

Response to the European Commission's Public Consultation on the Greening of Corporate Fleets

A Eurelectric position paper

July 2024

Eurelectric represents the interests of the electricity industry in Europe. Our work covers all major issues affecting our sector. Our members represent the electricity industry in over 30 European countries.

We cover the entire industry from electricity generation and markets to distribution networks and customer issues. We also have affiliates active on several other continents and business associates from a wide variety of sectors with a direct interest in the electricity industry.

We stand for

The vision of the European power sector is to enable and sustain:

- A vibrant competitive European economy, reliably powered by clean, carbon-neutral energy
- A smart, energy efficient and truly sustainable society for all citizens of Europe

We are committed to lead a cost-effective energy transition by:

investing in clean power generation and transition-enabling solutions, to reduce emissions and actively pursue efforts to become carbon-neutral well before mid-century, taking into account different starting points and commercial availability of key transition technologies;

transforming the energy system to make it more responsive, resilient and efficient. This includes increased use of renewable energy, digitalisation, demand side response and reinforcement of grids so they can function as platforms and enablers for customers, cities and communities;

accelerating the energy transition in other economic sectors by offering competitive electricity as a transformation tool for transport, heating and industry;

embedding sustainability in all parts of our value chain and take measures to support the transformation of existing assets towards a zero carbon society;

innovating to discover the cutting-edge business models and develop the breakthrough technologies that are indispensable to allow our industry to lead this transition.

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Electrifying corporate fleets is essential for cutting transport-related greenhouse gas emissions in the EU, a major contributor to the Union’s overall emissions. With 60% of cars sold in Europe being company cars, and these vehicles driving twice as much as privately owned ones, corporate purchasing decisions have a significant impact on the overall vehicle market. Typically, corporate cars enter the secondary market within 3-5 years, contributing to the availability of affordable, used electric vehicles.

Electrifying corporate fleets offers numerous strategic benefits for the European Union:

- **Implementation of key legislation**
 - New laws such as AFIR, EPBD, and the CO2 emission standards for cars, vans, and heavy-duty vehicles, set crucial targets for charging infrastructure roll-out and the phase-out of polluting vehicles. Electrifying corporate fleets will drive predictable investments and smooth development of both charging and supporting grid infrastructure, it will promote the advancement of digital solutions like smart and bi-directional charging at scale and accelerate the overall switch to EVs. This will support rapid implementation of newly negotiated provision and achieve quick results across all Member States, popularising and enabling EV charging in various settings, including offices, public charging stations, and through home charging solutions.
- **Affordable EV market**
 - Greening corporate fleets legislation will foster a robust and expanded second-hand market for EVs which will make them accessible to a broader population, particularly benefiting regions like Eastern Europe where electrified mobility is still developing. This approach not only supports environmental goals but also enhances economic accessibility, allowing more consumers to participate in the transition to cleaner transportation options.
- **Boosting competitiveness**
 - The transition towards electrification of corporate fleets in Europe will enhance the EU’s competitiveness through increasing growth and innovation within the EV sector. By transitioning corporate fleets to EVs, there will be an increased incentive for European manufacturers to offer more affordable and advanced EV models, which are guaranteed to meet strong market demand.
- **Harmonising national legislation**
 - Publishing an EU-wide legislation will standardise national measures and address current divergences that hinder the consistency of incentives for the greening of corporate fleets across Member States.
- **Reducing emissions**

- Decreasing road transport emissions – which remain a major greenhouse gases source – through the electrification of corporate fleets, is a low-hanging fruit. Advancing corporate fleet electrification is relatively straightforward due to companies’ structured operational patterns and centralised decision-making, which is an ideal starting point for accelerating the adoption of clean transport solutions.

We call on the European Commission, under the Greening corporate fleets initiative, to swiftly propose legislation in the new mandate that establishes ambitious targets for transitioning corporate fleets to zero-emissions.

A well-designed system combining mandatory measures with incentives and voluntary commitments is essential. This approach can minimise regulatory burdens and transition costs, particularly for SMEs. Recognising that companies base purchasing decisions on the total cost of ownership (TCO), where EVs already hold an advantage, is crucial. Member states should expedite their charging infrastructure plans and develop dedicated incentives for workplace and depot charging. Increased grid capacity at logistics hubs and corporate car parks, coupled with smart charging and bidirectional charging services, will also be crucial for managing demand and storing electricity.

This initiative represents a golden opportunity to advance the implementation of existing legislation, cultivate a thriving second-hand EV market, boost competitiveness, harmonise diverging national measures and rapidly reduce emissions. Eurelectric and its members are committed to supporting these efforts and are available for further discussions to ensure the successful introduction of these measures.

Eurelectric pursues in all its activities the application of the following sustainable development values:

Economic Development

- Growth, added-value, efficiency

Environmental Leadership

- Commitment, innovation, pro-activeness

Social Responsibility

- Transparency, ethics, accountability



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