

## Joint non-paper by Poland, Bulgaria, Czechia, Estonia, Hungary, Italy, Latvia, Slovakia and Romania on Competitiveness and Sustainable Mobility for the Greening of Corporate Fleets

The transition towards more sustainable mobility is a shared EU priority. It does not only serve climate and air quality objectives but also contributes significantly to cutting EU dependence on imported oil.

Corporate fleets can accelerate the transition to clean vehicles by supporting their uptake, speeding up fleet renewal, and making them more affordable on the second-hand market over time only if cost-effective solutions are implemented. The key challenge lies in ensuring that this transition supports EU competitiveness, preserves market functionality, and takes into account national circumstances across the Union.

Any European approach in this area should be fully aligned with the priorities set out in the *Commission's Competitiveness Compass for the EU*, notably the need to combine decarbonisation with competitiveness, to reduce excessive regulatory burden, to strengthen investment conditions, and to increase resilience and economic security.

Therefore, priority should be given to an **enabling EU framework** based on guidelines, exchange of best practices, targeted incentives and technical support, rather than the proposed Regulation.

### Competitiveness, Investment and Innovation

The transition towards greener corporate fleets should enhance the competitiveness of European businesses and strengthen the industrial and innovation base of the Union. A well-calibrated European approach could strengthen the business case for cleaner corporate vehicles by supporting and promoting most effective sustainable solutions, while ensuring the transition is perceived as an economically viable opportunity for fleet renewal, rather than an additional burden on entrepreneurs and indirectly also on citizens.

For this reason, progress in the greening of corporate fleets should be supported primarily through incentives rather than through the proposed Regulation. Decisive factors in making green corporate fleets more affordable and operationally feasible for businesses include the expanded availability of recharging infrastructure, access to affordable finance, tax measures, non-fiscal support and other practical facilitation measures. Application of the above would enable companies to identify and implement the most suitable solutions to fit their individual needs while providing investment certainty, including the residual value of the green fleets, limiting additional bureaucracy, cost pressures, and facilitating a faster transition to sustainable mobility. This should also explicitly include grid readiness, sufficient network capacity, connection availability, and timely permitting, as these factors are essential for the

practical deployment of recharging infrastructure and for the investment certainty of fleet operators.

Corporate fleet structures, leasing and rental models, taxation systems, infrastructure readiness and administrative frameworks differ considerably across Member States. For this reason, the preparation of Commission guidelines, combined with a structured exchange of best practices could enable Member States to tailor implementation to their specific circumstances.

### Importance of SMEs' protection

A well-functioning framework for greener corporate fleets should preserve functioning markets and avoid unintended spill-over effects on SMEs and in particular microenterprises. In many Member States, leasing and rental solutions account for a significant share of total vehicle registrations, including those used by SMEs or private individuals.

Close attention should be given to SMEs, which often face lower capacity to absorb purchasing costs. In many cases, for them leasing is the only realistic option for renewing fleets. Therefore, covering leasing companies with targets, without exceptions for certain groups of their clients, would lead in practice to exposing SMEs to these targets. This will increase operating costs, limit access to car financing, and potentially hinder the operation of these companies, which contradicts the purpose of the regulation. It's worth noting that even around 80% of cars acquired by SMEs are not purchased vehicles.

The transition of corporate fleets of large undertakings should not result in indirect constraints neither on leasing or additional cost pressures for smaller companies. On the contrary, the SMEs segment requires a supportive framework that facilitates access to affordable solutions and provides adequate room for targeted incentives, including the purchase of second-hand zero- or low-emission vehicles.

This should be achieved through enabling conditions, rather than direct obligations on large companies. Providing easier access to zero- and low-emission vehicles through leasing and long-term rental can reduce initial costs, improve affordability, and offer SMEs a practical way to renew their fleets. This can stimulate demand and supply while broadening access to cleaner vehicles across the market.

### Resilience and Special Purpose Vehicles

The greening of corporate fleets should also be pursued in a manner consistent with the Union's broader objectives of resilience, emergency preparedness and economic security, particularly in light of the current geopolitical situation. Attention should therefore be given to vehicle categories and operational functions linked to essential services, crisis response, critical infrastructure and security-related functions.

A successful framework should support the transition while preserving operational continuity, reliability and readiness in areas where these considerations are particularly important. This requires sufficient flexibility to account for specific use cases, operational requirements and national circumstances, particularly where vehicle availability and operational resilience are directly linked to public preparedness and security.

### Simplicity and Administrative Feasibility

Any initiatives should remain firmly grounded in the principles of better regulation. Simplicity, legal clarity and administrative feasibility are essential. Common action at Union level should support progress without creating additional reporting obligations for businesses or public administrations, excessive bureaucracy or avoidable compliance costs.

### Conclusions

The signatory Member States express their appreciation for the work undertaken by the Commission and the engagement of the Presidency in facilitating the discussion held so far and throughout analysis of the Commission's proposal on the greening of corporate fleets.

Greening corporate fleets could contribute effectively to the transition towards more sustainable mobility in the European Union and would lead to less oil dependency. However, given the diversity of market conditions, financing models, infrastructure readiness and administrative systems across the EU, future efforts should focus on ensuring that any framework remains proportionate, investment-friendly and practically feasible.

In light of these aspects, the signatory Member States consider that the proposed Regulation should be replaced by Commission guidelines, a structured exchange of best practices, targeted incentives and technical support. Such an approach would allow Member States to advance the greening of corporate fleets in a manner that is better adapted to their respective national circumstances, while remaining consistent with the broader objectives already established under relevant Union legislation.