

Session 1 – the automotive transition

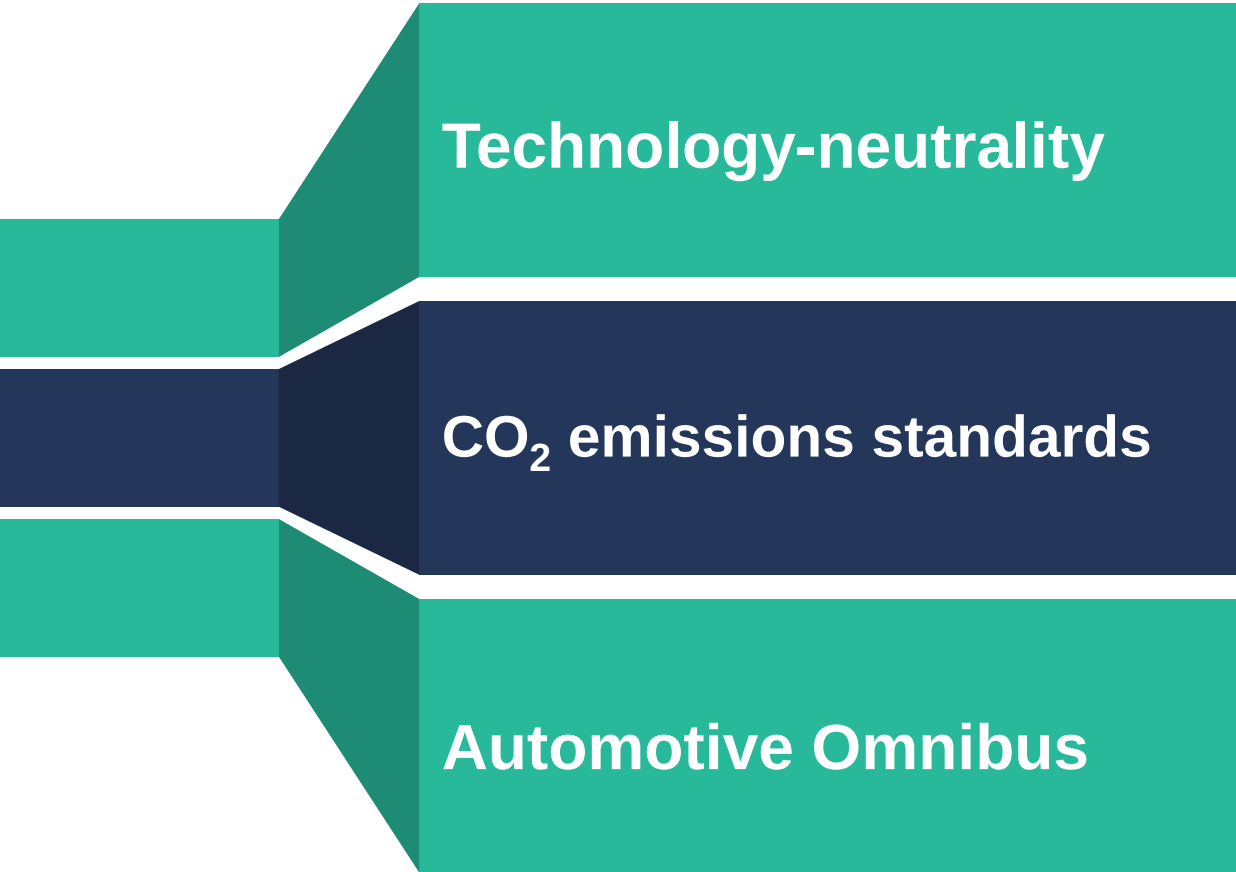
Introduction presentation

Joachim Demuynck • AECC



Automotive Package first step towards technology-neutrality

AECC position paper from 5 October 2026



Technology-neutrality

CO₂ emissions standards

Automotive Omnibus

- Most **resilient path** towards net-zero CO₂ mobility
- More needed than EC proposal to **foster innovation** in technologies complementary to electromobility
- Fuel/steel **credit** first step towards **life-cycle emissions**
- Restrictions (topics/caps/timing) hinder innovation
- **VEEF category** needed on eligible fuels **as ZEV**
- Further **weakens Euro 7** for LDVs and HDVs
- Advanced **emissions controls** allow technology-neutrality without compromising **air quality or public health**

Light-Duty Vehicles debunking myths on VEEFs*

Policymakers must underpin climate ambition with technology-neutrality, without compromising on air quality and public health via a robust Euro 7.

*Vehicle category running Exclusively on Eligible Fuels (VEEF)

Myth #1:

Zero emission at tailpipe is technology-neutral

Debunk: Tailpipe emissions only reflect the use phase. **Targeting zero tailpipe emissions neglects net-zero technologies**, which compensate tailpipe emissions elsewhere in the life cycle. A total Life Cycle Assessment (LCA) provides a more accurate perspective of vehicle emissions.



Myth #2:

Only battery and fuel cell vehicles are zero emission

Debunk: No powertrain technology results in zero emissions over the whole life cycle. **LCA data shows all technologies result in similar emission reduction when using renewable electrons/molecules.** A Vehicle category running Exclusively on Eligible Fuels (VEEF) is therefore to be added to the CO₂ emissions standard ZEV definitions.



Myth #3:

Renewable fuels are for aviation/maritime only

Debunk: Aviation and maritime cannot finance the transition of the fuel manufacturing industry alone. Refineries are multi-fuel production plants so road transport can be included to unlock required economies of scale, accelerating emissions reduction and reducing overall decarbonisation costs.



Myth #4:

VEEFs have negative impact on air quality

Debunk: VEEFs will comply with Euro 7 pollutant emissions standard. **It is therefore crucial Euro 7 is not watered down and reassessed** to allow technology-neutrality in the CO₂ emissions standard without compromising air quality and public health. Emission control technologies have already been developed for a more ambitious Euro 7 standard.



AECC calls on policymakers to establish a VEEF category while ensuring a robust Euro 7

The final Automotive Package will then drive a competitive, clean and technology-neutral automotive transition, contributing to both climate mitigation and clean air while offering consumers choice.



Heavy-Duty vehicles a robust Euro 7 for a clean and competitive industry

The Automotive Omnibus risks weakening core elements of Euro 7 that would prove counterproductive for competitiveness, investment certainty, and the green transition.



SIMPLIFICATION SHOULD NOT RESULT IN DEREGULATION

The Automotive Omnibus discussions should centre on how to achieve targeted simplification to reduce red tape and improve legal clarity without undermining environmental objectives and industrial confidence. Pollutant emissions requirements have resulted in technology innovation for decades.



HEAVY-DUTY VEHICLES EURO 7 DELAY UNDERMINES COMPETITIVENESS

There are significant economic costs associated with regulatory uncertainty and potential Euro 7 delays due to underutilised engineering capacity, delayed deployment of new technologies, and existing investment obligations.



TECHNOLOGY IS AVAILABLE

As European Heavy-Duty vehicles manufacturers are global leaders, they already have engineered solutions for their models to be able to meet stricter targets that will apply as of 2027 in USA. Consequently, Euro 7 exhaust emissions controls are ready.

Robust Euro 7 standards are needed for technology-neutrality

Robust pollutant emission standards are key to ensure that all powertrains deliver on decarbonisation without compromising air quality and public health.

Robust Heavy-duty Euro 7 standards are a must to enable technology-neutrality in the upcoming review of the Heavy-duty CO₂ emissions standards.