BDI and Confindustria Statement on the Revision of the CO_2 emission standards

- Confindustria and BDI welcome the ENVI Committee's compromise on CO_2 emission standards as a positive step forward, but call for greater ambition and flexibility to safeguard the competitiveness of Europe's automotive industry.
- Both federations urge EU policymakers to strengthen technology neutrality, with an unconditional reduction of the fleet target to 90 per cent, and to reconsider restrictions on eligible fuels to ensure a level playing field for VEEFs and to provide investment certainty.
- Confindustria and BDI call for a regulatory framework that supports decarbonisation while protecting industrial competitiveness and employment, rejecting mandatory quotas for corporate fleets and advocating for a tailored approach for small-volume manufacturers.

A strong automotive industry across the entire value chain matters to Italy, Germany and Europe as a whole. The sector contributes more than 7 per cent of EU GDP and invests more in research and development than any other private sector in Europe. Its strength is closely tied to Europe's prosperity. Against this background, Confindustria and the BDI welcome the general compromise on the revision of the CO_2 Emission Standards Regulation reached by the European Parliament's ENVI Committee today, considering it a positive step forward and a constructive basis for further discussions. However, safeguarding the future of Europe's automotive industry requires a stronger and more ambitious signal, which we hope will emerge during the upcoming interinstitutional negotiations.

Both federations recognise that the compromise is an improvement on the Commission's original proposal. Positive aspects include the unconditional reduction in the CO_2 fleet limit, a technology-neutral approach through the provision of a category for vehicles running exclusively on eligible fuels (VEEFs), the freezing of the utility factor for plug-in hybrids and the flexibilities granted for the light commercial vehicles. In doing so, the committee is sending a strong signal in favour of a regulatory approach that strengthens Europe as a business location, whilst taking into account the competitiveness of the European automotive industry and climate protection.

Our commitment to the EU's long-term climate objectives is clear, as is the automotive sector's role in reaching them. The revision must encourage investment in different decarbonisation pathways, without favouring one technology over another. Climate ambition must be pursued alongside competitiveness and secure growth and employment. These principles underpin our call for the following priorities in the upcoming trilogue negotiations on CO_2 emission standards. The negotiations must aim to further strengthen the more technology-neutral and flexible approach. The focus must be on lowering the overall fleet target to a competitive level and allowing for greater flexibility regarding the use of materials, renewable fuels and plug-in hybrid technologies.

With regard to the fleet target, both organisations are calling for the target to be reduced unconditionally to 90 per cent. In addition, voluntary mechanisms for green materials that go

beyond the compromise, as well as renewable fuels, must be taken into account at an early stage.

The recognition of VEEFs is an important step in the right direction. However, Confindustria and BDI question the ENVI Committee's decision to narrow the definition of eligible fuels. The restrictions that would apply after 2032 must be reconsidered to ensure that VEEFs can compete. The markets for synthetic fuels and advanced biofuels are not yet sufficiently developed for these fuels to offer a viable alternative in road transport. The recognition of VEEFs must also be applied to other regulations to provide the certainty needed for investment in this vehicle category.

Plug-in hybrids play a key role in decarbonising road transport. Industry needs a long-term perspective for these vehicles, particularly for the European supply industry and its employees. While the ENVI Committee recognises its importance, it is imposing overly stringent restrictions. A suspension of just three years is clearly insufficient.

In addition, we strongly advocate for removing the 2035 expiration date for the SVM derogation, avoiding a rigid time limit that fails to reflect the unique specificities of these highly specialised manufacturers. Applying the mass-market methodology for CO_2 emission reduction targets to small-volume manufacturers (SVMs) is inappropriate. Instead, these targets must reflect the specific technological potential of the manufacturer's fleet and the unique characteristics of the market segments they serve.

Alongside the proposal for the revision of the CO_2 emission standards, the European Commission has also put forward the proposal for a Clean Corporate Vehicles Regulation (CCVR), which provides for binding quotas for commercial fleets. In line with the Franco-German compromise, Confindustria and BDI are calling for the CCVR, not to impose mandatory quota. The regulation should not go beyond indicative and realistic national targets for zero- and low-emission vehicles.

Competitiveness, employment and climate protection must be addressed together. The trilogue negotiations must produce rules that are workable for companies, open to different technologies and must deliver a future both for automotive production across the entire value chain and for climate protection in Europe.

Rome / Berlin, 4 November 2026

As umbrella organisations for industry in Italy and Germany, Confindustria and BDI are leading voices in the economy. Confindustria is the General Confederation of the Italian Industry, representing more than 150,000 companies across all sectors and 5 million workers, while BDI is the Federation of German Industries, whose members comprise 39 industry associations that together encompass more than 100,000 companies employing around 8 million workers.