Joint call for an EU-wide vehicle environmental score to support the industrial transition

To:

Mr Wopke Hoekstra, European Commissioner for Climate Action

Ms Florika Fink-Hooijer, Director-General DG ENVI

Ms Kerstin Jorna, Director-General DG GROW

Mr Kurt Vandenberghe, Director-General DG CLIMA

Cc:

Mr Peter Van Kemseke, European Green Deal adviser to the European Commission President Ursula von der Leyen

Mr Daniel Mes, member of cabinet of Commissioner Wopke Hoekstra

Subject: Joint call for the development of an EU-wide eco-score methodology for vehicles

Dear Mr Wopke Hoekstra,

Dear Ms Florika Fink-Hooijer, Ms Kerstin Jorna, and Mr Kurt Vandenberghe,

We, the undersigned organisations — European Consumer Organisation (BEUC), Environmental Action Germany (Deutsche Umwelthilfe e.V. - DUH), the Mobility in Transition Institute (IMT), and Transport & Environment (T&E) — write to you as the new European Commission prepares to take office and new priorities are set. We are strong advocates for the EU's ambitious climate goals and for the shift towards zero emission mobility, the latter being a cornerstone of Europe's strategy to achieve climate neutrality by 2050.

However, the ongoing transformation of the automotive industry towards zero emission vehicles brings fresh challenges that require new and effective policy responses. As tailpipe emissions decrease and electricity decarbonises, attention must turn to embedded carbon emissions from materials and production processes. The production and materials of electric cars accounts typically for between 50% to 60% of lifecycle emissions of EVs compared to only around 10% for combustion cars given the use phase emissions.

At the same time, these embedded emissions are coming from materials such as steel and aluminium, which themselves are at the heart of the industrial decarbonisation where action is urgently required. As such, addressing embedded carbon in vehicles can help create the lead market to scale green steel, aluminum, refining and other technologies.

On the other hand, the European Commission is required by the car CO2 regulation to develop a methodology for the assessment and reporting of the full life-cycle analysis (LCA) of CO2 emissions of passenger cars by the end of 2025.¹ However, a lifecycle emissions analysis methodology for each vehicle model is highly complex and impractical for comparing the environmental performance of vehicle models. Ongoing discussion at UNECE working groups on the elaboration of a global lifecycle emissions method highlights the difficulty of setting up and using such methodology.

Embedded emissions are becoming the next frontier in our battle against climate change, necessitating robust methodologies to assess and mitigate their impact. We propose the development of a harmonized EU-wide environmental score ('eco-score') methodology, to replace a complex life-cycle approach. Our proposal focuses on the most significant contributors to a vehicle's production environmental impact, ensuring clarity and comparability for consumers and policymakers alike.

Our joint proposal, presented in a joint briefing² in April 2024, is based on two parameters:

- Vehicle energy efficiency (measured in kWh/km) to ensure that vehicles consume less energy per kilometre, reducing the overall demand on electricity grids and making them more cost-effective for consumers.
- The carbon footprint of key components such as batteries, steel, and aluminum to minimise the carbon impact of manufacturing, and driving the industry towards cleaner materials and processes.

The proposed eco-score approach has multiple benefits:

- 1. Speed, simplification and ease of implementation: Our proposed eco-score methodology offers a simpler and quickly applicable alternative that can be uniformly applied across the EU. Contrary to the initiative on car lifecycle emissions, the eco-score would be simple and quick to implement, providing a much needed framework in a crucial industrial transition phase. The carbon footprint of batteries, steel and aluminium can rely on existing EU methodologies (from the battery regulation and CBAM accounting).
- Strengthen the Single Market: A harmonised eco-score will standardise the evaluation of EVs across Member States, preventing fragmented national approaches and strengthening the EU single market.
- Consumer information and market guidance: Initially, the eco-score will serve as a valuable tool for guiding consumers and providing transparent information about the environmental impact of EVs. This will drive demand for more sustainable vehicles and support informed purchasing decisions.

¹ Based on this methodology, manufacturers may, on a voluntary basis, submit the life-cycle CO2 emissions data for new passenger cars from June 2026. The European Commission is also required to assess the impact of establishing minimum energy efficiency thresholds for electric vehicles (recital 19 and article 15) by 2026.

² See detailed proposal 'Making EVs fit for the future, a joint briefing by T&E, IMT and BEUC (April 2024).

- 4. Fiscal policy integration: The eco-score can be integrated into national fiscal policies, such as vehicle subsidies and registration taxes, ensuring that incentives are aligned with environmental performance.
- 5. Industrial policy and competitiveness: By rewarding clean production and innovative technologies, the eco-score can act as a green industrial policy tool. If designed robustly, it will reward 'Made in EU' cars made with lower carbon materials and clean energy. It can also provide a framework for discussions with other regions on trade and industrial cooperation.

We urge the new European Commission to prioritise the development of this eco-score methodology and include it in its work programme for 2025. Specifically, we recommend the following steps:

- 1. By December 31, 2025: Adopt delegated acts to establish a common methodology for the assessment and consistent reporting of the eco-score for cars. This should include clear guidelines on how the score will be used.
- 2. By June 2026: Carmakers report on the eco-scores using the developed methodology.

By taking these steps, the European Commission will not only provide a much needed tool to complement the European Green Deal but also support local and sustainable production and market harmonisation.

We look forward to working with you to advance this important initiative.

Yours sincerely,

Agustín Reyna, Director General at the European Consumer Organisation (BEUC)

Jürgen Resch, Managing Director at Environmental Action Germany (Deutsche Umwelthilfe e.V. - DUH)

Jean-Philippe Hermine, Director of the Mobility in Transition Institute (IMT)

William Todts, Executive Director at Transport & Environment (T&E)







