



ADVANCED RECHARGEABLE & LITHIUM BATTERIES ASSOCIATION

## RECHARGE recommendations for the Clean Corporate Vehicles Initiative

September 2025

RECHARGE, representing the European battery manufacturing industry and its value chain, welcomes the European Commission's plan to introduce a **Regulation on Clean Corporate Vehicles**, thereby supporting the acceleration of the Zero Emissions Vehicles (ZEVs) roll-out. The European battery value chain welcomes the Commission's plans to present, by the end of 2025, a legislative proposal in the form of a Regulation, aimed at accelerating the uptake of zero-emission vehicles (ZEVs) in corporate fleets. **A regulation would provide greater legal certainty for all actors involved and allow for faster implementation, thereby supporting reaching the 2035 zero emissions targets.** We agree to the Commission's assessment that available national policy levers to support fleet purchase decisions (including fiscal and non-fiscal incentives) are not effectively used in numerous Member States (MS) and policies are fragmented across the EU, limiting cross-border consistency.

**There is a need for legislation that stimulates demand for ZEVs at EU level** – especially given global competition. We especially welcome the Commission's aim to set market signals to support the competitiveness of the EU automotive industry and its value chain in the context of accelerated development at global stage. Europe cannot afford to stay behind in electrification and technology development.

Fleet segments usages and production capacities in Europe are different; which means that carefully considering market realities are important. RECHARGE recommends setting policies that effectively accelerates demand for ZEVs across fleet segments and facilitates the development of a second-hand EV market.

Within the scope of the proposed initiative, it is crucial to clearly define zero-emission vehicles (ZEVs) and explicitly emphasize the role, value and importance of batteries for EVs, as well as batteries for electrified vehicles. Clarity in this area will enable consistent implementation across MS and strengthen market confidence for fleet operators.

Beyond the necessary support for companies investing in fleet replacement, the successful and smooth implementation of these changes also requires targeted support to the battery sector. This is vital to ensure strengthening the entire value chain, fostering European battery production, and to reduce dependencies.

**Battery electric vehicles (BEVs) represent today the most straightforward and efficient solution for decarbonising road transport for passenger cars.** The Clean Corporate Vehicles Initiative should reflect this for passenger cars, creating true opportunities for an accelerated market uptake for BEVs. This is an opportunity for EU battery production uptake too. The EU aimed in 2017 to become the second-largest battery manufacturer by 2025, targeting 20% of global production capacity. European output reached 44 GWh in 2020 (6% of global capacity) and was projected to grow to 400 GWh by 2025, supporting 800,000 jobs and generating €250 billion annually. However, many battery value chain projects have recently been cancelled, delayed, or scaled back, undermining the development of a robust EU supply chain.

With 2025 as a decisive year for Europe's battery industry and its role in the energy transition and automotive sector, reversing this negative trend is imperative. Achieving the 2030 target of 40% EU-made batteries and unlocking socio-economic benefits depends on the survival of a domestic battery industry. **To safeguard jobs, foster innovation, and reduce dependencies, Europe must establish a long-term vision for a resilient supply chain – and have this vision integrated across policies, such as in the Clean Corporate Vehicles Initiative.**

**To stimulate demand for batteries and EVs produced in Europe, it's crucial to implement a variety of policy tools, both fiscal and non-fiscal tied to EU local content requirements.** RECHARGE recommends using fiscal incentives and public procurement rules as the main driver for corporate fleets purchase decisions, and to leverage such tools to support EU-based vehicle and batteries manufacturing by integrating local content requirements (LCRs) and/or rewarding production practices aligned with EU environmental and social standards. For Public Transport and for Corporate Fleets mostly used by public authorities and entities subject to **public procurement rules**, LCRs in public procurement and auctions should be based on local value creation and sustainability arguments.

**RECHARGE recommends to introduce staged over time and realistic LCRs for public procurement.** The [RECHARGE recommendations on LCRs can be found here](#).

Fiscal policy remains one of the most powerful levers for accelerating the transition. Member States should align their tax systems in support of all types of electric vehicles. Well-designed fiscal incentives have proven to be among the most effective tools for driving behavioural change in the corporate mobility sector as the Commission's Communication on Decarbonising Corporate Fleets from March 2025 has established.

Last, but not least, **RECHARGE recommends not setting mandatory targets for fleets subject to rules for transport of dangerous goods.** Here, ensuring safety is of highest priority.

In conclusion, introducing a Clean Corporate Fleet Regulation is crucial to provide the regulatory stability that businesses need for long-term investments planning, and it will stimulate the growth of ZEVs sales across Europe, fostering confidence in the market.

*Note: Toyota does not support the content of this RECHARGE recommendations paper.*



## ABOUT RECHARGE

RECHARGE is the European industry association for advanced rechargeable and lithium batteries. Founded in 1998, it is our mission to promote advanced rechargeable batteries as a key technology that will contribute to a more empowered, sustainable and circular economy. RECHARGE's unique membership covers all aspects of the advanced rechargeable battery value chain in Europe: from suppliers of primary and secondary raw materials, to battery, equipment and original equipment manufacturers (OEMs), to logistic partners and battery recyclers. [www.rechargebatteries.org](http://www.rechargebatteries.org)

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