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EUROPE

Statement of Commission President after 2nd Strategic Dialogue Meeting

On 3 March 2025, European Commission President Ms Ursula von der Leyen made a statement following the second meeting of the Strategic Dialogue on the Future of the European Automotive Industry.

Ms von der Leyen said the topic of innovation was dominant and that it should be the front and centre of everything to secure the future of the car industry in Europe. She went on to say that the Commission will set up and support an industry alliance, whereby companies will be able to pool resources. They will develop shared software, chips and autonomous driving technology. The Commission itself will refine the testing and deployment rules and will also help launch large-scale pilots for autonomous driving.

The second topic was the transition towards clean mobility, the President acknowledging that there is a clear demand for more flexibility on CO_2 targets. She said balance is needed between predictability and fairness for first movers on one hand, and pragmatism and technology neutrality on the other. To address this Ms von der Leyen proposes a focused amendment to the CO_2 Standards Regulation in March. Instead of annual compliance, companies will get three years – the principle of banking and borrowing. She stressed that the targets stay the same and OEMs have to fulfil the targets. She said it means more breathing space for industry and more clarity, and without changing the agreed targets.

At the same time, the Commission will prepare to speed up work on the 2035 review, with full technology neutrality as a core principle.

The third point was competitiveness, with European car supply chains needing to be more robust and more resilient, especially when it comes to batteries. The Commission will therefore explore direct support for EU battery producers and will gradually introduce European content requirements for battery cells and components.

EC President von der Leyen's statement is at ec.europa.eu/commission/presscorner/detail/en/statement_25_656.

Automotive Industry Action Plan

On 5 March 2025, the European Commission announced its Action Plan for the automotive industry, saying it presents concrete actions that will ensure a robust and sustainable automotive sector and help "unleash its innovative power." This provided more detail than President von der Leyen's comments two days earlier (see above).

Looking to accelerate innovation and the clean mobility transition, the Commission says a dedicated European Connected and Autonomous Vehicle Alliance will bring together Europe's automotive stakeholders to shape the development of next-generation vehicles and help develop the shared software and digital hardware needed to bring this technology to life. This and other actions will be supported by joint public-private investments of around €1billion backed by the Horizon Europe Programme over the 2025-2027 period.

Commenting on CO_2 targets, the Commission says it has taken note of the 'clear demand' for more flexibility in relation to CO_2 targets and is committed to addressing this issue in a balanced and equitable manner. The Commission will propose a focused amendment to the CO_2 Standards Regulation for cars and vans this month. The amendment, if adopted, would enable car manufacturers to meet their compliance targets by averaging their performance over a three-year period (2025-2027), allowing them to offset any shortfalls in one or two years with excess achievements in the other year(s), while keeping the overall ambition on the 2025 targets. The Commission will also accelerate work on the preparation of the foreseen review of the CO_2 Standards Regulation for cars and vans.

In parallel, the Commission is working on ways to boost the demand for European zero-emission vehicles. The Action Plan includes measures that will provide incentives to switch to zero-emission vehicle and strengthen consumer trust through concrete measures, such as improved battery health and repairability.

The press release goes on to say that it is crucial that Europe achieves cost-competitive EU cell production that would cover a large part of the supply of batteries and generate European value-added along the supply chain. The Commission says it will further support the EU battery industry and help it maintain a strong European production base, with financing under the Innovation Fund. The Commission will also look into direct production support to companies producing batteries and non-price criteria for components such as resilience requirements.

With regard to skills, the Commission says it will help the EU automotive sector address the challenges related to skills shortages, mismatches and an ageing workforce through a number of initiatives and agencies. The Commission will expand the European Globalisation Adjustment Fund for Displaced Workers (EGF) support to make it faster and broader, allowing companies to trigger support and supporting workers threatened by immediate redundancy. Additionally, the Commission will work with social partners and Member States to increase European Social Fund Plus (ESF+) funding for the automotive sector, supporting workers who want to reskill and look for new job opportunities. The Commission will also use the mid-term review of ESF+ to incentivise Member States to reprogramme more funding for the automotive sector.

Finally, the press release says the Commission will ensure a level playing field by using trade defence instruments, such as anti-subsidy measures, to protect European companies from unfair competition. At the same time, negotiations with partner countries will continue, to enhance market access and sourcing opportunities for the automotive industry. Additionally, the Commission will propose measures to ensure that foreign investments in the EU automotive sector

contribute to the industry's long-term competitiveness, while working to reduce the administrative burden on European automakers through regulatory simplification.

The press release can be found at ec.europa.eu/commission/presscorner/detail/en/ip_25_635.

Discussion of Automotive Action Plan in Competitiveness Council

On 12 March 2025, Member States' ministers in the Competitiveness Council broadly welcomed the Automotive Sector Industrial Action Plan. However, some Ministers called for the Commission to offer further flexibility regarding compliance with the Emissions Standards Regulation, while others warned this could undermine the ambition of EU green goals and unfairly punish early adopters of clean technologies.

The session was opened by Executive Vice President for Prosperity and Industrial Strategy, Stéphane Séjourné, who presented the Action Plan on behalf of the Commission. The Executive Vice President outlined the most important themes of the strategy and proposed measures introduced in the Communication.

He drew particular attention to the upcoming targeted amendment to the Emissions Standards Regulation which will allow manufacturers to measure compliance with 2025 targets over three years, as well as the clean corporate fleets initiative, increased funding for alternative fuels infrastructure, and support for battery manufacturers.

Following the presentation, Ministers from eleven Member States took the floor to express their views on the Action Plan.

Italy, Spain and Slovenia called for more investment in the industry, while the Czech minister advocated for a five-year calculation period for compliance, rather than three years. She argued that a shorter timeframe could still risk leading to penalties if demand does not increase significantly.

Meanwhile, Slovakia cautioned against introducing quotas for EVs in private fleets, warning that this could distort the market and undermine the principle of technological neutrality. Bulgaria echoed this approach, while Romania advocated for a practical approach to decarbonisation, striking a balance between the time required for the transition, and the financial support needed to address stakeholders' real needs.

France commended the Commission for announcing initiatives on green corporate fleets and social leasing, which have already been put in place in France. Though the French Minister welcomed more flexibility in the Emissions Standards Regulation, he stated that this must not undermine the overall ambition of the EU's green targets. The German minister also highlighted that flexibility should not come at the cost of decarbonisation or providing a secure basis for future planning. He also highlighted the importance of a skilled workforce, stating that innovation cannot be boosted without proper training for automotive employees.

On 20 March, the European Council issued its conclusions on competitiveness, European defence and security and migration. The Council underlines the urgent need to strengthen Europe's competitiveness, building on the Budapest Declaration on the New European Competitiveness Deal. In that regard, the European Council welcomes in particular the presentation of the Competitiveness Compass of 29 January 2025, the Clean Industrial Deal of 26 February 2025 and the Omnibus simplification agenda.

Building on the Clean Industrial Deal, the Automotive Action Plan of 5 March 2025 and the Steel and Metals Action Plan of 19 March 2025, which refer to technological neutrality, the Council says work must be stepped up to secure Europe's industrial innovation, renewal and decarbonisation and to ensure the growth of tomorrow's key technologies, such as artificial intelligence, quantum technologies, semiconductors, 5G/6G and other critical technologies, while paying particular attention to traditional industries in transition, notably the automotive, shipping, aviation and energy-intensive industries, and the need to secure a level playing field. To this end, it calls on the Commission to put forward, without delay, a targeted proposal for additional flexibilities to the 2025 milestone under the Regulation setting CO_2 emissions performance standards for cars and vans, and to take forward the review foreseen in this Regulation.

The European Council press release is at consilium.europa.eu/en/press/pressreleases/2025/03/20/european-council-conclusions-on-competitiveness.

Debate on Automotive Action Plan in European Parliament

On 12 March 2025, MEPs debated the Automotive Sector Industrial Action Plan during the plenary debate in the European Parliament.

Speaking on behalf of the Polish Council Presidency, Minister for the European Union Adam Szłapka expressed that boosting the competitiveness of European industry is a top priority for the Presidency. In light of a lower-than-expected uptake of battery electric vehicles, the Council welcomes the targeted amendment to the Emissions Standards Regulation to allow businesses to calculate their compliance over a three-year average between 2025 and 2027. He stated that the Presidency will treat this proposal as a priority and will work to have it approved as soon as possible.

Second to take the floor was Commissioner for Sustainable Transport and Tourism Apostolos Tzitzikostas, who assured MEPs that the Commission already has the finance to put the action plan into motion from funding instruments such as InvestEU, Horizon EU, AFIR Facility and Erasmus+.

MEPs expressed a wide variety of views on the Action Plan during the debate, with right-wing groups welcoming the flexibility on emissions targets and calling for more to be done to protect jobs in Europe, and left-wing and centrist MEPs urging the Commission to maintain the 2025 and 2035 targets.

MEP Jens Gieseke (EPP, DE) applauded the Action Plan for attempting to strike a balance between decarbonisation and the needs of the industry. The EPP supports increased flexibility for the 2025 targets and calls for the Commission to review the 2035 limits by the end of the year. It also says the review must take a fully technology-neutral approach, specifying the role of plug-in hybrid vehicles and providing further clarity on combustion engine bans.

MEP Mohammed Chahim (S&D NL) called for the Commission to maintain 2025 emission targets to drive the transition towards electric vehicles. The S&D representative stated that allowing flexibility on targets will 'keep the European car industry stuck in the past and play into the hands of China', which is already leading the EV market. A delay in enforcing emissions targets will also mean a delay on EVs entering the second-hand market, which is crucial to make lower-emissions vehicles more accessible to consumers. Finally, Chahim called for the Commission to prioritise the legislative initiative on clean corporate fleets and recommendations on transport poverty, both of which will drive demand for lower-emissions vehicles.

The representatives from the PfE, ECR and ESN called for support for the automotive industry, saying that the Commission should prioritise 'traditional jobs and manufacturing' rather than focusing entirely on electric vehicles.

MEPs speaking for Renew, Greens/EFA and The Left expressed disappointment with the Action Plan. According to Renew, the European automotive sector has taken far too long to transition to electric vehicles and delaying emissions targets 'rewards certain manufacturers for dragging their feet'. The Greens/EFA said softening emissions requirements will create uncertainty for investors, businesses and consumers, and allow the industry to fall further behind third-country competitors, while The Left representative called on the Commission to emulate actions taken by the Chinese government by stimulating the European EV market through tax breaks and incentives for manufacturers and consumers.

Following the plenary debate on 12 March, the Parliament will table a resolution on the Automotive Sector Action Plan. This is scheduled to take place on 26 March. Once presented, MEPs will have until 19.00 on 31 March to submit amendments to the draft resolution, and until 13.00 on 1 April to put in a request for a separate, split or roll-call vote. MEPs will vote on the Resolution at Plenary on 2 April.

A video of the debate (starting 10:12) is at multimedia.europarl.europa.eu/en/webstreaming/plenary-session_20250312-0900-PLENARY.

Decision on EU Position in UNECE Vehicle Regulation Harmonisation

On 3 March 2025, the European Council position to be taken on behalf of the European Union in the 195th session of the World Forum for Harmonization of Vehicle Regulations (WP.29) of the United Nations Economic Commission for Europe (UNECE) was published in the Official Journal of the European Union.

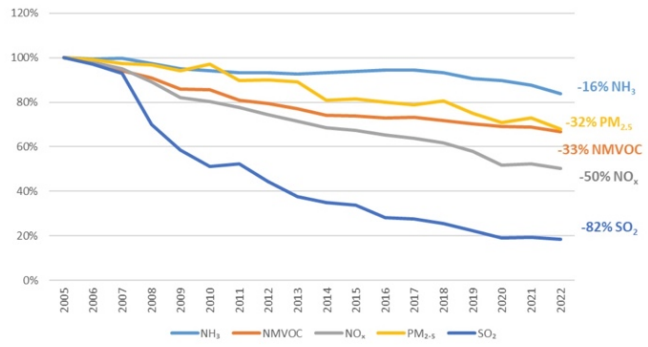
The position to be taken on the Union's behalf is to vote in favour of the proposals listed in the Annex to this Decision, including: the proposal for Supplement 10 to the 06 series of amendments to UN Regulation No 49 (Emissions of compression ignition and positive ignition (LPG and CNG) engines); the proposal for Supplement 2 to the 08 series of amendments to UN Regulation No 83 (Emissions of M1 and N1 vehicles); the proposal for Supplement 2 to the 05 series of amendments to UN Regulation No 96 (Uniform provisions concerning the approval of engines to be installed in agricultural and forestry tractors and in nonroad mobile machinery with regard to the emissions of pollutants by the engine; the proposal for Supplement 1 to UN Regulation No 168 on Global Real Driving Emissions (Global RDE).

The Council Decision can be read in full at eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:L_202500433.

Commission Publication of Fourth Clean Air Outlook Report

On 3 March 2025, the European Commission published its Fourth Clean Air Outlook report, showing that air pollutant emissions in the EU continue to fall, although ammonia emissions (NH_3) remain flat and have even increased in some Member States in recent years, contributing to the EU missing the zero-pollution target related to reducing ecosystem areas at risk from air pollution.

Figure 1: Trend in EU-27 emissions, 2005-2022 (% of 2005 levels)



Source: European Environment Agency, based on Member States' air pollutant emission inventories

According to the results of the Fourth Clean Air Outlook, only four Member States (Estonia, Finland, Greece and Italy) are on course to achieve all their 2030 emission reduction commitments under current national measures and EU legislation. All other Member States must take additional measures to fulfil their obligations.

21 Member States need to take additional action to reduce ammonia emissions at the source, in particular by promoting good agricultural practices. Additional action is also needed to limit emissions of PM2.5, for which eight Member States are currently projected to miss their 2030 reduction commitments.

Overall, the report says the EU is on track to meet the health-related target of the zero-pollution action plan. However, it is still not on track to meet the ecosystem-related target in 2030. The Commission says that more action is needed to achieve both the EU's zero-pollution ambition and the Commission's commitment to achieving sustainable prosperity.

The report can be found at environment.ec.europa.eu/news/air-pollution-decreasing-air-quality-remains-serious-risk-2025-03-03_en.

Launch of Zero Pollution Stakeholder Platform

On 3 March 2025, the European Commission launched its new Zero Pollution Dashboard for regions and cities during the 7th meeting of the Zero Pollution Stakeholder Platform (ZPSP) in Brussels.

According to the new Zero Pollution Dashboard for regions and cities, 15 regions in five countries have achieved a low level of pollution, compared to the EU averages based on a combination of indicators for the period 2020-2022; 97% of regions have improved their air quality since 2016; and 75% of regions reduced industrial emissions between 2017 and 2021. This tool tracks progress, compares regions and highlights the best performers. It helps local policymakers identify challenges, as pollution levels remain high and progress is often too slow to reach the EU's zero pollution targets, as outlined in the Zero Pollution Monitoring and Outlook report.

A European Committee of the Regions press release is at cor.europa.eu/en/news/zero-pollution-stakeholder-platform-new-dashboard-helps-local-leaders-fight-against-pollution.

Q&A on Strategic Projects under Critical Raw Materials Act

On 25 March 2025, the European Commission published 'Questions and Answers on the Strategic Projects under the Critical Raw Materials Act, explaining what the strategic raw materials are and why the EU needs them.

Those raw materials are considered strategic since their projected demand growth compared to current levels of supply, combined with the difficulties of scaling up production, are likely to create supply risks in the near future. These raw materials are used in strategic sectors such as renewable energy, digital, aerospace and defence technologies. The Critical Raw Materials Act includes also a list of critical raw materials, which are materials considered important for the whole European economy and that face a high risk of supply disruption.

Currently, critical and strategic raw materials are mainly extracted, processed and recycled in third countries, creating dependencies that can be exploited against European interests. To secure access to those raw materials in the EU, the Critical Raw Material Act sets a framework to support Strategic Projects linked to extraction, processing, recycling of strategic raw materials. The Strategic Projects will develop EU capacity along the value chain and contribute to deliver on the 2030 benchmarks identified in the Act, namely: at least 10% of the EU's annual consumption for extraction; at least 40% of the EU's annual consumption for processing; at least 25% of the EU's annual consumption for recycling; and no more than 65% of the Union's annual consumption of each strategic raw material relies on a single third country supplier for any relevant stage of the value chain.

To be selected as Strategic Projects under the Critical Raw Materials Act, projects must make a meaningful contribution to the security of the Union's supply of strategic raw materials. They must be or have the potential to become technically feasible within a reasonable timeframe, show expected production volumes, and be implemented sustainably with a sufficient estimated level of confidence. The Strategic Projects must also demonstrate that they have cross-border benefits beyond the EU Member State concerned.

The Strategic Projects will provide access to 14 out of the 17 strategic raw materials listed in Annex 1 of the Critical Raw Materials, namely: bauxite/alumina/aluminium; boron — metallurgy grade; cobalt; copper; gallium; germanium; lithium — battery grade; magnesium metal; manganese — battery grade; graphite — battery grade; nickel — battery grade; platinum group metals; rare earth elements for permanent magnets; tungsten.

Being selected as a Strategic Project means to benefit from streamlined permitting and from enabling conditions for access to finance.

Strategic Projects for platinum group metals relate to extraction, processing and recycling.

Full details of the Q&A can be found at ec.europa.eu/commission/presscorner/detail/en/qanda_25_865.
A list of the Strategic Projects is at singlemarketeconomy.ec.europa.eu/rawmaterials/areasspecificinterest/crm/strategicprojectsundercrma/selectedprojects_en.

AECC Input to IED transformation Plans

On 14 March 2025, AECC responded to the European Commission's call for evidence on Industrial Emissions Directive transformation plans.

AECC states that it believes there is not enough focus on other greenhouse gases than CO_2. Methane (CH_4) and nitrous oxide (N_2O) have significantly higher global warming potentials (GWPs) than CO_2, and highlights the urgent need to address CH_4, and N_2O, emissions alongside CO_2, as reducing these potent greenhouse gases can have a much faster and stronger effect in slowing global temperature rise.

The response goes on to say that methane abatement technologies have been the focus of extensive research for decades, with promising solutions developed across various sectors, including energy, agriculture, and waste management. Technologies such as catalytic methane oxidation have demonstrated significant potential to reduce emissions. However, despite their technical viability, market deployment remains limited due to a lack of strong incentives, regulatory requirements, and financial support. The short

atmospheric lifetime of methane means that reducing emissions today can have immediate climate benefits, yet without targeted policies, subsidies, or carbon credits for methane reduction, industries have little motivation to invest in these solutions. Bridging this gap requires policy intervention that properly values methane reduction as a critical step in mitigating near-term global warming.

AECC adds that low sulfur content in gas quality standards is an essential enabler for the effective operation and longevity of methane oxidation catalysts. Sulfur compounds act as poisons to catalytic surfaces, significantly reducing their efficiency in oxidising methane. It is therefore extremely worrying to learn that the sulfur content of the gas quality standard is considered to be increased from 10 mg/m^3 to 30 mg/m^3.

The AECC position paper concludes by saying that focusing solely on the end goal of net-zero emissions risks overlooking the significant climate impact of emissions released during the transition. Every ton of greenhouse gases emitted into the atmosphere contributes to cumulative warming, meaning that even temporary increases in emissions can have long-lasting consequences. The example of short-lived climate pollutants like methane (CH_4) and nitrous oxide (N_2O) have already been addressed above. But additionally, policies and strategies should prioritise reducing all emissions at every stage of the transition, ensuring continuous progress rather than relying only on solutions to meet distant net-zero targets.

AECC's response to the call for evidence is at aecc.eu/wp-content/uploads/2025/03/250314-AECC-input-IED-transformation-plan.pdf.

NORTH AMERICA

US EPA Deregulation Announcement

On 12 March 2025, US Environmental Protection Agency (EPA) Administrator Lee Zeldin announced the agency will undertake 31 deregulatory actions in order to fulfil President Trump's promise to 'unleash American energy, lower cost of living for Americans, revitalize the American auto industry, restore the rule of law, and give power back to states to make their own decisions.'

These actions include reconsideration of regulations on power plants (Clean Power Plan 2.0), reconsideration of Mercury and Air Toxics Standards on coal-fired power plants (MATS), reconsideration of light-duty, medium-duty, and heavy-duty vehicle regulations that the Administrator says provided the foundation for the Biden-Harris electric vehicle mandate (Car GHG Rules), reconsideration of Particulate Matter National Ambient Air Quality Standards (PM 2.5 NAAQS), and reconsideration of multiple National Emission Standards for Hazardous Air Pollutants for American energy and manufacturing sectors (NESHAPs).

The press release can be read in full at epa.gov/newsreleases/epa-launches-biggest-deregulatory-action-us-history.

US Tariffs on Foreign-made Vehicles

On 26 March 2025, the US President announced that as of 3 April, vehicles entering the USA would be subject to tariffs of 25%. The tariff will also apply to automobile parts by no later than 3 May.

The President's proclamation states that 'imports of automobiles and certain automobile parts continue to threaten to impair the national security of the United States'.

The detailed proclamation is available to read at whitehouse.gov/presidential-actions/2025/03/adjusting-imports-of-automobiles-and-autombile-parts-into-the-united-states.

Introduction of US Senate Legislation to block California EPA Waivers

In March 2025, multiple bills were introduced in the US Senate seeking to amend the Clean Air Act (CAA) to limit or eliminate waivers granted to California allowing the state to adopt and enforce emissions regulations that are stricter than federal regulations.

The Preserving Choice in Vehicle Purchases Act (S.996), reintroduced by Sen. Markwayne Mullin (R-OK) and co-sponsored by 19 fellow Republicans, would limit the EPA from issuing CAA waivers for state policies seeking to ban or otherwise limit the sale of internal combustion engines. The bill also calls for the EPA to revoke any waiver granted since 1 January 2022, that does not comply with the requirements of the bill including waivers for the California Air Resources Board's (CARB's) Advanced Clean Trucks and Omnibus Low-NOx rules amongst others. A press release from Sen. Mullin said the legislation would 'preserve consumer choice and maintain competition in the automotive markets by ensuring Americans have access to reliable and affordable vehicles'.

Another piece of legislation, The Stop California from Advancing Regulatory Burden Act, or Stop CARB Act (S.1072) was introduced by Sen. Mike Lee (R-UT) and would repeal California's Clean Air Act waiver exemption and repeal Section 177 of the Clean Air Act that allows other states to adopt California's emissions standards and nullify any active or pending waivers granted to California. This bill is backed by over a dozen GOP senators, including Senator Capito (EPW Committee Chair).

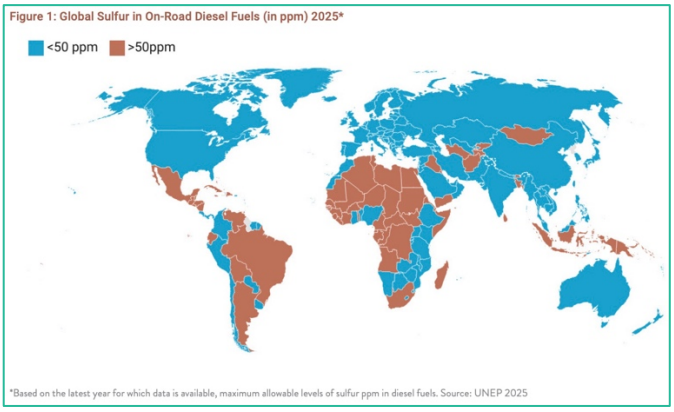
The Preserving Choice in Vehicle Purchases bill is at congress.gov/bill/119th-congress/senate-bill/996.
The Stop CARB bill can be found at congress.gov/bill/119th-congress/senate-bill/1072.

UNITED NATIONS

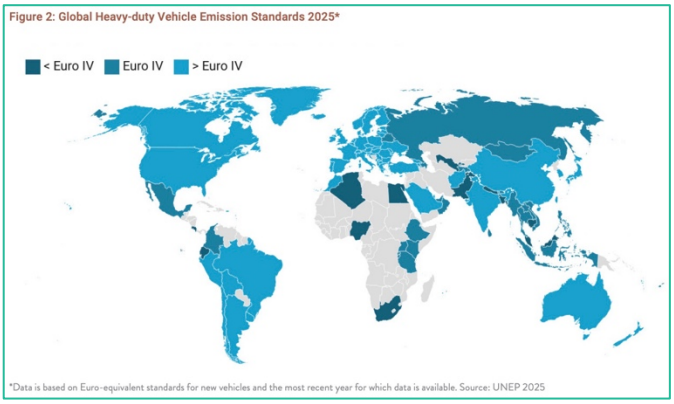
UNEP Strategy on Accelerating Global Shift to Cleaner ON-Road Diesel Fleet

On 19 March 2025, the United Nations Environment Programme (UNEP) published a strategy document titled 'Accelerating the global shift to a cleaner on-road diesel fleet'.

UNEP says this global strategy provides an operational plan for how most of the world's low- and middle-income countries can achieve a level playing field of Euro 6/VI fuels and vehicles within the next five years. A global transition to low-sulfur fuels of 50 parts per million (ppm) with a target of 10 ppm fuels is the goal. The strategy covers both petrol and diesel fuels.



Alongside fuel quality improvements, the strategy recommends matching stricter vehicle emission standards, targeting the global shift to Euro 6/VI vehicle standards - and a minimum of Euro 4/IV standards.



It says this is a crucial technical and policy response to improve air quality, reduce short-lived climate pollutants like black carbon and CO_2 emissions from vehicles. Cleaner fuels and vehicles are an integral part of the global transition to zero emission vehicles and sustainable mobility.

The UNEP strategy document is available to download at unep.org/resources/policy-and-strategy/accelerating-global-shift-cleaner-road-diesel-fleet.

GENERAL

Industry Response to Action Plan for Automotive Sector

On 5 March 2025, industry associations responded to the European Commission's Action Plan for the Automotive Sector (see above).

AECC responded to the Action Plan for the Automotive Industry, saying it welcomes the plan and is proud to have contributed with our 'Vision for the Future of the EU Automotive Industry'. AECC says however that its initial reaction is mixed.

AECC is disappointed by the lack of an explicit recognition of the principle of technological neutrality in the Action Plan text. While electromobility is essential, we must recognise the role of all decarbonisation pathways if we are to achieve our climate objectives in a resilient, affordable, and inclusive way.

The AECC post on LinkedIn does acknowledge that we are encouraged to see that the upcoming review of the CO_2 Emission Standards Regulation will pursue a fact-based analysis approach, considering all relevant technological developments. A technology-neutral approach based on life-cycle considerations must be the basis and we will contribute such evidence.

During the press conference however, we were pleased to hear Commissioner Apostolos Tzitzikostas confirm that technological neutrality will be a core principle, and that the CO_2 Emission Standards Regulation review will be brought forward to Q3/Q4 2025. We look forward to working closely with him and all relevant policymakers to ensure the effective implementation of this plan to the benefit of the entire automotive sector, European competitiveness, everyday citizens, and the environment.

The European Automobile Manufacturers' Association (ACEA) issued a press release saying it recognises the 'pragmatic turn in the Commission's Action Plan amid global market turmoil' but says 'key elements are still missing.'

ACEA says the proposed flexibility to meet CO_2 targets in the coming years is a welcome first step towards a more pragmatic approach to decarbonisation dictated by market and geopolitical realities. It adds that demand and charging infrastructure measures now need to happen.

The vehicle manufacturers' trade association continues to call for an 'explicit commitment to launch the review of CO_2 standards in 2025, including an urgent assessment of enabling conditions', which it says is still missing.

Meanwhile, the European Association of Automotive Suppliers (CLEPA) says it welcomes the Commission's initiative, but adds that key questions remain unanswered, and the urgency of the situation demands swift and concrete action.

CLEPA welcomes the suggestion by Commissioner Tzitzikostas that the review of the CO_2 regulations will start in 2025, rather than 2026 as foreseen in the regulation and to do so based on a technology neutral approach.

It says the crucial question is how technology-neutrality will be implemented in practice, stating that the EU must embrace a diverse portfolio of sustainable technologies – including plug-in hybrids (PHEVs), range extenders, hydrogen, and renewable fuels – that complement electrification up until 2035 and beyond.

CLEPA goes on to say securing Europe's role in all critical automotive technologies without creating distortion in the market remains key, and the EU must urgently consider policy measures that safeguard European value creation and overall competitiveness – whether through targeted funding, demand-side incentives, or trade defence instruments. It says the goal should be a level playing field for competition while preserving the advantages of production at scale and a globally connected supply chain.

AECC's LinkedIn post is at
linkedin.com/posts/aecc-eu_actionplanforautomotive-automotive-futureofautomotive-activity.
The ACEA press release is at
acea.auto/press-release/robust-action-essential-to-put-transition-back-on-track-and-turn-focus-to-long-term-decarbonisation..
CLEPA's statement can be found at
clepa.eu/eus-automotive-action-plan-charts-positive-first-steps-but-misses-addressing-crucial-needs-of-the-supplier-industry.

NGO Comments on Changes to 2025 CO_2 Emissions Targets

On 3 March 2025, the International Council on Clean Transportation (ICCT) issued a press statement following the European Commission announcement of more flexibility on the car and van CO_2 emissions standards (see above).

ICCT says extending the deadline is expected to reduce the benefit of the EU CO_2 performance targets by half, resulting in average CO_2 emission levels of new cars that are up to 5 grams per kilometre higher than under the current target schedule. Accumulated excess emissions over the 2025–2030 time period are estimated to be in the order of up to 50 megatonnes, resulting from more combustion engine cars on the road for a longer period of time. ICCT says that in practice, the averaging leads to a de facto relaxation of the 2025 target.

It goes on to say that this "last-minute weakening of climate targets will influence manufacturers' market strategies in the initial years and likely will delay the availability of affordable electric cars for consumers." The NGO also says it will affect the reliability of 2025 vehicle market data, which serves as a basis for the mid-term review of the European Union's regulation CO_2 standards for cars and vans, expected in 2026.

Transport & Environment (T&E) also responded, saying the modification is "an unprecedented gift to Europe's car industry in the middle of a compliance year." T&E says manufacturers would sell fewer 'clean' cars as a result, delaying the scale up of electric vehicle (EV) production in Europe and remove pressure on the industry to roll out cheaper EV models in 2025.

T&E states the current 2025 CO_2 target is well within the reach of European carmakers, but by changing the compliance window to three years, car manufacturers will be under less pressure to supply more affordable models.

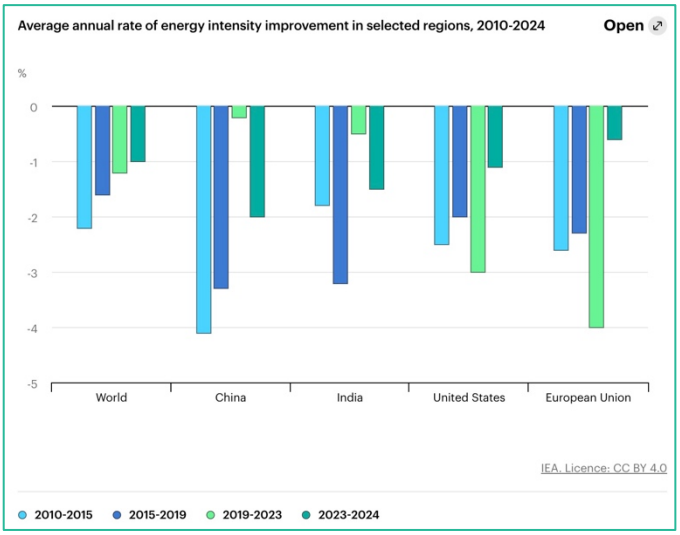
The ICCT press release can be found at
theicct.org/pr-proposed-weakening-of-2025-co2-targets-risks-delaying-europes-ev-transition.
The T&E statement is at
transportenvironment.org/articles/eu-to-gift-weaker-climate-targets-to-car-industry-in-return-for-no-commitments.

IEA Global Energy Review

On 24 March 2025, the International Energy Agency (IEA) published its annual Global Energy Review. Based on the most recent data, it covers energy demand, supply, the uptake of new energy technologies and energy-related carbon dioxide (CO_2) emissions.

The report finds that global energy demand rose by 2.2% last year – lower than GDP growth of 3.2% but considerably faster than the average annual demand increase of 1.3% between 2013 and 2023. Emerging and developing economies accounted for over 80% of the increase in global energy demand in 2024. This was despite slower growth in China, where energy consumption rose by less than 3%, half its 2023 rate and well below the country's recent annual average. After several years of declines, advanced economies saw a return to growth, with their energy demand increasing by almost 1% in aggregate.

The acceleration in global energy demand growth in 2024 was led by the power sector, with global electricity consumption surging by nearly 1 100 terawatt-hours, or 4.3%. This was nearly double the annual average over the past decade. The sharp increase in the world's electricity use last year was driven by record global temperatures, which boosted demand for cooling in many countries, as well as by rising consumption from industry, the electrification of transport, and the growth of data centres and artificial intelligence.



Oil demand grew by 0.8% in 2024. Oil's share of total energy demand fell below 30% for the first time ever, 50 years after it peaked at 46%. Sales of electric cars rose by over 25% last year, with electric models accounting for one in five cars sold globally. This contributed considerably to the decline in oil demand for road transport, which offset a significant proportion of the rise in oil consumption for aviation and petrochemicals.

The continued rapid adoption of clean energy technologies limited the annual rise in energy-related carbon dioxide (CO_2) emissions, which are increasingly decoupling from economic growth, according to the report. Record temperatures contributed significantly to the annual 0.8% rise in global CO_2 emissions to 37.8 billion tonnes. But the deployment of solar PV, wind, nuclear, electric cars and heat pumps since 2019 now prevents 2.6 billion tonnes of CO_2 annually, the equivalent of 7% of global emissions.

The IEA press release is at iea.org/news/growth-in-global-energy-demand-surged-in-2024-to-almost-twice-its-recent-average.

RESEARCH SUMMARY

Effects of Emissions and Pollution

Combustion-derived carbon nanoparticles cause delayed apoptosis in neutrophil-like HL-60 cells in vitro and in primed human neutrophilic granulocytes ex vivo, Tamara Hornstein, et al.; *Particle and Fibre Toxicology* (2025), Vol. 22, 6, doi: 10.1186/s12989-025-00621-0.

Air Quality, Sources and Exposure

Does the new European Union air quality directive really protect health? A nationwide case study in Spain, C. Linares, et al.; *Science of The Total Environment* (March 2025), Vol. 970, 179002, doi: 10.1016/j.scitotenv.2025.179002.

The regional and local sources of particle lung deposited surface area (LDSAal) and aerosol physical and chemical characteristics in a major Central European city, Teemu Lepistö, et al.; *Atmospheric Environment* (in press), doi: 10.1016/j.atmosenv.2025.121181.

Emissions Measurements and Modelling

Impact of the alcohol chemical structure on pollutant emissions of a diesel engine under real driving conditions, Pedro Ventin, et al.; *Fuel* (June 2025), Vol. 390, 134730, doi: 10.1016/j.fuel.2025.134730.

Traceable Uncertainty of Exhaust Flow Meters Embedded in Portable Emission Measurement Systems, M. Schakel, et. al.; *Emiss. Control Sci. Technol.* (2025), Vol. 11, 9, doi: 10.1007/s40825-025-00260-z.

Formaldehyde emissions variability in light-duty and heavy-duty diesel trucks under real-world conditions, Manni Zhu, et. al.; *Journal of Environmental Management* (April 2025), Vol. 380, 124840, doi: 10.1016/j.jenvman.2025.124840.

Progress in the study of the emission characteristics of intermediate and semivolatile organic compounds from motor vehicles, Xianbao Shen, et al.; *Journal of Environmental Sciences* (in press), doi: 10.1016/j.jes.2025.02.038.

Characteristics and influence factors of ammonia emissions from light-duty vehicles under real-world driving conditions, Xian Wu, et al.; *Fuel* (August 2025), Vol. 393, 135038, doi: 10.1016/j.fuel.2025.135038.

Emissions Control, Catalysis, Filtration

Nanoparticle Counting for PTI: The Dirty Tail Paradigm — A Pragmatic Proposal to Strongly Reduce Urban PN Pollution from Combustion Engine Fleets, A. Mayer, et al.; *Emiss. Control Sci. Technol.* (2025), Vol. 11, 7, doi: 10.1007/s40825-024-00257-0.

Simplified Analytic Particulate Filter Backpressure Models Revisited: Derivation of the Additive Flow Resistance Model, T.C. Waitling, et al.; *Emiss. Control Sci. Technol.* (2025), Vol. 11, 8, doi: 10.1007/s40825-025-00259-6.

Transport, Climate Change and Emissions

Novel approach for synergistic capturing of platinum group metals from spent automotive catalysts with Pb-Bi alloy, Jinfu Li, et al.; *Process Safety and Environmental Protection* (in press), doi: 10.1016/j.psep.2025.106923.

FORTHCOMING CONFERENCES

SAE WCX World Congress
8-10 April 2025, Detroit, USA
wcx.sae.org

CITA General Assembly and International Conference
6-8 May 2025, Istanbul, Turkey
cita2025.citainsp.org

Heavy-Duty Sustainable Transport Symposium
7-8 May 2025, Gothenburg, Sweden
sae.org/attend/heavy-duty-sustainable-transport-symposium

Vienna Motor Symposium
14-16 May 2025, Vienna, Austria
oevk.eventsair.com/motorensymposium2025abstracts/en/Site/Register

Shanghai-Stuttgart Symposium 'Automotive and Powertrain Technology
22-23 May 2025, Shanghai, China
fkfs-veranstaltungen.de/veranstaltungen/shanghai-stuttgart-symposium

EU Green Week: Circular solutions for a competitive Europe
3-5 June, Brussels, Belgium
environment.ec.europa.eu/news/green-week-2025-circular-solutions-competitive-eu-2025-01-22_en

FISITA World Mobility Conference
3-5 June 2025, Barcelona, Spain
fisita.com/events/wmc

SIA Powertrain 2025
11-12 June 2025, Port Marly, France
sia.fr/evenements/376-powertrain-SIAPowertrain2025

ETH Nanoparticles Conference
16-19 June 2025, Zurich, Switzerland
npc25.scg.ch/?idU=2

Stuttgart International Symposium
2-3 July 2025, Stuttgart, Germany
fkfs-veranstaltungen.de/en/events/stuttgart-symposium

International Conference on Electrolysis
25-29 August 2025, Freiburg, Germany
ice2025.eu/?utm_source=newsletter

International Conference on Engines & Vehicles for Sustainable Transport
14-17 September 2025, Capri, Italy
ice-conferences.org

Aachen Colloquium Sustainable Mobility
6-8 October 2025, Aachen, Germany
aachener-kolloquium.de/en

Non-Road Powertrain & Fuels
7-8 October 2025, Munich, Germany
conferences.emissionsanalytics.com/nonroad-eu25/index.html

Sustainable Energy & Powertrains
25-26 November 2025, Stuttgart, Germany
fkfs-veranstaltungen.de/veranstaltungen/sustainable-energy-powertrains/program/program
Deadline for abstracts 16 April 2025

Transport and Pollution International Conference
4-6 November 2025, Rueil-Malmaison, France
tapconference.org

POLIS Annual Conference
26-27 November 2025, Utrecht, Netherlands
polisnetwork.eu/2025-annual-polis-conference