

Green Deal

On 14th July 2021, the European Commission adopted 13 legislative proposals - called 'Fit for 55 package' to reduce the European Union's CO2 emissions by at least 55% in 2030 and achieve carbon neutrality in 2050.

All initiatives in the package are closely interlinked. CECRA identified the following dossiers which will have a direct or indirect impact on the automotive sales and repair sector.



CECRA's Working Group 'Green Deal' follows up the decision making process of all the dossiers and steers where necessary

EURO 7

The Euro 7 rules will apply to both light-duty (cars and vans) and heavy-duty vehicles (lorries and buses) sold in the EU. The proposal merges the successor norms to Euro 6 (Regulation (EC) No 715/2007) and Euro VI (Regulation (EC) No 595/2009) into one single act.

[EC proposal for a Regulation on type-approval of motor vehicles and engines and of systems, components and separate technical units intended for such vehicle, which respect to their emissions and battery durability \(Euro 7\) & ANNEXES](#) setting out the emission limit standards.

For light-duty vehicles, the NOx will be limited to 60 mg/km for both gasoline and diesel engines under the Euro 7 standard rules.

Other changes introduced by Euro 7 are:

- **Tougher testing procedures:** pollutant levels will be measured for short trips and in ambient temperatures up to 45 °C.
- **Emission limits for tyres and brakes:** Euro 7 will set limits for how much brake dust and tyre particles can be produced by new cars.
- **Cars must stay cleaner for longer:** Euro regulations are based on assessing new cars, but they also involve checking emissions of older vehicles. Euro 7 doubles period over which compliance is checked: from 5 years and 100,000km to 10 years and 200,000km. VMs must also fit electronic sensors into cars that allow them to automatically detect engine faults.
- **Longevity assessments for batteries:** EVs and plug-in hybrids will have the longevity of their batteries assessed under Euro 7, Checking how much capacity they hold as time and mileage increases. This is being done to improve confidence in 2ndhand EV.

It follows the ordinary legislative procedure, which consists in the joint adoption by the European Parliament and the Council.

Once Regulation adopted, date for entry into force:

- 1 July 2025 for new passenger cars & vans
- 1 July 2027 for new heavy-duty vehicles
- Small volume manufacturers will have to meet standards by 2030

CO2 emissions standards for New Passenger Cars & Light Commercial Vehicles

[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](#) entered into force on 25 April 2023.

The new Regulation sets more ambitious standards for reducing the CO2 emissions of new cars and vans. Compared to the CO2 emission targets applicable in 2021, **the emissions of new passenger cars registered in the EU shall by 2030 be reduced by 55% and the emissions of new vans by 50%. By 2035, the emissions shall be reduced by 100% for both new passenger cars and new light commercial vehicles.**

The Regulation states that the Commission will make a proposal for registering after 2035 vehicles running exclusively on CO2 neutral fuels.

By 31 December 2025, and every two years thereafter, the **Commission shall submit a report** to the European Parliament and to the Council **on the progress towards zero-emission road mobility**. The report shall in particular monitor and assess the need for possible additional measures to facilitate a just transition, including through financial means.

CO2 emission standards for heavy-duty vehicles

[EC Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulation \(EU\) 2019/1242 as regards strengthening the CO₂ emission performance standards for new heavy-duty vehicles and integrating reporting obligations, and repealing Regulation \(EU\) 2018/956](#)

The average CO2 emissions of the EU fleet of new heavy-duty motor vehicles shall be reduced by the following percentages (compared to the average CO2 emissions of the reporting period of 2019):

- From 2025: -15%
- From 2030: -45% emission (buses 0-emission as from 2030)
- From 2035: -65%
- From 2040: -90%

The proposal includes a review clause. The Commission shall in 2028 assess the progress made towards achieving the emission reduction targets.

Alternative Fuels Infrastructure Regulation (AFIR)

[EC Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the deployment of alternative fuels infrastructure, and repealing Directive 2014/94/EU of the European Parliament and of the Council](#)

The proposal sets concrete targets for mandatory national targets for the deployment of alternative fuels infrastructure in the Union for road vehicles, vessels and aircraft.

The [provisional agreement states](#):

1) **Recharging infrastructure for cars and vans** has to grow at the same pace as vehicle uptake. To that end, for each registered battery-electric car in a given Member State, a power output of 1.3 kW must be provided by publicly accessible recharging infrastructure. In addition, every 60 km along the trans-European transport (TEN-T) network, fast recharging stations of at least 150 kW need to be installed from 2025 onwards.

2) **Recharging stations dedicated to heavy-duty vehicles** with a minimum output of 350 kW need to be deployed every 60 km along the TEN-T core network, and every 100 km on the larger TEN-T comprehensive network from 2025 onwards, with complete network coverage to be achieved by 2030. In addition, recharging stations must be installed at safe and secure parking areas for overnight recharging as well as in urban nodes for delivery vehicles.

3) **Hydrogen refuelling infrastructure** that can serve both cars and lorries must be deployed from 2030 onwards in all urban nodes and every 200 km along the TEN-T core network, ensuring a sufficiently dense network to allow hydrogen vehicles to travel across the EU.

The proposal calls that, by 31 December 2030 publicly accessible hydrogen refuelling stations with a minimum capacity of 2 t/day and equipped with at least a 700 bars dispenser are deployed with a maximum distance of 150 km in-between them along the TEN-T core and the TEN-T comprehensive network.

In addition, liquid hydrogen would have to be made available at publicly accessible refuelling stations with a maximum distance of 450 km in-between them.

Renewable Energy Directive (RED)

[EC Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Directive \(EU\) 2018/2001 of the European Parliament and of the Council, Regulation \(EU\) 2018/1999 of the European Parliament and of the Council and Directive 98/70/EC of the European Parliament and of the Council as regards the promotion of energy from renewable sources, and repealing Council Directive \(EU\) 2015/652 COM\(2021\) 557 final & ANNEX.](#)

The Commission's proposal for a revised RED aims to raise target for the share of energy from renewable sources to 40% by 2030. In addition, specific targets are proposed for the use of renewable energy in transport, heating and cooling systems, buildings and industry.

It opens up a gateway for renewable fuels in road mobility. Some member states have restricted the use renewable fuels.

Effort-Sharing Regulation (ESR)

[Regulation \(EU\) 2023/857 of the European Parliament and of the Council of 19 April 2023 amending Regulation \(EU\) 2018/842 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement, and Regulation \(EU\) 2018/1999 entered into force on 16 May 2023.](#)

The Regulation aims at reducing emissions from buildings, road and domestic maritime transport, agriculture, waste and small industries by at least 40% compared to 2005.

GDP per capita remains the primary criterion for setting national targets, with adjustments made to take cost efficiency into account. Targets per country would be more ambitious, ranging from 10% to 50%. Annual emissions allocations (AEAs) would be set for each Member State and progressively reduced until 2030. In 2025, the Commission intends to adjust them for the 2026-2030 period.

Energy Taxation Directive (ETD)

[EC Proposal for a COUNCIL DIRECTIVE restructuring the Union framework for the taxation of energy products and electricity COM\(2021\) 563 final & ANNEX](#)

The revision of the Energy Taxation Directive (ETD) aims at aligning the taxation of energy products with EU energy and climate policies, promote clean technologies and remove outdated exemptions and reduced rates that currently encourage the use of fossil fuels.

Batteries and waste batteries regulation

[Regulation \(EU\) 2023/1542 of the European Parliament and of the Council of 12 July 2023 concerning batteries and waste batteries, amending Directive 2008/98/EC and Regulation \(EU\) 2019/1020 and repealing Directive 2006/66/EC entered into force.](#)

The new Batteries Regulation will ensure that, in the future, batteries have a low carbon footprint, use minimal harmful substances, need less raw materials from non-EU countries, and are collected, reused and recycled to a high degree in Europe.

Next steps

Work will now focus on the application of the law in the Member States, and the redaction of secondary legislation (implementing and delegated acts) providing more detailed rules.

Articles of importance to our sector are:

(42) SLI batteries and electric vehicle batteries that are incorporated in motor vehicles should be removable and replaceable by independent professionals. It is appropriate to consider revising Directive 2000/53/EC to ensure that those batteries can be removed, replaced and disassembled, including as regards joining, fastening and sealing elements. For the purposes of the design, manufacturing and the repair of SLI batteries and electric vehicle batteries, manufacturers should provide the relevant vehicle on-board diagnostic information and vehicle repair and maintenance information on a non-discriminatory basis to any interested manufacturer, installer or repairer of equipment for vehicles of categories M, N and O, as provided for in Regulation (EU) 2018/858. Furthermore, the Commission should encourage the development of standards for design and assembly techniques that facilitate the maintenance, repair and repurposing of batteries and battery packs.

124) Certain information in the battery passport should not be public, such as sensitive commercial information to which only a limited number of persons with a legitimate interest would need to have access. This applies to information on dismantling, including safety, and detailed information regarding the composition of the battery, which is essential for repairers, remanufacturers, second-life operators and recyclers. It also applies to information concerning individual batteries, which is essential to those who have purchased the battery or parties acting on their behalf for the purpose of making the battery available to independent energy aggregators or energy market participants, evaluating its residual value or remaining lifetime for further use, and facilitating the preparation for re-use, preparation for repurposing, repurposing or remanufacturing of the battery. Results of test reports should only be accessible to notified bodies, market surveillance authorities and the Commission.

Climate Action Social Facility

[Regulation \(EU\) 2023/955 of the European Parliament and of the Council of 10 May 2023 establishing a Social Climate Fund and amending Regulation \(EU\) 2021/1060](#)

The Fund should be established to provide funds to the Member States to support their policies to address the social impacts of the introduction of the emissions trading system for buildings and road transport on vulnerable households, vulnerable micro-enterprises and vulnerable transport users.

Each Member State should submit to the Commission a Social Climate Plan (the 'Plan'). The Plans should be submitted by 30 June 2025. The Plans should have an investment component that promotes the long-term solution of reducing fossil fuels reliance and could envisage other measures, including temporary direct income support, to mitigate adverse effects on income in the shorter term. The Plans should pursue two objectives. First, **they should provide vulnerable households, vulnerable microenterprises and vulnerable transport users with the necessary resources to finance and carry out investments** in energy efficiency, decarbonisation of heating and cooling, **in zero- and low-emission vehicles and mobility, including through vouchers, subsidies or zero-interest loans.** Second, they should mitigate the impact of the increase in the cost of fossil fuels on the most vulnerable and thereby prevent energy poverty and transport poverty during the transitional period until such investments have been carried out. The Plans could support access to affordable energy-efficient housing, including social housing. When implementing measures in support of vulnerable transport users, it should be possible for **Member States to prioritise support to zero-emission vehicles in their Plans, provided that it is an affordable and deployable solution.**

The functioning of the Social Climate Fund will be assessed in 2028, particularly in light of the effects of the Effort Sharing Regulation and the extension of emissions trading to new sectors.

Eco-design for sustainable products

[EC Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing a framework for setting ecodesign requirements for sustainable products and repealing Directive 2009/125/EC & ANNEX](#)

The Commission's proposal for a Regulation on ecodesign requirements for sustainable products, repealing Directive 2009/125/EC (Ecodesign Directive) was presented as part of the Circular Economy Package I. The publication on 30 March 2022 establishing a framework for setting ecodesign requirements for sustainable products.

In particular, under the Commission's proposed text, the Regulation would address the design of every product placed on the EU market in order to make such products more durable, reliable, reusable, upgradable, repairable, easier to maintain, refurbish and recycle, and energy and resource-efficient.

The proposal would ensure that better environmental sustainability information for consumers and supply chain actors is provided by introducing a Digital Product passport that will make reparability and recyclability of products easier, while also ensuring better tracking of substances of concern along the supply chain.

As such, the proposal aims at introducing requirements not only for energy efficiency but also for circularity and reduction of the environmental footprint of products. Products which are now in the scope and relate to automotive are tires.

The products which are in the scope are: iron, steel, cement, aluminium, textiles, furniture, **tyres**, detergents, paints, lubricants, chemicals, energy-related products whose implementing measures need to be revised or newly defined, and ICT products. Other products may follow, but this has not been announced yet.

Net-Zero Industry Act (NZIA)

[Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on establishing a framework of measures for strengthening Europe's net-zero technology products manufacturing ecosystem \(Net Zero Industry Act\) & ANNEX](#)

The [Net-Zero Industry Act](#) (NZIA) aims to scale up the manufacturing of technologies which are key to achieve climate-neutrality such as solar panels, batteries and electrolysers, among others, or key components of such technologies, such as photovoltaic cells or the blades on wind turbines. The Act will simplify the regulatory framework for the manufacturing of these technologies and therefore help increase the competitiveness of the net-zero technology industry in Europe. It will also accelerate the capacity to store CO₂ emissions.

EU Right to Repair

The Commission adopted a new [proposal on common rules promoting the repair of goods](#), which will result in savings for consumers and support the objectives of the European Green Deal by reducing waste, among others. The proposal will ensure that more products are repaired within the legal guarantee, and that consumers have easier and cheaper options to repair products that are technically repairable (such as vacuum cleaners, or soon, tablets and smartphones) when the legal guarantee has expired or when the good is not functional anymore as a result of wear and tear.

