→ Position

Clean Corporate Vehicles

The Public Transport Perspective

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Summary

The members of the International Association of Public Transport (UITP) are fully committed to climate protection and the objectives set out in the European Green Deal. We welcome the proposal on Clean Corporate Vehicles as a step towards further decarbonisation of land transport.

Many public transport operators are large undertakings and fall within the scope of the proposed regulation. Cars and vans are part of the fleet of those public transport operators – including company cars for staff, vehicles for technical repair and maintenance, vehicles for 24/7 incidence response and security, or vehicles that can transport specific customer groups such as persons with reduced mobility (PRM). The fact that the proposed regulation does not allow public subsidies for the "operation" of cars and vans that are not low- or zero-emission vehicles could also impact public transport companies, who must regularly renew their public service contracts. Moreover, the direction of public subsidies to vehicles "made in the EU" may restrict operators in their cost-effective vehicle procurement.

From the perspective of the public transport sector, the following aspects in the proposal must be amended:

- → Motor vehicles with special on-board equipment or mounted machinery used for public services or infrastructure maintenance, that are not intended for carrying passengers other than the own staff, must be excluded from the scope of this regulation.
- → Motor vehicles especially equipped and intended for the carriage of persons with reduced mobility requiring a wheelchair or scooter must be excluded from the scope of this regulation.
- → Motor vehicles used by essential public services for the protection of their infrastructure and related services, in particular for the rapid response to incidents (on-call vehicles), must be excluded from the scope of this regulation.
- → Co-legislators should clarify that Article 4 applies to the acquisition of individual vehicles, but does not apply to entire public service contracts.

The view of the public transport sector

The proposed EU regulation, published on 16 December 2025, establishes rules for the procurement of new corporate cars (M1 vehicles) and vans (N1 vehicles) by large undertakings. Many public transport companies qualify as large undertaking, hence they will need to apply the regulation to their company cars and vans.

UITP welcomes the new regulation, as it contributes to the energy transition in the road transport sector. Regarding company cars for staff, the sector is willing to embrace the transition to zero-emission vehicles, as such vehicles are largely available in the market by now. **However, certain amendments to the draft regulation are needed in relation to vehicles used in the public transport sector, to ensure that this essential service can continue to run smoothly and cost-efficiently.**

→ Electric wire repairs. Source: pexels.com | Kelly

Special-purpose vehicles

Many public transport companies – and in any case, every public transport operator that has e-mobility and/or rail-based services (metro, tram, railways) – has a support fleet of cars and vans for their infrastructure maintenance and repair: for instance, vehicles equipped for working on rail tracks, overhead power cables, charging stations/pantographs, signalling, etc. Very often, such vehicles consume additional power due to their equipment (e.g. pumps, welding gear, or lifting devices). These vehicles, especially if custom-made or specially equipped for the above-mentioned purposes, are currently difficult or impossible to electrify, as they are not "standard" vehicles and do not exist in an electric version. Unlike standard corporate cars, they are often used until the end of their lifecycle and are therefore inconsequential for boosting the availability of zero-emission vehicles on the second-hand market.

→ Many public transport operators are **Critical Entities**, i.e. organisations of major importance for society whose failure or impairment would cause a sustained shortage of supplies, significant disruptions to public order, safety and security or other dramatic consequences.

➔ **The regulation should not apply to motor vehicles with special on-board equipment or mounted machinery, that are not intended for carrying passengers other than the own staff.**

Rapid-response vehicles

Public transport operators are required to ensure that the transport service keeps running at all times. If there is an incident, it must be dealt with as quickly as possible. To this aim, many companies have a number of cars or vans available to rapidly respond to any type of incident – be it a security incidence, an accident, an urgent repair, a general power black-out, cable theft, etc. For such on-call vehicles to be available 24/7 at any time and season and for multiple hours (while also providing heating and shelter for the staff during the emergency situation), companies must currently still rely on combustion-engine vehicles.

➔ **The regulation should not apply to motor vehicles used by essential public service providers for the protection and restoration of their infrastructure and related services, in particular for the rapid response to incidents.**

Vehicles to transport persons with reduced mobility

If persons with reduced mobility (PRM) cannot use the regular public transport services, some public transport companies offer them an alternative way of transportation in motor vehicles that are especially equipped to carry wheelchairs.

→ Transporting a wheelchair user. Source: pexels.com | Dave Garcia

It is currently very difficult or impossible to find electric versions of such wheelchair-friendly vehicles on the market, hence, an exception is required if companies are to be able to continue to provide this particular service.

➔ **The regulation should not apply to motor vehicles especially equipped and intended for the carriage of persons with reduced mobility requiring a wheelchair or scooter.**

Public financial support

Article 4 of the new Regulation states that Member States shall not provide any financial support for the purchase, lease, rent, hire-purchase, or operation of corporate cars and vans, unless they are zero- or low-emission and made in the EU.

Most public transport companies who apply to new tenders/public service obligations will need to continue using their existing, possibly mixed vehicle pool that may contain zero-emission, low-emission and conventional vehicles of different origins. As public transport service contracts usually receive a financial contribution by Member States or either local or regional authorities, it is concerning that the current text – when referring to the "operation" of corporate cars and vans – may be understood as limiting operators with a mixed fleet to receive any financial support. We understand that the text should mostly apply to the acquisition of a new vehicle; not to the operational use of cars and vans in public service obligations. A clarification on this point would be helpful.

➔ **The co-legislators should clarify that Article 4 applies to the acquisition of individual vehicles but does not apply to entire public service contracts.**

Infrastructure

The European Union's approach towards the energy transition in road transport relies largely on the AFIR Regulation[1] which requires Member States to ensure the setting-up of publicly available charging stations across their territories. Public transport companies cannot rely as much on public charging stations, due to the specific nature of the operations and vehicle-based missions usually starting and ending at the company's depot(s). Hence, it is important that the EU and Member States also support the fast setting-up of charging stations in company depots and maintenance shops. Without the infrastructure being in place, the targets for electric vehicles cannot be met.

Vehicles "Made in Europe"

While UITP recognises the importance of vehicle procurement for the EU's automotive policy, some public transport companies raised the concern of being left with very limited access to potentially better non-European products. UITP favours a progressive, pragmatic approach to the "made in EU" principle, with no further administrative burden for public transport operators and authorities[2]. The concept of "made in Europe" in this regulation should be consistent with the "made in EU" criterion currently being discussed in the context of the Industrial Acceleration Act and revision of the EU public procurement directives.

Impacts on public procurement

While it is important for smaller companies to have less stringent rules in the Clean Corporate Vehicles proposal, this may impact the bids in public tenders. In cases when public tenders do not require zero-emission vehicles, smaller operators may continue to use conventional vehicles while larger companies are obliged under the Clean Corporate Vehicles regulation to procure zero-emission vehicles for their fleets. This creates an uneven playing field in procurement processes, as larger companies face higher investment costs linked to regulatory compliance while competitors not subject to the same obligations may submit lower bids. To ensure fair competition, procurement criteria should be aligned with fleet decarbonisation requirements.

[1] Alternative Fuels Infrastructure Regulation (Regulation (EU) 2023/1804)

[2] See UITP position in the context of the revision of the EU public procurement directives https://www.uitp.org/wp-content/uploads/sites/7/2026/02/202601_UITP-position_final.pdf

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