EC) No 715/2007 and (EC) No 595/2009 and repealing Directive 2007/46/EC (OJ L 151, 14.6.2018, p. 1, ELI: http://data.europa.eu/eli/reg/2018/858/oj).

Article 3

Targets for the share of zero- and low- emission corporate vehicles

1. Member States shall ensure that from 1 January 2030:

   (a) the combined share of zero- and low-emission cars and vans in the total number of new corporate vehicles registered by large undertakings in their territory in each calendar year is at least equal to the combined targets for zero- and low-emission vehicles set in tables 1 and 2 in the Annex.

   (b) the share of zero- emission cars and vans in the total number of new corporate vehicles registered by large undertakings in their territory in each calendar year is at least equal to the minimum targets for zero-emission vehicles set in tables 1 and 2 in the Annex.

2. For the purposes of monitoring the uptake of zero-and low-emission vehicles within the Union and calculating compliance with the national targets for cars set in Table 1 of the Annex, and for vans set in Table 2 of the Annex, the following rules shall apply:

   (a) the numerator for the targets for the combined shares of zero- and low-emission vehicles shall be the total combined number of new zero- and low-emission corporate vehicles that are, respectively, cars and vans, and that are registered by large undertakings in the Member State during each calendar year;

   (b) the numerator for the minimum targets for zero-emission vehicles shall be the total number of new zero-emission corporate vehicles that are, respectively, cars and vans, and that are registered by large undertakings in the Member State during each calendar year;

   (c) the denominator for both targets shall be the total number of new corporate vehicles that are, respectively, cars and vans, and that are registered by large undertakings in the Member State during the same calendar year.

Article 4

Financial support for corporate vehicles

As from two years before the date referred to in Article 3(1), Member States shall not provide any financial support for the purchase, lease, rent, hire-purchase, or operation of corporate cars and vans other than zero- or low- emission vehicles.

Without prejudice to Article 107 and 108 of the Treaty, as from two years before the date referred to in Article 3(1) Member States shall provide financial support for the uptake of corporate cars and vans only if the cars and vans are ‘made in the European Union.’

The Commission shall be empowered to adopt delegated acts in accordance with Article 5 to supplement this Regulation by setting up a methodology for determining the criteria for a car or van to be considered ‘made in the European Union.

Article 5

Exercise of the delegation

1. The power to adopt delegated acts is conferred to the Commission subject to the conditions laid down in this Article.

2. The power to adopt delegated acts referred to in Article 5(3) shall be conferred on the Commission for an indeterminate period of time from *[OP insert date = the date of entry into force of this Regulation)*.

3. The delegation of power referred to in Article 5(3) may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the *Official Journal of the European Union* or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

4. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making of 13 April 2026.

5. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.

6. A delegated act adopted pursuant to Article 5(3) shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

Article 6

Monitoring and reporting

By 28 February 2028, and every two years thereafter, each Member State shall submit to the Commission a national plan describing the measures it has in place and the measures that it plans to implement in order to achieve the national targets set out in the Annex of this Regulation.

By 28 February 2031, and every year thereafter, each Member State shall determine and transmit to the Commission the total number of new corporate vehicles registered by large undertakings in its territory during the preceding calendar year, split into cars and vans, and the share of zero- and low-emission vehicles in each of those categories.

Article 7

Review

By 31 December 2032, the Commission shall review this Regulation and, where appropriate, submit a legislative proposal for its amendment, including for the setting of targets for the share of zero- and low-emission vehicles for the period after 2035.

Article 8

Entry into force

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Strasbourg,

For the European Parliament *The President*	*For the Council* *The President*

LEGISLATIVE FINANCIAL AND DIGITAL STATEMENT

1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

1.1. Title of the proposal/initiative

Proposal for a Regulation of the European Parliament and of the Council on Clean Corporate Vehicles

1.2. Policy area(s) concerned

Mobility and transport

Internal market, industry and SMEs

Climate action and decarbonisation of road transport

1.3. Objective(s)

1.3.1. General objective(s)

[The general objective is to support the decarbonisation of the EU road transport sector, while safeguarding the competitiveness of the European automotive industry and ensuring a fair transition, in line with the Industrial Automotive Action Plan, the Clean Industrial Deal, the European Green Deal and the European Climate Law.]

1.3.2. Specific objective(s)

Specific objective No 1: **Stimulate demand for zero-emission vehicles (ZEV) in the corporate segment**

[It aims to ensure a consistent framework across the EU for the uptake of corporate ZEV, reducing the current fragmentation, while providing certainty and thus promoting the competitiveness of the EU automotive industry. It complements the supply-side instruments of the CO_2 standards for light -duty vehicles and the Alternative Fuels Infrastructure Regulation, which addresses the rollout of recharging and refuelling infrastructure in the EU.]

Specific objective No 2: **Reduce fossil-fuel expenditure in road transport**

[It aims to ensure a higher reduction of fossil fuels consumption through a faster deployment of ZEV in corporate fleets. Because of their higher yearly mileage compared to private vehicles, corporate ZEV are expected to bring higher fossil fuel savings, contributing to road transport decarbonisation and competitiveness thanks to the lower total cost of ownership of corporate ZEV compared to conventional corporate vehicles.]

Specific objective No 3: **Accelerate the availability of ZEV on the second-hand market**

[It aims to render ZEV more affordable, in particular for citizens and SMEs. The lower purchase price of second-hand ZEV can offer opportunities to switch to this option for a significantly higher number of citizens and transport operators, allowing them to benefit from their lower TCO compared to conventional vehicles. By increasing the availability of second-hand ZEV across the EU, this specific objective helps making them more affordable through intra-EU trade also in those Member States where the second-hand vehicle market is predominant and national incentives are not sufficient to make new ZEV competitive, thus contributing to a more balanced progress towards road transport decarbonisation across the EU.]

1.3.3. *Expected result(s) and impact*

Specify the effects which the proposal/initiative should have on the beneficiaries/groups targeted.

Increase in the share of ZEV in new corporate registrations and in the in-use corporate fleet for cars, vans and lorries;

Additional reductions in CO_2 emissions (up to 10–43.4 Mt over 2030–2050 depending on the stringency of targets), as well as lower NOx and PM2.5 emissions and noise;

Reduction of fossil-fuel use and fuel tax expenditures for large companies, SMEs and citizens through higher uptake of ZEV, especially in high-mileages fleets;

Improvement of the availability and affordability of second-hand ZEV for households and SMEs by increasing the flow of corporate ZEV into the used market;

Strengthening of the industrial competitiveness and investment certainty for EU vehicle manufacturers and supply chains by providing a predictable demand signal in addition to existing CO_2 standards.

1.3.4. *Indicators of performance*

Specify the indicators for monitoring progress and achievements.

[Progress will be monitored through a limited set of indicators, aligned with the Impact Assessment and existing reporting frameworks:

Share and number of ZEV in new corporate vehicle registrations of car and vans by by large undertaking, by Member State;

Share of ZEV in second-hand registrations, and average age of corporate ZEV entering the second-hand market;

Evolution of CO_2, NOx and PM2.5 emissions from road transport

Final energy consumption in road transport by fuel type, at EU and Member State level;

1.4. The proposal/initiative relates to:

☒ a new action

☐ a new action following a pilot project / preparatory action[34]

☐ the extension of an existing action

☐ a merger or redirection of one or more actions towards another/a new action

1.5. Grounds for the proposal/initiative

1.5.1. *Requirement(s) to be met in the short or long term including a detailed timeline for roll-out of the implementation of the initiative*

[The initiative addresses two core problems:

34 As referred to in Article 58(2), point (a) or (b) of the Financial Regulation.

low uptake of ZEV in corporate fleets (about 17% of new corporate car registrations, 8% for vans and 3.7% for lorries in the first half of 2025);

insufficient availability of affordable ZEV on the second-hand market, which hinders a fair and inclusive transition for citizens and SMEs.

Given the high share of corporate vehicles in new registrations and their faster turnover, the initiative is needed now to:

align corporate fleet electrification with 2030 and 2035 climate trajectories and the long-term objective of almost all road vehicles being zero-emission by 2050;

provide a timely and credible demand-side counterpart to the CO_2 standards for cars and vans and Alternative Fuels Infrastructure Regulation.]

[entry into force: 2027

start of obligations for Member States: 2030

intermediate milestones aligned with CO_2 emission standards for 2030 and 2035]

1.5.2. *Added value of EU involvement (it may result from different factors, e.g. coordination gains, legal certainty, greater effectiveness or complementarities). For the purposes of this section 'added value of EU involvement' is the value resulting from EU action, that is additional to the value that would have been otherwise created by Member States alone.*

Reasons for action at EU level (ex-ante) [Corporate fleets often operate across borders. National measures alone have led to:

- fragmented and inconsistent support frameworks for corporate ZEV (taxation, incentives, non-fiscal measures)

- unequal conditions of competition and increased planning costs for cross-border fleets;

weaker and uneven demand signals for manufacturers and infrastructure providers.

EU-level action provides:

• a coherent and predictable demand signal across the internal market, better complementing EU-wide CO_2 standards and AFIR;

• reduced fragmentation and lower administrative and compliance costs for cross-border operators;

• more equitable access to ZEV, including second-hand, across Member States;

• faster and more effective emissions reductions from high-mileage fleets than uncoordinated national schemes.

1.5.3. Lessons learned from similar experiences in the past

[- the Clean Vehicles Directive, which showed that clear targets for public procurement can accelerate ZEV uptake but only cover a limited share of the fleet (mainly urban buses);

the CO_2 emission performance standards for light- and heavy-duty vehicles, which successfully drive supply but require demand to materialise, especially in high-mileage corporate segments;

national fiscal reforms and incentives for corporate vehicles, which demonstrate that well-designed tax signals can rapidly change corporate fleet composition but are currently fragmented and often still favour conventional vehicles.]

1.5.4. Compatibility with the multiannual financial framework and possible synergies with other appropriate instruments

[The initiative is regulatory in nature and has no dedicated operational spending component at EU level. It is compatible with the current MFF and:

relies on existing administrative and analytical capacity in the responsible services for drafting, negotiation, monitoring and evaluation;

can draw, where relevant, on existing programmes (cohesion policy funds, RRF, CEF, LIFE, InvestEU, Horizon Europe) that Member States may use, at their discretion, to support infrastructure and fleet investments;

contributes to the implementation of the European Green Deal, the Clean Industrial Deal and the Industrial Automotive Action Plan without requiring changes to their respective budgets.]

1.5.5. Assessment of the different available financing options, including scope for redeployment

[Given the absence of EU-level operational expenditure, no new budget lines, instruments or own resources are required.

Limited administrative and IT needs on the Commission side (data handling, analysis, evaluation) will be covered by redeployment within existing administrative appropriations of the responsible DG.]

1.6. Duration of the proposal/initiative and of its financial impact

☐ **limited duration**

– ☐ in effect from [DD/MM]YYYY to [DD/MM]YYYY

– ☐ financial impact from YYYY to YYYY for commitment appropriations and from YYYY to YYYY for payment appropriations.

☒ **unlimited duration**

– Implementation with a start-up period from 2030,

– followed by full-scale operation.

1.7. Method(s) of budget implementation planned

☒ **Direct management** by the Commission

– ☒ by its departments, including by its staff in the Union delegations;

– ☐ by the executive agencies

☐ **Shared management** with the Member States

☐ **Indirect management** by entrusting budget implementation tasks to:

– ☐ third countries or the bodies they have designated

– ☐ international organisations and their agencies (to be specified)

– ☐ the European Investment Bank and the European Investment Fund

– ☐ bodies referred to in Articles 70 and 71 of the Financial Regulation

– ☐ public law bodies

– ☐ bodies governed by private law with a public service mission to the extent that they are provided with adequate financial guarantees

– ☐ bodies governed by the private law of a Member State that are entrusted with the implementation of a public-private partnership and that are provided with adequate financial guarantees

– ☐ bodies or persons entrusted with the implementation of specific actions in the common foreign and security policy pursuant to Title V of the Treaty on European Union, and identified in the relevant basic act

– ☐·bodies established in a Member State, governed by the private law of a Member State or Union law and eligible to be entrusted, in accordance with sector-specific rules, with the implementation of Union funds or budgetary guarantees, to the extent that such bodies are controlled by public law bodies or by bodies governed by private law with a public service mission, and are provided with adequate financial guarantees in the form of joint and several liability by the controlling bodies or equivalent financial guarantees and which may be, for each action, limited to the maximum amount of the Union support.

Comments

2. MANAGEMENT MEASURES

2.1. Monitoring and reporting rules

[Monitoring builds on existing systems for vehicle registration and CO_2 monitoring, avoiding duplicate data collection:]

[- Member States will annually extract and submit data from national vehicle registers on the composition of corporate fleets (number of vehicles, categories, ZEV shares) for large companies.

- Data will be transmitted via the central register used for CO_2 standards, maintained by the European Environment Agency (EEA), using standardised digital templates.

- Processes established for handling of CO_2 standards data will be reused to corporate fleets data

- Additional information on energy use, second-hand markets and external costs will be drawn from Eurostat energy statistics, EAFO and dedicated studies.

]
The Commission will use these data to:

monitor progress towards the specific objectives;

prepare periodic implementation reports;

- carry out an evaluation five years after application and every five years thereafter.]

2.2. Management and control system(s)

2.2.1. Justification of the budget implementation method(s), the funding implementation mechanism(s), the payment modalities and the control strategy proposed

[Since no new EU spending programme is created, existing Commission internal control systems are adequate for the limited administrative spending involved.

Any support that Member States provide to corporate fleets using EU funds (where they choose to do so) will continue to be subject to the control frameworks of the respective funding programmes.]

2.2.2. Information concerning the risks identified and the internal control system(s) set up to mitigate them

[Key risks relate to:

data quality and completeness in Member States' reporting;

heterogeneous implementation that could affect comparability.]

[They are mitigated through:

harmonised legal definitions (scope and vehicle categories) and clear reporting obligations;

consistency checks and, where necessary, follow-up requests for clarification.

Financial-management risks for the EU budget are minimal, given the absence of operational expenditure.]

2.2.3. *Estimation and justification of the cost-effectiveness of the controls (ratio between the control costs and the value of the related funds managed), and assessment of the expected levels of risk of error (at payment & at closure)*

[Controls focus on verification of administrative and statistical data, not on financial transactions.

Costs of controls are expected to be very limited, relying on existing tools and processes used for CO_2 monitoring and AFIR reporting.

The expected risk of error affecting the EU budget is negligible.]

2.3. Measures to prevent fraud and irregularities

[The Financial Regulation and existing internal control framework apply. Specific measures include:

systematic quality checks of Member States' data (internal consistency, comparisons over time and across sources);

the possibility to request corrections or clarifications where discrepancies or suspected misreporting are detected;

using established enforcement tools under sectoral legislation if needed.

As there is no EU financial support scheme attached to this Regulation, the risk of fraud affecting EU funds is very low.]

3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected

- Existing budget lines
- The proposal does not affect operational expenditure under any MFF heading.
- Administrative costs of staff will be covered under existing Heading 7 – European Public Administration appropriations of the responsible services. While studies, IT adaptations and evaluation will be covered by the redeployment of the budget of the responsible services.

In order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number	Diff./Non-diff.[35]	from EFTA countries [36]	from candidate countries and potential candidates [37]	From other third countries	other assigned revenue
	[XX.YY.YY.YY]	Diff./Non-diff.	YES/NO	YES/NO	YES/NO	YES/NO
	[XX.YY.YY.YY]	Diff./Non-diff.	YES/NO	YES/NO	YES/NO	YES/NO
	[XX.YY.YY.YY]	Diff./Non-diff.	YES/NO	YES/NO	YES/NO	YES/NO

- New budget lines requested

In order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number	Diff./Non-diff.	from EFTA countries	from candidate countries and potential candidates	from other third countries	other assigned revenue
	[XX.YY.YY.YY]	Diff./Non-diff.	YES/NO	YES/NO	YES/NO	YES/NO

35 Diff. = Differentiated appropriations / Non-diff. = Non-differentiated appropriations.
36 EFTA: European Free Trade Association.
37 Candidate countries and, where applicable, potential candidates from the Western Balkans.

	[XX.YY.YY.YY]	Diff./Non-diff.	YES/NO	YES/NO	YES/NO	YES/NO
	[XX.YY.YY.YY]	Diff./Non-diff.	YES/NO	YES/NO	YES/NO	YES/NO

3.2. Estimated financial impact of the proposal on appropriations

3.2.1. Summary of estimated impact on operational appropriations

– ☒ The proposal/initiative does not require the use of operational appropriations

– ☐ The proposal/initiative requires the use of operational appropriations, as explained below

3.2.1.1. Appropriations from voted budget

EUR million (to three decimal places)

Heading of multiannual financial framework	Number	

DG: <…….>			Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
Operational appropriations							
Budget line	Commitments	(1a)					**0.000**
	Payments	(2a)					**0.000**
Budget line	Commitments	(1b)					**0.000**
	Payments	(2b)					**0.000**
Appropriations of an administrative nature financed from the envelope of specific programmes							
Budget line		(3)					**0.000**
TOTAL appropriations for DG <…….>	Commitments	=1a+1b+3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	Payments	=2a+2b+3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
DG: <…….>			Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
Operational appropriations							
Budget line	Commitments	(1a)					**0.000**
	Payments	(2a)					**0.000**
Budget line	Commitments	(1b)					**0.000**

	Payments	(2b)					**0.000**
Appropriations of an administrative nature financed from the envelope of specific programmes							
Budget line		(3)					**0.000**
TOTAL appropriations for DG <…….>	Commitments	=1a+1b+3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	Payments	=2a+2b+3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
			Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
TOTAL operational appropriations	Commitments	(4)	0.000	0.000	0.000	0.000	**0.000**
	Payments	(5)	0.000	0.000	0.000	0.000	**0.000**
TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)	0.000	0.000	0.000	0.000	**0.000**
TOTAL appropriations under HEADING <….> of the multiannual financial framework	Commitments	=4+6	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	Payments	=5+6	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

Heading of multiannual financial framework	Number	

DG: <…….>			Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
Operational appropriations							
Budget line	Commitments	(1a)					**0.000**
	Payments	(2a)					**0.000**
Budget line	Commitments	(1b)					**0.000**

	Payments	(2b)					0.000
Appropriations of an administrative nature financed from the envelope of specific programmes							
Budget line		(3)					0.000
TOTAL appropriations for DG <…….>	Commitments	=1a+1b +3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	Payments	=2a+2b+3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

DG: <…….>			Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
Operational appropriations							
Budget line	Commitments	(1a)					**0.000**
	Payments	(2a)					**0.000**
Budget line	Commitments	(1b)					**0.000**
	Payments	(2b)					**0.000**
Appropriations of an administrative nature financed from the envelope of specific programmes							
Budget line		(3)					**0.000**
TOTAL appropriations for DG <…….>	Commitments	=1a+1b +3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	Payments	=2a+2b+3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

			Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
TOTAL operational appropriations	Commitments	(4)	0.000	0.000	0.000	0.000	**0.000**
	Payments	(5)	0.000	0.000	0.000	0.000	**0.000**
TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)	0.000	0.000	0.000	0.000	**0.000**

TOTAL appropriations under HEADING <….> of the multiannual financial framework	Commitments	=4+6	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	Payments	=5+6	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

			Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
• TOTAL operational appropriations (all operational headings)	Commitments	(4)	0.000	0.000	0.000	0.000	**0.000**
	Payments	(5)	0.000	0.000	0.000	0.000	**0.000**
• TOTAL appropriations of an administrative nature financed from the envelope for specific programmes (all operational headings)		(6)	0.000	0.000	0.000	0.000	**0.000**
TOTAL appropriations Under Heading 1 to 6 of the multiannual financial framework (Reference amount)	Commitments	=4+6	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	Payments	=5+6	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

Heading of multiannual financial framework	**7**	'Administrative expenditure'

DG: <…….>		Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
• Human resources		0.000	0.000	0.000	0.000	**0.000**
• Other administrative expenditure		0.000	0.000	0.000	0.000	**0.000**
TOTAL DG <…….>	Appropriations	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

DG: <…….>	Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
• Human resources	0.000	0.000	0.000	0.000	**0.000**
• Other administrative expenditure	0.000	0.000	0.000	0.000	**0.000**

TOTAL DG <…….>	Appropriations	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

TOTAL appropriations under HEADING 7 of the multiannual financial framework	(Total commitments = Total payments)	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

EUR million (to three decimal places)

		Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
TOTAL appropriations under HEADINGS 1 to 7	Commitments	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
of the multiannual financial framework	Payments	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

3.2.1.2. Appropriations from external assigned revenues

EUR million (to three decimal places)

Heading of multiannual financial framework	Number	

DG: <…….>			Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
Operational appropriations							
Budget line	Commitments	(1a)					**0.000**
	Payments	(2a)					**0.000**
Budget line	Commitments	(1b)					**0.000**
	Payments	(2b)					**0.000**
Appropriations of an administrative nature financed from the envelope of specific programmes							
Budget line		(3)					**0.000**
TOTAL appropriations	Commitments	=1a+1b+3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

for DG <…….>	Payments	=2a+2b+3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
DG: <…….>			Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
Operational appropriations							
Budget line	Commitments	(1a)					**0.000**
	Payments	(2a)					**0.000**
Budget line	Commitments	(1b)					**0.000**
	Payments	(2b)					**0.000**
Appropriations of an administrative nature financed from the envelope of specific programmes							
Budget line		(3)					**0.000**
TOTAL appropriations for DG <…….>	Commitments	=1a+1b+3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	Payments	=2a+2b+3	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

			Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
TOTAL operational appropriations	Commitments	(4)	0.000	0.000	0.000	0.000	**0.000**
	Payments	(5)	0.000	0.000	0.000	0.000	**0.000**
TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)	0.000	0.000	0.000	0.000	**0.000**
TOTAL appropriations under HEADING <….> of the multiannual financial framework	Commitments	=4+6	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	Payments	=5+6	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

Heading of multiannual financial framework	Number	

DG: <…….>	Year	Year	Year	Year	**TOTAL MFF**

<table>
<tr><td></td><td></td><td></td><td>2024</td><td>2025</td><td>2026</td><td>2027</td><td>2021-2027</td></tr>
<tr><td colspan="8">Operational appropriations</td></tr>
<tr><td rowspan="2">Budget line</td><td>Commitments</td><td>(1a)</td><td></td><td></td><td></td><td></td><td>0.000</td></tr>
<tr><td>Payments</td><td>(2a)</td><td></td><td></td><td></td><td></td><td>0.000</td></tr>
<tr><td rowspan="2">Budget line</td><td>Commitments</td><td>(1b)</td><td></td><td></td><td></td><td></td><td>0.000</td></tr>
<tr><td>Payments</td><td>(2b)</td><td></td><td></td><td></td><td></td><td>0.000</td></tr>
<tr><td colspan="8">Appropriations of an administrative nature financed from the envelope of specific programmes</td></tr>
<tr><td>Budget line</td><td></td><td>(3)</td><td></td><td></td><td></td><td></td><td>0.000</td></tr>
<tr><td rowspan="2">TOTAL appropriations for DG <…….></td><td>Commitments</td><td>=1a+1b+3</td><td>0.000</td><td>0.000</td><td>0.000</td><td>0.000</td><td>0.000</td></tr>
<tr><td>Payments</td><td>=2a+2b+3</td><td>0.000</td><td>0.000</td><td>0.000</td><td>0.000</td><td>0.000</td></tr>
<tr><td colspan="3" rowspan="2">DG: <…….></td><td>Year</td><td>Year</td><td>Year</td><td>Year</td><td rowspan="2">TOTAL MFF 2021-2027</td></tr>
<tr><td>2024</td><td>2025</td><td>2026</td><td>2027</td></tr>
<tr><td colspan="8">Operational appropriations</td></tr>
<tr><td rowspan="2">Budget line</td><td>Commitments</td><td>(1a)</td><td></td><td></td><td></td><td></td><td>0.000</td></tr>
<tr><td>Payments</td><td>(2a)</td><td></td><td></td><td></td><td></td><td>0.000</td></tr>
<tr><td rowspan="2">Budget line</td><td>Commitments</td><td>(1b)</td><td></td><td></td><td></td><td></td><td>0.000</td></tr>
<tr><td>Payments</td><td>(2b)</td><td></td><td></td><td></td><td></td><td>0.000</td></tr>
<tr><td colspan="8">Appropriations of an administrative nature financed from the envelope of specific programmes</td></tr>
<tr><td>Budget line</td><td></td><td>(3)</td><td></td><td></td><td></td><td></td><td>0.000</td></tr>
<tr><td rowspan="2">TOTAL appropriations for DG <…….></td><td>Commitments</td><td>=1a+1b+3</td><td>0.000</td><td>0.000</td><td>0.000</td><td>0.000</td><td>0.000</td></tr>
<tr><td>Payments</td><td>=2a+2b+3</td><td>0.000</td><td>0.000</td><td>0.000</td><td>0.000</td><td>0.000</td></tr>
<tr><td colspan="3" rowspan="2"></td><td>Year</td><td>Year</td><td>Year</td><td>Year</td><td rowspan="2">TOTAL MFF 2021-2027</td></tr>
<tr><td>2024</td><td>2025</td><td>2026</td><td>2027</td></tr>
<tr><td rowspan="2">TOTAL operational appropriations</td><td>Commitments</td><td>(4)</td><td>0.000</td><td>0.000</td><td>0.000</td><td>0.000</td><td>0.000</td></tr>
<tr><td>Payments</td><td>(5)</td><td>0.000</td><td>0.000</td><td>0.000</td><td>0.000</td><td>0.000</td></tr>
</table>

TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)	0.000	0.000	0.000	0.000	**0.000**
TOTAL appropriations under HEADING <….> of the multiannual financial framework	Commitments	=4+6	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	Payments	=5+6	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

			Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
• TOTAL operational appropriations (all operational headings)	Commitments	(4)	0.000	0.000	0.000	0.000	**0.000**
	Payments	(5)	0.000	0.000	0.000	0.000	**0.000**
• TOTAL appropriations of an administrative nature financed from the envelope for specific programmes (all operational headings)		(6)	0.000	0.000	0.000	0.000	**0.000**
TOTAL appropriations under Headings 1 to 6 of the multiannual financial framework (Reference amount)	Commitments	=4+6	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	Payments	=5+6	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

Heading of multiannual financial framework	**7**	‘Administrative expenditure’

EUR million (to three decimal places)

DG: <…….>		Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
• Human resources		0.000	0.000	0.000	0.000	**0.000**
• Other administrative expenditure		0.000	0.000	0.000	0.000	**0.000**
TOTAL DG <…….>	Appropriations	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

DG: <…….>		Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021-2027
• Human resources		0.000	0.000	0.000	0.000	**0.000**
• Other administrative expenditure		0.000	0.000	0.000	0.000	**0.000**
TOTAL DG <…….>	Appropriations	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

TOTAL appropriations under HEADING 7 of the multiannual financial framework	(Total commitments = Total payments)	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

EUR million (to three decimal places)

		Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021-2027
TOTAL appropriations under HEADINGS 1 to 7	Commitments	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
of the multiannual financial framework	Payments	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

3.2.2. *Estimated output funded from operational appropriations (not to be completed for decentralised agencies)*

Commitment appropriations in EUR million (to three decimal places)

Indicate objectives and outputs ⇩			Year 2024		Year 2025		Year 2026		Year 2027		Enter as many years as necessary to show the duration of the impact (see Section1.6)						TOTAL	
	OUTPUTS																	
	Type[38]	Average cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	Total No	Total cost

[38] Outputs are products and services to be supplied (e.g. number of student exchanges financed, number of km of roads built, etc.).

SPECIFIC OBJECTIVE No 1[39]…																		
- Output																		
- Output																		
- Output																		
Subtotal for specific objective No 1																		
SPECIFIC OBJECTIVE No 2 ...																		
- Output																		
Subtotal for specific objective No 2																		
TOTALS																		

39 As described in Section 1.3.2. 'Specific objective(s)'

3.2.3. *Summary of estimated impact on administrative appropriations*

– ☒ The proposal/initiative does not require the use of appropriations of an administrative nature

– ☐ The proposal/initiative requires the use of appropriations of an administrative nature, as explained below

3.2.3.1. Appropriations from voted budget

VOTED APPROPRIATIONS	Year 2024	Year 2025	Year 2026	Year 2027	TOTAL 2021 - 2027
HEADING 7					
Human resources	0.000	0.000	0.000	0.000	**0.000**
Other administrative expenditure	0.000	0.000	0.000	0.000	**0.000**
Subtotal HEADING 7	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
Outside HEADING 7					
Human resources	0.000	0.000	0.000	0.000	**0.000**
Other expenditure of an administrative nature	0.000	0.000	0.000	0.000	**0.000**
Subtotal outside HEADING 7	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
TOTAL	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

3.2.3.2. Appropriations from external assigned revenues

EXTERNAL ASSIGNED REVENUES	Year 2024	Year 2025	Year 2026	Year 2027	TOTAL 2021 - 2027
HEADING 7					
Human resources	0.000	0.000	0.000	0.000	**0.000**
Other administrative expenditure	0.000	0.000	0.000	0.000	**0.000**
Subtotal HEADING 7	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
Outside HEADING 7					
Human resources	0.000	0.000	0.000	0.000	**0.000**
Other expenditure of an administrative nature	0.000	0.000	0.000	0.000	**0.000**
Subtotal outside HEADING 7	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
TOTAL	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

3.2.3.3. Total appropriations

TOTAL VOTED APPROPRIATIONS + EXTERNAL ASSIGNED REVENUES	Year 2024	Year 2025	Year 2026	Year 2027	TOTAL 2021 - 2027
HEADING 7					
Human resources	0.000	0.000	0.000	0.000	**0.000**
Other administrative expenditure	0.000	0.000	0.000	0.000	**0.000**
Subtotal HEADING 7	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
Outside HEADING 7					
Human resources	0.000	0.000	0.000	0.000	**0.000**

Other expenditure of an administrative nature	0.000	0.000	0.000	0.000	**0.000**
Subtotal outside HEADING 7	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
TOTAL	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

The appropriations required for human resources and other expenditure of an administrative nature will be met by appropriations from the DG that are already assigned to management of the action and/or have been redeployed within the DG, together, if necessary, with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

3.2.4. Estimated requirements of human resources

– ☒ The proposal/initiative does not require the use of human resources

– ☐ The proposal/initiative requires the use of human resources, as explained below

3.2.4.1. Financed from voted budget

Estimate to be expressed in full-time equivalent units (FTEs)

VOTED APPROPRIATIONS		Year **2024**	Year **2025**	Year **2026**	Year **2027**
• Establishment plan posts (officials and temporary staff)					
20 01 02 01 (Headquarters and Commission's Representation Offices)		0	0	0	0
20 01 02 03 (EU Delegations)		0	0	0	0
01 01 01 01 (Indirect research)		0	0	0	0
01 01 01 11 (Direct research)		0	0	0	0
Other budget lines (specify)		0	0	0	0
• External staff (inFTEs)					
20 02 01 (AC, END from the 'global envelope')		0	0	0	0
20 02 03 (AC, AL, END and JPD in the EU Delegations)		0	0	0	0
Admin. Support line [XX.01.YY.YY]	- at Headquarters	0	0	0	0
	- in EU Delegations	0	0	0	0
01 01 01 02 (AC, END - Indirect research)		0	0	0	0
01 01 01 12 (AC, END - Direct research)		0	0	0	0
Other budget lines (specify) - Heading 7		0	0	0	0
Other budget lines (specify) - Outside Heading 7		0	0	0	0
TOTAL		**0**	**0**	**0**	**0**

3.2.4.2. Financed from external assigned revenues

EXTERNAL ASSIGNED REVENUES	Year **2024**	Year **2025**	Year **2026**	Year **2027**
• Establishment plan posts (officials and temporary staff)				
20 01 02 01 (Headquarters and Commission's Representation Offices)	0	0	0	0
20 01 02 03 (EU Delegations)	0	0	0	0
01 01 01 01 (Indirect research)	0	0	0	0
01 01 01 11 (Direct research)	0	0	0	0

Other budget lines (specify)	0	0	0	0
• **External staff (in full time equivalent units)**				
20 02 01 (AC, END from the 'global envelope')	0	0	0	0
20 02 03 (AC, AL, END and JPD in the EU Delegations)	0	0	0	0
Admin. Support line [XX.01.YY.YY] - at Headquarters	0	0	0	0
Admin. Support line [XX.01.YY.YY] - in EU Delegations	0	0	0	0
01 01 01 02 (AC, END - Indirect research)	0	0	0	0
01 01 01 12 (AC, END - Direct research)	0	0	0	0
Other budget lines (specify) - Heading 7	0	0	0	0
Other budget lines (specify) - Outside Heading 7	0	0	0	0
TOTAL	**0**	**0**	**0**	**0**

3.2.4.3. Total requirements of human resources

TOTAL VOTED APPROPRIATIONS + EXTERNAL ASSIGNED REVENUES	Year **2024**	Year **2025**	Year **2026**	Year **2027**
• **Establishment plan posts (officials and temporary staff)**				
20 01 02 01 (Headquarters and Commission's Representation Offices)	0	0	0	0
20 01 02 03 (EU Delegations)	0	0	0	0
01 01 01 01 (Indirect research)	0	0	0	0
01 01 01 11 (Direct research)	0	0	0	0
Other budget lines (specify)	0	0	0	0
• **External staff (in full time equivalent units)**				
20 02 01 (AC, END from the 'global envelope')	0	0	0	0
20 02 03 (AC, AL, END and JPD in the EU Delegations)	0	0	0	0
Admin. Support line [XX.01.YY.YY] - at Headquarters	0	0	0	0
Admin. Support line [XX.01.YY.YY] - in EU Delegations	0	0	0	0
01 01 01 02 (AC, END - Indirect research)	0	0	0	0
01 01 01 12 (AC, END - Direct research)	0	0	0	0
Other budget lines (specify) - Heading 7	0	0	0	0
Other budget lines (specify) - Outside Heading 7	0	0	0	0
TOTAL	**0**	**0**	**0**	**0**

For the purpose of estimating workload and staff needs, you may use the guidance on workload assessment prepared by DG HR)

[Considering the overall strained situation in Heading 7, in terms of both staffing and the level of appropriations, the human resources required will be met by staff from the DG who are already assigned to the management of the action and/or have been redeployed within the DG or other Commission services.]

Please note that such exception needs to be agreed with central services before the launch of the ISC)

The staff required to implement the proposal (in FTEs):

	To be covered by current staff available in the	**Exceptional additional staff***

	Commission services			
		To be financed under Heading 7 or Research	**To be financed from BA line**	**To be financed from fees**
Establishment plan posts			N/A	
External staff (CA, SNEs, INT)				

*Description of tasks to be carried out by:

Officials and temporary staff	
External staff	

3.2.5. Overview of estimated impact on digital technology-related investments

Compulsory: the best estimate of the digital technology-related investments entailed by the proposal/initiative should be included in the table below.

Exceptionally, when required for the implementation of the proposal/initiative, the appropriations under Heading 7 should be presented in the designated line.

The appropriations under Headings 1-6 should be reflected as "Policy IT expenditure on operational programmes". This expenditure refers to the operational budget to be used to re-use/ buy/ develop IT platforms/ tools directly linked to the implementation of the initiative and their associated investments (e.g. licences, studies, data storage etc). The information provided in this table should be consistent with details presented under Section 4 "Digital dimensions".

TOTAL Digital and IT appropriations	Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021 - 2027**
HEADING 7					
IT expenditure (corporate)	0.000	0.000	0.000	0.000	**0.000**
Subtotal HEADING 7	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
Outside HEADING 7					
Policy IT expenditure on operational programmes	0.000	0.000	0.000	0.000	**0.000**
Subtotal outside HEADING 7	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
TOTAL	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

3.2.6. Compatibility with the current multiannual financial framework

The proposal/initiative:

– ☒ can be fully financed through redeployment within the relevant heading of the multiannual financial framework (MFF)

– ☐ requires use of the unallocated margin under the relevant heading of the MFF and/or use of the special instruments as defined in the MFF Regulation

– ☐ requires a revision of the MFF

3.2.7. Third-party contributions

The proposal/initiative:

– ☒ does not provide for co-financing by third parties

– ☐ provides for the co-financing by third parties estimated below:

Appropriations in EUR million (to three decimal places)

	Year **2024**	Year **2025**	Year **2026**	Year **2027**	Total
Specify the co-financing body					
TOTAL appropriations co-financed					

3.3. Estimated impact on revenue

– ☒ The proposal/initiative has no financial impact on revenue.

– ☐ The proposal/initiative has the following financial impact:

– ☐ on own resources

– ☐ on other revenue

– ☐ please indicate, if the revenue is assigned to expenditure lines

EUR million (to three decimal places)

Budget revenue line:	Appropriations available for the current financial year	Impact of the proposal/initiative[40]			
		Year **2024**	Year **2025**	Year **2026**	Year **2027**
Article ………….					

For assigned revenue, specify the budget expenditure line(s) affected.

Other remarks (e.g. method/formula used for calculating the impact on revenue or any other information).

4. DIGITAL DIMENSIONS

4.1. Requirements of digital relevance

The initiative is digital by default, as it requires fully digital reporting by Member States of

40 As regards traditional own resources (customs duties, sugar levies), the amounts indicated must be net amounts, i.e. gross amounts after deduction of 20% for collection costs.

corporate fleet data in machine-readable formats, promotes the re-use of existing public-sector data (national vehicle registers, CO_2 monitoring, AFIR reporting, energy statistics) and supports interoperable data exchange between national authorities, the Commission, the EEA and EU-level platforms (e.g. EAFO).

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4.2. Data

[The Regulation mainly relies on aggregated, non-personal data for corporate vehicle registrations by category and powertrain. Where Member States rely on data at national level, these are handled according to EU data-protection rules and are not transmitted in identifiable form to the Commission.]

4.3. Digital solutions

[The proposal builds on and enhances existing digital solutions:

- reuse and incremental adaptation of tools for CO_2 monitoring, AFIR implementation and EAFO;
- alignment of concepts and data models with existing vehicle and emissions legislation;
- electronic interfaces for data exchange using standard formats.]

4.4. Interoperability assessment

4.5. Measures to support digital implementation

[To support effective and proportionate implementation, the Commission will:

- develop guidance and standard templates for digital reporting by Member States;
- provide technical support where appropriate, making use of existing support instruments;
- explore integration of corporate-fleet information into EAFO and related platforms, to improve transparency and analytical use of the data;
- ensure that any IT adaptations comply with corporate IT governance, cybersecurity and data-protection requirements.]

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