

DECARBONISING HEAVY-DUTY ROAD TRANSPORT

ACEA Position on Green Corporate Fleets – Heavy-Duty Vehicles



BACKGROUND

Commercial vehicle manufacturers remain steadfast in their **commitment to Europe's climate neutrality ambition** and the **revised CO2 reduction targets for heavy-duty vehicles** under Regulation (EU) 2024/1610. These targets necessitate a significant and rapid deployment of zero-emission vehicles (ZEVs) in the coming years, with approximately 400,000 battery-electric and hydrogen-powered vehicles on the road and at least one-third of new registrations being zero-emission by 2030.

Achieving these ambitious goals will require more than just vehicles - it demands a **full suite of enabling conditions and a comprehensive ecosystem** in the transport, logistics and energy value chain to be in place. This includes private depot charging solutions, 50,000 publicly accessible heavy-duty chargers (of which 35,000 should support the Megawatt Charging System (MCS) standard) and at least 2,000 hydrogen refueling stations. Currently, only a small fraction of this critical infrastructure exists. Equally crucial are effective carbon pricing mechanisms and a coherent regulatory framework - such as the revision and implementation of the Weights & Dimensions Directive - to ensure cost parity and a level playing field between ZEVs and conventional trucks and buses.

Success hinges on addressing these interdependencies. While vehicle manufacturers are delivering ZEVs, the transition also requires alignment across the automotive, transport, logistics and energy value chains. **Carbon pricing measures**, in particular, play a pivotal role in enabling and accelerating the shift to zero-emission in this B2B market where creating viable business cases for transport operators is essential. Without the ability to run ZEVs profitably, the transition will lack market-driven momentum and transport operators will be slow or not invest in zero-emission vehicles at all.

CURRENT STATE AND CHALLENGES OF THE ZEV TRANSITION

While an increasingly wide range of zero-emission trucks and buses is available and in series production today, continuous and **accelerated fleet renewal investments are key** to decarbonize the sector. At the current ZEV market share of just 2.3% (heavy-duty trucks >3.5t) and 15.6% (urban buses/ coaches), only 'early adopters' have invested so far (2024). Relying solely on **typical fleet renewal cycles is increasingly unlikely to be sufficient** for reaching the 2030 targets.

However, the current regulatory framework for greening road transport primarily focuses on the supply of zero-emission vehicles while equally ambitious measures to support the demand side are missing, delayed or remain incoherent. This creates significant risks for delayed fleet renewal, slows down decarbonisation, creates undue imbalances in the sector and ultimately threatens the competitiveness of vehicle manufacturers.

It is therefore important to consider a broad range of additional policy actions to enable, **support and encourage (early and sustained) investments in zero-emission heavy-duty trucks and buses. The primary focus of these should be carbon pricing measures to help create viable business cases for transport operators who invest in ZEVs.** In the

absence of adequate carbon pricing frameworks, and where necessary complementing it, the following targeted measures should be considered.

POLICY RECOMMENDATIONS

Commercial road transport operates as a B2B market, driven by demand for transport services and the total cost of ownership (TCO) of vehicles. It is therefore crucial to design and target policy actions carefully, tailoring them to specific vehicle segments (e.g., trucks or buses) and use cases (e.g., municipal waste collection or long-haul commercial transport) to ensure clear signals at the right levels and minimise the risk of market disruptions.

It is also important to differentiate between different stakeholders in the sector, such as:

- Operators ('hauliers') who operate individual vehicles or fleets of different sizes (small, medium or large)
- Shippers and logistics providers who commission, often in tenders, transport services and
- Publicly procured vehicles and transport services.

Conducting comprehensive risk assessments for any demand-side measures is essential. Currently, European manufacturers depend heavily on non-European industries for important components of ZEV technologies while competition from non-European manufacturers is steadily intensifying also in the commercial vehicle sector (e.g., BYD, Yutong and others in buses and coaches). Demand-side measures must therefore be carefully crafted to support the transition to climate neutrality while safeguarding the global competitiveness of European industry.

Against this background, ACEA recommends the following policy actions.

1. Public procurement for vehicles and transport services

Public procurement plays an important role for several applications in the commercial road transport industry, such as municipal services, waste collection etc., but especially for public transport services with urban (and to a lesser extent interurban) buses. All publicly procured services directly or indirectly related to transports with heavy-duty vehicles should focus on zero-emission investments only and be enforced accordingly.

The provisions in the **Clean Vehicle Directive**, especially with respect to the timeline and definitions of what are "clean" and "green vehicles" should be reviewed and aligned with the revised CO₂ standards. In addition, public procurement of transport services should consider progressively increasing CO₂ reductions and ultimately focus on ZEVs.

A 'European value chain' provision should underscore the significance of zero-emission technologies for strengthening Europe's industrial base and supporting economic prosperity. Therefore, a greening fleet initiative should include measures that ensure a high proportion of EU-added value in the production and procurement of new vehicles and transport services.

2. Shippers and transport buyers

Shippers and logistics providers, who tender transport services, can play a critical role in accelerating the transition to zero-emission vehicles by generating strong demand and helping set clear market signals. They should be mandated to progressively increase the share of their shipments handled by ZEVs.

Shippers and logistics providers can also help de-risk ZEV investments for small(er) transport operators, and thus help accelerate a broader and faster adoption across the industry.

3. Fleet renewal incentives

To encourage early investments in zero-emission vehicles (ZEVs), **comprehensive support measures for transport operators are essential**. These incentives should be carefully coordinated across Member States to prevent market disruptions and ensure fair competition. Existing instruments, such as the “Innovation Fund”, the “Social Climate Fund” and others should include targeted fleet renewal incentives for commercial road transport operators.

Many large fleet operators are committed to decarbonizing their operations, with some having initiated first investments in ZEVs. Strengthening and accelerating these efforts through targeted demand-side measures aligned with the revised CO₂ targets for manufacturers would expedite the transition and help establish a balanced, competitive environment across the sector.

Targeted adjustments in the European state aid framework should aim to widen the scope for taxation measures (such as special depreciation rates for ZEVs) on the national level. It will, however, be crucial to ensure careful coordination of such measures between Member States.

4. CO₂-based road user charges

The **swift and consistent implementation of the Eurovignette Directive and CO₂-based road user charges** across all Member States is crucial for driving the transition to zero-emission vehicles (ZEVs). Currently, only a few Member States make use of the option to fully exempt ZEVs from CO₂-based tolls, missing an opportunity to strengthen the business case for these vehicles.

Article 7ga of the Eurovignette Directive allows **full exemption for ZEVs** only until 31 December 2025, after which Member States may provide only a 75% reduction in the CO₂-related toll rate. This will effectively result in a toll rate increase for ZEVs and risks undermining their (often still fragile) business cases. Extending the full exemption deadline to 2030 would better reflect the current state of the ZEV market and support the transition.

Revenues from CO₂-based road user charges should be consistently reinvested in the sector’s transformation. Funds should go toward maintaining and upgrading road infrastructure where needed and supporting fleet renewal programs for transport operators. The objective should be to ensure ZEVs and related transport services can swiftly become the preferred

choice of transport operators and will be relatively more competitive than operations with conventional vehicles powered by fossil fuels.

5. Other measures

The **broader transport policy framework** at both the European and Member State levels must deliver consistent signals to accelerate the shift to zero-emission vehicles (ZEVs). For instance, several cities in the Netherlands are beginning to implement zero-emission zones, ultimately allowing only ZEVs to access specific urban areas. These policies provide strong demand-side signals that support faster fleet renewal. Similar measures could be introduced for dedicated logistics areas, such as ports, to further incentivize ZEV adoption.

However, it is essential that these measures are introduced with **adequate lead time**, are **harmonised across regions**, and are **supported by meaningful incentives** to help transport operators make the transition to ZEVs.



ABOUT THE EU AUTOMOBILE INDUSTRY

- 13.2 million Europeans work in the auto industry (directly and indirectly), accounting for 6.8% of all EU jobs
- 10.3% of EU manufacturing jobs – some 3.1 million – are in the automotive sector
- Motor vehicles are responsible for €383.7 billion of tax revenue for governments across key European markets
- The automobile industry generates a trade surplus of €106.7 billion for the European Union
- The turnover generated by the auto industry represents over 7.5% of the EU's GDP
- Investing €72.8 billion in R&D per year, automotive is Europe's largest private contributor to innovation, accounting for 33% of the EU total

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