

CO₂ EMISSION PERFORMANCE STANDARDS FOR CARS

Regulation (EU) 2023/851 amending Regulation (EU) 2019/631 as regards strengthening the CO₂ emission performance standards for new passenger cars and new light commercial vehicles

The Regulation updates the targets for CO₂ emissions of new passenger cars and vans. By 2030, manufacturers will have to ensure that the fleet-wide average CO₂ emissions of their new cars will be 55% (new vans: 50%) lower compared to the limit applied in 2021. By 2035, all new cars will have to be zero-emission vehicles. Manufacturers are free to use technologies of their choice to comply with these emission performance standards.

WHAT'S IN IT?

OBJECTIVE

Climate ambition

In view of respecting the limit of 1.5°C global warming under the Paris Agreement

100% renewables

Accelerating the phase-out of fossils and nuclear

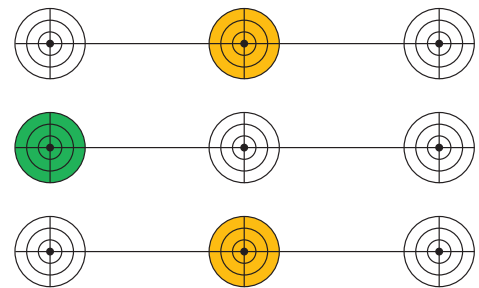
Fair participation

Of citizens in the benefits of the European Green Deal

GOOD PROSPECTS
IN VIEW OF
THE OBJECTIVE

MIXED
PROSPECTS

A STEP BACKWARDS,
UNDERMINING
THE OBJECTIVE



WHAT'S NEXT?

STATUS

Entered into force



MILESTONES

March 2025

Action Plan for the Automotive Industry including an amendment allowing manufacturers to meet the 2025 target.

By December 2025

Anticipated European Commission review of the Regulation and its targets.

European Commission Delegated Act on full life-cycle emissions of light-duty vehicles.

WHAT TO WATCH OUT FOR?

RISKS

Speed. Slowing down the EU law's progress or implementation.

Money. Conflict on distributional effects or lack of finance for making this EU law impactful.

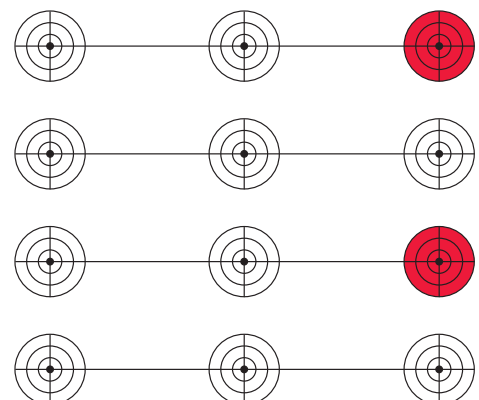
Fossil fuels. Open door to supporting the use of fossil fuels.

Nuclear power. Open door to supporting the use of nuclear power.

LIMITED RISK

MEDIUM RISK

HIGH RISK



NO RISK

NOT APPLICABLE



Learn more
eu.boell.org/green-deal-risk-radar

WHAT'S IN IT?

Climate ambition

Contributes to the overall EU climate targets by setting an objective to reduce transport emissions by 90% by 2050 (compared to 1990 emissions). This is to be achieved by reducing emissions from all new cars by 55% by 2030 and from all light duty vehicles by 50% (both compared to 2021 emissions), complemented by a target to have all cars and light duty vehicles be zero emissions battery electric vehicles, fuel-cell and other hydrogen powered vehicles by 2035. However, ensuring that transport achieves the required emission reductions would require a phase-out of the internal combustion engine already as of 2030. In addition, the interim target of 15% reduction by 2025 is too low to bring about sufficient progress in view of the 2030 target.

100% renewables

By 2035, all new cars and light duty vehicles should be driven fully by renewable energy.

Fair participation

The Regulation clearly states that the transition must be just and inclusive, leaving no one behind, and thus calls for ensuring that mobility is affordable for and accessible to all, especially commuters without access to quality public transport or other mobility solutions. Particular attention should be given to the impact this transition will have on small and medium-sized enterprises and vulnerable regions and communities that depend on the presence of an intensive automotive industry.

WHAT TO WATCH OUT FOR? RISKS

 Speed  Money  Fossil fuels  Nuclear power

In particular, the 2035 target for all new cars to be emission free is being heavily criticised by a coalition of conservative and right-wing politicians, governments and car companies. The European Commission partly gave in to this pressure with its proposal to water down the 2025 target which would allow manufacturers to avoid paying fines for selling not enough low-emission vehicles. By anticipating the review of the Regulation, the doors are now open to undermine or even remove the 2035 objective of selling only zero-emission vehicles.

'Those that have done their homework, should not be disadvantaged by last-minute changes to existing legislation, not least during the year in which they come into effect.'
Statement by Swedish car manufacturer Volvo, Politico, 11 March 2025

FURTHER READING

[Transport & Environment: Car Decarbonisation Roadmap, March 2024](#)

WHAT'S NEXT?



STATUS

Entered into force on 15 May 2023

Transposition by EU Member States

Most measures will be implemented EU-wide. Member States' main contribution will be to provide alternative fuels infrastructure such as electric vehicles charging stations on which they will need to provide two-year progress reports.

Revision clauses and reporting duties

In March 2025, the European Commission (EC) announced that it will anticipate by one year the review of the effectiveness and impact of the Regulation to the second half of 2025, including an assessment of the need to review the targets.

From December 2025, the EC should develop a progress report every two years, in particular to monitor and assess the need for possible additional measures to facilitate a just transition, including through financial means.

By end December 2025, the EC should present a report on funding gaps to ensure a just transition in the automotive supply chain and how to tackle these.

The EC should investigate the impacts of setting minimum energy efficiency thresholds for new zero-emission passenger cars and light commercial vehicles.

The EC will make a proposal for registering after 2035 vehicles running exclusively on CO₂ neutral fuels.

Delegated acts and other related legislative action

In April 2025, the EC has suggested an amendment allowing manufacturers to achieve the 2025 target over a 3-year period until 2027. The European Parliament and the Council are preparing their positions and will then enter trilogue negotiations.

By end of December 2025, the EC shall adopt a delegated act setting the methodology for the assessment and reporting of the full life-cycle CO₂ emissions of light-duty vehicles that are placed on the Union market.

By end of December 2026, the EC should develop a methodology to ensure emissions data are adjusted to real-world data.

HOW TO IMPROVE IT? OPPORTUNITIES

A number of the reports and proposals that the European Commission needs to develop can help improve the implementation of, and even go beyond, the current framework. Strong competition from Chinese manufacturers, sales of electric vehicles lagging behind and a looming trade war with the US: EU carmakers are not facing good prospects. However, removing the ambition from the Regulation will neither ensure investment security for car manufacturers nor help them to get back on track towards competitiveness, let alone prepare for the future which will be fossil-free.