

(English version)

Question for written answer E-000657/25
to the Commission
Jean-Paul Garraud (PfE), Julie Rechagneux (PfE), Pascale Piera (PfE)
(12 February 2025)

Subject: European standards undermining the competitiveness of the European automotive industry

EU standards on CO₂ emissions impose strict thresholds on car manufacturers, with steep fines for those exceeding them. With a view to meeting these obligations, some European companies exceeding these thresholds are forced to purchase 'CO₂ credits' from manufacturers with lower average emissions, often foreign competitors specialising in electric vehicles, such as the American company Tesla or China's BYD.

This system entails cash transfers to these companies, thus putting European manufacturers at a disadvantage and weakening their competitiveness vis-à-vis international conglomerates benefiting from a more favourable regulatory framework.

1. Does the Commission acknowledge that this mechanism equates to paying indirect subsidies to foreign companies to the detriment of European manufacturers, jeopardising their competitiveness?
2. Does it plan to remedy this unequal playing field to prevent the European automotive industry from being penalised as a result of European standards?
3. Does it intend to conduct an impact analysis on the economic and social consequences of these obligations for employment and industry in Europe?

Submitted: 12.2.2025

Answer given by Mr Hoekstra on behalf of the European Commission
(28 April 2025)

Delivering on the EU's net greenhouse gas emissions reduction target of at least 55% by 2030 compared to 1990 and the climate neutrality target by 2050 ⁽¹⁾ calls for ambitious action to ensure a swift decrease in emissions from all sectors, including transport.

The revised CO₂ standards Regulation ⁽²⁾ sets targets which get more stringent over time, up to a 100% emission reduction for new cars and vans registered in the EU as of 2035.

This gradual transition towards zero-emission mobility gives industry enough lead-time to develop an adequate compliance strategy.

The 2025 target requiring a 15% reduction of emissions from the 2021 baseline was agreed by the co-legislators in 2019 and confirmed in 2023. Manufacturers may rely on various technologies to achieve this target, such as zero-emission and hybrid vehicles, or improvements of conventional vehicles.

For manufacturers that may not be in a position to achieve target compliance on their own, the regulation provides the option to pool with other manufacturers. Pooling is not mandatory, but is one option as part of manufacturers' compliance strategy.

As announced in the Industrial Action Plan for the European automotive sector ⁽³⁾, on 1 April 2025 the Commission proposed a targeted amendment of the CO₂ emission standards, whereby the compliance would be assessed over the years of 2025, 2026 and 2027 instead of annually ⁽⁴⁾.

This will contribute to safeguarding industry's capacity to invest, keeping the overall ambition of the 2025 targets. The Commission will also accelerate work on the preparation of the review of the regulation.

⁽¹⁾ Enshrined in the European Climate Law — <http://data.europa.eu/eli/reg/2021/1119/oj>

⁽²⁾ <https://eur-lex.europa.eu/eli/reg/2023/851/oj/eng>

⁽³⁾ COM(2025) 95 final.

⁽⁴⁾ COM(2025) 136 final, 1.04.2025.