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2023/0266 (COD)

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the accounting of greenhouse gas emissions of transport services

(Text with EEA relevance)

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EXPLANATORY MEMORANDUM

- Reasons for and objectives of the proposal

Greenhouse-gas emissions accounting is a measure used in various economic sectors to generate greenhouse gas emissions data from specific activities of businesses and individuals. In the transport sector, transparent information on emissions of transport services empowers customers to make well-informed choices and influences business decisions of entities organising and providing these services on the market. Making reliable data on emissions available can encourage sustainability, innovation and behavioural change towards sustainable transport options. The benefits and added value of emissions accounting are demonstrated by the results of existing emissions monitoring and reporting schemes in the EU and beyond¹.

Unlocking the potential of greenhouse gas emissions accounting in transport requires that the underlying calculations are comparable and accurate, addressing the specific characteristics of a particular transport service. Therefore, emissions should be quantified based on a scientifically sound, detailed and harmonised methodological approach.

However, there is currently no universally accepted framework for greenhouse gas emissions accounting of transport services². To quantify those emissions, transport stakeholders can choose among different standards, methodologies, calculation tools and multiple emissions default values databases and datasets. This often leads to a significant discrepancy in results that compromises the comparability of greenhouse gas emission figures on the market, and provides inaccurate and misleading information on a transport service's performance. It also risks selecting an emissions calculation method and default data based on what is more beneficial for an individual entity. This creates conditions for greenwashing³, and can give wrong incentives to users. The lack of a standard framework is generally recognised and has resulted in several attempts by industry or national governments⁴ to produce one. However, none of these efforts have led to harmonising greenhouse gas emissions accounting methods or consistently using greenhouse gas data at Union level.

The transport sector also sees the lack of reliable and comparable information on greenhouse gas emissions of transport services as an issue. 80% of respondents to the open public consultation recognised the prevalence of this problem and considered it significant or very significant. Similar views were noted when analysing the responses to this initiative's call for evidence, its targeted stakeholder survey and discussions at the workshop.

In addition, despite the growing interest of transport stakeholders in greenhouse gas transport performance data, the overall uptake of greenhouse gas emissions accounting of transport

¹ In the freight sector for instance, the EU-based [Lean and Green](#) and the US [SmartWay](#) programmes.

² Harmonised statistics and environmental accounts on greenhouse gas emissions of all economic sectors, including transport are produced by the Member States and reported to the Commission under Regulation (EU) No 691/2011 of the European Parliament and of the Council of 6 July 2011 on European environmental economic accounts ([OJ L 192, 22.7.2011, p. 1–16](#)). Those data are available at national level, with a breakdown by the NACE Rev. 2 classification of economic activities, thus not addressing appropriate granularity of data to mitigate the problem stipulated above.

³ Greenwashing is the practice of companies to give a false positive impression of their environmental impacts or benefits.

⁴ The first transport-service specific standard was introduced in 2012 by the [European Committee for Standardisation \(CEN\)](#). CEN EN 16258:2012 sets out a common methodology for the calculation and declaration of energy consumption and greenhouse gas emissions related to any transport service. EN 16258:2012 significantly contributed to harmonising emissions accounting processes in transport. However, it was considered not precise enough to provide fully comparable and consistent emissions data on different transport services. Other examples of initiatives to harmonise greenhouse gas emissions accounting of transport services include [Article L. 1431-3 of the French Transport Code](#) and the [Global Logistics Emissions Council](#) framework.

services is still very limited. Transport service users do not usually obtain accurate information on the performance of transport services, and transport service organisers, including operators, do not systematically calculate their greenhouse gas emissions. Furthermore, the majority of those who calculate emissions tend to do so at company or vehicle level and are unable to generate data on the greenhouse gas emissions of a transport service⁵. However, only the latter type of information is relevant to effectively support and influence transport service users' decisions. It is estimated that almost 600,000 entities in the EU transport sector measure their greenhouse gas emissions (2020), but only 21,660 of these do it at the disaggregated level needed to produce greenhouse gas emissions data of transport services. This is only 1.2% of approximately 1.8 million entities performing transport operations on their own⁶. The low uptake of greenhouse gas emissions accounting is mainly observed among micro-, small- and medium-sized enterprises (SMEs)⁷, which represent the vast majority of entities operating in the EU transport market.

The low uptake of greenhouse gas emissions accounting of transport services was also highlighted as a problem in different consultation activities. In the open public consultation, 45 out of 56 organisations (80%), 61 out of 70 individuals (87%), and 60 out of 65 online customers (92%) stated they are not given enough information when planning/organising a journey, shipment or choosing the delivery of a package. In addition, 26 out of 31 (84%) respondents to the targeted survey considered current level of uptake as low or very low. On greenhouse gas emissions accounting, the targeted survey showed that 78% of respondents (29 out of 37) already measure their emissions in some way, but only 35% (9 out of 26) of those that measure do it at transport service level. However, this finding may not be fully representative of all entities concerned, as the real number of companies calculating transport services greenhouse gas emissions appears to be significantly lower.

The EU has recognised the need for a harmonised methodological framework for accounting emissions of transport services. Between 2011 and 2019, there were two consecutive EU-funded projects – Carbon Footprint of Freight Transport (COFRET)⁸, under the seventh framework programme (FP7), and Logistics Emissions Accounting & Reduction Network (LEARN)⁹ under Horizon 2020. These projects addressed calculating, reporting and verifying greenhouse gas emissions from transport services, with the aim to develop a global methodology. Such efforts supported setting up and developing an industry-led Global Logistics Emissions Council¹⁰ framework, and put in place a coordinated action to draw up a comprehensive and tailor-made International Organization for Standardization (ISO)¹¹ standard. ISO published this new standard ISO 14083:2023 in March 2023. Subsequently, CEN transposed it as an equivalent European standard EN ISO 14083:2023.

This initiative aims to overcome the barriers that prevent harmonising the measurement and calculation of greenhouse gas emissions and facilitate its uptake in the transport sector. It sets out a common regulatory framework for greenhouse gas emissions accounting of transport services across the entire multimodal transport chain, thus creating a level playing field between

⁵ To generate accurate data on the greenhouse gas performance of a transport service (especially in the multimodal transport chain), the emissions of each individual transport chain element (leg of transport) must be calculated. This level of calculation requires specific data and is more complex and costly for an individual organisation.

⁶ In total approximately 1.8 million)Ecorys and CE Delft (2023), Impact assessment support study

⁷ Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises ([OJ L 124, 20.5.2003, p. 36](https://eur-lex.europa.eu/eli/recom/2003/361/oj))

⁸ <https://cordis.europa.eu/project/id/265879>

⁹ <https://learnproject.net/>

¹⁰ [Smart Freight Centre](https://www.smartfreightcentre.com/)

¹¹ <https://www.iso.org/home.html>

modes, segments, and the Union's national networks. The increased transparency on the performance of various services should lead to incentives for market players to reduce greenhouse gas emissions and make transport more efficient and sustainable.

This Regulation does not make greenhouse gas emissions reporting mandatory. It is designed to support other, specific measures taken by industry and public authorities to facilitate the green transition. These measures include establishing greenhouse gas transparency clauses in transport contracts, providing information on greenhouse gas emissions of a given service to passengers, or setting climate-related criteria for green procurement procedures and green transport programmes. They may be implemented through separate, individual arrangements, in particular in authority-to-business and business-to-business perspective, however they must always comply with the specific rules on calculating, substantiating and communicating greenhouse gas emissions of transport services as laid down in this initiative.

At this point it should also be noted that although this Regulation addresses well-to-wheel greenhouse gas emissions stemming from both vehicle use and vehicle energy provision¹², the transport sector does create other adverse effects. This includes air pollutant and noise emissions and subsequent health and environmental impact. These consequences are out of scope of the proposed initiative.

To properly address its objectives, the initiative has been structured into seven main policy areas, which are described below:

- Methodology – establishing a common reference methodology ensuring that calculating greenhouse gas emissions of transport services is performed in a standardised way across the entire transport sector.

The reference methodology is a key part of the initiative and therefore was given particular attention in the preparatory work. A number of approaches were analysed, diverging in terms of the scope and method of greenhouse gas emission calculation and the allocation of emissions to transport services. As a result, the new ISO standard 14083:2023¹³ was chosen as being the most relevant and proportionate in achieving the stated objectives at this point in time. ISO 14083:2023 is a step forward towards laying down a common set of rules and greenhouse gas emissions calculation principles for transport operations, where the quantification is carried out well-to-wheel. Since this standard is recognised worldwide, it can be used to generate data on greenhouse gas emissions for international transport chains, thus creating the opportunity for global alignment.

On the other hand, the Regulation should account of the potential future development of the standard and be able to address flexibility that is embedded in its certain components. Therefore, future revisions and amendments to the standard should be closely monitored, scrutinised and, in justified cases, excluded from the scope of this initiative, to ensure the consistency of the reference methodology with the objectives of this Regulation and other applicable Union law. Furthermore, the need for additional adjustments and clarifications should be considered, especially if using this standard creates a risk of undue imbalances resulting from the calculation of greenhouse gas emissions of transport services in specific transport segments.

- Input data and sources – providing a harmonised approach to input data, by creating incentives to use primary data, permitting modelled data, increasing the reliability, accessibility and appropriateness of default values, and mitigating discrepancies between national, regional and sectoral datasets.

¹² For the purpose of this Regulation, well-to-wheel concept applies to all transport modes.

¹³ For the purpose of this Regulation the European version of this standard (EN ISO 14083:2023) was taken as the reference methodology

Without a common approach to input data, greenhouse gas emissions calculation results will continue to be inconsistent and incomparable even when using the same reference methodology. This issue featured prominently across all stakeholder consultation activities. Different types of input data, including primary and secondary data, are required or used to calculate greenhouse gas emissions of transport services. Using primary data leads to the most reliable calculation results. However, these data type are often unavailable or prohibitively expensive for certain stakeholders, especially SMEs, so using secondary data should also be considered. To ensure comparable and accurate greenhouse gas emissions calculation outputs, the use of primary data should therefore be recognised and prioritised, and secondary data should be based on credible estimations and scientifically proven and reliable databases and datasets. The secondary data may be determined using default values or models.

Using default values should result in accurate and reliable information on the greenhouse gas emissions of a specific transport service. Therefore, these values should be developed in a neutral and objective manner, and come from trusted sources. Default values are derived from literature and other publications, and include greenhouse gas emission intensity values and the greenhouse gas emission factors (depending on the source referred also as energy or fuel emission factors).

Default values for greenhouse gas emission intensity relate specified transport performance (activity) data with greenhouse gas emissions, and are used to generate information on emissions of a certain transport service. These values should therefore be based on parameters that closely resemble those of a particular service. To ensure comparable emissions calculation results, a core EU database of these values should be created. However given their high sectorial, national and regional specificity, other relevant databases and datasets run by third parties should also be allowed, on the condition that they undergo a specific quality check at EU level.

Greenhouse gas emission factors relate the amount of energy used when performing an operation to well-to-wheel greenhouse gas emissions. These factors are necessary inputs in calculating the well-to-wheel greenhouse gas emission intensity of a given transport service. Determining greenhouse gas emission factors based on a uniform methodology and trusted sources results in acceptable levels of variability. Therefore, a central EU database of greenhouse gas emission factors should be developed, taking due account of relevant Union's regulatory initiatives and other reliable sources, including revised Renewable Energy Directive (REDII)¹⁴ (once adopted), and a dedicated topic of the Horizon Europe programme¹⁵.

A neutral and competent EU body should develop and maintain the EU databases of default greenhouse gas emission intensity values and greenhouse gas emission factors. This body should also carry out technical quality checks of third-party external databases and datasets. The European Environmental Agency (EEA) is considered to be the most appropriate body to provide the necessary assistance in implementing this part of the Regulation properly. Where relevant, the Agency's work may rely on contribution from and be supported by other sectorial EU bodies, such as the European Aviation Safety Agency (EASA) that will be entrusted in

¹⁴ Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Directive (EU) 2018/2001 of the European Parliament and of the Council, Regulation (EU) 2018/1999 of the European Parliament and of the Council and Directive 98/70/EC of the European Parliament and of the Council as regards the promotion of energy from renewable sources, and repealing Council Directive (EU) 2015/652; COM(2021) 557 final

¹⁵ [Funding & tenders \(europa.eu\)](#)

implementing the environmental label for flights in the context of ReFuelEU Aviation initiative¹⁶.

Modelled data combine primary data with certain greenhouse gas emission-relevant parameters for a specific transport or hub operation. These parameters should be representative, accurate, and strictly based on the reference methodology's requirements. This will result in the best possible view of the actual greenhouse gas emissions of a transport service.

- Applicability – determining the right policy instrument (from mandatory to voluntary) to effectively apply the initiative on the Union market.

Weighing the effectiveness of the instrument against the possible administrative burden and costs for the transport sector, a binding opt-in approach emerged as the most appropriate one. It imposes the requirement to use the common framework only when an entity providing or organising a transport service chooses or is mandated by other means¹⁷ to both calculate and disclose greenhouse gas emissions data for this service. This approach is of particular relevance for SMEs that represent the vast majority of companies in the transport sector, and very often do not have enough capacity to measure and calculate greenhouse gas emissions from their transport activities. However, this approach guarantees the regulatory predictability and level playing field for greenhouse gas emissions accounting among those who publish or share emissions information. Over time this should result in a gradual market push towards the increased uptake of the framework by the transport sector.

- Greenhouse gas emissions output data and transparency – setting appropriate metrics for generating and sharing the greenhouse gas emissions data, and laying down common rules on the communication and transparency of emissions accounting results.

Harmonised metrics for emissions output data are necessary to ensure consistent measurement units when disclosing data on greenhouse gas emissions of transport services between all parties in the transport chain and beyond. Common metrics enable clear communication from data providers and an accurate understanding by data recipients. This is vital for correctly comparing greenhouse gas emissions data on the market and supporting transport users' choices. Furthermore, entities calculating and disclosing greenhouse gas emissions data need to establish and maintain evidence of the calculations carried out. Such evidence should be made available upon the request of a competent authority or any other third party based on separate, individual arrangements, such as those stemming from specific legal requirements or business-to-business contractual clauses. These provisions are primarily intended to ensure trust in the reliability and accuracy of the disclosed data.

- Implementation support – providing for a harmonised implementation of this initiative in different transport segments.

Implementation support ensures that the Regulation's rules are interpreted and applied in the same way by bodies operating in different segments of the transport chain across the EU. It includes, in particular, general guidelines clarifying and explaining certain parts of the initiative to the different stakeholders. This will help them implement the rules in their usual business practices. This can include guidance on data requirements, data management and sharing, emissions calculation processes and verifying conformity. The Commission reserves its exclusive right to draw up these general guidelines based on its assessment of the transport sector's needs and the added value that this guidance would bring to the market.

¹⁶ Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on ensuring a level playing field for sustainable air transport; COM(2021) 561 final

¹⁷ For instance, by other EU or national legislation or through contractual relations.

- Conformity – ensuring a common, proportionate and reliable verification system for the data on greenhouse gas emissions of transport services and for the underlying calculation processes.

A verification system for the GHG emissions data and the underlying calculation processes is another need that was strongly voiced during the stakeholder consultations. The impact assessment has confirmed this need and shown that a properly designed verification system may substantially increase the trust of the transport sector in the GHG emissions data and improve the uptake of GHG emissions accounting in general. However, the requirements associated with verification processes often lead to additional costs and administrative burden for the sector. Therefore, attention needs to be paid not to produce more red tape that would counterproductively prevent the use of the common framework for accounting greenhouse gas emissions in wider business practices. This is the reason why this proposal only requires large entities to verify their compliance with the rules set out in this Regulation, while allowing SMEs to use the verification voluntarily.

- Complementary measures – developing and using technical calculation tools

The availability of technical calculation tools (such as web applications, models and software) is a useful enabler to facilitate the uptake of the common emissions accounting methodology in the transport sector. External commercial and non-commercial calculation tools offered for the broader use on the market can effectively support this initiative's purpose. They provide suitable features for automatically calculating emissions and offer enough flexibility for quick adjustments to calculation formulas and data if required. The use of these tools must, however, ensure compliance with requirements set out in this Regulation, especially regarding the use of the common reference methodology, modelling parameters and the appropriate set of default values. Therefore, the use of external calculation tools should be allowed, on the condition that these are formally certified.

- Consistency with existing policy provisions in the policy area

Transport¹⁸ accounted for 26% of all EU greenhouse gas emissions in 2020, with road transport alone representing around 20% of the total¹⁹. Therefore, this initiative has to be seen in the context of the European Green Deal²⁰, and the European Climate Law²¹, which set out the steps towards climate neutrality by 2050.

The Sustainable and Smart Mobility Strategy²², published on 9 December 2020, lays the foundation for how the EU transport system can achieve this change (including a 90% cut in transport greenhouse gas emissions by 2050) and be delivered by a smart, competitive, safe, accessible and affordable transport system. Apart from targeted actions to make individual transport modes more sustainable, the strategy also refers to incentives for choosing the most sustainable transport options, within and across the modes. The incentives may be of both an economic and non-economic nature, including providing better information for users and

¹⁸ Including international aviation and maritime transport.

¹⁹ [Statistical pocketbook 2022 \(europa.eu\)](#)

²⁰ Communication from the Commission to the European Parliament, the European Council, the European Economic And Social Committee and the Committee of the Regions; The European Green Deal; COM(2019) 640 final

²¹ 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. 1–17](#))

²² Communication from the Commission to the European Parliament, the European Council, the European Economic And Social Committee and the Committee of the Regions; Sustainable and Smart Mobility Strategy – putting European transport on track for the future; COM(2020) 789 final

increased transparency of the greenhouse gas performance of transport services. This is why the strategy announced plans²³ to “establish a European framework for the harmonised measurement of transport and logistics greenhouse gas emissions, based on global standards, which could then be used to provide businesses and end-users with an estimate of the carbon footprint of their choices, and increase the demand from end-users and consumers for opting for more sustainable transport and mobility solutions, while avoiding greenwashing”. This Regulation is therefore an appropriate policy response.

There have been already certain policy considerations on emissions accounting of transport services. In the 2011 White Paper on transport²⁴, the Commission presented a vision for the future of the EU transport system. It set out a policy agenda to address the future challenges, notably maintaining and developing transport and considerably reducing the carbon footprint of transport and logistical operations. One of the specific initiatives designed to help achieve these goals was the development of common EU standards to estimate the carbon footprint of passenger and freight transport services. The aim was to provide a tool to companies wishing to procure less environmentally harmful services and to passengers wanting to travel in a more environmentally sustainable way. These plans triggered further action in this policy area, including the research project LEARN, mentioned above.

- Consistency with other Union policies

As a cross-cutting initiative for all transport modes, this Regulation creates synergies with and complements other EU regulatory action on emissions reduction frameworks, fuel and emissions standards, better transparency for users and stronger consumer rights. These links with other policies concern, in particular, the use of input data and emissions accounting methods, as well as the requirements for unambiguous communication on greenhouse gas emissions of transport services.

There are major interlinkages with regulatory action on collecting information on emissions and environmental reporting. Under the EU monitoring, reporting and verifying (MRV) framework²⁵, maritime vessels above 5 000 GT sailing to and from EU ports have to monitor, verify and report annually their CO₂ emissions based on the fuel burnt while carrying out their activities²⁶. In aviation, the European Union Emissions Trading System (EU ETS)²⁷ requires airlines to calculate CO₂ emissions per flight and to submit an emissions report every year. While EU MRV and EU ETS serve different objectives and do not lead to accounting greenhouse gas emissions of specific services, they may be seen as complementary to this Regulation, especially on the collection of the actual fuel burnt data.

The consistency of the input data for quantifying greenhouse gas emissions is also addressed as part of the emerging EU initiatives on the uptake of renewable low- and zero-carbon fuels. This initiative includes a thorough reflection of the Fit for 55 package²⁸, with a particular reference to the Commission’s proposals for the revised Renewable Energy Directive (RED II) and the

²³ Action 33 of the Action Plan accompanying the Sustainable and Smart Mobility Strategy

²⁴ WHITE PAPER Roadmap to a Single European Transport Area – Towards a competitive and resource efficient transport system; COM/2011/0144 final

²⁵ Regulation (EU) 2015/757 of the European Parliament and of the Council of 29 April 2015 on the monitoring, reporting and verification of carbon dioxide emissions from maritime transport, and amending Directive 2009/16/EC ([OJ L 123, 19.5.2015, p. 55–76](#))

²⁶ The data monitored and reported for the EU MRV Regulation are intended to be used for other upcoming initiatives, like the possible inclusion of maritime shipping in the EU ETS or FuelEU maritime.

²⁷ Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC ([OJ L 275, 25.10.2003, p. 32–46](#))

²⁸ https://ec.europa.eu/commission/presscorner/detail/en/IP_21_3541

new ReFuelEU maritime initiative²⁹. The revised RED II and ReFuelEU maritime will specifically provide sets of default values for greenhouse gas (energy) emission factors. These will be estimates of greenhouse gas emissions based on the amount of energy used applying the well-to-wheel approach³⁰. All these aspects are highly relevant for the uniform implementation of this initiative on the Union market. This implementation will however take also account of other legislative frameworks, such as CO₂ performance standards for new heavy-duty vehicles³¹ and light duty vehicles³², Eurostat statistical guidance for environmental economic accounts³³, as well as a planned EU action on the access to in-vehicle generated data³⁴. In this respect, possible synergies may be related for instance to the collection of fuel consumption data, and the establishment of a common environment of default values.

Information on greenhouse gas emissions calculated and collected when applying rules set out in this Regulation, may be used for corporate reporting, such under Corporate Sustainability Reporting Directive (CSRD)³⁵, and the related European Sustainability Reporting Standards (ESRS), currently in preparation³⁶. The CSRD and this initiative are consistent in their approach, both recognising CO₂ equivalent emissions of Scope 1 (direct emissions from own activity), Scope 2 (indirect emissions from the generation of purchased or acquired electricity, steam, heat, or cooling consumed by the reporting company), and Scope 3 (indirect emissions that occur in the value chain)³⁷. These frameworks differ in terms of the subject and level of precision (the CSRD covers emissions of an entire company, and this Regulation covers emissions of transport services). However, information generated from this initiative may contribute to companies' general sustainability reports, thus facilitating the implementation of the CSRD.

ReFuelEU Aviation, another initiative under the Fit for 55 package, includes provisions for a dedicated environmental label for flights³⁸ to help consumers make informed choices and promote greener travel. The Commission will ensure that the development of the labelling scheme for flights is properly coordinated with the implementation of this initiative to ensure consistency and reliability of any transport greenhouse gas emissions data generated.

²⁹ Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the use of renewable and low-carbon fuels in maritime transport and amending Directive 2009/16/EC; COM(2021) 562 final.

³⁰ This is different to the current approach applied in the EU MRV, IMO DCS, CORSIA and EU ETS, which only address vehicle propulsion related emissions ("tank-to-wheel").

³¹ Regulation (EU) 2019/1242 of the European Parliament and of the Council of 20 June 2019 setting CO₂ emission performance standards for new heavy-duty vehicles and amending Regulations (EC) No 595/2009 and (EU) 2018/956 of the European Parliament and of the Council and Council Directive 96/53/EC ([OJ L 198, 25.7.2019](#))

³² 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 (recast) ([OJ L 111, 25.4.2019, p. 13–53](#))

³³ <https://ec.europa.eu/eurostat/web/environment/methodology>

³⁴ https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/13180-Access-to-vehicle-data-functions-and-resources_en

³⁵ Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting ([OJ L 322, 16.12.2022, p. 15–80](#))

³⁶ https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/13765-European-sustainability-reporting-standards-first-set_en

³⁷ Defined in the [GHG Protocol](#)

³⁸ The development of an environmental label for aviation is based on Action 35 of the SSMS. The label may consist of different elements, including a flight emissions assessment. The label under ReFuel EU Aviation will only aim at the flight emissions; other labels focusing on aircraft or airlines might be developed separately at a later stage

Regulation (EU) 2020/1056 on electronic freight transport information (eFTI)³⁹ relates to the exchange of regulatory information in electronic format on the transport of goods by road, rail, air and inland waterways. It will enable operators to prove compliance with many EU and national reporting formalities applicable to the transport of goods. By setting up a fully decentralised but harmonised and trusted data-sharing network, eFTI is expected to support sharing GHG emissions data among different bodies and individual users, thus supporting the implementation of this initiative.

This Regulation also seeks to complement the circular economy action plan⁴⁰ and, under the plan's umbrella, specific initiatives aiming to provide the right information to consumers. In particular, it has potential links with the product environmental footprint (PEF)⁴¹ initiative related to methodological requirements for quantifying emissions. PEF was originally developed as part of the single market for green products initiative⁴². It provides a general cross-sectoral method for measuring a good or service's environmental performance throughout its life cycle. However, the general PEF framework does not specifically address transport services, and its implementation for emissions benchmarking purposes would still require drawing up detailed category rules⁴³.

Synergies were also identified with: (i) Directive 2005/29/EC concerning unfair business-to-consumer commercial practices in the internal market, which applies to misleading environmental claims; and (ii) the proposal for a Directive on empowering consumers for the green transition (amending Directive 2005/29/EC), which sets out a number of specific requirements on environmental claims and prohibits communicating generic environmental claims that are not based on recognised and relevant environmental performance⁴⁴. These synergies primarily concern the need for better and reliable information on the sustainability of services. This includes protecting consumers against false or misleading information that may give the impression that a service is more environmentally friendly than it actually is. This initiative would regulate specific aspects of environmental claims by providing a harmonised, universally applicable framework. This would ensure accurate and comparable emissions data are made available to consumers by bodies accounting emissions of transport services.

The Commission's proposal for Directive on substantiation and communication of explicit environmental claims (Green Claims Directive)⁴⁵ is designed as *lex specialis* to Directive 2005/29/EC. Green Claims Directive sets detailed requirements for the assessment substantiating explicit environmental claims, and specific rules on environmental labelling schemes to improve trust in the credibility of environmental claims and reduce the proliferation

³⁹ Regulation (EU) 2020/1056 of the European Parliament and of the Council of 15 July 2020 on electronic freight transport information ([OJ L 249, 31.7.2020, p. 33](#))

⁴⁰ Communication from the Commission to the European Parliament, the European Council, the European Economic And Social Committee and the Committee of the Regions; A new Circular Economy Action Plan For a cleaner and more competitive Europe; COM(2020) 98 final

⁴¹ Commission Recommendation (EU) 2021/2279 of 15 December 2021 on the use of the Environmental Footprint methods to measure and communicate the life cycle environmental performance of products and organisations; ([OJ L 471, 30.12.2021, p. 1–396](#))

⁴² Communication from the Commission to the European Parliament, the European Council; Building the Single Market for Green Products Facilitating better information on the environmental performance of products and organisations; COM/2013/0196 final

⁴³ Currently, PEF category rules are to be still developed for a broad range of products and services

⁴⁴ Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Directives 2005/29/EC and 2011/83/EU as regards empowering consumers for the green transition through better protection against unfair practices and better information; COM/2022/143 final

⁴⁵ Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on substantiation and communication of explicit environmental claims (Green Claims Directive); COM/2023/166 final

of environmental labels. This Regulation sets out methodological rules to substantiate explicit environmental claims on well-to-wheel greenhouse gas emissions of transport services and thus for these claims it takes precedence over the rules on substantiation, communication and verification set out in the Green Claims Directive.

Whilst pollutant emissions are out of scope of the initiative, this Regulation is expected to generate co-benefits in the form of reduced pollution from transport, in line with the objectives of the Commission's Zero Pollution Action Plan⁴⁶.

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

• Legal basis

The Initiative would be proposed on the basis of Article 91(1) and Article 100(2) of the Treaty on the Functioning of the European Union (TFEU). In accordance with Article 4(2) of the Treaty, shared competence between the EU and the Member States applies in the area of transport.

• Subsidiarity (for non-exclusive competence)

EU dimension of the problem

By providing harmonised rules for greenhouse gas emissions accounting at the transport service level, this initiative is particularly relevant for cross-border operations between EU Member States. This level of harmonisation, mostly related to the methodological choices, input data and common rules for verification, cannot be effectively achieved by actions of individual Member States. So far only France has established a dedicated harmonised methodological framework, including measures to incentivise its uptake⁴⁷. However, in case further Member States follow, this may lead to very diverse calculation or disclosure requirements for transport organisers and users, with additional costs and administrative burden for industries operating across borders. Actions at national level may also lower the general effectiveness of greenhouse gas emissions accounting, as greenhouse gas emissions output data from transport services carried out in different countries would not be comparable, with a significant risk of creating confusion for users, thus providing different, or even negative incentives for entities offering transport services on the market.

Added value action at EU level

The EU transport sector has a strong cross-border dimension, playing an important role for the free flow of people and goods on the EU internal market. Efficient transport services are key to meet the demand of transport users, support the growth of the EU economy and preserve lifestyle of the citizens. At the same time, attention should be drawn to challenges related to environmental impacts from transport, still growing mostly due to the increase of freight and passenger traffic on the European network⁴⁸. This initiative is therefore conceived as an enabler for the transport community to facilitate its green transition. By providing for better transparency on the performance of transport services, it will lead to creating incentives for more sustainable solutions and innovation, giving customers more information for their own choices. As shown above, any national approaches would be highly counterproductive for

⁴⁶ Communication from the Commission to the European Parliament, the European Council, the European Economic And Social Committee and the Committee of the Regions; Pathway to a Healthy Planet for All EU Action Plan: 'Towards Zero Pollution for Air, Water and Soil'; COM(2021) 400 final

⁴⁷ French Transport Code, see above

⁴⁸ [Statistical pocketbook 2022 \(europa.eu\)](https://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&plugin=1)

achieving these objectives, bearing significant risk of conflicting requirements and inconsistent methodologies and data.

- **Proportionality**

Choices concerning the relevant policy measures and policy option forming the structure of this initiative were made in due consideration of the proportionality principle, thus resulting in the most balanced approach possible. First, the Regulation envisages the use of the existing and widely recognised standard ISO 14083:2023, in its European version EN ISO 14083:2023, as a reference methodology for calculating greenhouse gas emissions of transport services. This measure received significant support from the stakeholders participating in various consultation activities, and therefore it is expected to result in a very good acceptability and applicability on the transport market. Secondly, the initiative provides for decentralised implementation of certain components, especially by permitting, under certain conditions, the use of external databases and datasets of default values and emission factors, as well as greenhouse gas emissions' calculation tools operated by third parties. Thirdly, it sets rational requirements for the verification of greenhouse gas emissions data and calculation processes, exempting SMEs, unless they wish to undergo the verification on a voluntary basis. Finally, by including the binding opt-in application of the harmonised framework, this proposal imposes the requirements only on those entities that decide or are mandated by other means to calculate and share greenhouse gas emissions data. This aspect is important for stakeholders, in particular SMEs, which very often lack capacity to effectively start accounting greenhouse gas emissions at the level of transport services in the short term, and therefore expect a more gradual approach addressing their specific situation, and allowing them to take up the common framework over time.

- **Choice of the instrument**

The impact assessment evidenced that regulatory measures are necessary to achieve the objectives of the initiative. A regulation is the most appropriate instrument to ensure common implementation of the measures envisaged, while reducing the risk of distortion within the single market, which could result from differences into how EU Member States transpose the requirements into national law. The uptake of a harmonised approach should follow homogeneous rules to allow for comparability and sufficient quality and granularity of data produced. It is vital to avoid solving the current patchwork of differing solutions at national or sectoral level, which would be the case if implemented under a cross-sectoral directive.

The proposal is highly technical in nature, and there is a likelihood that it will have to be regularly amended to reflect technical and legal developments, particularly concerning the common reference calculation methodology and the rules on input data, certification and verification. Therefore, a number of delegated and implementing measures are also planned. These will focus particularly on the technical specifications to implement the functional requirements.

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

- **Stakeholders' consultation**

The Commission actively engaged with stakeholders and conducted comprehensive consultations throughout the impact assessment process.

Stakeholders' views started to be collected in response to the publication of the Call for Evidence (19 November to 17 December 2021). A total of 64 replies were received, which

helped to refine the approach and better identify the barriers that hamper the harmonised accounting of GREENHOUSE GAS emissions of transport services.

As part of preparing the proposal, other consultation activities included:

- Open public consultation, organised by the Commission, running from 25 July to 20 October 2022. A total of 188 responses were received, covering a variety of stakeholder groups. The responses came from companies and businesses (63), business associations (59), EU citizens (26), public authorities (26), NGOs (8), academic and research institutions (4), consumer organisations (3), trade unions (2), environmental organisations (1) and other (10)⁴⁹;
- Exploratory interviews organised by the consultant responsible for the impact assessment support study, in July 2022 and directed at a passenger transport association, a shippers' association, a non-profit environmentally oriented organisation and a green transport programme;
- A targeted stakeholders' consultation organised by the consultant responsible for the impact assessment support study, including a survey and series of interviews. The survey ran from August to October 2022 and directed at individual companies (12), transport associations (9), public authorities (4), consumers and passengers association (2), academia and research (1) and other types of stakeholders (4). The interviews addressed representatives of individual stakeholders (38), including businesses (22), business associations (7), consumer organisations (1), public authorities (1) and other types of stakeholders (5);
- A stakeholder workshop, jointly organised by the Commission and the consultant responsible for the impact assessment support study on 27 October 2022, with 43 participants representing 33 stakeholders, out of which businesses, business organisations, public authorities and individual experts.

First, it should be noted that the concept and objectives of the initiative received strong support across all the consultation activities. Stakeholders generally recognise that a harmonised measurement and calculation framework is needed as greenhouse gas emissions accounting becomes increasingly embedded in the broader policy ecosystem and the decision-making processes of transport services users. They are aware that over time relevant information on greenhouse gas emissions would be more important for preserving their competitiveness (or investor relations), and they are therefore investing in systems to calculate emissions and communicate them effectively. Better measurement of emissions is also considered by many as a way to establish and monitor specific sustainability targets for reducing emissions and costs.

Information provided by stakeholders was key in allowing the Commission to adjust the design of the problem definition, to obtain input for the construction of policy options, and to facilitate assessment of the economic, social and environmental impacts, notably for determining which option is likely to maximise the benefits/costs ratio for the society.

As regards the problem definition, the consultation showed consensus amongst all stakeholder groups on the relevance of the specific problems that had been pre-identified in the impact assessment process, i.e. *“the limited comparability of results of greenhouse gas emissions accounting in transport and logistics”* and *“the limited uptake of emission accounting in usual business practice”*. The contributing stakeholders also confirmed the general pertinence of the underlying problem drivers, but pointed out to the need for adjusting some elements, especially

⁴⁹ https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/13217-Count-your-transport-emissions-CountEmissions-EU/public-consultation_en

to underline the importance of input data for calculating GREENHOUSE GAS emissions, and to better reflect the issues related to the lack of trust in greenhouse gas emissions output data disclosed on the market and the reluctance of market players to share sensitive operational data. The problem tree was updated accordingly.

When inquired about possible solutions, stakeholders provided a very valuable input supporting the development and assessment of the relevant policy measures and options. On the methodological framework, the majority of them advocated the uptake of existing or emerging greenhouse gas accounting approaches, and preferably those offering a global scope for emissions calculation. Stakeholders also suggested the EU should promote the use of primary data, and create a common system of default values in case the primary data are not available. They also expressed the need for a harmonised guidelines for the effective implementation of the framework across specific segments of the transport sector, to ensure its uniform understanding and use in various parts of the transport chain. Furthermore, the need for a dedicated system for the verification of greenhouse gas emissions data and calculation processes featured prominently in the received contributions, even if stakeholders were reserved about the associated administrative burden and costs, especially for the SMEs. Concerning the applicability, while some stakeholders found that a mandatory requirement would be the most effective for levelling the playing field on the transport market, the bidding opt-in approach was overall deemed to be the most feasible and efficient, especially due to the disproportionate impact of the mandatory instrument on SMEs, a comment that appeared during interviews and the workshop.

- **Collection of expertise**

A study was conducted by an external contractor to support the impact assessment underpinning the proposal. This study was launched in March 2022 and was concluded in February 2023. The study provided valuable insights to the Commission, notably to design the policy options, assess the expected impacts, and collect the views of the directly impacted stakeholders.

- **Impact assessment**

The policy measures included in this proposal were informed by the results of the impact assessment. The impact assessment report [SWD(2023)XXXXX] received a positive opinion with reservations from the Commission Regulatory Scrutiny Board [SEC(2023)XXX]. In its opinion, the Board provided a number of recommendations about the evidence provided that have been duly addressed; Annex 1 to the impact assessment report includes a summary outline of how this was done.

Six policy options were considered in the context of the impact assessment to achieve the identified objectives. These options were structured around seven policy areas, already discussed above: “Methodology”; “Input data and sources”; “Applicability”; “Greenhouse gas emissions output data and transparency”; “Implementation support”; “Conformity”; “Complementary measures”.

Policy options provided alternative approaches to design the harmonised framework, varying in principle with respect to the choice of a reference methodology, the use of input data, the applicable verification system for the greenhouse gas emissions data and calculation processes, the use of greenhouse gas emissions calculation tools, as well as the way on how the regulation should be imposed. It should be noted that certain elements related to input data, namely the recommendation for the use of primary data, the establishment of a central EU database for greenhouse gas emissions factors, and the rules for modelled data were addressed in the same way throughout respective alternative policy measures and all policy options.

The considered policy options were the following:

- Policy option 1 (PO1) envisaged the highest level of centralisation and harmonisation for accounting greenhouse gas emissions of transport services, and boosting its uptake on the market through a full mandatory application of this Regulation to all entities providing or organising transport services. PO1 included a comprehensive reference methodology based on ISO standard 14083, but with certain additional methodological elements increasing accuracy and comparability of greenhouse gas emissions calculation results, and established requirements for the mandatory verification of greenhouse gas emissions data and calculation processes to all concerned entities. It also allowed default values for greenhouse gas emission intensity under the sole condition that these would be derived from a central database established at EU level. Eventually, PO1 put forward a common calculation tool to be established by the EU to facilitate the calculation of greenhouse gas emissions of transport services on the market.
- Policy option 2 (PO2), compared to PO1, assumed an equally high level of centralisation concerning the treatment of input data and the use of the common calculation tool, but significantly leaner implementation of the initiative on the market. As regards the latter, this option proposed a fully voluntary application of this Regulation by stakeholders, voluntary verification of greenhouse gas emissions data and calculation processes, and more conducive reference methodology established by globally recognised standard ISO 14083.
- Policy option 3 (PO3), included measures allowing for a quasi-voluntary and decentralised approach with respect to the greenhouse gas emissions accounting. In principle, this policy option offered a “binding opt-in” applicability, imposing the requirement to use the common framework only to entities that choose (or are mandated by other means) to calculate and disclose data on greenhouse gas emissions related to transport services. In terms of input data, PO3 proposed a core EU database of default values for greenhouse gas emission intensity, however, unlike PO1 and PO2, it allowed the use of additional national, regional or sectorial datasets, subject to a specific quality assurance process. In addition, PO3 mandated the verification of adherence to the common greenhouse accounting framework only to entities above a certain size, i.e. large organisations, and permitted external calculation tools offered on the market by industry and public authorities, under the condition that these tools are certified as conform to the requirements of the initiative. As regards the methodological approach, PO3 chose the comprehensive methodology based on ISO standard 14083 with additional elements, identical as in PO1.
- Policy option 4 (PO4) replicated PO3 with regard to the composition of almost all policy measures, but the one regarding the calculation methodology. As regards the latter, PO4 included the global standard ISO 14083, featuring also in PO2 and PO6.
- Policy option 5 (PO5) differed from PO3 and PO4 on two aspects, namely the methodological choice, being the Product Environmental Footprint category rules (PEFCR) for greenhouse gas emissions of transport services, and the fully centralised database of default values for greenhouse gas emission intensity, similarly as the one used in PO1 and PO2.
- Policy option 6 (PO6) envisaged almost identical set of policy measures to PO4, with one single exception: it imposes mandatory applicability (as PO1) of the Regulation to all entities involved in providing or organising transport services.

Two policy measures that applied consistently across all policy options were: the establishment of harmonised greenhouse gas output data metrics together with common rules on

communication and transparency, and the provision of horizontal guidelines for the implementation of the initiative on the transport market.

Following the assessment, PO4 has been identified as the preferred policy option. This option shows the optimal balance between the objectives of the initiative and the overall implementation costs, thus resulting in the best cost – benefit ratio.

PO4 will translate into reduction of greenhouse gas emissions and other related external costs, stemming from the provision of transport services on the EU market. This reduction will be mainly driven by the behavioural effects incentivising higher use of more sustainable transport options and optimised trips. The related savings in external costs have been estimated at EUR 674 million for greenhouse gas emissions, EUR 163.5 million for air pollution and EUR 645 million for accidents, relative to the baseline and expressed as net present value for 2025-2050 period in 2022 prices. These savings have been accounted in particular by assuming shifts of activity between modes and optimisation of trips for both passengers and freight transport induced by better knowledge on the performance of transport services and data availability. Savings for the avoided fuel use of EUR 2.4 billion are expected to be realised by operators and passengers due to the reduced activity of fuel/energy intensive transport modes. The improvements in the comparability of greenhouse gas emissions data are also projected to result in increased transparency, credibility, positive effects on reputation and public image of transport service organisers and providers, and higher levels of trust between transport chain partners.

Main costs resulting from the proposed intervention are borne by businesses. They include adjustments costs related to the use (adaptation or starting) of a new greenhouse gas methodological framework and the relevant verification activities (EUR 1.5 billion), as well as administrative costs stemming from the certification of calculation tools and quality check of external databases of default values for greenhouse gas emission intensity (EUR 0.5 million). Administrative costs have also been identified for national accreditation bodies that would be responsible for the accreditation of conformity assessment bodies performing the verification and certification activities (EUR 0.1 million). Furthermore, additional adjustment costs have been accounted for national statistical offices, especially for switching to unique format of greenhouse gas emission output values (EUR 0.1 million), and for the European Environmental Agency, related to the set-up and maintenance of EU databases for input data, as well as the quality check of external databases to be allowed under the initiative (EUR 3.9 million).

The preferred option thus provides net benefits amounting to EUR 2.4 billion over the time horizon of the initiative.

Regulatory fitness and simplification

As this is a new proposal, no evaluations or fitness check have been carried out.

- **Fundamental rights**

The proposal is in accordance with Charter of Fundamental Rights of the European Union.

4. BUDGETARY IMPLICATIONS

The proposal gives raise to net present costs for the Union Budget of EUR 0.6 million over the period from 2025 to 2027, and additional resources of EUR 6.3 million from 2028 to 2050. The budgetary impact of the proposal is described in more detail in the Legislative Financial Statement annexed to this proposal for information.

The budgetary impact beyond the current MFF is an indicative overview, without prejudice to the future MFF Agreement.

5. OTHER ELEMENTS

• Implementation plans and monitoring, evaluation and reporting arrangements

The Commission will follow the implementation, results and impacts of this initiative through a set of monitoring/evaluation mechanisms. The progress towards achieving the specific objectives of the proposal will be measured in particular through the data collected on the number of external default values databases having undergone the quality check, number of entities having undergone the verification, number of conformity assessment bodies being accredited under this Regulation, number of calculation tools being certified, and number of entities accounting greenhouse gas emissions of transport services. Requests for information (including reports, surveys, and inquiries) will be carefully balanced so as not to put additional burden on stakeholders.

Five years after the Regulation is fully applicable, the Commission will evaluate the rules to check whether the initiative's objectives have been reached.

• Detailed explanation of the specific provisions of the proposal

Article 1 describes the subject matter of the proposed Regulation.

Article 2 lays down the scope of the Regulation.

Article 3 sets out several definitions.

Article 4 establishes the method for calculating greenhouse gas emissions of transport services.

Article 5 lays down the rules for the use of primary and secondary data for calculating greenhouse gas emissions of transport services.

Article 6 establishes a core EU database of default values.

Article 7 establishes rules for using databases and datasets of default values operated by third parties.

Article 8 establishes a central EU database of default greenhouse gas emission factors.

Article 9 lays down requirements on output data resulting from calculating greenhouse gas emissions of transport services.

Article 10 sets out rules for communication and transparency of greenhouse gas emission calculation results.

Article 11 establishes general rules for the certification of external calculation tools.

Article 12 establishes a general requirement for the verification of output data.

Article 13 lays down rules on the verification activities and process.

Article 14 sets out requirements for the Conformity Assessment Bodies.

Article 15 establishes procedures for the accreditation of the Conformity Assessment Bodies.

Article 16 establishes conditions conferring delegated powers to the Commission under this Regulation.

Article 17 establishes the Committee procedure for the exercise by the Commission of the power to adopt implementing acts.

Article 18 requires the Commission to carry out an evaluation of this Regulation.

Article 19 includes provisions related to the date of entry into force and, respectively, of application of this Regulation.

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the accounting of greenhouse gas emissions of transport services

(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 Articles 91(1) and 100(2) 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 Committee⁵⁰,

Having regard to the opinion of the Committee of the Regions⁵¹,

Acting in accordance with the ordinary legislative procedure,

Whereas:

- (1) Supporting efforts towards better sustainability and efficiency of the Union transport system is prerequisite to maintain a stable path towards climate-neutrality by 2050, at the same time taking due account of the need to preserve continuous growth and competitiveness of the European industry.
- (2) Greenhouse gas emissions accounting is used in various economic sectors – including transport – to quantify greenhouse gas emissions data from specific activities of businesses and individuals. Better information on the performance of transport services is a powerful tool to create right incentives for transport users for making more sustainable choices, and to influence business decisions of transport organisers and operators. Reliable and comparable greenhouse gas emissions data are the underlying requirement to create these incentives, and thus to stimulate behavioural change among consumers and businesses alike, for contributing to objectives of the European Green Deal⁵² for transport, and the European Climate Law.
- (3) Despite growing interest of transport stakeholders, the overall uptake of greenhouse gas emissions accounting of transport services is still limited. In most cases, users do not obtain accurate information on the performance of transport services, and transport service organisers and operators do not calculate and disclose their emissions. Disproportionally low uptake of greenhouse gas emissions accounting is observed particularly among small and medium sized

⁵⁰ [OJ C , , p.]

⁵¹ [OJ C , , p.]

⁵² Communication from the Commission to the European Parliament, the European Council, the European Economic And Social Committee and the Committee of the Regions; The European Green Deal; COM(2019) 640 final

enterprises (SMEs) that represent the vast majority of businesses offering transport services on the EU market.

- (4) In 2011 the European Commission adopted the White Paper on transport⁵³ which presented a vision for the future of the EU transport system and defined a policy agenda to address the future challenges of transport, notably the need to maintain and develop mobility and considerably reduce the carbon footprint from transport and logistical operations.
- (5) The Sustainable and Smart Mobility Strategy of December 2020⁵⁴ refers to incentives for choosing the most sustainable transport options, within and across the modes. Those incentives include the setting up of a European framework for the harmonised measurement of transport and logistics greenhouse gas emissions, based on globally recognised standards, which could then be used to provide businesses and end-users with an estimate of the carbon footprint of their choices, and increase the demand from end-users and consumers for opting for more sustainable transport and mobility solutions, while avoiding greenwashing.
- (6) Laying down harmonised rules for accounting greenhouse gas emissions of freight and passenger transport services is therefore appropriate to attain comparable figures for greenhouse gas emissions of transport services and to avoid misleading information on their performance resulting from the possibility to choose between various emissions calculation methods and input data. Such rules should ensure a level playing field between transport modes, segments, and the Union's national networks. It should also help create incentives to behavioural change among businesses and customers to reduce greenhouse emissions from transport services through the uptake and use of comparable and reliable greenhouse emissions data.
- (7) This Regulation should make available a reference framework for other emissions reduction measures that may be further undertaken by public authorities and industry, including where establishing greenhouse gas transparency clauses in transport contracts, providing information on greenhouse gas emissions of a travel or delivery option to passengers or customers, or setting climate-related criteria for green procurement procedures.
- (8) Despite benefits stemming from the increased transparency on the performance of transport services, mandatory application of this Regulation to all entities offering transport services on the Union market would be disproportionate and lead to excessive costs and burden. Therefore, this Regulation should apply only to those entities that decide or are bound by other relevant legislative and non-legislative regimes, to calculate and disclose information on greenhouse gas emissions of freight or passengers transport services that start or end on the territory of the Union. This consequently includes services, the origin or destination points of which are situated in a third country.
- (9) This Regulation should not apply to data intermediaries, such as those offering multimodal digital mobility services, where they do not directly calculate information on greenhouse gas emissions of transport services but only disclose information on those emissions provided by a concerned entity or other relevant legal or natural person. However, the data intermediaries should be bound by relevant rules related to the communication and transparency of the disclosed greenhouse gas emissions data, to ensure comparability of those data on the market.

⁵³ WHITE PAPER Roadmap to a Single European Transport Area – Towards a competitive and resource efficient transport system; COM/2011/0144 final

⁵⁴ Communication from the Commission to the European Parliament, the European Council, the European Economic And Social Committee and the Committee of the Regions; Sustainable and Smart Mobility Strategy – putting European transport on track for the future; COM(2020) 789 final

- (10) This Regulation should not apply where the calculation and disclosure of greenhouse gas emissions is performed in an aggregated form. This includes situations where mandatory disclosures of environmentally-related information for sustainability reporting and the establishment of environmental accounts for statistical purposes are derived from other Union rules, such as those defined under Corporate Sustainability Reporting Directive⁵⁵ and Regulation on European environmental economic accounts⁵⁶. Conversely, information obtained on the basis of this Regulation may contribute to developing consolidated emission reports required under other applicable Union law, provided that the respective methodologies and collected data are sufficiently compatible.
- (11) A proper method for calculating greenhouse gas emissions of transport services is one of the key aspects for the harmonised Union framework set out by this Regulation. The method should ensure that the emissions calculations performed across a transport chain provide comparable and accurate greenhouse gas emissions data, by following a single set of methodological steps. It should also adequately account for the needs of the transport market, in order to avoid unnecessary complexity, excessive burden and costs, and be accepted by stakeholders.
- (12) EN ISO standard 14083:2023, published by the European Committee for Standardisation⁵⁷ in April 2023, and transposing ISO standard 14083:2023, was chosen to be the reference methodology for calculating greenhouse gas emissions of transport services under this Regulation. The analysis showed that ISO standard 14083:2023 proved to be the most relevant and proportional in addressing the objectives of this Regulation. The quantification of emissions is performed on a well-to-wheel basis, which includes greenhouse gas emissions stemming from energy provision and vehicle use during transport and hub operations.
- (13) Attention should be paid not to deviate from the original methodological choices of EN ISO standard 14083:2023, in order to avoid inconsistencies in the calculation of greenhouse emissions of transport services on the market, especially in the context of international transport chains. However, from time to time, it is appropriate to assess the need of a possible adjustment of EN ISO 14083:2023 from the perspective of Union policies, as well as future amendments to that standard that may be carried out by the European Committee of Standardisation, or another competent body. In case these assessments show a risk that certain part of the standard may create undue imbalances in calculating greenhouse gas emissions of transport services in specific market segments or lead to discrepancies between that standard and the objectives of this Regulation or other applicable Union law, the Commission, in cooperation with Member States, may consider to request the European Committee for Standardisation to revise the standard accordingly, or to decide for the exclusion of that part of the standard from the scope of this Regulation.
- (14) To avoid circulation of inaccurate information on the market, a need may arise to clarify the reference methodology in respect of greenhouse gas emission-relevant parameters and assumptions used to calculate emissions before a service is provided. The same applies to other relevant technical parameters related to the allocation of emissions or aggregation of data elements in case the use of those parameters is not explicitly clarified in the methodology.

⁵⁵ Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting ([OJ L 322, 16.12.2022, p. 15–80](#))

⁵⁶ Regulation (EU) No 691/2011 of the European Parliament and of the Council of 6 July 2011 on European environmental economic accounts ([OJ L 192, 22.7.2011, p. 1–16](#))

⁵⁷ <https://www.cencenelec.eu>

- (15) Different types of input data, including primary and secondary data, can be used to calculate greenhouse gas emissions of transport services. The use of primary data leads to most reliable and accurate results, and therefore should be prioritised to provide for the gradual uptake of these data in greenhouse gas emissions calculation processes. However, primary data might be unattainable or prohibitively expensive for certain stakeholders, especially SMEs. Therefore, the use of secondary data should be allowed under clear conditions.
- (16) Regarding secondary data, greenhouse gas emissions of a transport service may be calculated by using default values or modelled data. The use of default values and modelled data should however provide accurate and reliable information on the greenhouse gas emissions of a specific transport service, and therefore those default values should be set and modelled data be developed in neutral and objective manner, based on trusted sources and adequate parameters.
- (17) A core EU database of default values for greenhouse gas emission intensity should therefore be established to improve the comparability of greenhouse gas emissions results obtained in the application of this Regulation. However, given the sectorial, national and regional specificities of those default values across the Union, other relevant databases and datasets operated by third parties should be allowed on the condition that they undergo a technical quality check at Union level.
- (18) When establishing greenhouse gas emission intensity of a transport service, greenhouse gas emission factors for transport energy carriers are required to derive estimates of greenhouse gas emissions reflecting the amount of energy used in well-to-wheel perspective. Hence, a central EU database of greenhouse gas emission factors of energy carriers should be set up to guarantee the comparability and quality of input data.
- (19) The development and maintenance of the EU databases of default values for greenhouse gas emission intensity and greenhouse gas emission factors, as well as the technical quality check of external databases and datasets operated by third parties should be undertaken by a neutral and competent body operating at Union level. Given its remit, the European Environmental Agency is best placed to provide the necessary assistance for the proper implementation of this part of the Regulation. Where relevant, this work may rely on contribution from and be supported by other sectorial EU bodies, in accordance of separate Union law.
- (20) Modelled data may be used if they are based on a model established in conformity with the reference methodology and, where relevant, other provisions regarding the use of secondary data and calculation tools set out in this Regulation.
- (21) Regulation (EU) 2015/757⁵⁸ and Directive 2003/87/EC⁵⁹ require the collection, calculation and annual reporting of CO₂ emissions from ships and aircrafts, respectively. Regulation (EU) 2015/757 and Directive 2003/87/EC may be to certain extent complementary to the provisions set out in this Regulation, especially in terms of producing fuel burnt data as an input for quantifying emissions of transport services. Input data for generating greenhouse gas emissions

⁵⁸ Regulation (EU) 2015/757 of the European Parliament and of the Council of 29 April 2015 on the monitoring, reporting and verification of carbon dioxide emissions from maritime transport, and amending Directive 2009/16/EC ([OJ L 123, 19.5.2015, p. 55–76](#))

⁵⁹ Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC ([OJ L 275, 25.10.2003, p. 32–46](#))

of transport services may also originate from the implementation of other legislative frameworks, such as Regulation (EU) 2019/1242⁶⁰ and Regulation (EU) 2019/631⁶¹.

- (22) It is appropriate to lay down common metrics to express greenhouse gas emissions output data that underlie the comparability of those data and allow for effective benchmarking of various transport services. Common metrics should also enable clear communication from a data provider and accurate understanding of this communication by a data recipient.
- (23) Any disaggregated information on greenhouse gas emissions of a transport service that is disclosed to a third party for commercial or regulatory purposes in accordance with the scope of this Regulation, should indispensably and prominently include output data established pursuant to the specific rules for calculating greenhouse emissions set out by this Regulation. Additional data elements, serving other purposes than those defined under this Regulation, can be added, where relevant.
- (24) To demonstrate the compliance with the requirements set out in this Regulation, an entity calculating and disclosing information on greenhouse gas emissions of a transport service should be able to draw an evidence to substantiate the respective output data. The evidence should be drawn pursuant to the rules on reporting at a transport service level set out by standard EN ISO 14083:2023, and shall be available upon request of a competent authority, such as a court, or any other third party if so required under separate arrangements, including in the business-to-business perspective.
- (25) Unless separate arrangements apply, a data intermediary collecting information on greenhouse gas emissions of a transport service from a concerned entity or other relevant legal or natural person, and disclosing it on the market, should not be considered liable in case this information breaches any of the requirements related to the calculation and verification of greenhouse gas emissions of transport services, and the certification of calculation tools, set out by this Regulation. However, the data intermediary should make effort to prevent from inaccurate or incorrect information to be disclosed, and should respect rules related to the greenhouse gas emissions output data, communication and transparency. In addition, the data intermediary should provide the source of this information, to allow for the identification of the respective information provider.
- (26) External calculation tools that are provided on the market for the broader commercial and non-commercial use can facilitate the accounting of greenhouse gas emissions of transport services, thus supporting its uptake by the wider groups of stakeholders. The use of these tools should be certified to guarantee that they conform to the requirements of this Regulation, especially as regards the use of the common reference methodology and an appropriate set of input data.
- (27) A properly designed verification system for the conformity of greenhouse gas emissions output data disclosed on the market and underlying calculation processes, to the requirements set out under this Regulation, should substantially increase trust in the reliability and accuracy of those data. Entities that have successfully undergone the conformity assessment should be entitled to obtain a proof of compliance, to be commonly recognised across the Union. Where primary data

⁶⁰ Regulation (EU) 2019/1242 of the European Parliament and of the Council of 20 June 2019 setting CO₂ emission performance standards for new heavy-duty vehicles and amending Regulations (EC) No 595/2009 and (EU) 2018/956 of the European Parliament and of the Council and Council Directive 96/53/EC ([OJ L 198, 25.7.2019](#))

⁶¹ 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 (recast) (Text with EEA relevance.) ([OJ L 111, 25.4.2019, p. 13–53](#))

were included, the proof of compliance should acknowledge it, especially to incentivise the collection and use of primary data by any entity concerned by the rules set out by this Regulation.

- (28) Administrative burden linked to the verification could be disproportionate for smaller companies and therefore it should be avoided. To that end, SMEs should be exempted from the requirements related to the verification, unless these enterprises wish to obtain a respective proof of compliance. In addition, large enterprises should take into account the principle of proportionality when considering requesting the verification of conformity from value chain partners, in particular SMEs..
- (29) In case the verification of information on greenhouse gas emissions data of transport services is organised in accordance with specific rules set out by other Union legislation, including a regulation on ensuring a level playing field for sustainable air transport and implemented by the European Union Aviation Safety Agency, these rules shall be treated in an equivalent manner, under the condition that the verification assessment is established consistently with the requirements of this Regulation.
- (30) In order to allow for the efficient functioning of this Regulation, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of assessing and excluding certain elements of the reference methodology; submitting requests to the European Committee for Standardisation, establishing rules to conduct the technical quality check of external databases of default values, adapting metrics for output greenhouse gas emissions data and establishing further methods and criteria of accreditation of conformity assessment bodies. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making⁶². In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at the same time as Member States' experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.
- (31) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers concerning the certification of calculation tools and the verification of the greenhouse gas emissions data, should be conferred on the Commission. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council⁶³.
- (32) The comparability of greenhouse gas emissions data of transport services and better uptake of greenhouse gas emissions accounting in business practice, are not objectives that can be sufficiently achieved by the Member States without risking to introduce red tape on the internal market and with additional costs and administrative burden for industries. Those objectives can rather, by reason of network effects of Member States acting together, be better achieved at Union level. Therefore, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union.
- (33) In accordance with the principle of proportionality, it is necessary and appropriate for the achievement of the basic objective of incentivising behavioural change among businesses and

⁶² Interinstitutional Agreement between the European Parliament, the Council of the European Union and the European Commission on Better Law-Making ([OJ L 123, 12.5.2016, p. 1](#))

⁶³ Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by the Member States of the Commission's exercise of implementing powers ([OJ L 55, 28.2.2011, p. 13](#)).

customers to reduce greenhouse gas emissions from transport services through the uptake and use of comparable and reliable greenhouse gas emissions data to lay down rules on the accounting of greenhouse gas emissions of transport services. This Regulation does not go beyond what is necessary in order to achieve the objectives pursued, in accordance with Article 5(4) on the Treaty on European Union.

HAVE ADOPTED THIS REGULATION

CHAPTER 1 GENERAL PROVISIONS

Article 1

Subject matter

This Regulation establishes rules for the accounting of the greenhouse gas emissions of transport services that start or end on the Union territory.

Article 2

Scope

This Regulation applies to any entity providing or organising freight and passenger services in the Union that calculates greenhouse gas emissions of a transport service starting or ending on the Union territory and discloses disaggregated information on those emissions to any third party for commercial or regulatory purposes.

Article 3

Definitions

For the purposes of this Regulation, the following definitions shall apply:

- (1) “greenhouse gas” means gaseous constituent of the atmosphere, both natural and anthropogenic, that absorbs and emits radiation at specific wavelengths within the spectrum of infrared radiation emitted by the Earth's surface, the atmosphere and clouds;
- (2) “greenhouse gas emission” means release of a greenhouse gas into the atmosphere expressed in mass of carbon dioxide equivalent;
- (3) “carbon dioxide equivalent (CO₂e)” means unit for comparing the radiative forcing of a greenhouse gas to that of carbon dioxide
- (4) “greenhouse gas emissions accounting” means the actions performed to quantify, through measurements and calculations, and used for reporting, greenhouse gas emissions;
- (5) “transport service” means transporting freight or a passenger from an origin to a destination; a transport service can imply one or multiple transport chain elements requiring both transport operation(s) and/or hub operation(s);

- (6) “transport operation” means operation of a vehicle in order to transport passengers and/or freight;
- (7) “hub operation” means operation in order to transfer freight or passengers through a hub;
- (8) “vehicle” means a means of transporting passengers and/or goods in all transport modes;
- (9) “transport chain” means a sequence of transport elements related to freight or a (group of) passenger(s) that, when taken together, constitutes its movement from an origin to a destination;
- (10) “transport chain element” means a section of a transport chain within which the freight or a (group of) passenger(s) is carried by a single vehicle or transits through a single hub;
- (11) “disclosure of information on greenhouse gas emissions of a transport service” means the communication of disaggregated information on greenhouse gas emissions related to a specific transport service by a concerned entity or by a data intermediary to any third party, in the context of the provision, communication or marketing of that service, either before or after the provision of the transport service.
- (12) “concerned entity” means an entity that calculates greenhouse gas emissions of a transport service starting or ending on the Union territory and discloses information on those emissions to any third party, for commercial or regulatory purposes;
- (13) “data intermediary” means a legal or natural person collecting and disclosing information on greenhouse gas emissions of a transport service on the basis of separate legal, contractual or other relevant arrangements;
- (14) “greenhouse gas activity” means activity that results in a greenhouse gas emission;
- (15) “greenhouse gas activity data” means quantitative measure of a greenhouse gas activity;
- (16) “greenhouse gas emission intensity” means coefficient relating specified greenhouse gas activity data with the greenhouse gas emission
- (17) “greenhouse gas emission factor” coefficient relating greenhouse gas activity with the greenhouse gas emission;
- (18) “well-to-wheel greenhouse emissions” means emissions representing the greenhouse gas impact stemming from both vehicle use and vehicle energy provision
- (19) “tank-to-wheel emissions” means vehicle propulsion related emissions from the energy use; a subset of well-to-wheel emissions;
- (20) “energy carrier” means a substance or phenomenon that can be used to produce mechanical work or heat or to operate chemical or physical processes;
- (21) “primary data” means quantified value of a process or an activity obtained from a direct measurement or of a calculation based on direct measurements;
- (22) “secondary data” means either modelled data or default values that do not fulfil the requirements for primary data, including data from databases and published literature, default greenhouse gas emission factors from national inventories, calculated data, estimates or other representative data and data obtained from proxy processes or estimates;
- (23) “default value” means secondary data value drawn from a published source, which is taken as default in case of lack of primary or modelled data;

- (24) “modelled data” means data established by use of a model that takes into account primary data and/or greenhouse gas emission-relevant parameters of a transport operation or hub operation, including by use of a model provided through a calculation tool;
- (25) “output data” means disaggregated data on greenhouse gas emissions of a transport service established with using the reference methodology and input data set out by this Regulation;
- (26) “metrics” means a measure of quantitative assessment;
- (27) “evidence substantiating information on greenhouse gas emissions of a transport service” means the on demand establishment of a report at the level of a transport service, as set out in EN ISO 14083:2023;
- (28) “calculation tool” means an application, model or software allowing for the automatic calculation of greenhouse gas emissions of a transport service;
- (29) “external calculation tool” means a calculation tool that is provided on the market by a third party for the broader commercial or non-commercial use;
- (30) “conformity assessment body” means a conformity assessment body as defined in Article 2, point (13), of Regulation (EC) No 765/2008⁶⁴.

CHAPTER II

METHODOLOGY

Article 4

Method for calculating greenhouse gas emissions of transport services

1. The greenhouse gas emissions of transport services shall be calculated on the basis of the methodology defined in EN ISO 14083:2023 standard, in its up-to-date version, and the rules set out in Chapter III of this Regulation.
2. The Commission shall assess the need for an adjustment of any component of the standard referred to in paragraph 1, not later than 36 months after the date of application of this Regulation.
3. The Commission may launch a compliance check to assess any amendment to the standard referred to in paragraph 1. The compliance check shall be initiated by the Commission, which, where appropriate, may act at the request of a Member State.
4. The Commission is empowered to adopt delegated acts in accordance with Article 16 to exclude from the scope of this Regulation an amendment referred to in paragraph 3 and a component referred to in paragraph 2, if, based on its assessment, this amendment or component create a manifest risk of the incompatibility with the objectives of this Regulation and other applicable Union rules.
5. The Commission is empowered to adopt delegated acts in accordance with Article 16 to request the European Committee on Standardisation to revise the standard referred to in paragraph 1,

⁶⁴ Regulation (EC) No 765/2008 of the European Parliament and of the Council of 9 July 2008 setting out the requirements for accreditation and market surveillance relating to the marketing of products and repealing Regulation (EEC) No 339/93 ([OJ L 218, 13.8.2008](#))

including based on the result of the assessment referred to in paragraph 2 and compliance check referred to in paragraph 3.

6. The Commission is empowered to adopt implementing acts in accordance with Article 17 to supplement this Regulation with a view to clarify the reference methodology referred to in paragraph 1, to ensure its uniform implementation on the market as regards the approach for determining appropriate emission-relevant parameters for calculating greenhouse gas emissions before a service is provided, and, where applicable, other technical parameters related to the allocation of emissions or aggregation of data elements that are not explicitly explained in that methodology.

CHAPTER III

INPUT DATA AND SOURCES

Article 5

Use of primary and secondary data

1. Entities referred to in Article 2 shall prioritise the use of primary data for calculating greenhouse gas emissions of a transport service.
2. The use of secondary data for calculating greenhouse gas emissions of a transport service shall be allowed under the following conditions:
 - (a) default values for greenhouse gas emission intensity are derived from:
 - (i) a core EU database of default values for greenhouse gas emission intensity, referred to in Article 6, paragraph 1;
 - (ii) databases and datasets of default values for greenhouse gas emission intensity operated by third parties, in accordance with Article 7;
 - (b) default greenhouse gas emission factors for the transport energy carriers are derived from the central EU database of default greenhouse gas emission factors, referred to in Article 8;
 - (c) modelled data rely on a model established in accordance with the method referred to in Article 4 and the rules set out in Article 5 (2), point (b) and Article 11, where appropriate.

Article 6

Core EU database of default values for greenhouse gas emission intensity

1. The Commission with the assistance of the European Environmental Agency, shall establish a core EU database of default emission intensity values referred to in Article 5 (2), point (a)(i).
2. The Commission shall ensure the maintenance, update and continuous development of the database referred to in paragraph 1, taking into account for the evolution of the technological state-of-the-art in the transport sector and of new methodological approaches for calculating greenhouse gas emissions.
3. Access to the database referred to in paragraph 1, to consult or use default emission intensity values shall be open to the public and free of charge.

Article 7

Databases and datasets of default values for greenhouse gas emission intensity operated by third parties

1. A developer of a database or dataset referred to in Article 5 (2), point (a)(ii) shall submit an application to the Commission for a technical quality check of default values for greenhouse gas emission intensity included in that database or dataset. The Commission, with the assistance of the European Environmental Agency, shall conduct the technical quality check in accordance with the requirements set out in Articles 4 to 8 of this Regulation.
2. Only databases and datasets of default emission intensity values that have been positively assessed in that technical quality check referred to paragraph 1 shall be used for the purpose of using secondary data in accordance with Article 5 (2), point (a)(ii).
3. The technical quality check is required as from 24 months after the date of the application of this Regulation, at the latest. A record of positive assessment of that quality check shall be valid for two years.
4. The Commission shall adopt implementing acts in accordance with Article 17 to supplement this Regulation by establishing rules and conditions to conduct the technical quality check referred to in paragraph 1.

Article 8

Central EU database of default greenhouse gas emission factors

1. The Commission, with the assistance of the European Environmental Agency, shall establish a central EU database of default greenhouse gas emission factors referred to in Article 5(2), point (b).
2. The Commission, with the assistance of the European Environmental Agency, shall ensure the maintenance, update and continuous development of the database referred to in paragraph 1, taking into account the evolution of the technological state-of-the-art in the transport sector and of new methodological approaches for calculating greenhouse gas emissions.
3. Access to the database referred to in paragraph 1, to consult or use default greenhouse gas emission factors for the transport energy carriers shall be open to the public and free of charge.

CHAPTER IV

OUTPUT DATA AND TRANSPARENCY

Article 9

Establishing output data on greenhouse gas emissions of a transport service

1. Output data shall be established using the reference methodology and input data in accordance with Articles 4 to 8 of this Regulation.
2. The output data may be established with using calculation tools. External calculation tools shall comply with the requirements laid down in Article 11.

3. The output data as a minimum shall consist total mass of carbon dioxide equivalent (CO₂e) per transport service, and, in relation to a type of transport service concerned, at least one of the following data metrics:
 - (a) mass CO₂e per tonne kilometre, or equivalent units, for freight transport;
 - (b) mass CO₂e per tonne or equivalent units, for freight hub throughput;
 - (c) mass CO₂e per passenger kilometre, or equivalent units, for passenger transport;
 - (d) mass CO₂e per passenger or equivalent units, for passenger hub throughput.
4. The Commission shall be empowered to adopt delegated acts in accordance with Article 16 to complement the list of metrics for output data referred to in paragraph 3.

Article 10

Communication and transparency

1. Concerned entities shall disclose output data in a clear and unambiguous manner. When concerned entities disclose output data, in the communication accompanying this disclosure they shall include the following statement “Well-to-wheel greenhouse gas emissions calculated in accordance with Regulation [*reference to this Regulation*] of the European Parliament and the Council”, at least in one of the official languages of the EU, and where possible, in an official language of a Member State on the territory of which the service is performed.
2. Where output data are obtained and disclosed by a data intermediary on the basis of separate arrangements, the rules laid down in paragraph 1 and Article 9(3) shall apply. When disclosing output data, the data intermediary shall include a reference to the source of these data.
3. Where primary data are used in the meaning of Article 5(1), concerned entities shall be entitled to communicate this fact to any third party if the use of primary data was verified in accordance with Articles 12 and 13.
4. Concerned entities shall be able to establish evidence substantiating how the output data were established. That evidence shall be drawn pursuant to the requirements set out by the reference methodology referred to in Article 4(1), and:
 - (a) it shall serve as a basis for the verification assessment in accordance with Articles 12 and 13;
 - (b) it shall be made available upon request of a competent authority, or another third party insofar separate legal or contractual arrangements apply;
 - (c) where the verification is performed in accordance with Article 12 and 13, it shall include a reference to the proof of compliance referred to in Article 13(6), and the contact information of the conformity assessment body that drew up the proof of compliance;
 - (d) where the output data are established through the use of an external calculation tool referred to in Article 9(2), it shall include a reference to that calculation tool.
5. The output data and evidence referred to in paragraph 5 shall be established in a clear and unambiguous manner, at least in one of the official languages of the Union. Where possible, they shall be made available in the form of a weblink, QR code or equivalent.

6. Personal data shall be processed in accordance with Regulation (EU) 2016/679 of the European Parliament and of the Council⁶⁵.
7. Any recipient of output data and of evidence referred to in paragraph 5, shall take measures to ensure the confidentiality of relevant commercial data that are processed and communicated in accordance with this Regulation, and ensure that such data may be accessed, processed and disclosed only when authorised.

CHAPTER V

COMPLEMENTARY MEASURES

Article 11

Certification of calculation tools

1. External calculation tools referred to in Article 9, paragraph 2 shall be certified by a conformity assessment body referred to in Article 14.
2. Calculation tool developer shall submit an application to a conformity assessment body that shall assess the compliance of the calculation tool with the requirements laid down in Articles 4 to 9. In the case of a positive assessment, the conformity assessment body shall issue a certificate of conformity of the calculation tool to this Regulation. In the case of a negative assessment, the conformity assessment body shall provide the reasons for the negative assessment to the applicant.
3. The conformity assessment body concerned shall maintain an up-to-date list of the calculation tools that it has certified and for which it has withdrawn or suspended certification. It shall make that list publicly available on its website and shall communicate the address of that website to the Commission without delay.
4. The certificate shall be valid for two years.
5. The Commission shall publish on its official website a list of all calculation tools that are certified in accordance with paragraph 1 and paragraph 2.
6. The Commission shall adopt implementing acts in accordance with Article 17 to lay down rules on the certification of calculation tools, the related certificate of conformity, including rules on the renewal, suspension and withdrawal of certification.

⁶⁵ Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation); ([OJ L 119, 4.5.2016, p.1](#))

CHAPTER VI

VERIFICATION OF GREENHOUSE GAS EMISSION DATA AND CALCULATION PROCESSES

Article 12

Scope of the verification

1. Output data referred to in Article 9 shall be subject to verification of its conformity with the requirements laid down in Articles 4 to 9 of this Regulation.
2. The verification requirements referred to in paragraph 1 shall apply to concerned entities referred to Article 2, with the exception of micro, small and medium-sized enterprises referred to in Commission Recommendation 2003/361/EC⁶⁶. The micro, small and medium-sized enterprises may undergo the verification upon their request.

Article 13

Verification activities and process

1. The conformity assessment body referred to in Article 14 shall verify the reliability, credibility, adherence and accuracy of the output data disclosed by a concerned entity.
2. The verification shall be performed in accordance with the requirements laid down in Articles 4 to 9, and based on evidence referred to in Article 10(5). This verification shall address:
 - (a) the calculation methodology used;
 - (b) the source(s) of the input data used for the calculation;
 - (c) the correctness of the calculation performed;
 - (d) the metrics applied.
3. Where external calculation tools are used, the conformity assessment body takes into account their respective certificate of conformity referred to in Article 11.
4. Where the verification assessment identifies incorrect calculations or non-compliance with Articles 4 to 9 of this Regulation, the conformity assessment body shall inform the entity concerned thereof in a timely manner. That entity shall then correct the calculation or remedy non-conformities so as to enable the verification process to be completed.
5. The entity concerned shall provide the conformity assessment body with any additional information that enables it to carry out the verification procedures. The conformity assessment body may conduct checks during the verification process to determine the reliability of data and calculations.
6. Upon completion of the verification, the conformity assessment body shall draw up, where appropriate, a proof of compliance confirming that the output data comply with the respective requirements set out in this Regulation.

⁶⁶ Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises ([OJ L 124, 20.5.2003, p. 36](#)).

7. The conformity assessment body concerned shall draw up and maintain an up-to-date list of the entities that have undergone the verification pursuant to paragraphs 1 to 6. By 31 March each year, the conformity assessment body shall notify that list to the Commission.
8. Where other Union legislation lays down specific rules on the verification assessment of output data, those rules shall be treated in an equivalent manner, under the condition that the verification assessment is established consistently with this Regulation.
9. The Commission shall adopt implementing acts in accordance with Article 17 laying down detailed rules on the verification of the output data and the related proof of compliance. Those rules shall include provisions related to the evidence referred to in Article 10(5), and the communication rights associated with the use of primary data referred to in Article 10(4).

CHAPTER VII

ACCREDITATION

Article 14

Conformity Assessment Bodies

1. Conformity assessment bodies shall be accredited to perform verification or certification activities referred to in Articles 11, 12 and 13.
2. The conformity assessment body shall be independent from an entity applying for the verification or certification activities referred to in Articles 11, 12 and 13.
3. The conformity assessment body, its top-level management and the personnel responsible for carrying out the verification tasks shall not engage in any activity that may conflict with their independence of judgement or integrity in relation to verification or certification activities.
4. The conformity assessment body and its personnel shall carry out the verification or certification activities with the highest degree of professional integrity and the requisite technical competence and shall be free from all pressures and inducements, particularly financial, which might influence their judgement or the results of their verification activities, especially as regards persons or groups of persons with an interest in the results of those activities.
5. The conformity assessment body shall have the expertise, equipment and infrastructure required to perform the verification or certification activities in relation to which it has been accredited.
6. The personnel of a conformity assessment body shall observe professional secrecy with regard to all information obtained in carrying out the verification and certification tasks.
7. Where a conformity assessment body subcontracts specific tasks connected with verification or certification, or has recourse to a subsidiary, it shall take full responsibility for the tasks performed by subcontractors or subsidiaries wherever these are established, including by assessing and monitoring of the qualifications of the subcontractor or the subsidiary and the work carried out by them.

Article 15

Accreditation procedures

1. Conformity assessment bodies referred to in Article 14(1) shall be accredited by a national accreditation body pursuant to Chapter II of Regulation (EC) of the European Parliament and of the Council No 765/2008.
2. Each Member State shall designate an authority that shall maintain an up-to-date list of the accredited conformity assessment bodies. Those designated national authorities shall make that list publicly available on an official government website.
3. By 31 March each year, the national accreditation body shall notify to the Commission the list of accredited conformity assessment bodies, together with all relevant contact information.
4. The Commission is empowered to adopt delegated acts in accordance with Article 16, to supplement this Regulation by establishing further methods and criteria of accreditation of conformity assessment bodies.

CHAPTER VIII

DELEGATED AND IMPLEMENTING POWERS

Article 16

Exercise of the delegation

1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.
2. The power to adopt delegated acts as referred to in Article 4(4), Article 4(5), Article 9(4) and Article 15(4) shall be conferred on the Commission for an undetermined period of time from [OP: Please insert a date: entry into force of this Regulation].
3. The delegation of power referred to in Article 4(4), Article 4(5), Article 9(4) and Article 15(4) may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.
4. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making.
5. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.
6. A delegated act adopted pursuant to Article 4(4), Article 4(5), Article 9(4) and Article 15(4) shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of [two months] of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

Article 17

Committee procedure

1. The Commission shall be assisted a committee within the meaning of Regulation (EU) No 182/2011.
2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.

CHAPTER IX

FINAL PROVISIONS

Article 18

Report and review

The Commission shall carry out an evaluation of this Regulation in light of the objectives that it pursues and present a report on the main findings to the European Parliament and the Council by [*OP: please insert a date: 5 years after the Regulation is applicable*].

Article 19

Entry into force and application

1. This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.
2. It shall apply from [*OP: Please insert a date: 42 months after the entry into force of this Regulation*].
3. However, Article 4(4), Article 4(5) and Article 4 (6), Article 7(4), Article 9(4), Article 11(6), Article 13(9) and Article 15(4) shall apply from the date of entry into force of this Regulation.

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 STATEMENT

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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 on the accounting of greenhouse gas emissions of transport services

1.2. Policy area(s) concerned

Mobility and Transport

1.3. The proposal/initiative relates to:

- a new action
- a new action following a pilot project/preparatory action⁶⁷
- the extension of an existing action
- a merger or redirection of one or more actions towards another/a new action

1.4. Objective(s)

1.4.1. General objective(s)

The general objective of this Regulation is to incentivise behavioural change among businesses and customers to reduce greenhouse gas emissions from transport services through the uptake and use of comparable and reliable greenhouse gas emissions data. This initiative will contribute towards SDG 13 (“Take urgent action to combat climate change and its impacts”), SDG 7 (“Ensure access to affordable, reliable, sustainable and modern energy for all”) and SDG 12 (“Ensure sustainable consumption and production patterns”).

1.4.2. Specific objective(s)

The specific objectives of the Regulation are to:

- Ensure the comparability of results from greenhouse gas emissions accounting of transport services;
- Facilitate the uptake of greenhouse gas emissions accounting of transport services in business practice.

1.4.3. Expected result(s) and impact

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

The proposal is expected to improve the comparability of greenhouse gas emissions data shared in the transport chain. This will result from the use of a common reference methodology, accurate input data, and unambiguous and clear communication.

The proposal is also expected to increase the use of greenhouse gas emissions accounting by economic operators and other relevant entities towards reducing greenhouse gas emissions of transport services.

1.4.4. Indicators of performance

Specify the indicators for monitoring progress and achievements.

⁶⁷ As referred to in Article 58(2)(a) or (b) of the Financial Regulation.

The effectiveness of the proposed Regulation, with respect to the Specific Objective 1, will be determined based on indicators related to the comparability of greenhouse gas data of transport services:

number of external default values databases undergoing the quality check,
number of entities undergoing the verification of data and processes.

The effectiveness of the proposed Regulation, with respect to the Specific Objective 2, will be determined based on indicators related to the uptake of greenhouse gas emissions accounting of transport services:

number of companies accounting greenhouse gas emissions from transport services based on this Regulation,
number of entities undergoing the certification of technical calculation tools,
use of core default values databases (website access and requests),
number of entities using the certification tools.

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 initiative will provide a harmonised regulatory framework for greenhouse gas emissions accounting of transport services, and specific rules stimulating its use across the entire multimodal transport chain. It includes:

a common reference methodology provided by EN ISO 14083 standard, ensuring that the calculation of greenhouse gas emissions of transport services is performed in a standardised way across the entire transport sector;

a harmonised approach for input data, by incentivising the use of primary data, allowing modelled data, increasing the reliability, accessibility and adequacy of default values (default values for emission intensity and greenhouse gas emission factors) and mitigating variations between national, regional and sectorial datasets;

appropriate metrics for generating and sharing the greenhouse gas emissions data, as well as common rules on the communication and transparency of the emissions accounting results;

support for implementing this initiative in various transport segments;

a common, proportionate and reliable verification system for the information on greenhouse gas emissions generated from transport services, and for the underlying calculation processes;

rules related to the development and use of technical emissions calculation tools.

All these provisions should be fully applicable 42 months after the entry into force of this Regulation.

This legislative financial statement specifically relates to the development and management of a common environment of default values, as part of the harmonised approach for input data. These tasks will be executed by the European Environmental Agency (EEA), supported by the HorizonEurope programme (HORIZON-CL5-2023-D6-01-08). Detailed rules related to the provision of data will be stipulated in the

respective delegated acts, and the future agreements with EEA. The role of EEA will be as follows:

Development and maintenance of core database of default values for emission intensity;

Establishment of a database of the greenhouse gas emission factors;

Quality check of third party emission intensity factor databases.

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

Reasons for action at European level (ex-ante):

By providing harmonised rules for greenhouse gas emissions accounting at the transport service level, this initiative is particularly relevant for cross-border operations between EU Member States. This level of harmonisation, related to the methodological choices, input data and common rules for verification, cannot be effectively achieved across the EU by action of individual Member States.

Expected generated Union added value (ex-post):

Overall, the EU transport sector has a strong cross-border dimension, playing an important role for the free flow of people and goods on the EU internal market. Efficient transport services are key to meet the demand of transport users, support the growth of the EU economy and preserve lifestyle of the citizens. At the same time, attention should be drawn to challenges related to environmental impacts from transport, still growing mostly due to the increase of freight and passenger traffic on the European network. This Regulation is therefore conceived as an enabler for the transport community to facilitate green transition. The initiative will contribute to creating the level playing field for greenhouse gas emissions accounting between all segments and modes of transport, and across the national networks. By providing for better transparency on the performance of transport services, and supporting the use of greenhouse gas emissions data to make specific transport choices, it will lead to creating incentives for more sustainable solutions and innovation. Any national approaches would be highly counterproductive for achieving these objectives, bearing significant risk of conflicting requirements and inconsistent methodologies and data. These divergent national approaches would add costs and create unnecessary burden to businesses operating between different Member States.

- 1.5.3. *Lessons learned from similar experiences in the past*

CountEmissins EU is a new initiative building on various efforts by both the European Commission and industry towards a harmonised methodological framework. Between 2011 and 2019, two consecutive EU-funded projects, the FP7 - Carbon Footprint of Freight Transport (COFRET) and H2020 – Logistics Emissions Accounting & Reduction Network (LEARN), addressed the calculation, reporting and verification of greenhouse gas emissions from transport services, with the aim to develop a global method. These efforts initiated a coordinated action towards establishing a comprehensive and tailor-made standard at the level of International Organization for Standardization (ISO). This new standard, referred to as ISO 14083 was published by ISO in March 2023 and as equivalent European standard EN ISO 14083:2023 by CEN.

It builds inter alia on the European Standard EN 16258:2012 and greenhouse gas Protocol.

Specific methodologies for greenhouse gas emissions accounting exist also in the different segments of the transport sector, especially in freight. In many cases, they form part of broader green transport programs or other initiatives promoting efficient and low carbon transport activities. These include for instance the industry-led Global Logistics Emissions Council (GLEC) framework, the public-private US SmartWay program, and the Topsector Logistics collaboration program between the Dutch government and businesses.

Furthermore, there are numerous mode specific emission accounting methods and requirements, which are either developed by the industries themselves, or launched by public authorities as parts of specific legislative frameworks. In maritime, for instance, there exists the Clean Cargo Working Group , a business-to-business initiative for containerised sea transport. Also, the International Maritime Organisation (IMO) adopted a mandatory Fuel Oil Data Collection System (DCS) for international shipping, requiring vessels to collect and report relevant data into a common database. Concerning aviation, the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) developed by the International Civil Aviation Organisation (ICAO) provides a method to calculate CO₂ emissions at the flight level. ICAO and the International Air Transport Association (IATA) have also established standards for the aviation sector that prescribe in more detail how emissions need to be reported per passenger and per tonne of freight .

At national level, the French Transport Code requires that all entities offering transport services on the market (freight and passenger, including all modes) calculate greenhouse gas emissions for each service departing from and/or ending in France, based on a specific methodology. The French Transport Code also provides that the information on emissions should be reported to relevant parties, which is the only mandatory requirement of this type in the EU.

1.5.4. *Compatibility with the Multiannual Financial Framework and possible synergies with other appropriate instruments*

The proposed Regulation is a key deliverable of the Communication from the Commission on a Sustainable and Smart Mobility Strategy, which sets out the EU vision for the transport system of the future. The strategy announced that the Commission is planning to establish an EU framework for harmonised measurement of transport and logistics emissions (under Flagship 5 - Pricing carbon and providing better incentives for users).

The Regulation will create synergies with other pieces of the EU regulatory framework dealing with emissions reduction frameworks, fuel and emissions standards, enhanced transparency for users and stronger consumer rights. These relationships concern in principle the use of input data and emissions accounting methods, as well as the requirements related to the unambiguous communication on greenhouse gas emissions of transport services. These include notably: Regulation (EU) 2015/757, Directive 2003/87/EC, COM(2021) 550 COM(2022) 222, COM(2021) 561, COM(2021) 562, Regulation (EU) 2019/1242, Regulation (EU) 2019/631, and Directive 2005/29/EC.

The proposal is compatible with the Multiannual Financial Framework. The tasks allocated to EEA will require a contribution agreement covering the initial implementation period of the Regulation until 2027, and subsequent long-term

resource allocation to maintain and update the default values databases, and organise the quality check for third party database providers.

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

The large majority of the budgetary implications of this proposal are dealt with under this legislative financial statement. In terms of expenditures, the specific budgetary impact of this initiative is limited to appropriations for human resources and the necessary IT system developments to support databases creation, maintenance and third party database quality checks. These are new tasks for EEA that will gradually become permanent, while existing tasks will not decrease or be partly phased out. The need for additional resources after the setup period, from 2028 onwards, will be considered in the context of the upcoming assessment of resources of EEA, and will be covered by the EU subsidy to the Agency (through a compensatory reduction, if relevant, of programmed spending under the LIFE or other applicable budget lines for the financing of the EEA), without prejudice to the future MFF Agreement.

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

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 2025 to 2027,
- followed by full-scale operation when the tasks will be included in the new EEA mandate.

1.7. **Method(s) of budget implementation planned⁶⁸**

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 EIB 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;

⁶⁸ 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>

- 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 CFSP pursuant to Title V of the TEU, and identified in the relevant basic act.
- *If more than one management mode is indicated, please provide details in the 'Comments' section.*

Comments

N/A

2. MANAGEMENT MEASURES

2.1. Monitoring and reporting rules

Specify frequency and conditions.

<p>The Commission will be overall accountable for implementing the proposed Regulation as well as for reporting to the European Parliament and the Council on implementation and compliance.</p>
--

<p>The EEA will report on a regular basis on the implementation of the contribution agreements and of the related actions.</p>
--

<p>Data collection is required from different sources, including from Member States authorities. The coordination of the data collection activities is performed by the EEA.</p>
--

<p>The Commission services will monitor the implementation and effectiveness of this initiative through a number of actions and a set of core indicators that will measure progress towards achieving the objectives. Five years after the implementation date of the legislation, the Commission services should carry out an evaluation to verify to what extent the objectives of the initiative have been reached.</p>
--

2.2. Management and control system(s)

2.2.1. *Justification of the management mode(s), the funding implementation mechanism(s), the payment modalities and the control strategy proposed*

<p>The Commission will be assisted by the EEA in implementing the provisions of the Regulation, notably as regards the development and maintenance of core database of default values for greenhouse gas emission intensity, the establishment of a database of greenhouse gas emission factors, and the quality check of third party databases. EEA is best placed to carry out these tasks at EU level, as they require strong expertise in environmental data management and harmonisation, as well as in-depth understanding of complex technical matters related to greenhouse gas emissions of transport services, which justifies the indirect management mode. The control strategies of DG MOVE will monitor the implementation of the Regulation and its results. DG Environment, in the context of its supervision of decentralised entities, and EEA will apply its respective control strategies to this expenditure.</p>
--

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

<p>While the Commission will be overall accountable for implementing the proposed Regulation as well as for reporting to the European Parliament and the Council on the implementation and compliance, the EEA will be responsible for the performance of</p>

the identified tasks and operation and for the implementation of its internal control framework. It will be required to develop IT tools and modules, as well as provide quality checks on third party databases.

EEA, an autonomous EU Body, has the responsibility to set up the appropriate control systems to ensure compliance with the 5 internal control objectives, namely legality and regularity, performance of its operations, prevention of fraud, safeguarding of assets and true and fair reporting. The additional resources put at the disposal of EEA will be covered by EEA's internal control and risk management system that is aligned with the relevant international standards and includes specific controls to prevent conflict of interests and ensure the protection of whistle-blowers.

DG Environment will apply the controls related to its supervision of EEA as a decentralised agency. No specific risks are identified in relation with the implementation of the additional budget to be provided to EEA.

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

The risk of error at payment and at closure is expected to remain under 2%.

EEA has full responsibility over the implementation of their budget, while DG Environment is responsible for the regular payment of the contributions established by the Budgetary Authority. The additional tasks resulting from the proposed Regulation are not expected to generate significant additional controls. Therefore, the cost of control for DG MOVE (measured against the value of funds managed) and DG Environment is expected to remain stable.

2.3. Measures to prevent fraud and irregularities

Specify existing or envisaged prevention and protection measures, e.g. from the Anti-Fraud Strategy.

In addition to the controls stemming from the control strategies listed above, the action is subject to scrutiny of the Internal Audit Service, in its capacity of internal auditor of the Commission and of the decentralised agencies, and of the European Court of Auditors, in its capacity of external auditor of the EU Institutions.

The contribution agreements between the Commission and the EEA will include specific provisions to ensure that auditors and, if necessary, investigative authorities (EPPO, OLAF) have unrestrained access to the necessary information. They will also include the necessary provisions to ensure that the Commission is timely informed of any issue that may impair the implementation of the actions.

The Commission maintains robust antifraud strategy, the CAFS, that is currently under revision. DG MOVE/DG Environment complement this by local antifraud strategies that cover the activities falling under its respective remit.

EEA, an autonomous EU Body, has the responsibility to maintain an Antifraud Strategy and to ensure the protection of the EU Interests

The proposed Regulation contains provisions specifically targeted at preventing fraud and irregularities. Conformity assessment bodies in charge of the verification will have to be accredited by National Accreditation Bodies. The verification of greenhouse gas emissions data and calculation processes shall be based on specific conformity assessment rules established by the EU through the secondary legislation, and shall

be undertaken by a verifier accredited by national accreditation bodies appointed by the Member States pursuant to Regulation (EC) No 765/2008.

3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

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

- 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. ⁶⁹	from EFTA countries ⁷⁰	from candidate countries and potential candidates ⁷¹	from other third countries	other assigned revenue
1	02 20 04 01	Diff.	NO	NO	NO	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]		YES/NO	YES/NO	YES/NO	YES/NO

⁶⁹ Diff. = Differentiated appropriations / Non-diff. = Non-differentiated appropriations.

⁷⁰ EFTA: European Free Trade Association.

⁷¹ 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:

EUR million (to three decimal places)

Heading of multiannual financial framework	1	Single Market, Innovation and Digital
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DG MOVE			Year 2025	Year 2026	Year 2027	TOTAL
• Operational appropriations						
Budget line 02 20 04 01	Commitments	(1a)	0.600			0.600
	Payments	(2a)	0.200	0.200	0.200	0.600
Appropriations of an administrative nature financed from the envelope of specific programmes ⁷²						
Budget line		(3)				
TOTAL appropriations for DG MOVE	Commitments	=1a+1b+3	0.600			0.600
	Payments	=2a+2b+3	0.200	0.2005	0.200	0.600

The need for additional resources from 2028 to 2050 for EEA, estimated as 1 FTE (available throughout the indicated period) and EUR 6.3 million (covering costs throughout the indicated period), will be considered in the context of the ongoing assessment of resources of EEA, and will be covered by the EU subsidy to the Agency (through a compensatory reduction, if relevant, of programmed spending under the LIFE or other applicable budget lines for the financing of the EEA), without prejudice to the future MFF Agreement.

⁷² 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)	0.600				0.600
	Payments	(5)	0.200	0.200	0.200		0.600
• TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)					
TOTAL appropriations under HEADING 1 of the multiannual financial framework	Commitments	=4+ 6	0.600				0.600
	Payments	=5+ 6	0.200	0.200	0.200		0.600

If more than one operational heading is affected by the proposal / initiative, repeat the section above:

• TOTAL operational appropriations (all operational headings)	Commitments	(4)							
	Payments	(5)							
TOTAL appropriations of an administrative nature financed from the envelope for specific programmes (all operational headings)		(6)							
TOTAL appropriations under HEADINGS 1 to 6 of the multiannual financial framework (Reference amount)	Commitments	=4+ 6							
	Payments	=5+ 6							

Heading of multiannual financial framework	7	'Administrative expenditure'
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This section should be filled in using the 'budget data of an administrative nature' to be firstly introduced in the [Annex to the Legislative Financial Statement](#) (Annex 5 to the Commission decision on the internal rules for the implementation of the Commission section of the general budget of the European Union), which is uploaded to DECIDE for interservice consultation purposes.

EUR million (to three decimal places)

		Year N	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)			TOTAL
DG MOVE									
• Human resources									
• Other administrative expenditure									
TOTAL DG <.....>	Appropriations								

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

EUR million (to three decimal places)

		Year 2025	Year 2026	Year 2027	TOTAL
TOTAL appropriations under HEADINGS 1 to 7 of the multiannual financial framework	Commitments	0.600			0.600
	Payments	0.200	0.200	0.200	0.600

The need for additional resources from 2028 to 2050 for EEA, estimated as 1 FTE (available throughout the indicated period) and EUR 6.3 million (covering costs throughout the indicated period), will be considered in the context of the ongoing assessment of resources of EEA and will be

covered by the EU subsidy to the Agency (through a compensatory reduction, if relevant, of programmed spending under the LIFE or other applicable budget lines for the financing of the EEA), without prejudice to the future MFF Agreement.

3.2.2. Estimated output funded with operational appropriations

Commitment appropriations in EUR million (to three decimal places)

Indicate objectives and outputs ↓			Year N		Year N+1		Year N+2		Year N+3		Enter as many years as necessary to show the duration of the impact (see point 1.6)						TOTAL	
	OUTPUTS																	
	Type ⁷³	Average cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	Total No	Total cost
SPECIFIC OBJECTIVE No 1 ⁷⁴ ...																		
- Output																		
- Output																		
- Output																		
Subtotal for specific objective No 1																		
SPECIFIC OBJECTIVE No 2 ...																		
- Output																		
Subtotal for specific objective No 2																		
TOTALS																		

⁷³ Outputs are products and services to be supplied (e.g.: number of student exchanges financed, number of km of roads built, etc.).

⁷⁴ As described in point 1.4.2. 'Specific objective(s)...'

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:

EUR million (to three decimal places)

	Year N ⁷⁵	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)				TOTAL
--	-------------------------	-------------	-------------	-------------	--	--	--	--	--------------

HEADING 7 of the multiannual financial framework									
Human resources									
Other administrative expenditure									
Subtotal HEADING 7 of the multiannual financial framework									

Outside HEADING 7⁷⁶ of the multiannual financial framework									
Human resources									
Other expenditure of an administrative nature									
Subtotal outside HEADING 7 of the multiannual financial framework									

TOTAL									
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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.

⁷⁵ Year N is the year in which implementation of the proposal/initiative starts.

⁷⁶ 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.

3.2.3.1. 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:

Estimate to be expressed in full time equivalent units

	Year 2025	Year 2026	Year 2027	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)		
• Establishment plan posts (officials and temporary staff)							
20 01 02 01 (Headquarters and Commission's Representation Offices)							
20 01 02 03 (Delegations)							
01 01 01 01 (Indirect research)							
01 01 01 11 (Direct research)							
Other budget lines (specify)							
• External staff (in Full Time Equivalent unit: FTE)⁷⁷							
20 02 01 (AC, END, INT from the 'global envelope')	0	0	0				
20 02 03 (AC, AL, END, INT and JPD in the delegations)							
XX 01 xx yy zz ⁷⁸	- at Headquarters						
	- in Delegations						
01 01 01 02 (AC, END, INT - Indirect research)							
01 01 01 12 (AC, END, INT - Direct research)							
Other budget lines (specify)							
TOTAL	0						

XX is the policy area or budget title concerned.

The human resources required will be met by staff from the DG who 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.

Description of tasks to be carried out:

Officials and temporary staff	
External staff	

⁷⁷ AC= Contract Staff; AL = Local Staff; END= Seconded National Expert; INT = agency staff; JPD= Junior Professionals in Delegations.

⁷⁸ Sub-ceiling for external staff covered by operational appropriations (former 'BA' lines).

3.2.4. *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).

This action is financed by the transport policy support budget line (02 20 04 01) which, among others, supports activities to develop and maintain common IT tools and databases and the collection of necessary data for the transport sector. The need for additional resources from 2028 onwards for EEA (1 FTE) will be considered in the context of the ongoing assessment of resources of EEA, without prejudice to the future MFF Agreement.

- 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.

Explain what is required, specifying the headings and budget lines concerned, the corresponding amounts, and the instruments proposed to be used.

- requires a revision of the MFF.

Explain what is required, specifying the headings and budget lines concerned and the corresponding amounts.

3.2.5. *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 N ⁷⁹	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)			Total
Specify the co-financing body								
TOTAL appropriations co-financed								

⁷⁹ Year N is the year in which implementation of the proposal/initiative starts.

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 ⁸⁰							
		Year N	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)			
Article									

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

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

⁸⁰ 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.