

## Association of European Vehicle Logistics hosts dinner debate on the impact of decarbonising automotive operations

By Marcus Williams | 19 March 2025

The Association of European Vehicle Logistics gathered members, policy makers and key stakeholders in Brussels on March 18 to discuss the European Commission's Action Plan for the Future of the European Automotive Industry, with a focus on compliance with regulation on decarbonisation.

At a dinner debate hosted by the Association of European Vehicle Logistics (ECG) this week in the European Parliament attendees discussed regulatory burdens on carmakers, and the need for a long-term approach to efficient and resilient supply chains in the vehicle logistics sector.

The debate, held on March 18, followed the publication on March 5 of the European Commission's Action Plan for the Future of the European Automotive Industry, which outlines the roadmap for a sustainable automotive sector. The European Commission (EC) said that "to maintain a strong European automotive production base and avoid strategic dependencies" it is making €1.8 billion (\$1.96 billion) available to create "a secure and competitive supply chain for battery raw materials". The roadmap also addresses the demand for more flexibility in meeting CO2 targets.

The EC is proposing an amendment to the CO2 Standards Regulation for passenger vehicles and vans, which if adopted, would enable car facturers to meet their compliance targets by averaging their performance over a three-year period (2025-2027). According to the EC, that will ehicle makers to offset any shortfalls in one or two years with excess achievements in the other year or years, while sticking to the 2025



The ECG dinner debate on the Commission's Action Plan met in the European Parliament on March 18

The 2025 targets aim for a 15% CO2 reduction compared to 2021 levels, targeting an average of 93.6 g CO2/km for cars and 153.9 g CO2/km is.

The host of the ECG dinner debate was Alexandr Vondra, a member of the ECR Group and the Committee on the Environment, Climate and Food Safety in the European Parliament. Vondra has criticised the EC's plan and called it a "catastrophe", urging a technology-neutral approach instead of focusing on electromobility and a need to address heavy-duty commercial vehicles, which are currently excluded from the Commission's proposals. He also said that the three-year average on fines is not enough and at least five years should be included in the proposal.

## **Omnibus** package

In February this year, the EC also outlined a number of sustainability rules (called the Omnibus package) aimed simplifying reporting requirements and cutting administrative burdens. The Omnibus package includes simplifications in sustainability due diligence, EU Taxonomy, carbon border adjustments and investment programmes.

Among the key changes to corporate sustainability reporting that the Omnibus package includes is that reporting should be mandatory for businesses with more than 1,000 employees and either a turnover of more than €50m or a balance sheet above €25m (the full Omnibus proposals are detailed here).

The package would allow companies, especially small to medium-sized providers of finished vehicle logistics services, a much-needed breathing space for adapting to and investing in decarbonising their operations, according to ECG.

We welcome... simplifications of the EU regulations in the Omnibus I Package, and the pragmatic approach to reducing the administrative burden of calculating and reporting," said ECG president, Wolfgang Göbel. "Additionally, the proposed flexibility in the Action Plan for automotive will allow the sector to regain competitiveness while still meeting climate objectives."

ECG represents more than 200 companies providing finished vehicle logistics services and the dinner debate in Brussels also included policymakers and key stakeholders. Together they focused the debate on the cost of decarbonising operations and the need to balance those goals with the need for logistics providers to grow their businesses. Delegates also discussed the need for clearer regulations that did not overburden companies.

"Ultimately, the cost of the clean transition must be shared through long-term commitment," said Göbel. "Transformation cannot be done on a rely basis."

