

POSITION PAPER

Freight forwarders' views on the 'Clean Corporate Fleets' initiative

Introduction

CLECAT, the European Association for Forwarding, Transport, Logistics and Customs Services, takes the opportunity to present its views on the upcoming Commission legislative initiative entitled "Clean Corporate Fleets". Following the [public consultation](#) in spring 2024, and the [mission letter](#) to Commissioner Tzitzikostas tasking him to "put forward a legislative proposal on clean corporate fleets", this initiative allows the freight forwarding sector to reflect and provide possible ideas to increase the uptake of zero-emission light- and heavy-duty vehicles, in road logistics.

The freight forwarding sector is committed to ambitious European decarbonisation goals and is willing to actively contribute to the substantial reduction of GHG emissions from its transport and logistics operations. Given that freight forwarders and logistics service providers mostly do not own transport assets, an emission reduction strategy is pursued to engage with many different subcontractors, including road transport operators¹. There are however outstanding challenges that need to be solved to ensure a fast-paced decarbonisation of road transport, including the effective supply and availability of battery-electric or hydrogen-powered vehicles, the corresponding charging/refuelling infrastructure and the sector's limited financial capacity to undertake the transition towards zero emission vehicles. At the same time, alternative fuels can play a crucial role in reducing CO2 emissions in the road freight sector during the transition. Moving towards zero-emission vehicles will require a combination of innovative solutions, such as electrification, energy-efficiency measures, and the use of biofuels, e-fuels, and other renewable fuels.

CLECAT believes a flexible mechanism to incentivise all zero-emission vehicles should drive innovation while avoiding measures which would damage the competitiveness of the transport and logistics sector. With regards to the development of EU demand-side measures for the road freight sector, CLECAT calls in particular attention for the following points:

- The current EU legislative framework (HDV CO2 standards, AFIR, ETS 2, Eurovignette) has been designed to effectively decarbonise the road freight sector. Implementing policies should be pursued to ensure a fast-paced but credible transition towards zero-emission vehicles.
- Operational (lack of charging/refuelling infrastructure and corresponding grid connections) and financial (high purchase prices, patchwork of national subsidy schemes) obstacles limit the capacity for the logistics industry to successfully transition towards decarbonised road freight activities.
- The EU and national governments should ensure the enabling conditions such as adequate charging/refuelling infrastructure as well as ambitious financial, fiscal and operational incentives are met to incentivise the switch to zero-emission vehicles.
- ZEV purchase mandates would not help the uptake of ZEV in the road freight sector and potentially leads to adverse effects.

¹ Large logistics service providers often have an own fleet of vans and trucks, but this generally does not represent more than 20% of their road freight transport needs.

Background

The EU has introduced stringent legislation to promote the adoption of zero-emission vehicles, including the CO₂ standards for vans and trucks and the Alternative Fuels Infrastructure Regulation (AFIR). However, substantial additional investments will be required beyond the current AFIR targets to meet the anticipated demand. Market-based measures, such as the Eurovignette Directive, which allows road toll modulation based on vehicles' CO₂ emissions, and the upcoming ETS 2 for road transport, will further help to narrow the total cost of ownership gap between ZEVs and conventional vehicles.

The ongoing negotiations over the revision of the Directive on Weights & Dimensions are also key for encouraging the use of zero-emission trucks: CLECAT welcomed the Commission proposal allowing extra weight and length for ZET to ensure a level-playing field with diesel-powered trucks with regards to payload. Such incentives should be pursued to maintain the attractiveness of zero-emissions solutions towards road transport operators.

Local and national authorities have also played a role in addressing the challenges posed by the significantly higher purchasing costs of these vehicles and the substantial investment required for building private charging points. However, funding schemes designed to bridge the cost gap between zero-emission trucks (ZET) and conventional trucks have led to mixed results, due to continued high purchase prices.

Current limitations to ZEV uptake in road freight transport

Despite these efforts, the road freight sector continues to face numerous challenges on its journey towards decarbonising its activities. These operational, financial and supply limitations must be overcome to ensure the rapid uptake of zero-emission solutions within the industry.

An energy infrastructure not fit for the ZEV transition

One of the main limiting factors to this date for the increased use of zero-emission vehicles is the lack of proper energy infrastructure to support the operational use of ZEV which is not expected to reach the required level until the mid-to-long term. The ambition to deploy the required infrastructure at EU level needs to be significantly upgraded to ensure the decarbonisation of the heavy-duty vehicle (HDV) sector aligns with EU climate goals. According to ACEA², achieving these targets would require 50,000 publicly accessible heavy-duty chargers, including 35,000 compatible with the Megawatt Charging System (MCS) standard, and at least 2,000 hydrogen refuelling stations.

In addition, the large majority of transport operators will prefer private or semi-public charging solutions whenever possible, further emphasising the need to deploy charging infrastructure in depots and warehouses. Currently, only a small fraction of this critical infrastructure exists.

Despite plans and commitments from the industry to build and operate this charging infrastructure, some countries/regions are affected by significant levels of grid congestion, restricting any additional electricity from being drawn from national grids. The necessary grid connections upgrades to provide the required power to charging stations are being delayed by long permitting times, discouraging operators from investing in private charging solutions. This also tends to increase the total cost of

² [Truck and bus manufacturers' contribution to climate-neutral road transport - ACEA - European Automobile Manufacturers' Association](#)

ownership of ZEV as the cost of electricity at public charging facilities are generally higher than depot-based solutions.

High purchase prices and low availability of ZEV models

The purchase price of zero-emission vehicles (ZEVs) continues to be an important obstacle to decarbonising the road freight industry. While there has been a slight decrease in the prices of ZEVs, partly due to the phasing out of certain subsidy programs, these vehicles remain significantly more expensive than their internal combustion engine (ICE) counterparts. Given that most companies in the sector operate on narrow margins, it is critical to establish a viable business case for investing in ZEVs, enabling companies to transition sustainably without jeopardising their financial stability.

National and local authorities have attempted to mitigate the financial burden through purchase subsidies or fiscal incentives. However, the current landscape is characterised by a fragmented system of national and local incentives, lacking long-term governmental commitments. These incentives are often perceived as temporary "political declarations" rather than strategic decarbonisation measures, which undermine their effectiveness and reliability for businesses considering ZEV adoption.

The availability of zero emission solutions must also be considered within the discussion around the ZEV transition in the road freight transport sector. Whilst the availability of some models of ZEV should improve in the coming years, current levels remain limited. This is particularly apparent for the light commercial vehicle sector in which there is less focus, also considering that not all types of LCV can be electrified. Operators also experience long lead times for receiving new vehicles after placing orders, primarily due to limitations in current manufacturing capacities. Such limitations, while maintaining high purchase prices for specific models contribute to the transition obstacles experienced within the transport sector.

Enabling conditions

A sustainable transition towards zero-emission road logistics largely depends on **the right framework and incentives for operators**. Any initiative on corporate fleet renewal in the road freight sector must follow this principle.

Financial and fiscal incentives

Critical to successful ZEV implementation is a targeted support strategy for the entire ZEV ecosystem. This comprehensive approach must encompass charging and refuelling infrastructure, sustainable electricity production, energy storage solutions, and advanced vehicle technologies. By providing holistic and predictable support across these interconnected domains, policymakers can create a more attractive and viable environment for zero-emission freight transport.

CLECAT recognises the importance of incentives to stimulate demand and encourage the adoption of zero-emission trucks. The focus should be on fiscal and financial incentives that drive demand and support companies in integrating zero-emission solutions into their fleets. It is important, however, that incentives truly reduce the cost of the vehicle, and not be seen as a 'premium' on top of existing prices. To overcome the patchwork of national measures and avoid creating distortions in the internal market, EU level harmonisation is needed to guarantee a steady deployment of zero-emission trucks across Europe.

Whilst support in the form of financial tools and fiscal incentives such as reduced vehicle registration fees, favourable tax treatment, and purchase grants are crucial for encouraging the adoption of ZEV across all sectors, the private financial sector should also contribute to the decarbonisation of the road freight industry. The European Clean trucking Alliance (ECTA) issued a study³ in March 2024 analysing the challenges related to the financing of zero-emission trucks and their corresponding infrastructure and proposed several recommendations towards government and private actors, including:

- Enhance public intervention and reinforce government commitments (subsidies, grants, tax benefits).
- De-risk investments and address residual value uncertainties, including with the provision of government-supported residual value guarantees or with awareness raising and collective purchase agreements.
- Leverage traditional banking to support the ZET transition.
- Diversify and improve access to finance, by either diversifying financing sources beyond traditional banks or establishing private partnerships for large firms to financially support their SME suppliers.

Finally, the Commission should consider possible adjustments to the European State aid framework to enable national fiscal measures, such as special depreciation rates for ZEVs, to further support the uptake of zero-emission trucking. It will, however, be crucial to ensure careful coordination of such measures between Member States.

Adequate carbon pricing measures

Market based measures including Eurovignette and ETS 2 should help send the right market signals to promote the use of ZEV, provided that revenues from these schemes are earmarked towards the sector's transformation. Existing instruments, such as the "Innovation Fund", the "Social Climate Fund" and others should include targeted fleet renewal incentives for commercial road transport operators. The objective should be to ensure ZEVs and related transport services can swiftly become the preferred choice of transport operators and will be relatively more competitive than operations with conventional vehicles powered by fossil fuels. However, it is crucial to revise the Eurovignette Directive to avoid double charging of CO₂ emissions when ETS 2 will be launched and maintain a balanced and effective pricing strategy for carbon emissions in road transport. At national level, revenues generated by the Eurovignette and ETS 2 should also be reinvested in fleet renewal program and charging/refuelling infrastructure development.

Positive incentives related to the use of ZEV must also be increased and maintained on a longer period: The revised Eurovignette Directive allows full CO₂-related toll rate exemption for ZEVs only until 31 December 2025, after which Member States may provide only a 75% reduction. This will effectively result in a toll rate increase for ZEVs and risks undermining their (often still fragile) business cases. Extending the full exemption deadline to 2030 would better reflect the current state of the ZEV market and support the transition.

Lifting barriers to develop charging/refuelling infrastructure

The European Commission should urgently address the barriers limiting the development of charging/refuelling infrastructure, both on public roads but also on private grounds. This includes adequate and increased grid capacity, improved grid planning, accelerating connections, pursuing

³ ECTA (2024), *Study on financing mechanisms for zero-emission trucks and their infrastructure*, accessible via this [link](#).

solutions for more cost and energy efficient grid use, including smart charging, and supportive policies including of development of decarbonised and renewable energy sources. It is therefore essential to build on the efforts of the Commission with the electricity grid action plan and translate them into concrete actions. This includes developing an EU strategy to coordinate national efforts for the necessary upgrade of electricity grids, to ensure reliable and sufficient decarbonised power generation and to considerably reduce permitting times to upgrade the grid connections and install charging points.

The logistics ecosystem should play its part in ensuring a seamless deployment of the charging/refuelling infrastructure by exchanging best practices and use cases, notably on the installation and use of charging infrastructure at depots and warehouses. Additionally, the sector should develop innovative business models – such as contractual arrangements with clients and resource pooling along specific corridors – to enhance investment certainty and prevent stranded assets.

ZEV mandates in corporate fleets

As outlined above, CLECAT believes that fulfilling the enabling conditions would ensure transport operators will transition towards zero-emission vehicles. A framework of financial, fiscal and operational incentives would provide the right market signals and deliver the necessary trust for operators to engage in this transition.

However, CLECAT still considers that the potential introduction of a **mandatory share of ZEV in the acquisitions or in the fleets of road transport operators will not be the right tool** to drive the decarbonisation of road freight transport. This would not only present an ineffective policy tool in the collective effort to reduce emissions but could result in adverse impacts on companies transitioning to more sustainable alternatives. The introduction of mandatory purchase targets would artificially maintain or inflate high prices and operators may be tempted to reduce or delay the renewal of their fleets, resulting in higher emissions and pollutants compared to the ‘business-as-usual’ scenario.

Imposing ZEV targets on transport operators’ fleet renewal would also create a very complex system, difficult to enforce and prone to circumvention: in principle, the targets should affect fleets above a certain size, but some threshold effects could be expected. It would also be difficult to implement a ‘one-size-fits-all’ solution due to the various maturity levels of zero-emission technologies, notably in terms of types of vehicles and mission profiles available on the market. Overall, this would result in an overly complicated framework for large fleet operators, without the certainty of using these vehicles due to operational constraints.

Conclusion

The Commission should aim to strike a delicate balance between stimulating demand for zero-emission trucks to respect its climate commitments and avoiding the imposition of overly burdensome regulatory requirements on a sector where over 95% of businesses are SMEs.

Mandating purchase targets without addressing the serious infrastructure challenges would force operators to purchase vehicles without the ability to use them. Not only will this come at a substantial cost, but it would also reduce the effectiveness, efficiency, and competitiveness of European operators.

Any EU initiative related to the renewal of corporate fleets in the road freight sector should only consider measures that provide the correct and much needed **enabling conditions** to allow logistics operators to deploy zero-emission vehicles in their operations. A coordination with national governments and local authorities is also necessary to provide the right incentives. The availability of key enabling factors such as charging/refuelling infrastructure, grid capacity and grid connections is an imperative condition in ensuring a successful transition to zero-emission trucking.

We therefore call on the European Commission to explore potential EU-level measures to support and accelerate the deployment of zero-emission trucks, while carefully assessing their possible impact on the operations of the logistic sector.

CLECAT remains at the disposal of interested parties for any further information.