



The Voice of Leasing and Automotive Rental in Europe

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PRESS RELEASE

Leaseurope position on greening of corporate fleets public consultation

Brussels, 09 February 2024 - Leaseurope, the European Federation representing the leasing and automotive rental industries, fully supports the European Commission's goals to establish a policy framework that incentivises the acceleration of the introduction of low and zero emitting vehicles on Europe's roads, as part of the Green Deal Package.

We have taken note of the launch of the public consultation on the greening corporate fleets. The consultation explores a range of measures that will accelerate the greening of corporate fleets. We believe that only a holistic approach, spanning policy, regulation, fiscal, funding and incentive-demand measures, can succeed in addressing a complex transition. This transition needs to address a diverse set of issues such as vehicle availability, vehicle affordability, accelerated private and public charging, grid capacity and power to the site, as well as diverse customer use-cases across businesses, both small and large in the EU27. The transition should rely on both stimulating the interest in new vehicles and the development of an efficient used car market for electric vehicles, as well as on multi-cycle leasing in a circular economy approach.

The EU has decided to end new car sales of ICE powertrains by 2035. Leaseurope has welcomed the fact that a target has been set. This sets a clear goal for the sector to work towards. It will enable the market to match EV availability with sector vehicle demand. Similarly, public and private charging infrastructure should be further developed to meet vehicle use cases and use patterns. Each of these factors needs to be in equilibrium, driven primarily by market factors but supported by enabling policy, taxation, funding, operational and demand incentives for new and used vehicles alike, notably in non-mature markets.

Should the outcome of this consultation process result in the imposition of arbitrarily set mandatory fleet targets across the EU27, we anticipate that this will lead to many unintended consequences, not least the perverse incentive to retain ICE vehicles for longer. Any such piece of regulation may turn out to be counterproductive towards the European Union's goals on reducing Greenhouse Gas Emissions.

It is worth highlighting that Leaseurope members are voluntarily ahead of the market in most cases in terms of electrification. Leaseurope members are well-positioned to bring more electromobility to more customers, whether consumers or businesses. However, this requires a stable, predictable and supportive policy, fiscal, funding, operational and demand incentive framework.

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About Leaseurope

As a Federation, Leaseurope brings together 42 associations throughout Europe representing either the leasing, long term and/or automotive short term rental industries. The scope of products covered by Leaseurope's members ranges from hire purchase and finance leases to operating leases of all asset types (automotive, equipment and real estate) and also includes the rental of cars, vans and trucks. It is estimated that Leaseurope represents over 90% of the European leasing market. Find out more at www.leaseurope.org.