

Brussels, 2 April 2025
(OR. en)

7727/25

Interinstitutional File:
2025/0070(COD)

CLIMA 99
ENV 228
TRANS 111
MI 190
CODEC 385

PROPOSAL

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	2 April 2025
To:	Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union
No. Cion doc.:	COM(2025) 136 final
Subject:	Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) 2019/631 to include an additional flexibility as regards the calculation of manufacturers' compliance with CO ₂ emission performance standards for new passenger cars and new light commercial vehicles for the calendar years 2025 to 2027

Delegations will find attached document COM(2025) 136 final.

Encl.: COM(2025) 136 final



EUROPEAN
COMMISSION

Strasbourg, 1.4.2025
COM(2025) 136 final

2025/0070 (COD)

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

amending Regulation (EU) 2019/631 to include an additional flexibility as regards the calculation of manufacturers' compliance with CO₂ emission performance standards for new passenger cars and new light commercial vehicles for the calendar years 2025 to 2027

(Text with EEA relevance)

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

• Reasons for and objectives of the proposal

Regulation (EU) 2019/631¹ sets CO₂ emission performance standards for new passenger cars and light commercial vehicles. It is a key contribution to achieve the objectives set in the EU climate law, including the 2050 climate neutrality and the 2030 target to reduce economy-wide CO₂ emissions by 55% compared to 1990.

The automotive industry is of key importance for the EU economy and accounts for over 7% of the EU's GDP. It provides jobs - directly or indirectly, in manufacturing, sales, maintenance, construction and transport and transport services - to around 13 million Europeans. The automotive sector is undergoing a structural transformation including changes in clean and digital technologies, in particular the shift towards zero-emission vehicles. The CO₂ standards provide long-term certainty and predictability for investors along the value chain, therefore enabling such sectoral transformation, while allowing sufficient lead time for a fair transition.

The regulation requires that the annual EU fleet-wide average CO₂ emissions from new cars and new vans are reduced in five-year intervals. In 2025, a target of 15% reduction of CO₂ compared to 2021 values starts applying in each year for the 2025–2029 period.

Each year, the average CO₂ emissions and the specific CO₂ emissions target for each manufacturer are established, based on the EU fleet-wide target, in order to evaluate the manufacturers' performance in complying with their targets. Manufacturers exceeding their specific emissions target pay an excess emission premium of €95 per g/km for each new vehicle registered.

In the context of the Strategic Dialogue on the Future of the Automotive Industry that took place in Q1 2025 and as announced in the Commission Automotive Action Plan of 5 March 2025, the proposal concerns a targeted change of the Regulation (EU) 2019/631 to provide manufacturers with an additional flexibility as regards their compliance obligations, by providing for a three-year compliance period for 2025, 2026 and 2027, instead of an annual period.

The targeted amendment introduces such additional flexibility for manufacturers while maintaining the level of ambition of the emissions reduction target.

To maintain regulatory certainty and predictability, it is essential that this one-off flexibility to allow compliance over a three-year compliance period is agreed between the European Parliament and Council swiftly and without delay.

¹ Regulation (EU) 2019/631 of the European Parliament and of the Council of 17 April 2019 setting CO₂ emission performance standards for new passenger cars and for new light commercial vehicles, and repealing Regulations (EC) No 443/2009 and (EU) No 510/2011 (OJ L 111 25.4.2019, p. 13).

- **Consistency with existing policy provisions in the policy area**

This proposal does not amend the substantive rules of Regulation (EU) 2019/631 and it maintains the targets. The proposal responds to concerns expressed in the EU by the automotive sector, by providing an additional flexibility for manufacturers to comply with the objectives of the Regulation.

- **Consistency with other Union policies**

The European Climate Law Regulation² establishes the framework for achieving climate neutrality within the EU by 2050. The regulation requires the reduction of net EU greenhouse-gas emissions by at least 55% (compared to 1990 levels) by 2030. It requires the Commission to propose a 2040 target. In line with the EU Climate Law reduction targets, Regulation (EU) 2019/631 sets emission reduction targets for cars and vans.

The current proposal does not change the reduction targets and does not lower the overall CO₂ emission standards ambitions. By introducing a one-off three-year compliance period for 2025, 2026 and 2027 instead of annual assessment, it allows an additional flexibility for vehicles manufacturers, while keeping the certainty and predictability for investors along the value chain.

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

- **Legal basis**

The legal basis for this proposal is Article 192 of the Treaty of the Functioning of the European Union (TFEU). In accordance with Article 191 and 192(1) TFEU, the European Union shall contribute to the pursuit, inter alia, of the following objectives: preserving, protecting and improving the quality of the environment; promoting measures at international level to deal with regional or worldwide environmental problems, and in particular combating climate change. Based on Article 192 of the TFEU, the Union has already adopted policies to address CO₂ emissions from cars and light commercial vehicles beginning with Regulation (EC) 443/2009³ and Regulation (EU) 510/2011⁴.

- **Subsidiarity (for non-exclusive competence)**

This initiative is consistent with the principle of subsidiarity. Amendment of Regulation (EU) 2019/631 to provide this additional flexibility cannot be achieved by the Member States themselves.

- **Proportionality**

The proposal is consistent with the principle of proportionality, because it does not go beyond what is necessary in order to achieve the Union's objectives of reducing greenhouse gas

² Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).

³ Regulation (EU) 2023/851 of the European Parliament and of the Council of 19 April 2023 amending Regulation (EU) 2019/631 as regards strengthening the CO₂ emission performance standards for new passenger cars and new light commercial vehicles in line with the Union's increased climate ambition (OJ L 110, 25.4.2023, p. 5).

⁴ Regulation (EU) No 510/2011 of the European Parliament and of the Council of 11 May 2011 setting emission performance standards for new light commercial vehicles as part of the Union's integrated approach to reduce CO₂ emissions from light-duty vehicles (OJ L 145, 31.5.2011, p. 1).

emissions in a cost-effective manner, while providing vehicles manufacturers with a one-off additional flexibility for their compliance while maintaining the level of ambition of the targets.

- **Choice of the instrument**

The proposal amends Regulation (EU) 2019/631 only as regards providing an additional flexibility on the compliance periods. Thus, it should follow the same form of act, i.e. a regulation.

3. RESULTS OF EX-POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS

- **Ex-post evaluations/fitness checks of existing legislation**

No evaluation is necessary for the proposal, since it only provides for a new and temporary flexibility for vehicles manufacturers to comply with the targets.

- **Stakeholder consultations**

The Commission held intense and extensive discussions with manufacturers and stakeholders from the automotive value chain in the context of the Strategic Dialogue on the Future of the Automotive Industry that took place in Q1 2025.

- **Collection and use of expertise**

The proposal has been elaborated following a process of internal scrutiny of existing obligations and is based on experience in implementing the related legislation, including the annual monitoring process of manufacturers' CO₂ compliance.

- **Impact assessment**

The proposal concerns targeted changes of Regulation (EU) 2019/631 to provide manufacturers with an additional flexibility as regards their compliance obligations. It does not change the level of ambition of the targets.

- **Regulatory fitness and simplification**

Compared to the current Regulation, the proposal is not expected to increase administrative costs. In addition, it is not increasing the complexity of the legal framework.

- **Fundamental rights**

The proposal respects the fundamental rights and observes the principles recognised in particular by the Charter of Fundamental Rights of the European Union⁵. In particular, it contributes to the objective of a high level of environmental protection in accordance with the principle of sustainable development as laid down in Article 37 of the Charter of Fundamental Rights of the European Union.

4. BUDGETARY IMPLICATIONS

The legislative financial statement setting out the implications for budgetary, human and administrative resources was attached to the proposal which led to the adoption of Regulation (EU) 2019/631 and its latest revision by Regulation (EU) 2023/851.

⁵ Charter of Fundamental Rights of the European Union (OJ C 326, 26.10.2012, p. 391)

5. OTHER ELEMENTS

- **Implementation plans and monitoring, evaluation and reporting arrangements**

This proposal does not change the substance of the rules, the implementation assessment remains the same as of the proposal which led to the adoption of Regulation (EU) 2019/631, as amended by Regulation (EU) 2023/851.

- **Detailed explanation of the specific provisions of the proposal**

Article 1(1) amends Article 4 in order to specify the three-year compliance period.

Article 1(2) amends Article 6 to specify that the pooling agreements for 2025-2027 should be communicated to the Commission by end of 2027.

Article 1(3) amends Article 8 to specify the rules on imposing the excess emissions premiums for the three-year compliance period 2025-2027.

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

amending Regulation (EU) 2019/631 to include an additional flexibility as regards the calculation of manufacturers' compliance with CO₂ emission performance standards for new passenger cars and new light commercial vehicles for the calendar years 2025 to 2027

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,
Having regard to the Treaty on the Functioning of the European Union, and in particular Article 192(1) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee⁶,

Having regard to the opinion of the Committee of the Regions⁷,

Acting in accordance with the ordinary legislative procedure,

Whereas:

- (1) Regulation (EU) 2019/631 of the European Parliament and of the Council⁸ sets out the CO₂ targets for new passenger cars and light commercial vehicles, that form a key part of the Union framework to reduce by 2030 net greenhouse gas emissions by at least 55 % below 1990 levels and reach economy-wide climate-neutrality by 2050.
- (2) In response to the request of stakeholders for an additional compliance flexibility on CO₂ targets as regards the period 2025 to 2027, it is appropriate to urgently adopt an amendment to allow a one-off flexibility for those three years in the calculation of the compliance with the CO₂ emission performance standards, while maintaining the targets for reducing CO₂ emissions.
- (3) During the period 2025 to 2027, manufacturers should ensure that the average specific emissions of CO₂ of their vehicles do not exceed an emissions target, calculated as the average of their annual specific emissions targets over the period. Compliance with the targets should be assessed at the end of the three-year period for each individual manufacturer. The excess emission premiums should be calculated accordingly.

⁶ OJ C , , p. .

⁷ OJ C , , p. .

⁸ Regulation (EU) 2019/631 of the European Parliament and of the Council of 17 April 2019 setting CO₂ emission performance standards for new passenger cars and for new light commercial vehicles, and repealing Regulations (EC) No 443/2009 and (EU) No 510/2011 ([OJ L 111, 25.4.2019, p. 13](https://eur-lex.europa.eu/eli/reg/2019/631/oj), ELI: <http://data.europa.eu/eli/reg/2019/631/oj>).

- (4) In order to align the pooling provisions with the additional compliance flexibility in the years 2025 to 2027, it should be possible to enter into pooling agreements for each of those three years until the end of 2027.
- (5) Since the objective of this Regulation, namely to provide additional flexibility for the CO₂ compliance in the period 2025 to 2027 while preserving the CO₂ emissions reduction requirements for both new passenger cars and new light commercial vehicles, cannot be sufficiently achieved by the Member States, but can rather, by reason of their scale and effects, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective.
- (6) Regulation (EU) 2019/631 should therefore be amended accordingly,

HAVE ADOPTED THIS REGULATION:

Article 1

Regulation (EU) 2019/631 is amended as follows:

- (1) in Article 4, the following paragraph is added:

‘1a. By way of derogation from paragraph 1, for the three-year period comprising the calendar years 2025 to 2027, a manufacturer, including when it is a member of a pool, shall ensure that its average specific emissions of CO₂ over that period do not exceed its specific emissions target over that period.

Those average specific emissions of CO₂ shall be calculated as the average over the three-year period of the annual average specific emissions of CO₂ weighted according to the number of newly registered vehicles for the manufacturer in each calendar year.

The specific emissions target shall be calculated as the average over the three-year period of the annual specific emissions targets determined in accordance with point 6.3 of Part A or Part B of Annex I or, where a manufacturer is granted a derogation under Article 10, in accordance with that derogation, weighted according to the number of newly registered vehicles for the manufacturer in each calendar year.

For each calendar year when a manufacturer was included in a pool, the annual average specific emissions of CO₂ and the annual specific emissions target to be used for those calculations shall be the values for that pool.’;

- (2) in Article 6, in paragraph 2, the following subparagraph is added:

‘By way of derogation from the first subparagraph, an agreement to form a pool covering the calendar years 2025 or 2026 may be entered into up to 31 December 2027.’;

- (3) in Article 8, in paragraph 1, the following subparagraph is added:

‘By way of derogation from the first subparagraph, with respect to the calendar years 2025 to 2027, the Commission shall impose an excess emissions premium on any manufacturer whose average specific emissions of CO₂ over those three years exceed its specific emissions target over the period 2025 to 2027.’.

Article 2

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Strasbourg,

For the European Parliament
The President

For the Council
The President

LEGISLATIVE FINANCIAL AND DIGITAL STATEMENT

1.	FRAMEWORK OF THE PROPOSAL/INITIATIVE	3
1.1.	Title of the proposal/initiative	3
1.2.	Policy area(s) concerned	3
1.3.	Objective(s)	3
1.3.1.	General objective(s)	3
1.3.2.	Specific objective(s)	3
1.3.3.	Expected result(s) and impact	3
1.3.4.	Indicators of performance	3
1.4.	The proposal/initiative relates to:	4
1.5.	Grounds for the proposal/initiative	4
1.5.1.	Requirement(s) to be met in the short or long term including a detailed timeline for roll-out of the implementation of the initiative	4
1.5.2.	Added value of EU involvement (it may result from different factors, e.g. coordination gains, legal certainty, greater effectiveness or complementarities). For the purposes of this section 'added value of EU involvement' is the value resulting from EU action, that is additional to the value that would have been otherwise created by Member States alone.	4
1.5.3.	Lessons learned from similar experiences in the past	4
1.5.4.	Compatibility with the multiannual financial framework and possible synergies with other appropriate instruments	5
1.5.5.	Assessment of the different available financing options, including scope for redeployment	5
1.6.	Duration of the proposal/initiative and of its financial impact	6
1.7.	Method(s) of budget implementation planned	6
2.	MANAGEMENT MEASURES	8
2.1.	Monitoring and reporting rules	8
2.2.	Management and control system(s)	8
2.2.1.	Justification of the budget implementation method(s), the funding implementation mechanism(s), the payment modalities and the control strategy proposed	8
2.2.2.	Information concerning the risks identified and the internal control system(s) set up to mitigate them	8
2.2.3.	Estimation and justification of the cost-effectiveness of the controls (ratio between the control costs and the value of the related funds managed), and assessment of the expected levels of risk of error (at payment & at closure)	8
2.3.	Measures to prevent fraud and irregularities	9
3.	ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE	10
3.1.	Heading(s) of the multiannual financial framework and expenditure budget line(s) affected	10

3.2.	Estimated financial impact of the proposal on appropriations.....	12
3.2.1.	Summary of estimated impact on operational appropriations.....	12
3.2.1.1.	Appropriations from voted budget	12
3.2.1.2.	Appropriations from external assigned revenues	17
3.2.2.	Estimated output funded from operational appropriations.....	22
3.2.3.	Summary of estimated impact on administrative appropriations.....	24
3.2.3.1.	Appropriations from voted budget	24
3.2.3.2.	Appropriations from external assigned revenues	24
3.2.3.3.	Total appropriations	24
3.2.4.	Estimated requirements of human resources.....	25
3.2.4.1.	Financed from voted budget.....	25
3.2.4.2.	Financed from external assigned revenues	26
3.2.4.3.	Total requirements of human resources	26
3.2.5.	Overview of estimated impact on digital technology-related investments	28
3.2.6.	Compatibility with the current multiannual financial framework.....	28
3.2.7.	Third-party contributions	28
3.3.	Estimated impact on revenue	29
4.	DIGITAL DIMENSIONS	29
4.1.	Requirements of digital relevance.....	30
4.2.	Data	30
4.3.	Digital solutions	31
4.4.	Interoperability assessment	31
4.5.	Measures to support digital implementation	32

1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

1.1. Title of the proposal/initiative

Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) 2019/631 to include an additional flexibility as regards the calculation of manufacturers' compliance with CO₂ emission performance standards for new passenger cars and new light commercial vehicles for the calendar years 2025 to 2027.

1.2. Policy area(s) concerned

Climate policy

1.3. Objective(s)

1.3.1. General objective(s)

The CO₂ standards provide long-term certainty and predictability for investors along the automotive value chain, while allowing sufficient lead time for a fair transition. The amending proposal aims at providing additional flexibility for manufacturers to comply with the 2025 CO₂ target, while leaving the level of ambition unchanged.

1.3.2. Specific objective(s)

The proposal concerns targeted changes of the CO₂ cars and vans Regulation to provide manufacturers with an additional flexibility: it provides for a three-year instead of an annual compliance period, for 2025, 2026 and 2027 combined.

1.3.3. Expected result(s) and impact

Specify the effects which the proposal/initiative should have on the beneficiaries/groups targeted.

The amendment, if adopted, would determine that compliance is assessed over the years of 2025, 2026 and 2027 combined to allow car manufacturers to compensate an exceedance of the target in one or two of these years by overachievements in the other year(s).

1.3.4. Indicators of performance

Specify the indicators for monitoring progress and achievements.

Monitor the CO₂ compliance of manufacturers over the three years period.

1.4. The proposal/initiative relates to:

- ☐ a new action
- ☐ a new action following a pilot project / preparatory action⁹
- ☒ the extension of an existing action
- ☐ a merger or redirection of one or more actions towards another/a new action

⁹ As referred to in Article 58(2), point (a) or (b) of the Financial Regulation.

1.5. Grounds for the proposal/initiative

1.5.1. Requirement(s) to be met in the short or long term including a detailed timeline for roll-out of the implementation of the initiative

The amending proposal aims at providing additional flexibility for manufacturers to comply with the CO₂ targets, while maintaining overall ambition on the CO₂ reduction targets over the period 2025-2029.

1.5.2. Added value of EU involvement (it may result from different factors, e.g. coordination gains, legal certainty, greater effectiveness or complementarities). For the purposes of this section 'added value of EU involvement' is the value resulting from EU action, that is additional to the value that would have been otherwise created by Member States alone.

Climate change is a trans-boundary problem, which cannot be solved by national or local action alone. Coordination of climate action must be taken at European level and EU action is justified on grounds of subsidiarity. Given the need to modify Regulation (EU) 2019/631 by providing an additional flexibility as regards the compliance periods, the objectives of this initiative cannot be achieved by the Member States themselves.

1.5.3. Lessons learned from similar experiences in the past

The proposal builds on existing legislation which has ensured continuous reductions in the CO₂ emissions of the EU fleet of new cars and light commercial vehicles over the past decade.

1.5.4. Compatibility with the multiannual financial framework and possible synergies with other appropriate instruments

No additional resources required.

1.5.5. Assessment of the different available financing options, including scope for redeployment

No additional resources required.

1.6. Duration of the proposal/initiative and of its financial impact

☒ limited duration

- ☐ in effect from [DD/MM]YYYY to [DD/MM]YYYY
- ☐ financial impact from YYYY to YYYY for commitment appropriations and from YYYY to YYYY for payment appropriations.

☐ unlimited duration

- Implementation with a start-up period from YYYY to YYYY,
- followed by full-scale operation.

1.7. Method(s) of budget implementation planned¹⁰

☒ Direct management by the Commission

- ☒ by its departments, including by its staff in the Union delegations;
- ☐ by the executive agencies

☐ Shared management with the Member States

☐ Indirect management by entrusting budget implementation tasks to:

- ☐ third countries or the bodies they have designated
- ☐ international organisations and their agencies (to be specified)
- ☐ the European Investment Bank and the European Investment Fund
- ☐ bodies referred to in Articles 70 and 71 of the Financial Regulation
- ☐ public law bodies
- ☐ bodies governed by private law with a public service mission to the extent that they are provided with adequate financial guarantees
- ☐ bodies governed by the private law of a Member State that are entrusted with the implementation of a public-private partnership and that are provided with adequate financial guarantees
- ☐ bodies or persons entrusted with the implementation of specific actions in the common foreign and security policy pursuant to Title V of the Treaty on European Union, and identified in the relevant basic act
- ☐ bodies established in a Member State, governed by the private law of a Member State or Union law and eligible to be entrusted, in accordance with sector-specific rules, with the implementation of Union funds or budgetary guarantees, to the extent that such bodies are controlled by public law bodies or by bodies governed by private law with a public service mission, and are provided with adequate financial guarantees in the form of joint and several liability by the controlling bodies or equivalent financial guarantees and which may be, for each action, limited to the maximum amount of the Union support.

Comments

¹⁰ Details of budget implementation methods and references to the Financial Regulation may be found on the BUDGpedia site: <https://myintracomm.ec.europa.eu/corp/budget/financial-rules/budget-implementation/Pages/implementation-methods.aspx>.

No additional resources required.

2. MANAGEMENT MEASURES

2.1. Monitoring and reporting rules

No change to the monitoring and reporting rules is introduced, since the current system also allows to monitor the application of the proposed additional flexibility.

2.2. Management and control system(s)

2.2.1. Justification of the budget implementation method(s), the funding implementation mechanism(s), the payment modalities and the control strategy proposed

The proposal is not implementing a financial programme but introducing an additional flexibility for 2025-2027 in terms of compliance by the light-duty vehicles manufacturers with CO₂ emissions targets. Management mode, funding implementation mechanisms, payment modalities and control strategy in relation to error rates are not applicable.

2.2.2. Information concerning the risks identified and the internal control system(s) set up to mitigate them

This proposal does not concern a spending programme. Efficient monitoring of vehicle registration data is essential for ensuring legal certainty in enforcing the legislation and for ensuring level playing field between different manufacturers.

2.2.3. Estimation and justification of the cost-effectiveness of the controls (ratio between the control costs and the value of the related funds managed), and assessment of the expected levels of risk of error (at payment & at closure)

This initiative does not bring about new significant controls/risks that would not be covered by an existing internal control framework. No specific measures beyond the application of the Financial Regulation have been envisaged.

2.3. Measures to prevent fraud and irregularities

In addition to the application of the Financial Regulation to prevent fraud and irregularities, the additional flexibility for compliance with the CO₂ reduction requirements provided for in this proposal will be accompanied by monitoring and reporting of different datasets as provided for in Regulation (EU) 2019/631.

3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected

No additional resources required. The current team will continue managing the initiative.

- Existing budget lines

In order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number	Diff./Non-diff. ¹¹	from EFTA countries ¹²	from candidate countries and potential candidates ¹³	From other third countries	other assigned revenue
	[XX.YY.YY.YY]	Diff./Non-diff.	YES/NO	YES/NO	YES/NO	YES/NO
	[XX.YY.YY.YY]	Diff./Non-diff.	YES/NO	YES/NO	YES/NO	YES/NO
	[XX.YY.YY.YY]	Diff./Non-diff.	YES/NO	YES/NO	YES/NO	YES/NO

- New budget lines requested

In order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number	Diff./Non-diff.	from EFTA countries	from candidate countries and potential candidates	from other third countries	other assigned revenue
	[XX.YY.YY.YY]	Diff./Non-diff.	YES/NO	YES/NO	YES/NO	YES/NO
	[XX.YY.YY.YY]	Diff./Non-diff.	YES/NO	YES/NO	YES/NO	YES/NO
	[XX.YY.YY.YY]	Diff./Non-diff.	YES/NO	YES/NO	YES/NO	YES/NO

¹¹ Diff. = Differentiated appropriations / Non-diff. = Non-differentiated appropriations.

¹² EFTA: European Free Trade Association.

¹³ Candidate countries and, where applicable, potential candidates from the Western Balkans.

3.2. Estimated financial impact of the proposal on appropriations

3.2.1. Summary of estimated impact on operational appropriations

- ☒ The proposal/initiative does not require the use of operational appropriations
- ☐ The proposal/initiative requires the use of operational appropriations, as explained below

3.2.1.1. Appropriations from voted budget

EUR million (to three decimal places)

Heading of multiannual financial framework	Number	
--	--------	--

DG: <.....>			Year	Year	Year	Year	TOTAL MFF 2021-2027
			2024	2025	2026	2027	
Operational appropriations							
Budget line	Commitments	(1a)					0.000
	Payments	(2a)					0.000
Budget line	Commitments	(1b)					0.000
	Payments	(2b)					0.000
Appropriations of an administrative nature financed from the envelope of specific programmes ¹⁴							
Budget line		(3)					0.000
TOTAL appropriations for DG <.....>	Commitments	=1a+1b+3	0.000	0.000	0.000	0.000	0.000
	Payments	=2a+2b+3	0.000	0.000	0.000	0.000	0.000

			Year	Year	Year	Year	TOTAL MFF 2021-2027
			2024	2025	2026	2027	

¹⁴ Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former 'BA' lines), indirect research, direct research.

TOTAL operational appropriations	Commitments	(4)	0.000	0.000	0.000	0.000	0.000
	Payments	(5)	0.000	0.000	0.000	0.000	0.000
TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)	0.000	0.000	0.000	0.000	0.000
TOTAL appropriations under HEADING <....> of the multiannual financial framework	Commitments	=4+6	0.000	0.000	0.000	0.000	0.000
	Payments	=5+6	0.000	0.000	0.000	0.000	0.000

Heading of multiannual financial framework	Number	
---	--------	--

DG: <.....>			Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021-2027
Operational appropriations							
Budget line	Commitments	(1a)					0.000
	Payments	(2a)					0.000
Budget line	Commitments	(1b)					0.000
	Payments	(2b)					0.000
Appropriations of an administrative nature financed from the envelope of specific programmes ¹⁵							
Budget line		(3)					0.000
TOTAL appropriations for DG <.....>	Commitments	=1a+1b +3	0.000	0.000	0.000	0.000	0.000
	Payments	=2a+2b+3	0.000	0.000	0.000	0.000	0.000

¹⁵ Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former 'BA' lines), indirect research, direct research.

DG: <.....>			Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021-2027
Operational appropriations							
Budget line	Commitments	(1a)					0.000
	Payments	(2a)					0.000
Budget line	Commitments	(1b)					0.000
	Payments	(2b)					0.000
Appropriations of an administrative nature financed from the envelope of specific programmes ¹⁶							
Budget line		(3)					0.000
TOTAL appropriations for DG <.....>	Commitments	=1a+1b+3	0.000	0.000	0.000	0.000	0.000
	Payments	=2a+2b+3	0.000	0.000	0.000	0.000	0.000

			Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021-2027
TOTAL operational appropriations	Commitments	(4)	0.000	0.000	0.000	0.000	0.000
	Payments	(5)	0.000	0.000	0.000	0.000	0.000
TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)	0.000	0.000	0.000	0.000	0.000
TOTAL appropriations under HEADING <....> of the multiannual financial framework	Commitments	=4+6	0.000	0.000	0.000	0.000	0.000
	Payments	=5+6	0.000	0.000	0.000	0.000	0.000

¹⁶ Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former 'BA' lines), indirect research, direct research.

			Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021-2027
• TOTAL operational appropriations (all operational headings)	Commitments	(4)	0.000	0.000	0.000	0.000	0.000
	Payments	(5)	0.000	0.000	0.000	0.000	0.000
• TOTAL appropriations of an administrative nature financed from the envelope for specific programmes (all operational headings)		(6)	0.000	0.000	0.000	0.000	0.000
TOTAL appropriations Under Heading 1 to 6 of the multiannual financial framework (Reference amount)	Commitments	=4+6	0.000	0.000	0.000	0.000	0.000
	Payments	=5+6	0.000	0.000	0.000	0.000	0.000

Heading of multiannual financial framework	7	‘Administrative expenditure’ ¹⁷				
DG: <.....>		Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021- 2027
• Human resources		0.000	0.000	0.000	0.000	0.000
• Other administrative expenditure		0.000	0.000	0.000	0.000	0.000
TOTAL DG <.....>	Appropriations	0.000	0.000	0.000	0.000	0.000

DG: <.....>		Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021- 2027
• Human resources		0.000	0.000	0.000	0.000	0.000
• Other administrative expenditure		0.000	0.000	0.000	0.000	0.000
TOTAL DG <.....>	Appropriations	0.000	0.000	0.000	0.000	0.000

¹⁷

The necessary appropriations should be determined using the annual average cost figures available on the appropriate BUDGpedia webpage.

TOTAL appropriations under HEADING 7 of the multiannual financial framework	(Total commitments = Total payments)	0.000	0.000	0.000	0.000	0.000
--	--------------------------------------	--------------	--------------	--------------	--------------	--------------

EUR million (to three decimal places)

			Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021-2027
TOTAL appropriations under HEADINGS 1 to 7	Commitments		0.000	0.000	0.000	0.000	0.000
of the multiannual financial framework	Payments		0.000	0.000	0.000	0.000	0.000
	Payments	=2a+2b+3	0.000	0.000	0.000	0.000	0.000

			Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021-2027
TOTAL operational appropriations	Commitments	(4)	0.000	0.000	0.000	0.000	0.000
	Payments	(5)	0.000	0.000	0.000	0.000	0.000
TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)	0.000	0.000	0.000	0.000	0.000
TOTAL appropriations under HEADING <....> of the multiannual financial framework	Commitments	=4+6	0.000	0.000	0.000	0.000	0.000
	Payments	=5+6	0.000	0.000	0.000	0.000	0.000

Heading of multiannual financial framework	Number	
---	--------	--

DG: <.....>			Year	Year	Year	Year	TOTAL MFF 2021-2027
			2024	2025	2026	2027	
Operational appropriations							
Budget line	Commitments	(1a)					0.000
	Payments	(2a)					0.000
Budget line	Commitments	(1b)					0.000
	Payments	(2b)					0.000
Appropriations of an administrative nature financed from the envelope of specific programmes ¹⁸							
Budget line		(3)					0.000
TOTAL appropriations for DG <.....>	Commitments	=1a+1b+3	0.000	0.000	0.000	0.000	0.000
	Payments	=2a+2b+3	0.000	0.000	0.000	0.000	0.000
	Payments	=2a+2b+3	0.000	0.000	0.000	0.000	0.000

			Year	Year	Year	Year	TOTAL MFF 2021-2027
			2024	2025	2026	2027	
TOTAL operational appropriations	Commitments	(4)	0.000	0.000	0.000	0.000	0.000
	Payments	(5)	0.000	0.000	0.000	0.000	0.000
TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)	0.000	0.000	0.000	0.000	0.000
TOTAL appropriations under HEADING <....> of the multiannual financial framework	Commitments	=4+6	0.000	0.000	0.000	0.000	0.000
	Payments	=5+6	0.000	0.000	0.000	0.000	0.000

¹⁸ Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former 'BA' lines), indirect research, direct research.

			Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021-2027
• TOTAL operational appropriations (all operational headings)	Commitments	(4)	0.000	0.000	0.000	0.000	0.000
	Payments	(5)	0.000	0.000	0.000	0.000	0.000
• TOTAL appropriations of an administrative nature financed from the envelope for specific programmes (all operational headings)		(6)	0.000	0.000	0.000	0.000	0.000
TOTAL appropriations under Headings 1 to 6 of the multiannual financial framework (Reference amount)	Commitments	=4+6	0.000	0.000	0.000	0.000	0.000
	Payments	=5+6	0.000	0.000	0.000	0.000	0.000

Heading of multiannual financial framework	7	‘Administrative expenditure’ ¹⁹
---	----------	--

EUR million (to three decimal places)

DG: <.....>	Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021- 2027
• Human resources	0.000	0.000	0.000	0.000	0.000
• Other administrative expenditure	0.000	0.000	0.000	0.000	0.000
TOTAL DG <.....>	0.000	0.000	0.000	0.000	0.000
Appropriations					

DG: <.....>	Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021- 2027
• Human resources	0.000	0.000	0.000	0.000	0.000

¹⁹

The necessary appropriations should be determined using the annual average cost figures available on the appropriate BUDGpedia webpage.

• Other administrative expenditure		0.000	0.000	0.000	0.000	0.000
TOTAL DG <.....>	Appropriations	0.000	0.000	0.000	0.000	0.000

TOTAL appropriations under HEADING 7 of the multiannual financial framework	(Total commitments = Total payments)	0.000	0.000	0.000	0.000	0.000
--	--------------------------------------	--------------	--------------	--------------	--------------	--------------

EUR million (to three decimal places)

		Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021-2027
TOTAL appropriations under HEADINGS 1 to 7	Commitments	0.000	0.000	0.000	0.000	0.000
of the multiannual financial framework	Payments	0.000	0.000	0.000	0.000	0.000

3.2.2. Estimated output funded from operational appropriations (not to be completed for decentralised agencies)

Commitment appropriations in EUR million (to three decimal places)

Indicate objectives and outputs ↓			Year 2024		Year 2025		Year 2026		Year 2027		Enter as many years as necessary to show the duration of the impact (see Section1.6)						TOTAL	
	OUTPUTS																	
	Type ²⁰	Average cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	Total No	Total cost
SPECIFIC OBJECTIVE No 1 ²¹ ...																		
- Output																		

²⁰ Outputs are products and services to be supplied (e.g. number of student exchanges financed, number of km of roads built, etc.).

²¹ As described in Section 1.3.2. 'Specific objective(s)'

- Output																	
- Output																	
Subtotal for specific objective No 1																	
SPECIFIC OBJECTIVE No 2 ...																	
- Output																	
Subtotal for specific objective No 2																	
TOTALS																	

3.2.3. Summary of estimated impact on administrative appropriations

- ☒ The proposal/initiative does not require the use of appropriations of an administrative nature
- ☐ The proposal/initiative requires the use of appropriations of an administrative nature, as explained below

3.2.3.1. Appropriations from voted budget

VOTED APPROPRIATIONS	Year	Year	Year	Year	TOTAL 2021 - 2027
	2024	2025	2026	2027	
HEADING 7					
Human resources	0.000	0.000	0.000	0.000	0.000
Other administrative expenditure	0.000	0.000	0.000	0.000	0.000
Subtotal HEADING 7	0.000	0.000	0.000	0.000	0.000
Outside HEADING 7					
Human resources	0.000	0.000	0.000	0.000	0.000
Other expenditure of an administrative nature	0.000	0.000	0.000	0.000	0.000
Subtotal outside HEADING 7	0.000	0.000	0.000	0.000	0.000
TOTAL	0.000	0.000	0.000	0.000	0.000

The appropriations required for human resources and other expenditure of an administrative nature will be met by appropriations from the DG that are already assigned to management of the action and/or have been redeployed within the DG, together, if necessary, with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

3.2.4. Estimated requirements of human resources

- ☒ The proposal/initiative does not require the use of human resources
- ☐ The proposal/initiative requires the use of human resources, as explained below

3.2.4.1. Financed from voted budget

Estimate to be expressed in full-time equivalent units (FTEs)²²

VOTED APPROPRIATIONS	Year 2024	Year 2025	Year 2026	Year 2027
• Establishment plan posts (officials and temporary staff)				
20 01 02 01 (Headquarters and Commission's Representation Offices)	0	0	0	0
20 01 02 03 (EU Delegations)	0	0	0	0
01 01 01 01 (Indirect research)	0	0	0	0
01 01 01 11 (Direct research)	0	0	0	0
Other budget lines (specify)	0	0	0	0
• External staff (inFTEs)				

²²

Please specify below the table how many FTEs within the number indicated are already assigned to the management of the action and/or can be redeployed within your DG and what are your net needs.

20 02 01 (AC, END from the ‘global envelope’)		0	0	0	0
20 02 03 (AC, AL, END and JPD in the EU Delegations)		0	0	0	0
Admin. Support line [XX.01.YY.YY]	- at Headquarters	0	0	0	0
	- in EU Delegations	0	0	0	0
01 01 01 02 (AC, END - Indirect research)		0	0	0	0
01 01 01 12 (AC, END - Direct research)		0	0	0	0
Other budget lines (specify) - Heading 7		0	0	0	0
Other budget lines (specify) - Outside Heading 7		0	0	0	0
TOTAL		0	0	0	0

The staff required to implement the proposal (in FTEs):

	To be covered by current staff available in the Commission services	Exceptional additional staff*		
		To be financed under Heading 7 or Research	To be financed from BA line	To be financed from fees
Establishment plan posts			N/A	
External staff (CA, SNEs, INT)				

Description of tasks to be carried out by:

Officials and temporary staff	
External staff	

3.2.5. Overview of estimated impact on digital technology-related investments

Compulsory: the best estimate of the digital technology-related investments entailed by the proposal/initiative should be included in the table below.

Exceptionally, when required for the implementation of the proposal/initiative, the appropriations under Heading 7 should be presented in the designated line.

The appropriations under Headings 1-6 should be reflected as “Policy IT expenditure on operational programmes”. This expenditure refers to the operational budget to be used to re-use/ buy/ develop IT platforms/ tools directly linked to the implementation of the initiative and their associated investments (e.g. licences, studies, data storage etc). The information provided in this table should be consistent with details presented under Section 4 “Digital dimensions”.

TOTAL Digital and IT appropriations	Year	Year	Year	Year	TOTAL MFF
	2024	2025	2026	2027	2021 - 2027

HEADING 7					
IT expenditure (corporate)	0.000	0.000	0.000	0.000	0.000
Subtotal HEADING 7	0.000	0.000	0.000	0.000	0.000
Outside HEADING 7					
Policy IT expenditure on operational programmes	0.000	0.000	0.000	0.000	0.000
Subtotal outside HEADING 7	0.000	0.000	0.000	0.000	0.000
TOTAL	0.000	0.000	0.000	0.000	0.000

3.2.6. *Compatibility with the current multiannual financial framework*

The proposal/initiative:

- ☒ can be fully financed through redeployment within the relevant heading of the multiannual financial framework (MFF)

No additional resources required. The current team will continue managing the initiative.

- ☐ requires use of the unallocated margin under the relevant heading of the MFF and/or use of the special instruments as defined in the MFF Regulation

N/A

- ☐ requires a revision of the MFF

N/A

3.2.7. *Third-party contributions*

The proposal/initiative:

- ☒ does not provide for co-financing by third parties
- ☐ provides for the co-financing by third parties estimated below:

Appropriations in EUR million (to three decimal places)

	Year 2024	Year 2025	Year 2026	Year 2027	Total
Specify the co-financing body					
TOTAL appropriations co-financed					

3.3. *Estimated impact on revenue*

- ☒ The proposal/initiative has no financial impact on revenue.
- ☐ The proposal/initiative has the following financial impact:
 - ☐ on own resources
 - ☐ on other revenue
 - ☐ please indicate, if the revenue is assigned to expenditure lines

EUR million (to three decimal places)

Budget revenue line:	Appropriations available for the current financial year	Impact of the proposal/initiative ²³			
		Year 2024	Year 2025	Year 2026	Year 2027
Article					

For assigned revenue, specify the budget expenditure line(s) affected.

N/A

Other remarks (e.g. method/formula used for calculating the impact on revenue or any other information).

N/A

4. DIGITAL DIMENSIONS

The proposal does not include any digital dimension.

.

4.1. Requirements of digital relevance

The proposal introduces a flexibility to allow manufacturers to comply with the CO₂ emission targets over 2025, 2026 and 2027 combined. This means that there is no digital implications or implementation enhancement via digital tools.

4.2. Data

N/A

4.3. Digital solutions

N/A

4.4. Interoperability assessment

N/A

4.5. Measures to support digital implementation

N/A

²³ As regards traditional own resources (customs duties, sugar levies), the amounts indicated must be net amounts, i.e. gross amounts after deduction of 20% for collection costs.