BRIEFING

The EU Clean Corporate Vehicles Regulation: the industrial and economic benefits of “Made-in-EU” electric company cars

New independent modelling by Fraunhofer ISI shows that implementation of the Clean Corporate Vehicles Regulation could deliver up to €48bn in value creation and 344,000 jobs by 2030.

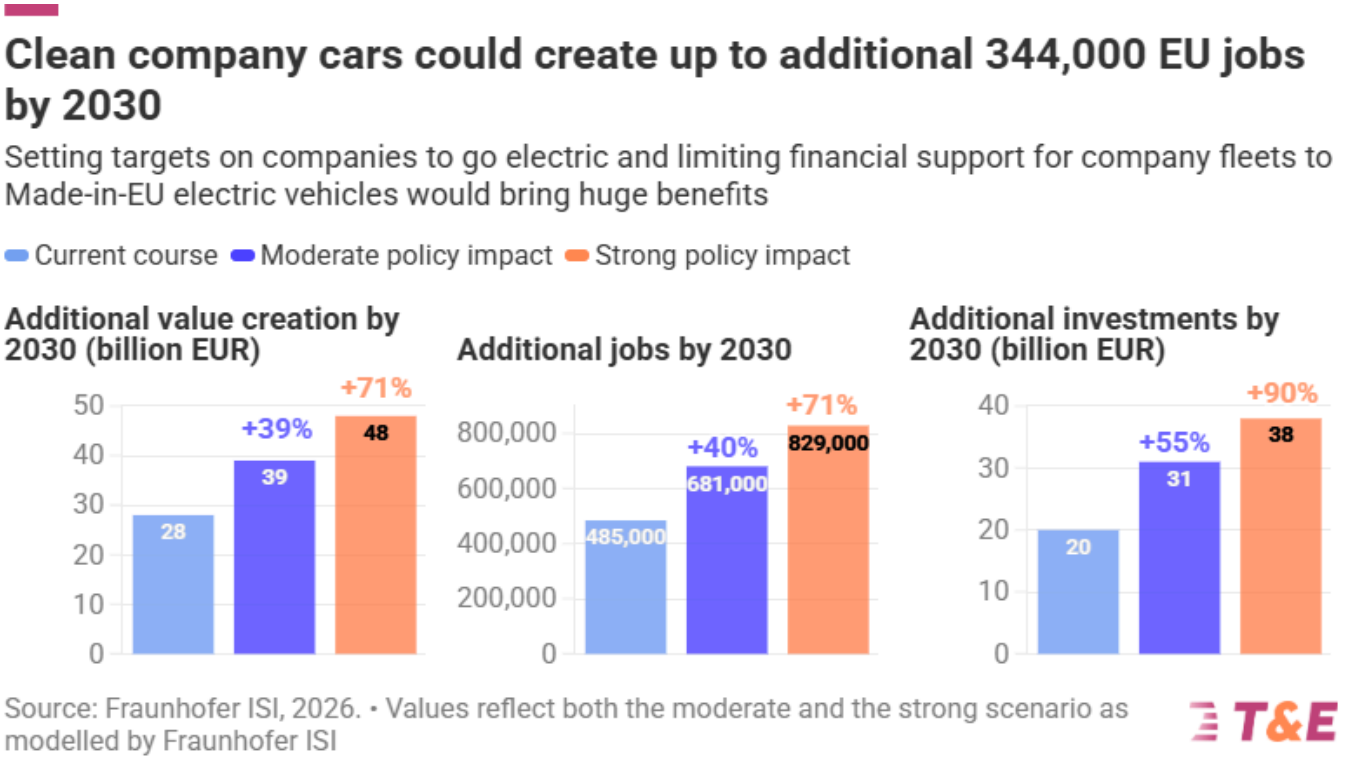
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Lead author: Sofie Grande y Rodriguez
Lead analyst: Arnau Oliver Antich
Findings: Fraunhofer ISI
Contributors: Susanne Goetz, Stef Cornelis

Summary

In December 2025, the European Commission (EC) proposed the Clean Corporate Vehicles Regulation (CCVR) to accelerate the electrification of company cars in Europe. The proposal is currently being negotiated by the European Parliament and the Council.

In the CCVR, the Commission proposes that Member States need to meet a certain share of electric company cars by 2030 and may only provide financial support to zero- and low-emission vehicles (ZLEV) that are 'Made-in-EU'. With 60% of new cars being registered by companies, the Regulation has a large potential to boost the demand for 'Made-in-EU' EVs.

T&E commissioned Fraunhofer ISI to model the benefits CCVR could bring for Europe's automotive sector looking into value creation, employment and investment in the EU automotive industry. The study finds that CCVR with strong Made-in-EU criteria could deliver clear economic and industrial benefits: between 196,000 and 344,000 additional FTE by 2030, up to an additional €20 billion of value creation and up to an additional €18 billion in investments between 2026 and 2030.



This would bring large benefits to EU manufacturing countries specifically. In Germany, the strong scenario adds an estimated €7.8 billion in value creation and 134,000 jobs by 2030. This is directly relevant for several large manufacturing sites in the country. In Poland, a growing battery hub, about 38,500 jobs and €4.1 billion in investment could be generated by 2030. Section 3 provides the full country-level picture.

Lawmakers should keep the mandatory targets, financial incentives and strict Made-in-EU criteria together. As a package, they turn company-car demand into European value creation, jobs and investment.

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Introduction

1.1 CCVR and IAA explained

The CCVR sets binding minimum targets for zero- and low-emission vehicles (ZLEVs) among large companies' new car registrations: 69% ZLEV, of which a minimum of 45% zero-emission, EU-wide by 2030. Article 4 complements this with a targeted financial-incentive mechanism: from 1 January 2028, EU member states may only provide financial support (tax breaks, subsidies, fleet incentives) to corporate cars that are ZLEVs. In addition, that support must be limited to vehicles "made in the EU", as defined in the related Industrial Accelerator Act (IAA). The IAA's origin criteria cover not just final assembly but minimum EU-content shares across battery, e-powertrain and electronics components.

1.2 The Fraunhofer analysis explained

T&E commissioned Fraunhofer ISI to assess the industrial and economic impact of the CCVR and Article 4 on the EU automotive sector, measured in value creation, jobs and investment. The three parameters are defined as follows:

- ➔ **Value creation** is the money that stays in the EU economy because these vehicles are built here: mainly wages paid to EU workers, plus the EU share of running costs such as energy and equipment.
- ➔ **Jobs** are expressed as full-time-equivalent (FTE) positions, estimated from the labour costs associated with Made-in-EU production using average EU labour costs. The figures include direct positions in vehicle and component manufacturing, indirect positions in the wider supply chain, and induced positions supported by the wages that those workers spend elsewhere in the economy.
- ➔ **Investments** are Fraunhofer ISI's estimate of the capital spending needed to build or expand the physical production capacity (i.e. plants, production lines, equipment) required to deliver the additional Made-in-EU output modelled in the policy scenario, compared with the baseline.

For the whole of Europe, Fraunhofer modelled two scenarios compared with a baseline scenario:

- **Baseline - 47% of the corporate market is electrified by 2030:** corporate cars will electrify at the same pace as required by the EU's revised car CO_2 standards.
- **Moderate scenario - 52% of the corporate market is electrified by 2030:** the Clean Corporate Vehicles Regulation and Made-in-EU requirements take effect, and Article 4 (linking company-car incentives to zero- and low-emission vehicles) has a moderate effect.
- **Strong scenario - 69% of the corporate market is electrified by 2030:** Article 4 steers company-car buyers to electric much faster, pushing combustion cars out of the corporate market earlier.

Made-in-EU is defined as EU27 plus EFTA (Iceland, Liechtenstein, Norway, Switzerland) and the UK.

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Results: EU-overall

2.1 Additional value creation, jobs and investment secured by CCVR

By 2030, even the moderate scenario adds €11 billion in value creation, around 196,000 jobs and €11 billion in investment on top of the baseline. The strong scenario roughly doubles these gains. Nearly all of the additional value comes from vehicle assembly and battery manufacturing — the two segments where today's restructuring plans are concentrated.

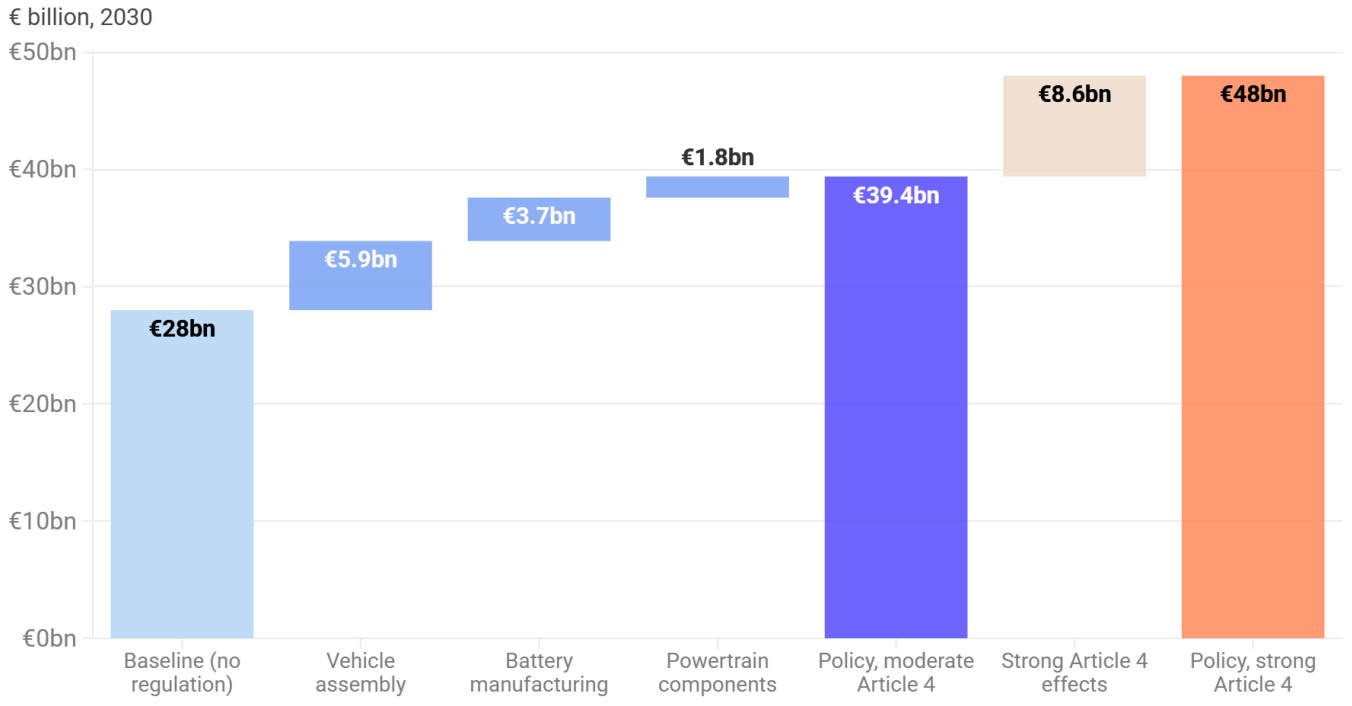
2.2 The importance of limiting financial support to Made-in-EU electric cars

The regulation's ZLEV targets match what would happen anyway under the EU's revised CO_2 standards for cars: about half of company cars will be electric by 2030. The real difference comes from Article 4, which limits financial support for company cars to electric cars made in the European Union. That gives companies a financial reason to go electric faster.

How fast companies switch determines how big the gain is, and when it arrives. In the baseline scenario, building electric company cars in Europe creates €28 billion of value. With a moderate effect, where companies switch steadily, this increases to €39 billion. Under the strong scenario, where combustion cars are pushed out of company fleets much faster, it reaches €48 billion by 2030.

Limiting financial support to EU-made electric company cars could increase EU value creation from €28bn to €48bn by 2030

Value creation from corporate BEV production in Made-in-EU countries: baseline vs policy scenarios, 2030



Source: Fraunhofer ISI, 2026

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Results: Member State-level

3.1 Country-level value creation and jobs

The distribution of gains follows existing automotive and battery manufacturing capacity, concentrating precisely in the member states whose governments are most vocal about protecting automotive jobs. This chapter only focuses on the Member States that are most impacted by the policies. **All figures in this chapter reflect the strong scenario.**

Accelerating the demand for Made-in-EU electric company cars benefits manufacturing countries

Country	Value creation (2030)	Jobs (2030, incl. indirect, induced)	Investment (cumulative, 2026-2030)
Germany	+€7.8 billion	+134,000 jobs	€4.7 billion
Poland	+€2.1 billion	+38,500 jobs	€4.1 billion
Slovakia	+€1.5 billion	+26,200 jobs	€1.2 billion
Hungary	+€1.1 billion	+17,900 jobs	€1.62 billion
Czechia	+€0.8 billion	+14,400 jobs	€0.33 billion
France	+€0.8 billion	+13,200 jobs	€0.75 billion
Spain	+€0.6 billion	+10,700 jobs	€0.86 billion

Source: Fraunhofer ISI, 2026
Note: Values reflect the strong scenario modelled by Fraunhofer ISI

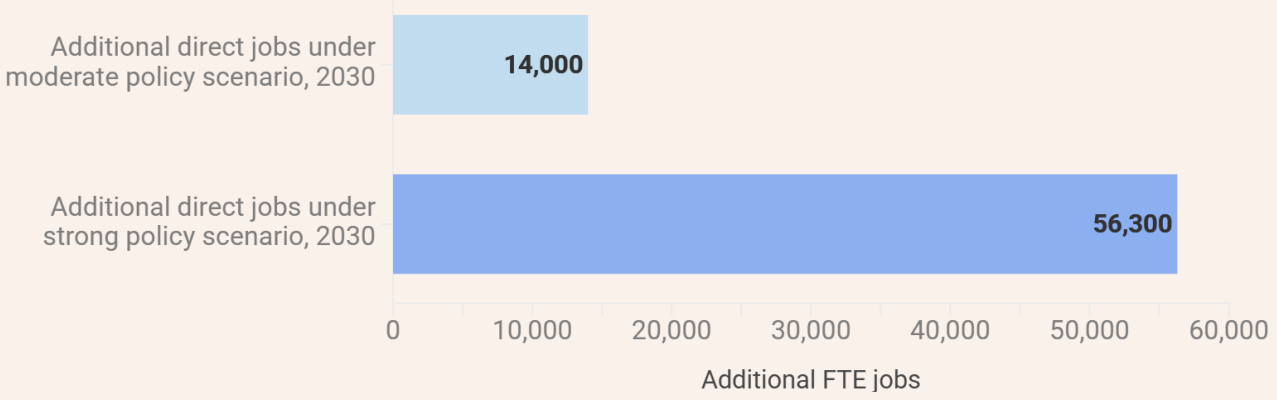
Germany sees the largest absolute gain: +€7.8bn in value creation and +134,000 jobs by 2030, which is around 74% more than its corporate EV industry would deliver without the regulation. Most gains come from vehicle assembly. As the EU's largest car producer, Germany is also the member state facing the most acute restructuring risk.

Case study: Volkswagen

Volkswagen is the EU's largest carmaker, with more than a quarter of new vehicle registrations, yet its operating result fell by more than half in 2025. Under the moderate scenario, its EU corporate BEV sales rise by about 99,000 vehicles by 2030, offsetting roughly 14% of its planned 700,000-unit production cut. Under the strong scenario, the increase would reach around 590,000 vehicles, offsetting 84% of the cut.

This would support around 14,000 direct FTE jobs, mostly in vehicle assembly, backed by about +€760 million in additional investment between 2026 and 2030. In Germany, the four plants that Volkswagen's Future Plan 2030 says cannot be secured from 2031 (Emden, Zwickau, Hannover and Neckarsulm) could account for 6,300 of those jobs. Under a strong Article 4 scenario, the gains could rise to 56,300 direct FTE jobs, including 25,400 at those four plants. These results suggest that Article 4 could meaningfully mitigate or even overcome Volkswagen's announced restructuring plans.

Boosting demand for EU-made EVs through Article 4 could create thousands of jobs at Volkswagen



Source: Fraunhofer ISI, 2026

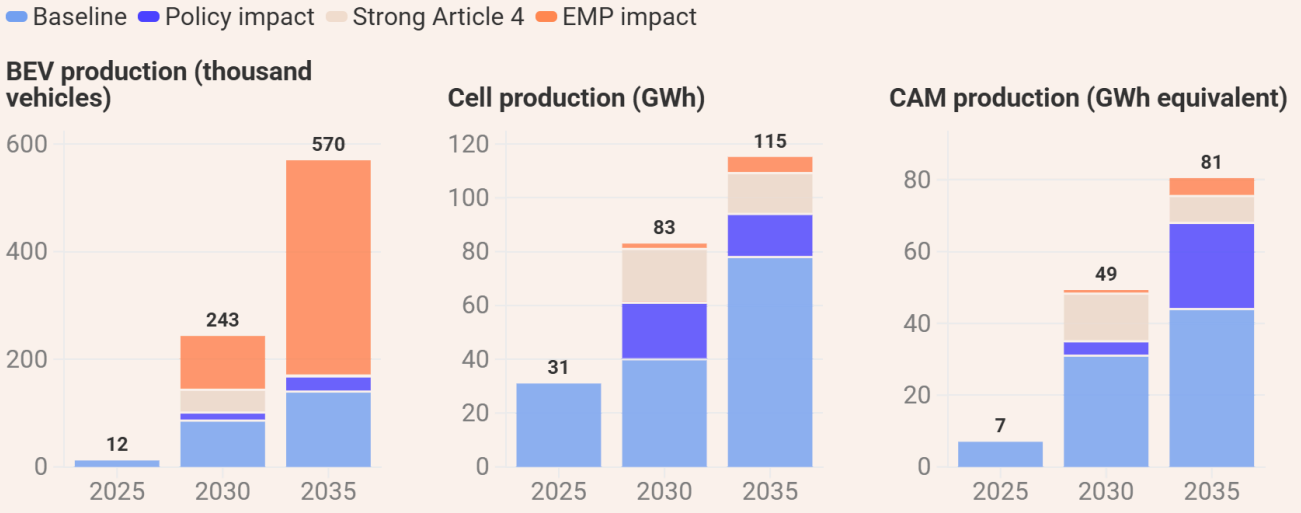
Poland sees the largest gains in relative terms. The legislation adds about 38,500 jobs, almost doubling what its current corporate EV industry would deliver without it, and brings in €4.1 billion of investment between 2026 and 2030. It also feeds Poland's large used car market with more affordable, Made-in-EU electric cars.

Case study: battery manufacturing in Poland

Poland is already home to major OEM plants (Stellantis, Volkswagen) but is becoming a core battery hub with LG Energy Solution and Umicore plants. Cathode active material (CAM) is the key ingredient inside a battery that stores the energy. Battery cells are the units made from that material, and they are the heart of every EV battery. Under the moderate scenario, Poland's battery cell production for the EU corporate BEV market rises by an estimated 21 GWh by 2030 compared to the baseline. In the strong scenario, the output reaches about 81 GWh and is supported by up to 38,500 additional jobs.

Separately, the state-backed ElectroMobility Poland (EMP) project — with Taiwan's Foxconn as strategic partner — plans a new BEV assembly and R&D hub. If the project goes ahead, around 100,000 additional BEVs could be assembled in that plant by 2030, supporting a further ~15,000 jobs, additional to the Article 4 effects.

Clean corporate vehicles with Made-in-EU requirements will strengthen Poland's battery production



Source: Fraunhofer ISI, 2026
Note: EMP impacts are maximum estimates based on reported production plans and assumed timing, rather than expected corporate demand.

Slovakia gains +€1.5 billion in value creation and +26,200 jobs - 62% on top of the baseline scenario. This can be attributed to fast-moving EV investment in the country: Kia began its first-ever European BEV production at Žilina in August 2025, and Volvo has started test production at its all-electric plant in Košice as well. Slovakia's case shows how quickly a manufacturing base can pivot when a large investment decision lands.

Hungary gains +€1.1 billion in value creation, +17,900 jobs and +€1.6 billion in investment. The high investment figure reflects how capital-intensive battery manufacturing is. Hungary has already attracted some of the EU's largest announced battery investments, including CATL's European cell plant and BYD's forthcoming vehicle plant, making it one of the fastest-growing EV manufacturing hubs in Europe.

Czechia's +€0.8 billion in value creation and +14,400 jobs depend on retaining and expanding its existing assembly base rather than attracting new investment. As an established production hub within the Volkswagen Group network, its gain reflects the value of securing the capacity it already has.

France gains +€0.8 billion in value creation, +13,200 jobs, backed by €0.75 billion of investment. France's gains seem relatively small, because the model allocates new production to where corporate BEVs are built today, and France has a smaller footprint in this segment than Germany and Central Europe. However, by 2035, value creation rises further to about €1.1 billion.

Spain's +€0.6 billion in value creation, +10,700 jobs and +€0.9 billion in investment. The gain comes mainly from established carmakers expanding at existing plants. New entrants are also

settling in Spain, including SAIC/MG (a new plant in Ferrol), Leapmotor (with Stellantis, in Zaragoza and Madrid) and Ebro (with Chery, in Barcelona).

A further several billion euros of value creation, particularly in the battery supply chain, could not be assigned to a specific country in the model because the underlying investment decisions have not yet been announced — additional opportunity for whichever member states move fastest.

Key policy recommendations

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This study shows that the Clean Corporate Vehicles Regulation can generate considerable economic and industrial gains for European countries and carmakers.

The European Parliament and Council should therefore:

1. **Keep Article 4 strong.** Its financial-incentive mechanism is what drives almost all of the additional economic benefit.

2. **Do not delay or water down the "Made-in-EU" requirements.** Weakening this part of Article 4 removes the incentive for OEMs to localise - and the modelling shows OEMs will localise only what is legally required.

3. **Support entry into force by 2028.** A strong Article 4 shifts benefits forward into 2030, when job-loss fears are most acute.

Further information
Sofie Grande y Rodriguez
Clean Fleets Policy Manager
[redacted]
www.transportenvironment.org | BlueSky | LinkedIn