

Position paper

BEUC proposal for a revised Car Label



Why it matters to consumers

To make a well-informed choice when buying a car (new or second-hand), consumers need clear and accurate information about a car's real-world fuel or electricity consumption, its overall environmental impact or incentives available in their country. With many new models and powertrains available along with evolving purchase habits, current EU rules adopted in 1999 and are now completely outdated.

Published | [11 September 2025]
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BEUC, The European Consumer Organisation

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BEUC Recommendations

A standardised label across the EU, for all cars

An EU Regulation should define a standardised label to be used across Member States. It should apply to all cars, new and second-hand. An EU-wide database should facilitate the development of comparative tools and the monitoring and enforcement of the Regulation.

Clear information across communication channels and in the car

Information on a car's real-world (environmental) performance should be displayed in the car and on all information channels (i.e. physical displays, carmakers' websites, promotional content, car configurators or comparison tools).

Real-world consumption data must be passed on to consumers

Consumers should have access to the real-world fuel consumption of a car, allowing for the comparison between models and individual cars. Similar to the revised Energy Label, the race to "A-ranked" cars only should end (meaning relative labels should be forbidden). The limits for each class can be defined based on real-world data gathered by the EU Environment Agency, making available its dataset for the development of comparative tools.

A future-proof label incentivising the purchase of sustainable cars

Cars with no tailpipe emissions should occupy the top classes of the new Car Label, as the environmental performance of battery-electric and hydrogen-powered cars is much greater than conventional ones. Consumers should be enabled to compare between electric models based on their overall environment performance (via an "eco-score"). Access to technical specifications of new vehicles (i.e. real electric range, charging speed, or certified battery state-of-health) is also important for consumer information.

A tool for complete consumer information

A country-specific section of the car label should inform consumers about applicable taxes, purchase incentives or driving restrictions in place in their country. Accompanying the car throughout its lifetime, the Car Label should be the primary gateway to retrieve important information about the vehicle (safety, pollutants, repairs, ...), in the spirit of Belgium's 'Car Pass'.





Example of a

CAR COMPARATIVE SHEET

Consumers need better information about the technical specificties and the fuel or electricity consumption of the car they want to buy – wherever they buy it, new or second-hand. This proposed comparative sheet from BEUC, The European Consumer Organisation, should be read as an example of how these elements can be displayed at car dealerships or online. This is almed at preparing the revision of the 26-year-old Car Labelling Directive. Note that the data presented in this document (although theoretical) are to be seen as dynamic, as online tools can display regularly updated data. The Car Labelling Directive should allow for the frequent update of neel/electricity consumption, battery data and range. The hyperlinks and QR codes are examples and do not refer to existing websites.





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1. A new car market, and new consumer habits

When navigating on carmakers' websites or watching ads for new cars, consumers are often presented with landscaptes of freedom, detailed looks of the car's bodywork and an upbeat presentation of its features.

Carmakers know what they are doing. Europeans' love affair with cars has a long history. With approximately 250 million passenger cars on the roads¹ for 449 million people, the EU is a strong market and one where car ownership is still very much a habit, due to numerous factors (income levels, tax incentives, urban sprawl...)

Yet, the EU car market is evolving. Rising new car prices (way above inflation level²) are putting pressure on consumers. BEUC members highlighted record price spikes in recent years. In OCU's car price survey³, price increases have been noted across all car segments, particularly affecting entry-level, small cars. Overall, BEUC members reported an average 40% increase in new car prices over the last few years.

These higher tag prices for new cars push consumers to hold on to their cars or turn to the second-hand market. The average age of the EU car stock has thus increased⁴, reaching 12.5 years old⁵.

The used car market is now the go-to market for a majority of consumers.

For cost-conscious consumers, polished presentations of brand new models do not mean much. Instead, they expect clear information about the real-world fuel or electricity consumtpion of the (often second-hand) car they intend to buy, the repairs it underwent or the technical specifications presented in an understandable way.

1.1. The current car label is ill -adapted to the current car market and consumer habits

For this large group of consumers, current rules governing the publicity of information on vehicle fuel consumption and pollution appear totally ill-adapted.

Indeed, the Car Labelling Directive, adopted in 1999, only applies to new cars, and does not allow for easy comparison between models. The information provided is based on type-approved data, often in a an unclear or oversimplified manner.

¹ ACEA, Report - Vehicles on Euroepan Roads 2025 (29 January 2025).

² Jato, <u>Automotive Pricing Study</u> (May 2025).

³ OCU, <u>Los coches nuevos</u>, <u>cada vez más caros</u> (6 March 2023).

⁴ JRC, <u>A review of the used car market in the European Union</u> (21 March 2025).

⁵ ACEA, Ibid.

⁶ Belga, <u>Highest number of used cars registered since 2015</u> (3 January 2025) & Autovista24, <u>How have Europe's largest used-car markets performed in the first half of 2024?</u> (30 August 2024).



Moreover, as consumers rely more and more on online tools to survey the market and compare models, the lack of mandatory, harmonised label on online platforms make consumers' life much more difficult when it comes to choosing the most fuel/electricity efficient car. Similarly, the absence of complementary data on repairs, purchase incentives or restriction of access in certain areas prevents consumers from making a fully informed choice.

As new, smaller electric cars are entering the market, giving hope for in-use savings for consumers and (partially) responding to the trend towards higher tag prices, consumers need to get familiar with technical specifications of these models.

When browsing on carmakers and resellers' websites, consumers will find technical specifications of a car presented in different ways, making comparison a difficult exercise. Fuel consumption and CO_2 emissions are presented using various terms: combined cycle, mixed cycle, combined WLTP, low/average/high/very high fuel consumption, ... The associated values vary accordingly, while the CO_2 class appear well-determined, although not always presented in a scale format or via a colour code. Information provided is inconsistent depending on the car model, with no hierarchy between data points. The lack of information for second-hand vehicles is particularly striking.

What is more worrying is the difficulty for consumers to truly distinguish cars based on their environmental performance. For example, in France, cars falling in the green categories now represent well over 80% of the cars. And this no matter the size of the car or the powertrain. In some countries using a "relative" label, large cars can perform as petrol cars, (plug-in) hybrids and electric cars all stack up in the A, B and C classes.

This race to the top, which consumers have already seen in house appliances and the "A+++" labels, does not represent the real environmental impact of cars, when these represent close to 15% of the EU CO_2 emissions and still average way beyond 100gCO2/km for most models.

2. BEUC proposals for a consumerfriendly car label

The revision of the Car Label is a concrete opportunity to bring closer consumer expectations and sustainability goals. On page 5 of this position paer, **BEUC proposes** an example of what the revised Car Label when integrated in a comparative tool, presenting relevant information in a clear manner and facilitating comparison between models. We are detailing the components of our proposed label in the following sections.

⁷ Ademe, <u>Évolution de la répartition des ventes par classe CO2 figurant sur l'étiquette énergie / CO2</u> (consulted in July 2025).



2.1. A standardised Car Label across the EU, for all cars

Member States have implemented the Car Labelling Directive in different ways: colorcodes, CO₂ classes, label format, additional information vary greatly across the EU⁸. Harmonising the label format and the content would bring clear benefits to carmakers, dealers and consumers.

An EU-wide database allowing to compare cars (but also vans) based on their environmental performance would be useful to develop consumer-friendly comparative tools. Similarly, authorities would spare resources to ensure compliance with the Car Labelling Regulation thanks to this database. As a starting point, the EU could make use of the existing database on the eal-world CO2 emissions of cars and vans using data from on-board fuel consumption monitoring devices9.

The revised Car Label should also cover second-hand cars. With a large majority of consumers buying second-hand, clear information about the environmental performance of car, along with other important information (see section 2.5), is critical for the relevance and the impact of the Car Label.

Clear information across communication 2.2. channels and in the car

The physical or electronic display at the point of sale is still essential for consumers visiting dealerships, as physical information on products remain central elements of a purchase decision for them¹⁰. Yet, since 1999, purchase habits and advertisements have evolved greatly. The Car Label should be clearly displayed, in a harmonised way, on carmakers' websites, car configurators or comparison tools. It should also be mandatory on all promotional content, no matter the means of communication.

As a mandatory piece of information for new and used vehicles, the revised Car Label should become a passport accompanying the car throughout its lifetime. This is the spirit of the Environmental Vehicle Passport (EVP) adopted by the European Parliament and the Council under the new Euro 7 rules¹¹.

The revised Car Label should build on this provision to ensure that consumers can have access to up-to-date information about their car's real-world (environmental) performance or the maintenance operations it went through (see sections 2.3 & 2.5). The Car Label should be available in the vehicle with real-world data regularly updated and

European Commission, Commission Staff Working Document - Evaluation of Directive 1999/94/EC (4 June 2025).

⁹ European Commission, First Commission report on real-world CO2 emissions of cars and vans using data from on-board fuel consumption monitoring devices (18 March 2024).

¹⁰ European Commission, Eurobarometers on energy (consulted in July 2025).

¹¹ European Commission, <u>Regulation (EU) 2024/1257</u>: "Environmental data about vehicle types should be made available to vehicle users. An Environmental Vehicle Passport (EVP) should therefore be made available for each vehicle. Vehicle users should also have access to up-to-date information about fuel consumption, the state of health of traction batteries, pollutant emissions and other relevant information generated by on-board systems and monitors".



accessible, for example via a QR code. Most recent cars have human-machine interfaces (or put simply, digital displays) allowing for such in-car display.

Consumer groups insist on having basic information displayed on the label and not accessible only via a QR code, which should aim only at providing extra information or being used by service providers. Research shows that consumers are not likely to scan QR codes when taking purchasing decisions, even when they have the means to do so.

2.3. Real-world consumption data must be passed on to consumers

Extending the scope to all vehicles and all communication channels (including in-vehicle display) is a necessary first step for the revised Car Label to be an effective tool for consumers. But its content should evolve too. Since 2021, new cars with a conventional engine have an 'On-Board Fuel Consumption Meter' (OBFCM). The Euro 7 Regulation requires that electric vehicles shall be equipped with this device in the future.

First analysis of OBFCM data shows that the average gap between official, type-approved values and real-world CO_2 emissions and fuel consumption was around $20\%^{12}$. The figures are even more striking for plug-in hybrid vehicles, with a gap ranging from (from 249% to 314%. Variations between models and brands appear significant.

For consumers, this difference represents a substantial amount of money spent on fuel over the ownership period. Having access to the real-world values of the car they intend to buy or similar models already on the road is therefore highly valuable before making a purchase decision.

For this to work, real-world data should be made available via an EU-wide database, building on the data already collected by the European Environment Agency. By scanning a QR code or via services having access to this database, consumers would be able to compare cars and model between them. This is what BEUC shows in its example of a comparative sheet.

Other elements should be considered when passing on information to consumers:

- Relative labels should not be allowed as part of a revised Car Labelling Regulation. They are slowly disappearing from Member States' Car Labels¹³, as they lead to confusing situations where a small car can receive a lower grading than a heavy and powerful car only because the small car will be less efficient compared to other vehicles in the same mass range.
- Building on the positive evolution of the energy label for products, it is important
 that the A to G scale is defined at the EU level and leaves room in the top
 categories for future technological improvement. With the availability of realworld data and the gap with the official values, BEUC proposes to make use of this

¹² European Commission, <u>Publication of real-world CO2 emissions and fuel consumption of cars and vans collected in 2022</u> (26 July 2024)

¹³ DLA Piper, New rules for car labelling – German Car Energy Consumption Labelling Ordinance amendment comes into force (17 April 2024).



real-world data to assess the CO_2 class of a vehicle when possible (for second-hand cars or models already on the market for a while). This could be based on the individual car's performance or by aggregating the score of similar models already on the road.

The dataset₁₄ from the EU Environment Agency, gathering real-world emission values from cars on EU road, displays valuable information to define the value of the revised A-G scale:

- The average real-world emissions from all reported cars with a combustion engine (including plug-in hybrids) on the road vary from 135g CO₂/km to 175g CO₂/km. This is way above the current and upcoming fleet targets set up by the CO₂ standards Regulation (under WLTP): 93.6g/km until 2029, 49.5g/km from 2030 to 2034 and 0g/km from 2035.
- The average WLTP values of cars on the road vary from 34g CO₂/km for plug-in hybrids to 148g CO₂/km for diesel vehicles.

By reserving the top three categories to cars with no tailpipe emissions (see section 2.4), the lower average WLTP values currently registered for plug-in hybrids (34g CO2/km) would be a good start for the fourth class ("D") of the scale. When considering real-world values, the "D" class would be largely empty and act as a buffer zone to allow for efficiency gains in the coming years.

The average real-world emissions show that emissions from cars on the road revolve around $150g\,CO_2/km$. Putting the CO2 emissions value at >150g\,CO2/km for the last class ("G") would therefore promote more efficient vehicles and set up an ambitious limit to drive innovation to close the gap between official and real-world values¹⁵.

The WLTP tests will still be used to determine the official emissions values of a car. The revised A-G scale should therefore consider these average values and put them in



CO₂ emissions class

perspective with the evolving fleet targets under the CO2 standards Regulation.

2.4. A future-proof label promoting more sustainable cars

Ultimately, the new Car Label should support consumers in making more sustainable choice when buying a car and push carmakers to put more sustainable cars on the market. As such, it is now well established that electric vehicles represent the best

¹⁴ Climate and Energy in the EU, <u>Real-world CO2 emissions from new cars and vans</u> (consulted in July 2025).

¹⁵ This would also be a realistic limit when looking at the car market. Indeed, according to the dataset from the EU Environment Agency, 18 carmakers show an average WLTP fleet value above 150g CO2/km for their petrol cars. Almost all these 18 carmakers have high-end, sports or luxury brands with very high emissions. On top of being unaffordable to most consumers, they should largely fall into the last CO2 class for environmental reasons. Mercedes, Audi, Volvo, Chrysler, Porsche, Alfa Romeo, Jaguar Land Rover, BMW, Ford, Maserati, Alpine, Ferrari, Bentley, KG Group, Subaru, Rolls Royce, Lamborghini, Bugatti.



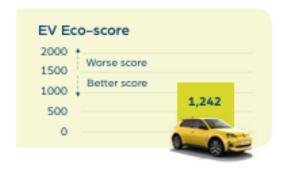
solution to slash emissions from cars and can bring clear financial benefits to consumers¹⁶.

The Car Label should therefore incentivise the purchase of electric vehicles. As they already perform better than conventional engines¹⁷, BEUC calls for the A to C categories to be dedicated to vehicles without tailpipe emissions (to account for potential hydrogen-powered vehicles in the coming years). To differentiate these vehicles based on sustainability criteria, BEUC, together with Transport&Environment and the Institut Mobilités en Transition, supports the definition of an 'eco-score' 18. This methodology simplifies the inoperative lifecycle analysis of a car's global impact. Instead, it uses existing methodologies, combining both the energy efficiency (in kWh/km) and carbon footprint at the vehicle's production stage from the battery, steel and aluminium (in kgCO₂e).

When integrated in the Car Label, the eco-score would allow for clear information about an electric car's global environmental performance, further incentivising the purchase of smaller, EU-made electric cars. Concretely, cars with no tailpipe emissions would be differentiated between A, B and C classes based on this eco-score.

CO₂ emissions class





Moreover, the new Car Label should help consumers get more familiar with the technical specifications of electric cars. Range, battery state-of-health and charging capacity are well-known 'fear factors' for consumers hesitating to switch to electric vehicles.

Data related to the real electric range (once available), charging speed, or certified battery state-of-health, should be made available on the Car Label in a clear and understandable way.

2.5. A tool for complete consumer information

Additional information can be passed on to consumers via the Car Label:

 Country-specific information can be displayed on the label via a dedicated 'box', informing consumers about applicable taxes, purchase incentives or driving

¹⁶ BEUC, Electric car ownership – an affordable option for all consumers (2021).

 $^{^{\}rm 17}$ BEUC, Electric cars: cheaper, more sustainable and long-lasting (2021).

¹⁸ T&E, <u>A streamlined EV 'eco-score' would encourage green, made-in-Europe electric cars</u> (24 April 2024).



restrictions in place in their country¹⁹. Ideally, these national labels and low-emission zone criteria should be as homogeneous as possible across all European countries, to avoid confusion when traveling.

• A QR code could link to complementary information, such as the mileage of the vehicle, the repairs it underwent during its lifetime, periodic technical inspections results and roadworthiness data or the safety ratings of the car based on Euro NCAP testing²⁰.

For this second point, the quality and trustworthiness of the data is essential, especially for second-hand buyers looking for vehicles in good conditions that they can hold on to for some years without 'surprises' or hidden defect leading to costly repairs.

A good example of ensuring the trustworthiness of this data is the Belgian 'Car Pass'²¹. It is a legally required document accompanying used vehicles primarily intended at combatting odometer fraud upon resale by setting up a certified reading of the odometer. It now extends to work carried by garages under the same scheme, allowing consumers to check whether the vehicle has been maintained regularly and promptly and whether important (and/or expensive) parts have been replaced.

The 'Car Pass' is very much in line with the Environmental Vehicle Passport provision under the Euro 7 Regulation which we discussed in section 2.2. In Belgium, it proved to be an effective, low-cost tool for consumers and industry alike. Replicated at EU level, information about mileage, repair and maintenance, but also on certified state-of-health of batteries would complement environmental data and increase trust in the second-hand market, where exports of vehicles from one country to another are important.

¹⁹ Note that BEUC questions the relevance of including the driving costs (or total cost of ownership) in the Car Label, especially for electric vehicles. Factors influencing the driving costs of electric cars depend on such things as access to home charging, the consumer's energy contract, their access and use of public charging stations, driving patterns (highways compared to city driving), etc.

²⁰ EuroNCAP website.

²¹ Car Pass website.