German Association of the Automotive Industry

Position

END-OF-LIFE VEHICLE REGULATION

VDA TRIALOGUE PRIORITIES

General Remarks

In its proposal for the End-of-Life Vehicle Regulation (ELVR), the European Commission has outlined ambitious measures to improve circularity and sustainability in the automotive sector. The Council and Parliament have now adopted their respective positions for the Trilogue negotiations, with varying degrees of support and amendments to the Commission's proposal.

The German automotive industry remains committed to enhancing the environmental performance of vehicles. However, the transition to a more circular economy presents significant challenges for manufacturers and other stakeholders in the value chain.

To ensure a successful implementation of the ELVR, enabling conditions are essential, including harmonised definitions, clear responsibilities, and realistic timelines. A pragmatic and technology-neutral framework is needed to ensure that the regulation delivers on its objectives without compromising competitiveness or feasibility.

The definitions are generally unclear, to illustrate this with an example here: The current definitions in Art. 3(28) and 35b for Remanufacturing are all based on a misinterpretation of a definition from JTC 10 WG 4.

Implementing the current proposals of COM, Council and parliament for definitions for remanufacturing does not enable or strengthen circular economy. To the contrary, established business models for remanufacturing are rendered impossible. (Details can follow in a separate discussion).

1 Recycled Content Targets and verification of recycled Content: Be Realistic and keep it practical

Recycled Content Targets

VDA supports ambitious realistic recycled content targets in vehicles plastic and recommends a step-by-step approach: starting with 15% in six years, then 20% five years later. These targets must be backed by a clear calculation method and certification process. Manufacturers need time to adapt, so a six-year transition period should follow the publication of the methodology including pre-consumer and closed-loop target to be deleted.

Verification of recycled content in vehicles plastic

VDA supports the EP position for a standardized method for calculating and verifying recycled content, to be developed via delegated act. It aligns with VDA stance to have a streamlined, risk-based verification system, aligned with other EU regulations and recognition of existing certification schemes. While traceability is important, the Council's approach risks overburdening manufacturers with global supply chain audits, raising costs, and disrupting production.

Mirror Clause

Fundamentally, it is important to us that all regulations are designed to be as non-discriminatory as possible and that no additional trade barriers are created for the automotive industry. We are particularly concerned that, at this point in time, there is neither a definition nor a standardization of recyclate specifications – especially not at an international level. Furthermore, for both the ELV Directive and the Packaging Regulation, there is no verification

procedure for the use of recyclates in the product (so-called "Proof of Evidence") when it comes to plastics. Currently, the use of recyclates in the final product cannot be technically verified.
In this context, it must also be clarified whether the presence of prohibited substances in recyclates can be technically ruled out at all.
Against this background, from the perspective of the VDA, now and in the future, the selection of recyclates must be aligned with the product requirements of the OEMs; we strongly advise against adapting a packaging standard for the automotive sector.

2 Financial responsibility of the vehicle manufacturers can only be implemented based on existing contracts between ATF and OEM

Clarification and alignment with other extended producer responsibility legislation: Unlike other EPR legislations, the ELVR deals with waste that retains significant value, e.g., due to the high amount of steel, aluminum, or parts for reuse. This is reflected in the fact that today there are considerably more ATFs in Europe operating without a contract with a producer/PRO, than are within the EPR-networks, where financial compensation is regulated.

Legislation should not continue to permit treatment activities outside the producers' networks, since the regulation would lose its sight of its objectives and producers should not bear obligations or responsibilities for those treatment operators.

3 Traction battery is part of an end-of-life-vehicle

The battery is an essential and valuable part of a vehicle and as such it should not be excluded from elements considered as essential under this Regulation. This would create an unjustified divergence in the treatment of essential vehicle parts of internal combustion engines and electric vehicles. The high-voltage traction battery is an integral part of an electric vehicle and contains hazardous materials. Therefore, handling requires trained personnel.

An unauthorized separation of vehicle and traction battery before handing the vehicle over to a collection point or ATF by unqualified persons not acting on a professional basis and therefore without any obligation according to the Battery Regulation (or acting illegally) represents a considerable risk for people and the environment. An authorized removal e.g., by producer-controlled operators will enable circular economy approaches such as remanufacturing or securing of recyclates.

4 Ensure international consistency and avoidance of overlaps: Harmonized UN Standards instead of pursuing special path

The proposal for a new methodology for calculating and verifying reusability, recyclability and recoverability rates overlooks the existing harmonized UN R133 Guidelines.

In the global automotive industry, there are currently two equivalent options for conducting type approval for recyclability — either by using UN Regulation No. 133 or EU Directive 2005/64/EC.
European manufacturers are increasingly opting for the UN Regulation in order to operate globally and intend to continue doing so in the future.

However, once the calculation methodology in the EU Directive is revised, there is a risk that the legislation will no longer align, which would result in additional bureaucratic effort for recyclability type approval.

5 DISMANTLING: Make it proportionate for effective recycling

Avoiding Unnecessary Manual Dismantling: Dismantling obligations for vehicle components must be technically feasible, economically viable, and proportionate. Modern, efficient recycling technologies often yield better environmental and economic results than manual removal with specific treatment. Mandatory dismantling should only be required when it provides a clear ecological or economic benefit.

6 The ELV cannot simply be applied to the bodies of commercial vehicles.

Ex-ante producer responsibility poses an existential threat to commercial vehicle body manufacturers, most of whom are based in Germany, without offering any significant environmental added value.

A transition period after the EU End-of-Life Vehicles Directive comes into force (e. g. from 2036) is needed to prepare for the recyclability of products.

At the same time, there is still a risk that the entire burden will fall on the manufacturers of base vehicles (homologation stage 1) if such bodies are not included, which is neither proportionate nor fair. This risk is particularly high if the definition of manufacturer (Art. 3) remains as proposed by the European Parliament in its opinion adopted on 9 September 2025.

As large companies, manufacturers of base vehicles (homologation stage 1) could bear the responsibility for take-back and reporting for multi-stage vehicles, but only the recycling costs of the base vehicles they manufacture.

However, recycling costs should only be shared proportionally between manufacturers at all stages if a calculation of possible costs is determined by the European Commission as part of a moderation procedure and validated by regular reviews. Until the disposal/take-back costs have been clarified, extended producer responsibility should not apply to multi-stage vehicles; Member States should introduce support measures where necessary.

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The German Association of the Automotive Industry (VDA) consolidates around 620 manufacturers and suppliers under one roof. The members develop and produce cars and trucks, software, trailers, superstructures, buses, parts and accessories as well as new mobility offers.

We represent the interests of the automotive industry and stand for modern, future-oriented multimodal mobility on the way to climate neutrality. The VDA represents the interests of its members in politics, the media, and social groups.

We work for electric mobility, climate-neutral drives, the implementation of climate targets, securing raw materials, digitization and networking as well as German engineering. We are committed to a competitive business and innovation location. Our industry ensures prosperity in Germany: More than 780,000 people are directly employed in the German automotive industry.

The VDA is the organizer of the largest international mobility platform IAA MOBILITY and of IAA TRANSPORTATION, the world's most important platform for the future of the commercial vehicle industry.

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