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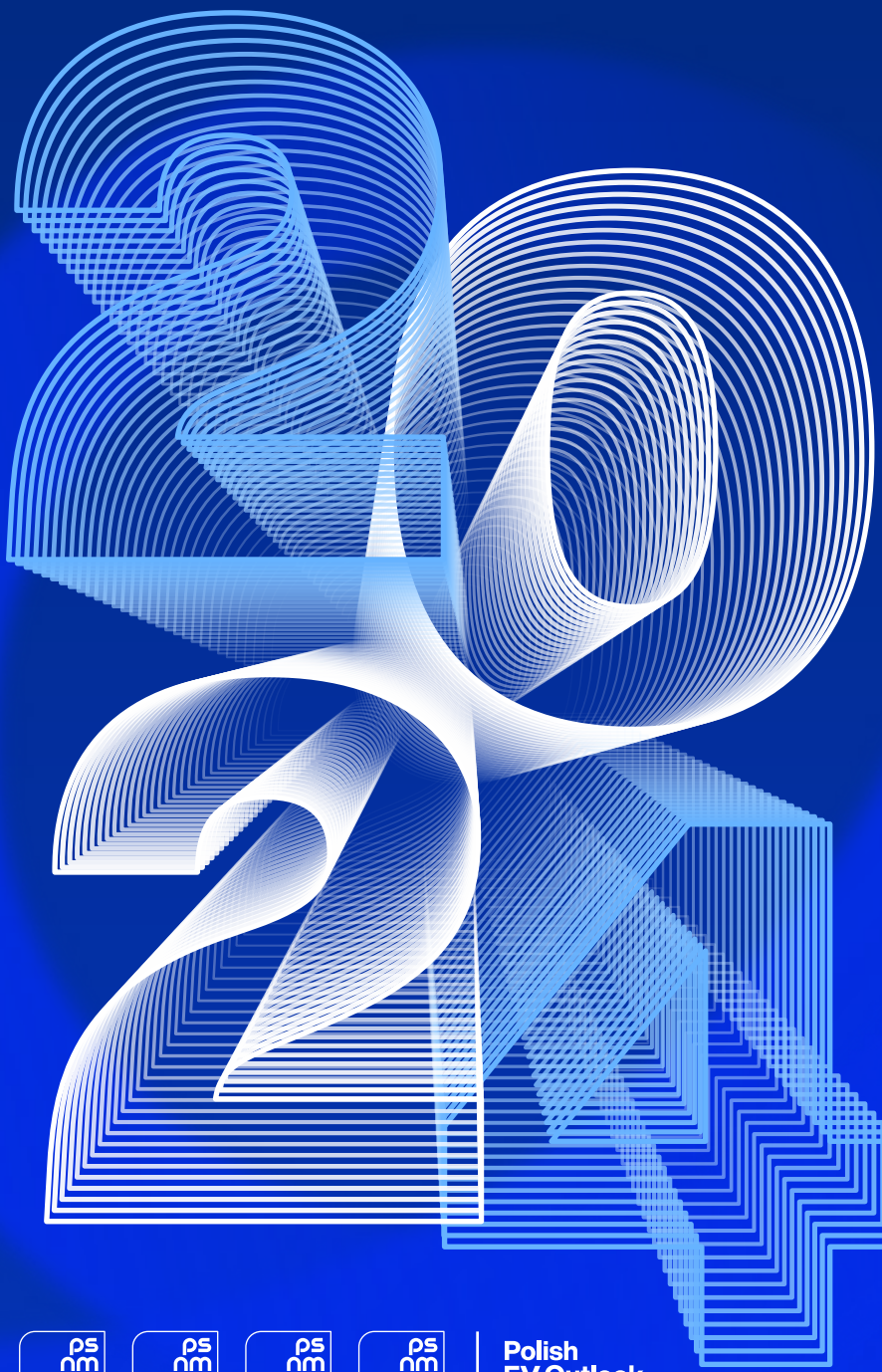
PSNM SUMMARY

Year 2024 in Polish New Mobility



Warsaw 2024

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Polish EV Outlook 2024

PSNM Summary

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The New Mobility Association (PSNM) is the largest economic organization creating the sustainable transport market in Poland and the CEE region.

We integrate leading brands from the entire new mobility value chain. We create a broad environment of vehicle and infrastructure manufacturers, operators and charging services providers, fuel and energy companies and all other entities and institutions active in the field of sustainable transport.

PSNM associates almost 300 companies, making it the 2nd largest industry organization in Europe in terms of the number of legal entities. Together we work to shape the right economic and legal environment that will enable the dynamic development of zero-emission technologies in transport.

We are the largest team of experts and practitioners of new mobility in Poland. With a group of consultants and trainers with specialist sector experience and knowledge gained in the industry, we carry out training, consulting and expert projects. We cooperate with industry, administration and society.

We provide knowledge and information that are key to the development of the sustainable transport market in Poland.

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Dear Readers,

As 2024 draws to a close, it is time to reflect on and evaluate the most significant developments in the Polish new mobility sector. Over the past 12 months, much has transpired in the realm of zero-emission transport. The year was marked by numerous regulatory changes, as well as new projects and initiatives implemented by both the industry and public administration, particularly at the EU level. Notable examples include AFIR, Euro 7, and the amendment to the EPBD, to name a few. Most importantly, however, 2024 was a challenging year. For the first time in the relatively brief history of Polish e-mobility, the number of registered BEVs (battery electric vehicles) decreased year over year. Although the decline was small, it was an unwelcome development at such an early stage in our market's growth. This setback highlights the need for a more supportive regulatory and financial environment for the industry. 2024 was largely a year of promises and announcements. Key topics included an extensive amendment to the Electromobility Act, implementation of RED II/III, and initiatives such as subsidies for electric bicycles, zero-emission heavy-duty vehicles, charging stations, electric grid connections, and second-hand EVs. While some of these commitments have been fulfilled, others remain in progress, and some still exist only on paper—at least for now.

In 2025, we will find ourselves in an entirely new regulatory environment. New emission reduction obligations will compel automotive corporations to reverse their recent strategies and refocus on selling large volumes of electric vehicles.Given that Poland ranks near the bottom of the EU's e-mobility standings, with an electric vehicle share of approximately 3%, there is a significant risk that lack of strategy, sector stability and consistent new mobility market support could have serious consequences. Poland risks becoming one of the primary markets for combustion engine vehicles—vehicles that no one else in Europe wants to buy. Automotive corporations will meet their emissions targets in countries at vastly different stages of market development: either in Western European countries, which benefited from strong past support, or in Central and Eastern European countries now implementing robust market incentives. Meanwhile, without immediate and substantial intervention, Poland's electromobility sector could soon stagnate. In the short term, this risk represents one of the most significant challenges facing stakeholders in Poland's new mobility sector.

What positive changes have occurred in the last 12 months in Polish e-mobility? It is impossible not to notice the successes, although in many cases these are small victories.

First of all, despite long-standing barriers, infrastructure operators have made significant progress, achieving a record-high number of newly commissioned charging stations.

Additionally, almost all the details for support programs from the National Fund for Environmental Protection and Water Management (NFOŚiGW) have been finalized. These programs, focusing on eHDVs, dedicated infrastructure, and connections, are expected to launch early next year, with some programs likely to receive twice the originally planned budget. At the EU level, the Alternative Fuels Infrastructure Regulation (AFIR) is being enforced, and despite concerns about the upcoming European Parliament elections, emission reduction targets for cars and vans have been upheld. Moreover, the regulations for heavy-duty vehicles have become even stricter. On the local government level, Poland has introduced its first low emission zone (LEZ), and unlike previous short-lived LEZ initiatives, this one is expected to remain in place for the long term.

Naturally, these are just a few selected examples. This document provides a more comprehensive list of the events in Polish electromobility (including EU legislation) in 2024 that we consider most significant. We have chosen to summarize them, highlighting both the successes and the challenges in the market. We sincerely hope that the list of successes will grow significantly in 2025.

With that in mind, I extend my best wishes to both you and myself, and I invite you to read on and enjoy the rest of the document.

Maciej Mazur

Managing Director, PSNM
President, AVERE

1 Polish e-mobility market

1 Polish e-mobility market

In 2024, the Polish electromobility market experienced stagnation, particularly in the area of electric vehicles. For the first time, the number of newly registered BEVs declined year over year, and the market share of electric vehicles remained low, placing Poland near the bottom of the ranking among EU member states. While there was a notable increase in the number of new charging stations, particularly DC fast-charging stations, the overall level of compliance with the AFIR standards fell significantly short of expectations.

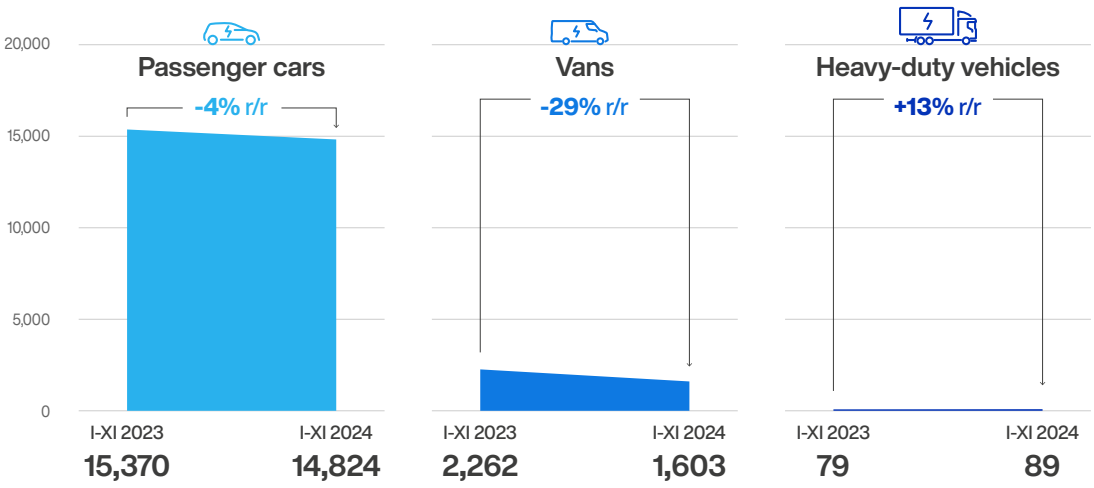
Electric vehicle market in the red for the first time

According to data from November 2024, the number of newly registered battery-electric cars in Poland totaled 14,800, representing a year-over-year (YoY) decrease of 3.5%.

In terms of the share of BEVs in the car market, Poland's figure stood at 3.1% for the period from January to October 2024 (according to ACEA data), placing the country near the bottom of the EU ranking. Only Slovakia and Croatia rank lower, while the EU average is nearly four times higher.

In 2024, the Polish market saw a particularly sharp decline in demand for zero-emission vans. During the first 11 months of the year, only 1,600 battery-electric vehicles in the N1 category were registered, representing a 29% YoY decrease. This significant drop is primarily attributed to the abrupt suspension of the leasing path in the "My EV" program. The program's final termination, scheduled for the end of January 2025, is expected to have particularly adverse effects on the electric van market, as "My EV 2.0" does not include subsidies for N1 vehicles. There was a negligible increase in the number of registered electric heavy-duty vehicles (eHDVs) in 2024, though volumes remain very low. By the end of November 2024, only 89 new eHDVs had been put on Polish roads. However, the introduction of the NFOŚiGW program, "Support for the Purchase or Lease of Zero-Emission Vehicles of Categories N2 and N3," is expected to drive an increase in registrations in this segment in 2025.

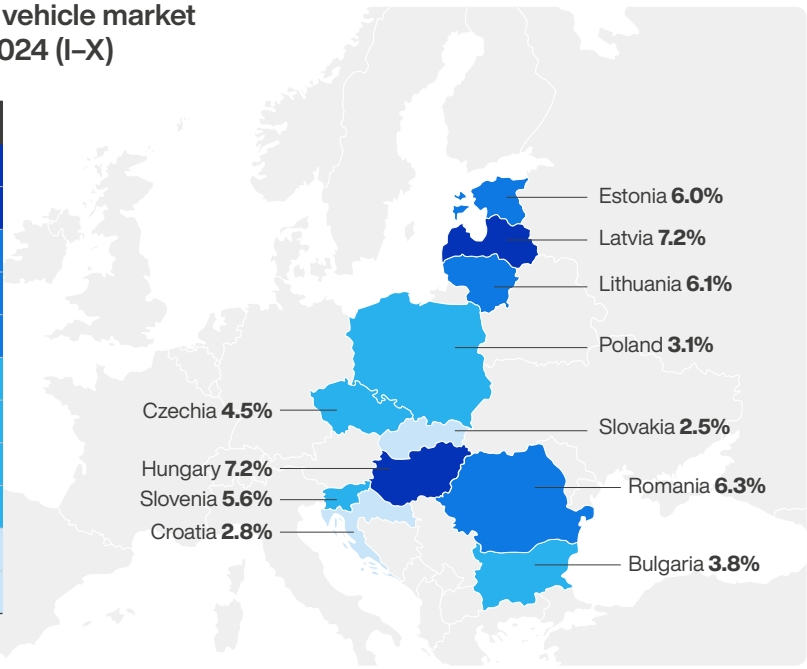
Number of new BEVs registrations in Poland



Data source: „PEVO Index", PSNM / IBRM Samar / OTOMOTO

BEV share in the new vehicle market in the CEE region in 2024 (I–X)

EU average	13.2%
Latvia	7.2%
Hungary	7.2%
Romania	6.3%
Lithuania	6.1%
Estonia	6.0%
Slovenia	5.6%
Czechia	4.5%
Bulgaria	3.8%
Poland	3.1%
Croatia	2.8%
Slovakia	2.5%



Data source: ACEA

A record-high increase in new charging points

Despite significant systemic barriers hindering the growth of public infrastructure, 2024 is set to be a record year for the number of new charging points, particularly in the critical DC segment.

> During the first 11 months of 2024, nearly 1,000 fast DC charging points were commissioned—more than double the number installed during the same period in 2023.

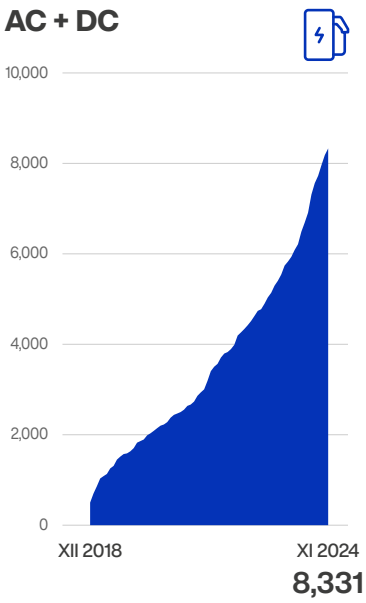
In the first half of 2024 alone, the total capacity of installed charging points grew by almost one-third, reaching approximately 300 MW.

> This record-breaking progress in 2024 is primarily attributed to the efforts of the private sector, which has continued to expand the scale of its projects despite the absence of robust systemic support and limited demand for charging services due to the low share of EVs in the vehicle fleet. It is important to note that many of the charging points commissioned in 2024 were the result of projects initiated months or even years earlier, often supported by subsidies from now-defunct programs.

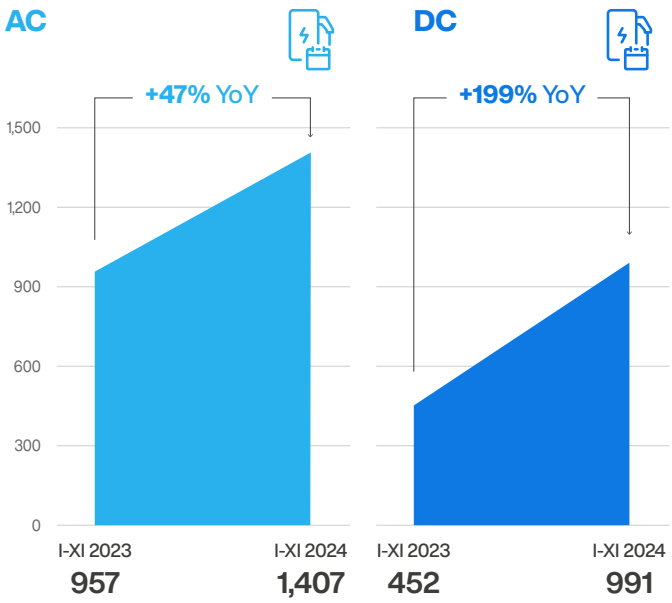
However, despite this progress, Poland's public charging infrastructure remains insufficient to support a large-scale expansion of electromobility. The country currently has approximately 8,300 charging points—far fewer than countries such as Belgium (approximately 80,000 points) or Austria (approximately 30,000 points), both of which have significantly smaller vehicle fleets than Poland.

Public charging points in Poland

Number of public charging points in Poland



Number of new public charging points in Poland



Data source: „PEVO Index", PSNM / IBRM Samar / OTOMOTO

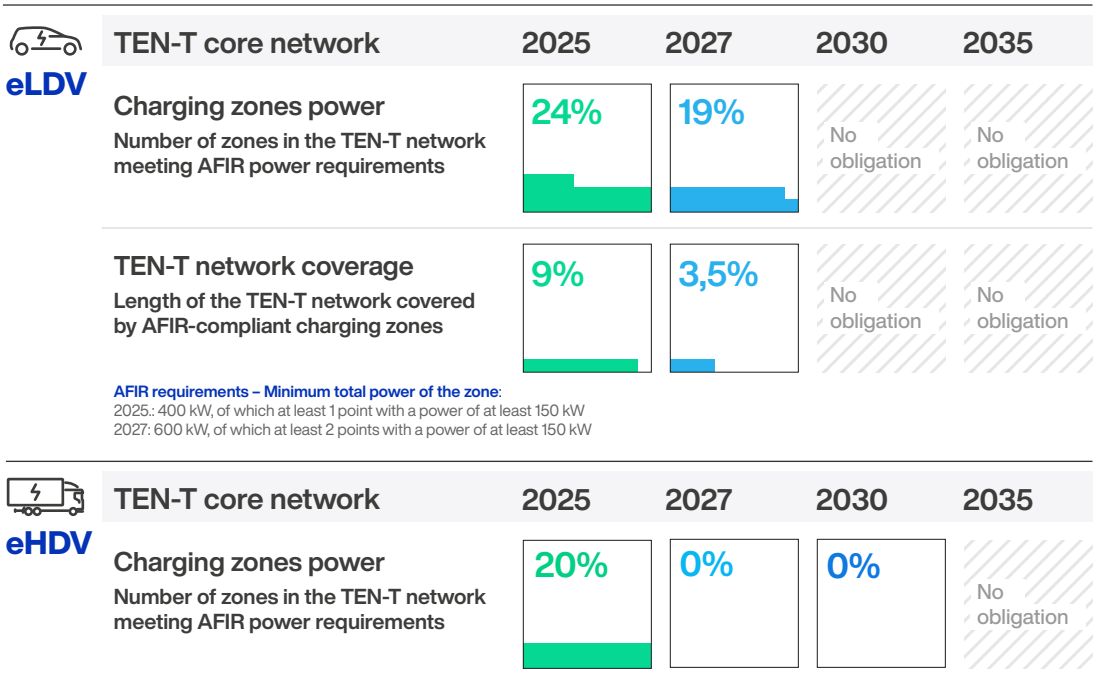
Low compliance with the AFIR and a low density of charging stations along the TEN-T network

The insufficient expansion of charging infrastructure in Poland is evident from the low level of compliance with the AFIR regulations, which come into force on April 13, 2024. AFIR sets ambitious and binding targets for all member states. While Poland currently meets its obligations to align the total infrastructure capacity with the number of registered electric vehicles—primarily due to the relatively small size of its EV fleet—the compliance rate for expanding charging zones along the TEN-T network remains critically low.

According to the “AFIR Index” published by the New Mobility Association, which evaluates the core network and zones for light vehicles, Poland's compliance with the 2025 and 2027 AFIR obligations stands at approximately 9% and 3.5%, respectively. For the comprehensive network and zones for heavy-duty vehicles (eHDVs), the situation is even more dire, with a compliance rate of 0%. Similarly, the level of expansion for eHDV charging zones in urban areas is severely lacking—none of the 30 urban centers in Poland currently have the required infrastructure for electric heavy-duty vehicles.

In 2024, the General Directorate for National Roads and Motorways (GDDKiA) announced the results of a tender for leasing real estate to construct public charging stations along motorways A1, A2, and A4, as well as expressways S3, S7, S8, and S19. Due to, among others, very unfavourable terms of the procedure, the tender ultimately did not bring a decision in any of the locations it concerned. Only 3 entities submitted bids. Enhancing the terms of GDDKiA's tender procedures is one of the key recommendations outlined in the “New Mobility White Paper.” This improvement is essential for Poland to fulfill its obligations under AFIR.

Compliance with selected AFIR obligations (TEN-T core network)



Źródło danych: „Licznik AFIR”, PSNM

2 Support programs

2 Support programs

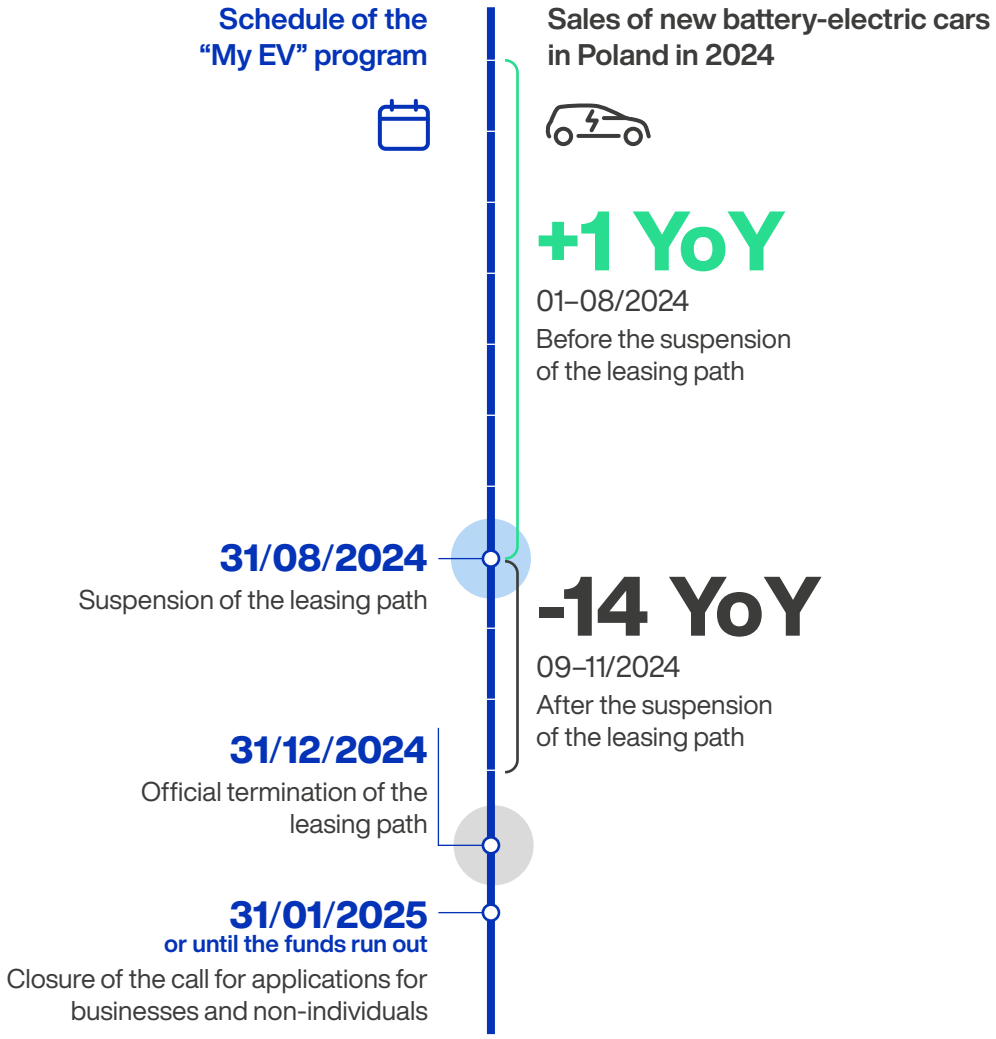
Many announcements, little tangible support few specifics —this phrase aptly summarizes the actions in 2024 regarding e-mobility support programs. The abrupt termination of the leasing option under the "My EV" program led to a decline in the number of registered electric vehicles. Given the numerous shortcomings of the new "My EV 2.0" program, it seems unlikely that the Polish e-mobility market will return to robust growth in the coming months. However, the sector could benefit from subsidy programs for electric heavy-duty vehicles (eHDVs), charging infrastructure, and electric service connections, which are currently in development and expected to launch in 2025.

"Suspension" of the leasing path of the "My EV" program will affect Polish e-mobility

At the start of 2024, the National Fund for Environmental Protection and Water Management suspended the call for applications under the leasing option of the "My EV" program. This option was a cornerstone of the subsidy system and by far the most popular among beneficiaries. By the time of its suspension, approximately two-thirds of all subsidy applications under the "My EV" program had been submitted through this path.

Although the government initially announced plans to secure additional funding and reopen the call for applications in spring 2025, it was later revealed that the leasing option would not be reinstated, and the “My EV” program itself would soon be discontinued. The suspension of the leasing path has significantly reduced demand for new battery-electric cars and vans. In November, the number of registrations in the battery-electric car segment saw a sharp 37% year-over-year decline.

This challenging situation has been exacerbated by the timing of the suspension, which occurred during the final months of the year—a period when sales volumes are typically at their highest.



Data source: „PEVO Index”, PSNM / IBRM Samar / OTOMOTO

Flawed “My EV 2.0” program

The “My EV 2.0” program, introduced as the successor to the “My EV” program toward the end of 2024, is funded under the National Recovery Plan (KPO). However, it is unlikely to have the anticipated impact on the market. The program suffers from several significant flaws, including the exclusion of the most critical group of potential beneficiaries, eligibility criteria for additional bonuses that are disconnected from market realities, the failure to cover delivery vehicles with subsidies, and the minimal scope of public consultations. As a result, a large portion of the program's PLN 1.6 billion budget risks being misallocated.

> While “My EV 2.0” could serve as a valuable complement to the original “My EV” program if it were continued, it will not bring any real support for market development as a standalone support instrument.

Terms and conditions of the „My EV 2.0” program

Budget	**PLN 1.6 billion**
Beneficiaries	› Individuals › Individuals running a sole proprietorship
Subject and amount of support	**Purchase of a zero-emission vehicle of category M1 (individuals)** › **PLN 18,750 PLN** (PLN 30,000*) › **PLN 10,000 bonus** (PLN 5,000*) when scrapping a vehicle (not earlier than 1/02/2020) that the bonus recipient has owned for at least 3 years › **PLN 11,250 bonus** (PLN 5,000*), if income does not exceed PLN 135,000 per year › **PLN 40,000** (total) **Leasing/long-term rental of a zero-emission vehicle of the M1 category (individuals)** › **PLN 30,000** › **PLN 5,000 bonus** when scrapping a vehicle (not earlier than 1/02/2020) that the bonus recipient has owned for at least 3 years › **PLN 5,000 bonus**, if income does not exceed PLN 135,000 per year › **PLN 40,000** (total) **Vehicle purchase, leasing, long-term rental (individuals – sole proprietorship)** › **PLN 30,000** (co-financing of the initial fee in the case of leasing or rental) › **PLN 10,000 bonus** when scrapping a vehicle (not earlier than 1/02/2020) that the bonus recipient has owned for at least 3 years › **PLN 40,000** (total)
Max vehicle price	**PLN 225,000** (net)
Costs eligibility	**Q3 2024 – Q1 2026**

* for the Large Family Card holders

The most important flaws of the “My EV 2.0” support program

Excluding the key group of beneficiaries (commercial companies) from the scope of support

Significant risk of wasting considerable funds that could materially contribute to the growth of sustainable transport

Potential replacement of an effective support instrument with an unproven, potentially ineffective program

Conditions requiring the scrapping of old vehicles to receive bonuses that are disjointed from the reality of the market and economic conditions

Incomprehensible lack of support for zero-emission vans

NFOŚiGW programs in the area of eHDVs, charging infrastructure and electric service connections are almost ready

The NFOŚiGW has nearly finalized the introduction of three key subsidy programs for the heavy transport sector with a total budget of PLN 6 billion. These subsidies will cover zero-emission heavy-duty vehicles, related high-power charging infrastructure, and electric service connections. The call for applications for these programs is expected to begin in the first quarter of 2025. Although, contrary to the original announcements, these programs were initially slated to start in 2024, the fact that their implementation is now almost complete should be regarded as one of the most positive developments in the Polish electromobility sector over the past 12 months.

Scope of NFOŚiGW support programs

“Support for the purchase or lease of zero-emission vehicles of categories N2 and N3”

Zero-emission heavy-duty vehicles

“Support for the construction and/or expansion of public charging stations for heavy-duty transport”

Charging stations for electric heavy-duty vehicles

“Construction/ extension of electricity grids for public high power charging (HPC) stations”

Electric service connections for charging stations

Total budget **PLN 6 billion**

“My Electric Bike” has still not been launched

The announcement of plans to introduce the “My Electric Bike” program in July 2024 was met with enthusiasm from potential beneficiaries, the sustainable mobility sector, and local government authorities. This new support instrument promised to significantly reduce CO_2 emissions, promote a healthy lifestyle, and advance sustainable urban mobility. As an alternative to conventional vehicles, electric bicycles help reduce air pollution and traffic congestion while encouraging physical activity. However, the European Investment Bank's (EIB) refusal to subsidize the program, coupled with a lack of detailed information from the central administration, has had increasingly negative consequences for the development of bicycle transport in Poland. Instead of fostering growth, the electric bicycle market has come to a standstill. Many consumers, anticipating the program’s implementation, have postponed their purchases. PSNM, in consultation with representatives from the sector and local self-government bodies, issued an open letter to the government administration in November 2024, urging them to resume work on the “My Electric Bike” program.

Gaps remaining in the Polish support scheme for zero-emission transport

Despite the very early stage of development of new mobility in Poland, many key areas of the market remain unsubsidized. Examples include subsidies for non-public charging infrastructure and used electric vehicles. In both cases, the administration had declared its intention to provide support, but these promises have not been fulfilled (specifically, the subsidies for private charging points under the “My Electricity” program and for used electric vehicles under the “My EV 2.0” program). This has had negative consequences for the market, causing potential buyers to delay their purchases while waiting for the subsidy calls. Moreover, with the conclusion of the “Support for EV charging infrastructure and hydrogen refueling infrastructure” program, the subsidy system in Poland no longer includes support for a crucial and underdeveloped area: public charging infrastructure for electric cars and vans.

3 European Union law

3 European Union law

European Union legal regulations remain the primary driver of the transformation in the transport sector across member states, including Poland. In 2024, several regulations were adopted or came into force that strengthened the European Union's decarbonization efforts. However, not all decisions made in the area of EU legislation in 2024 are positive.

The AFIR is in force: new, ambitious targets for the expansion of charging infrastructure

The AFIR, or Regulation (EU) 2023/1804 on the deployment of alternative fuels infrastructure, has been in force since April 13, 2024. It requires all Member States, including Poland, to meet specific obligations related to the development of public charging infrastructure. Despite the significant challenges associated with meeting the AFIR targets, the regulation serves as a key motivator for the government administration to establish favorable conditions (including financial support programs) and accelerate the construction of charging points, particularly high-power charging stations.

Selected obligations under the AFIR

1.

The charging power of public charging infrastructure proportional to the number of registered electric cars and vans

1.3 kW power / each light BEV

0.8 kW power / each light PHEV

2.

Charging zones for electric cars and vans along the TEN-T network

TEN-T core network

By the end of 2025

Power output of each charging zone: **≥ 400 kW**, with at least 1 charging point of **≥ 150 kW**

Public charging zones **in each direction of travel**

Charging zones **at least every 60 km**

By the end of 2027

Power output of each charging zone: **≥ 600 kW**, with at least 2 charging points of **≥ 150 kW**

3.

Charging zones for electric heavy-duty vehicles along the TEN-T network

TEN-T core network

By the end of 2025

At least **15%** of the length of the TEN-T network will require the operation of charging zones at intervals of no more than 120 km, each with a capacity of **≥ 1,400 kW**, including at least 1 charging point of **≥ 350 kW**

Charging zones **in each direction of travel**

By the end of 2027

At least **50%** of the TEN-T network will be subject to the obligation of operating charging at a maximum of every 120 km zones of **≥ 2,800 kW** each, including at least 2 charging points of **≥ 350 kW**

By the end of 2030

At most **every 60 km** the obligation to operate charging zones of **≥ 3,600 kW** each, including at least 2 charging points of **≥ 350 kW**

Maintaining the CO_2 emission standards for new cars and vans

Under Regulation (EU) 2019/631 of the European Parliament and Council, which sets CO_2 emission standards for new passenger cars and light commercial vehicles, it will essentially be impossible to register combustion engine cars and vans in the European Union from 2035 onwards. The regulation also includes transitional targets.

There were concerns that pressures from the automotive sector and the outcome of the European Parliament elections—where many seats were won by factions opposing the European Green Deal—might lead to a relaxation or postponement of these emission standards. Such changes would have significantly hindered the electrification of the EU's transport sector. However, no action was taken in 2024 to amend the existing regulations. The obligations to reduce emissions remain in force, continuing to drive the development of electromobility across member states.

Binding CO_2 emissions reduction target for new cars and vans

Vehicles	2020-2024*	2025-2029**	2030-2034**	2035–**
Passenger cars	95 g CO_2/km	93.6 g CO_2/km	49.5 g CO_2/km	0 g CO_2/km
Vans	147 g CO_2/km	153.9 g CO_2/km	90.6 g CO_2/km	0 g CO_2/km

* according to the NEDC standard
** according to the WLTP stand

More ambitious obligations concerning the reduction of emissions from heavy-duty vehicles

On June 26, 2024, the amended Regulation (EU) 2019/1242 of the European Parliament and Council, which sets CO_2 emission performance standards for new heavy-duty vehicles, came into force. The amendment introduced significantly more ambitious CO_2 reduction targets: 45% by 2030, 65% by 2035, and 90% by 2040. These new regulations are expected to be a key driver for manufacturers to increase the sales of electric heavy-duty vehicles (eHDVs) across EU member states and to expand their range of eHDV models.

Binding CO_2 emissions reduction target for new heavy-duty vehicles

Previously

Vehicles	From 2025	From 2030	From 2035	From 2040
Heavy-duty	15%	30%	–	–

Presently

Samochody	From 2025	From 2030	From 2035	From 2040
Heavy-duty	–	45%	65%	90%

More ambitious obligations regarding the expansion of the building-integrated EV charging infrastructure

On May 28, 2024, Directive 2010/31/EU of the European Parliament and the Council dated May 19, 2010, on the energy performance of buildings (EPBD) has entered into force. Regarding charging infrastructure, the new provisions impose significantly more ambitious obligations than those currently in effect. The entry into force of the amended EPBD, along with its expected implementation into the Polish legal system (anticipated by the end of May 2026), will require certain non-residential and residential buildings to be equipped with EV charging points or appropriate cabling to facilitate the installation of chargers.

Selected assumptions of the amended European Parliament and Council Directive (EU) 2024/1275 on the energy performance of buildings:

Targets for new or refurbished buildings

Non-residential buildings with more than 5 parking spaces:

- At least 1 in 5 parking spaces with a charging point (for office buildings at least 1 in 2 parking spaces)
- 50% of parking spaces with preparatory cabling
- Ducting for electrical cables in the remaining parking spaces

Residential buildings with more than 3 parking spaces (new):

- At least 1 charging point
- 50% of parking spaces with preparatory cabling
- Ducting for electrical cables in the remaining parking spaces

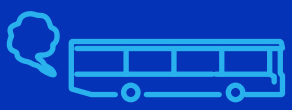
Residential buildings with more than 3 parking spaces (renovated):

- 50% of parking spaces with preparatory cabling
- Ducting for electrical cables in the remaining parking spaces

Euro 7 in force but much less restrictive than announced

The initial assumptions for the new Euro 7 emissions standard were highly ambitious. The standard was intended to ensure significantly greater emission reductions compared to Euro 6/VI for cars, vans, heavy-duty vehicles, and buses under real driving conditions and over a much longer period. However, the final version of the regulation, published in the Official Journal of the EU in the first half of 2024, introduced far less stringent obligations. Specifically, for cars and vans, Euro 7 retained the existing emissions limits set by Euro 6, with only more rigorous requirements for solid particles. Despite this, Euro 7 is expected to contribute to the accelerated electrification of vehicle fleets within the European Union.

Selected assumptions of Euro 7



Extension of the catalogue of verified substances emitted by buses and heavy-duty vehicles (e.g., adding nitrous oxide – N_2O)

More stringent limits on the emissions of particles generated during braking (also for electric vehicles)

More stringent requirements for the minimum period of compliance with the exhaust emissions standards (10 years or up to 200,000 km)

Requirements for the service life of batteries (at least 72% of the capacity for eight years or up to 160,000 km)

Rejected draft of the implementing acts for the Battery Regulation that were very unfavorable for the Polish economy

Not all changes to EU law introduced or planned in 2024 can be considered positive. A potential negative example was one of the implementing acts drafted by the European Commission for Regulation (EU) 2023/1542 of the European Parliament on batteries and waste batteries. It proposed a methodology for calculating the carbon footprint of a battery that factored in CO_2 emissions from the energy mix of individual countries. This approach would have favored manufacturers in member states that predominantly use renewable or nuclear energy, potentially hindering the development of new projects in Poland and other Central and Eastern European (CEE) countries, where energy mixes are still largely reliant on fossil fuels. Ultimately, the draft regulation, which was unfavorable to the CEE region, was rejected. The PSNM advocated for changes to the proposed regulations, arguing that they were highly disadvantageous to the economies of the CEE region. These efforts were successful, and the draft was ultimately rejected.

4 Polish law

4 Polish law

In 2024, the anticipated changes to Polish law regulating the electromobility sector have not been introduced. Numerous regulatory barriers continue to impede the sector's growth. The industry remains hopeful for the implementation of over 100 proposed systemic changes outlined in the "White Paper on New Mobility" (including the adoption of REDs) or a comprehensive amendment to the Electromobility and Alternative Fuels Act to align it with AFIR.

Controversial draft amendment to the Electromobility and Alternative Fuels Act

In December 2024, the President approved a draft amendment to the Electromobility and Alternative Fuels Act. Alongside provisions supporting the decarbonization of transport—such as the obligation to establish clean transport zones in towns with populations exceeding 100,000 where nitrogen dioxide limits have been surpassed, and the requirement for the largest municipalities to purchase only zero-emission buses starting January 1, 2026—the draft partially relaxes existing obligations for local governments regarding fleet electrification. The proposed changes risk creating inconsistency for entities that have already fully or partially met the targets set by regulations in force for over six years.

With technological advancements and an expanding market offering, many services, including municipal operations, can now be effectively carried out using electric vehicles. Relaxing these obligations is particularly perplexing in light of upcoming subsidies for zero-emission heavy-duty vehicles in categories N2 and N3. Moreover, despite these recent adjustments, the Electromobility Act still requires a comprehensive overhaul to align it with AFIR.

Failure to consider most postulates of the “White Paper on New Mobility”

The “White Paper on New Mobility”, prepared by PSNM in collaboration with 250 partners, outlines more than 120 proposed regulatory and systemic changes aimed at eliminating key barriers to the electrification of transport in Poland. Implementing these proposals is essential for accelerating the development of new mobility in the country. The industry's recommendations cover a wide range of areas, including public charging infrastructure, building-integrated infrastructure, technical inspections of charging stations, taxes and tariffs, clean transport zones, heavy-duty electric vehicles (eHDVs), the implementation of RED II/III, a New Mobility Strategy, fire safety, battery regulations, the economic impact of electromobility, the "My EV" program, and automated and autonomous vehicles.

> The “White Paper on New Mobility” was presented to the central administration as early as January 2024. Most of the industry’s proposals have yet to be reflected in legislative drafts. Each month of delay in implementing these changes diminishes Poland’s ability to meet EU climate targets and transition its economy toward zero emissions.

Areas of the project

White Paper on New Mobility

The White Paper on New Mobility provides for the removal of barriers and strengthening of the market through the introduction of the recommended solutions in the key areas:

1
Public infrastructure

2
Building-integrated infrastructure and technical inspections of charging stations

3
Taxes and tariffs

4
Low Emission Zones

5
Heavy-duty transport (eHDVs)

6
Implementation of RED II – Carbon Credits

7
New Mobility Strategy

8
Fire safety – fire safety guidelines

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RED II/III implemented in Polish law but later than planned and only in part

A key example of ineffective legislation in 2024 is the delayed implementation of the Directive on the promotion of the use of energy from renewable sources (RED II/III). Incorporating this directive into Polish law has long been a primary recommendation of the "New Mobility White Paper" prepared by the New Mobility Association. The RED, in effect for five years, not only mandates a minimum share of renewable energy sources (RES) in the transport sector but also introduces mechanisms, such as carbon credits, that can generate additional revenue for operators of public charging stations. This, in turn, could accelerate the expansion of infrastructure for zero-emission vehicles. Work is ongoing to implement the directive through an amendment to the Biocomponents and Liquid Biofuels Act. However, significant issues remain, including the protracted legislative process and the failure to incorporate the most recent version of the directive, RED III, into the draft.

Insufficient changes to fiscal law

In 2024, changes to fiscal law were introduced that could potentially impact the new mobility market. The Ministry of Finance responded to the proposals of the New Mobility Association by amending the draft regulation on exemptions from the obligation to record sales using cash registers. The initial draft regulations could have required entities in the electromobility sector to record their sales using cash registers. However, the final regulation included a clear exemption for charging stations. On the other hand, the Act amending the Agricultural Tax Act, the Local Taxes and Fees Act, the Forest Tax Act, and the Stamp Duty Act, adopted in 2024, does not explicitly classify charging points or stations as structures subject to real estate tax. However, it also fails to unequivocally exempt charging stations from real estate tax. This ambiguity may lead to overinterpretation by fiscal authorities in the coming months and years, potentially creating yet another barrier to the expansion of charging infrastructure in Poland.

5 New mobility and local authorities

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The year 2024 has brought numerous initiatives focused on sustainable mobility in cities. Polish local governments have introduced an increasing number of bicycle-sharing systems, such as Metrorower in the Metropolis GZM, along with electric buses and bike paths. Additionally, the first clean transport zone has been established. Local authorities' interest in new mobility is rapidly growing, as demonstrated by the initiatives undertaken and their increasing participation in the activities of the PSNM Local Government Committee, which now includes more than 80 local government units. However, major challenges remain, including the slow expansion of public charging infrastructure and the rising costs of maintaining zero-emission fleets.

The first (second) low emission zone in Poland operates in Warsaw

As of July 1, 2024, a Low Emission Zone (LEZ) has been implemented in Warsaw. This marks the establishment of Poland's first such zone since the regulations on LEZs were introduced into Polish law more than six years ago, apart from a short-lived zone in Kraków in 2019. The LEZ in Warsaw covers 7% of the city's area, including all of Śródmieście district and parts of central districts. The zone's boundaries align with major roads and railways, which are excluded from the zone itself.

In 2024, a LEZ was also planned for Kraków, based on the city's administrative boundaries. However, a ruling by the administrative court prevented the implementation of the zone in its originally proposed form. In response, the Kraków authorities announced plans to adopt a revised resolution, with the new official launch date for the LEZ in Kraków set for January 1, 2026. More Low Emission Zones are expected to be established in Polish cities soon. This follows an amendment to the Electromobility and Alternative Fuels Act, which mandates the creation of LEZs in towns with population exceeding 100,000 where nitrogen dioxide limits are surpassed.

Requirements of the Low Emission Zone in Warsaw

Year of implementation

VII 2024	2026	2028	2030	2032
Stage 1	Stage 2	Stage 3	Stage 4	Stage 5

Petrol engine vehicle

	Euro 2	Euro 3	Euro 4	Euro 5	Euro 6
Year of vehicle manufacture	1997	2000	2005	2009	2014

Diesel engine vehicle

	Euro 4	Euro 5	Euro 6	Euro 6dT	Euro 6d
Year of vehicle manufacture	2005	2009	2014	2017	2020

Slow expansion of public charging infrastructure in Polish cities

In 2024, nearly three-quarters of electric vehicles in Poland are registered in municipalities with populations exceeding 50,000. Simultaneously, 56% of all public charging stations are located in the 37 largest towns with populations over 100,000. While this may seem like a positive outcome, the expansion of electric vehicle infrastructure in Polish urban centers faces significant challenges. Beyond the sector-wide issues with service connections, the main obstacles include prolonged approval procedures, architectural requirements that are misaligned with market conditions (making it impossible to deploy DC charging stations in some cities), and wide disparities in land lease rates. Consequently, in 19 of the 37 largest cities in Poland, the proportion of fast public DC charging points is less than 20%. In 11 of these cities, the number of public DC charging points does not exceed 10.

Another unresolved issue is the significant variation in land lease rates for charging station sites across Polish cities. For instance, annual net lease costs (based on 1 m^2 for a station and 36 m^2 for EV parking spaces) range from PLN 50 in Rzeszów to PLN 18,542 in Szczecin—a staggering 371-fold difference between the lowest and the highest lease. As a result, the growth of electric vehicle infrastructure in Poland is too slow. More than three years after the deadline set in the Electromobility Act, nearly half of the obligated municipalities have yet to meet the minimum requirements for charging points. A detailed analysis of these infrastructural challenges, local government needs, and recommendations can be found in the New Mobility Association's report titled “Charging Infrastructure in Polish Cities”.

Recommendations of the New Mobility Association for the accelerated expansion of the public charging infrastructure in Polish cities

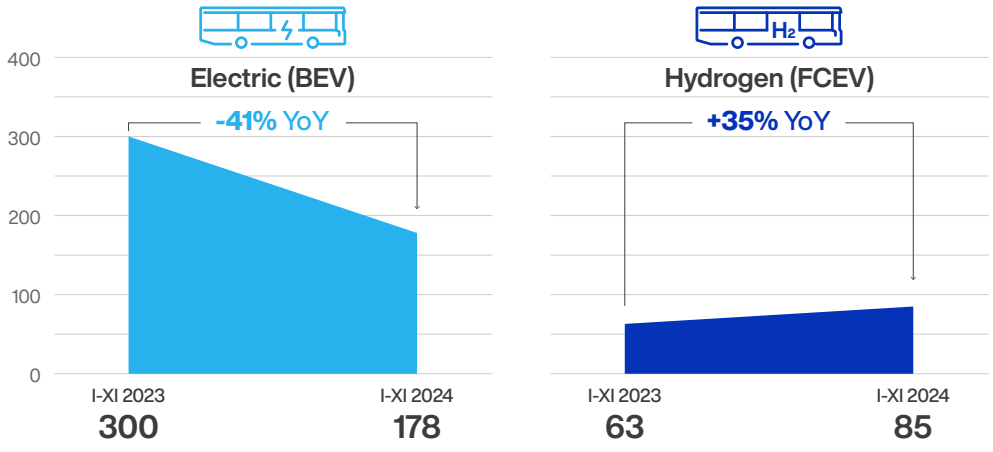
- Establishing dedicated authorities responsible for the charging infrastructure and introducing the “one-stop-shop” rule
- Consolidating the rates of land lease for the charging stations and adapting them to the conditions of the electromobility market
- Extending the contractual period of land lease for charging stations
- Adapting the architectural or aesthetic requirements to the conditions in the electromobility market
- Planning further stages of the expansion of the urban network of charging stations
- Accounting for future expansion of urban charging infrastructure for heavy-duty electric vehicles
- Providing detailed information on official websites about the procedure for entering into lease contracts for the land for charging stations or opening a dedicated helpline
- Optimizing the urban network of charging stations to adapt it to the market trends and technical developments in the e-mobility sector
- Commencing procedures for the construction of urban charging infrastructure sufficiently in advance (in the form of tender procedures)
- Considering the proposals of 2–3 charging station operators (in the form of tender procedures)

Delayed electrification of bus fleets

In the first eleven months of 2024, there was a significant decrease in the number of registered electric buses. By the end of November, 178 battery electric buses (BEVs) had been registered, representing a 41% decline compared to the same period in 2023. This marks the largest percentage drop in this segment in the short history of Polish electromobility (for comparison, the number of registered vehicles decreased by 11% year-on-year in 2019 and by 22% year-on-year in 2022).

Growth was recorded in the hydrogen bus segment, but at much lower volumes. As of November 2024, 85 hydrogen buses were registered in Poland, reflecting a 35% increase compared to the same period in 2023. This surge in demand was primarily driven by the attractive subsidies offered under the “Green Public Transport” program. As in the infrastructure sector, the current number of zero-emission buses in Poland reflects earlier regulatory and financial conditions, as well as decisions made by city authorities and transport operators many months ago. From the perspective of local governments, the primary challenges remain the high costs of purchasing zero-emission vehicles and their ongoing maintenance. The situation is further complicated by the Energy Regulatory Office's (URE) decision to raise the capacity fee by 11% starting in 2025, which will increase the costs associated with charging electric buses.

Number of zero-emission buses registrations in Poland



Data source: „E-Mobility Index”, PSNM/PZPM

The city bike is taking more and more Polish cities by storm

The number of city bikes available in Polish cities has risen to over 27,400, marking a 28.2% increase compared to 2023. This growth is largely attributed to the launch of two large and highly successful city bike systems: the Tri-City system, MEVO, which offers 4,000 electric bicycles, and Metrorower, the largest system in Poland and the third largest in Europe.

During its debut season, Metrorower recorded over 1 million rides. Metrorower is also an example of an integrated mobility system, as it has been incorporated into the GZM Transport system.

Currently, citizens of 130 Polish cities have access to city bikes for their everyday journeys.

6 Industry and the economy

6 Industry and the economy

In 2024, there was still little recognition that the global transition to zero emissions could present a significant opportunity for Poland. No binding decision has been taken in this regard. Potentially strategic projects remained stalled, and sectors where Polish companies previously held leading positions in European supply chains—such as the battery industry—are facing increasingly challenging circumstances.

Lack of a strategy to support the transformation of the Polish automotive sector towards zero emission

The ongoing transformation of the transport sector presents a historic opportunity for Poland to achieve economic growth, enhance the competitive potential of Polish businesses, increase GDP, and create thousands of new jobs. Globally, the race for dominance in the new mobility sector is well underway. The next few years will determine which countries emerge as market leaders and which merely observe the changes passively. According to analyses by PSNM, new mobility could contribute over 5% of Poland's GDP by 2040, becoming a strategic pillar of the economy—provided a supportive investment and regulatory environment is established. In 2024, the Polish government has yet to define clear targets for the economic development of the electromobility sector. This lack of direction is a critical barrier to accelerating production and R&D efforts in the e-mobility industry.

Many countries worldwide have already set such targets. For example, France's “France 2030” presidential plan, presented in 2021, aims to produce one million electric and hybrid vehicles by 2030.

Poland, however, lacks comparable short- and long-term strategies. This absence of planning is particularly concerning given the global transformation of the automotive sector and its importance to the Polish economy. The automotive industry currently accounts for 8% of Poland’s GDP, 13.5% of annual exports, and nearly half a million jobs. The cumulative global value of electric vehicle sales is projected to reach USD 9 trillion by 2030 and USD 63 trillion by 2050.

Unfortunately, Poland still fails to recognise the strategic importance of supporting the diversification of businesses involved in conventional vehicle components or to create favorable conditions for investors in the new mobility sector. Additionally, successive governments have focused almost exclusively on road transport, neglecting other critical areas such as aviation, maritime transport, railways, and inland waterways. These sectors are equally vital and require decarbonization to meet zero-emission goals. This lack of attention underscores the absence of a coherent, central-level strategy for Poland’s transition to a zero-emission economy.

Difficult situation in the Polish battery industry

The lack of sufficient support for new mobility from Poland's central administration is evident from the current state of the Polish battery sector—arguably one of the most critical components of the country's new mobility industry.

In 2023, Poland's lithium-ion battery exports reached nearly EUR 11 billion, making the country the second-largest producer in the world. However, this strong position deteriorated significantly in 2024. According to data from the Polish Economic Institute, Poland's lithium-ion battery exports from January to July 2024 amounted to EUR 3.2 billion—a 58.2% decline compared to the same period in 2023. Exports were also over 25% lower than in 2022.

The challenges facing Poland's battery industry in 2024 were exemplified by Northvolt's decision to discontinue the production of energy storage systems in Gdańsk and LG Energy Solution's move to transfer the production of lithium-ion cells for Ford electric vehicles from its factory in Biskupice to the United States. This relocation was driven by the significantly more favorable financial incentives offered to battery manufacturers in the U.S.

Meanwhile, other potentially strategic investments in the battery sector are being made outside Poland, including in other European Union member states (CEE region as well).

Izera project still not finalized in 2024

Launched in 2016, the Izera project faced significant delays during the tenure of the previous government. Issues such as underfunding, shifting ownership structures, and repeated schedule postponements raised serious doubts about the feasibility of the project. Ultimately, in December 2024, the central administration announced that the Izera brand would not reach the market. Instead, a so-called "electromobility cluster" is to be established, based on international partnerships and collaboration with local industrial partners. According to official statements, this new initiative will focus on the production of battery-electric vehicles, the launch of new brands targeting the European market, and the development of R&D capabilities.

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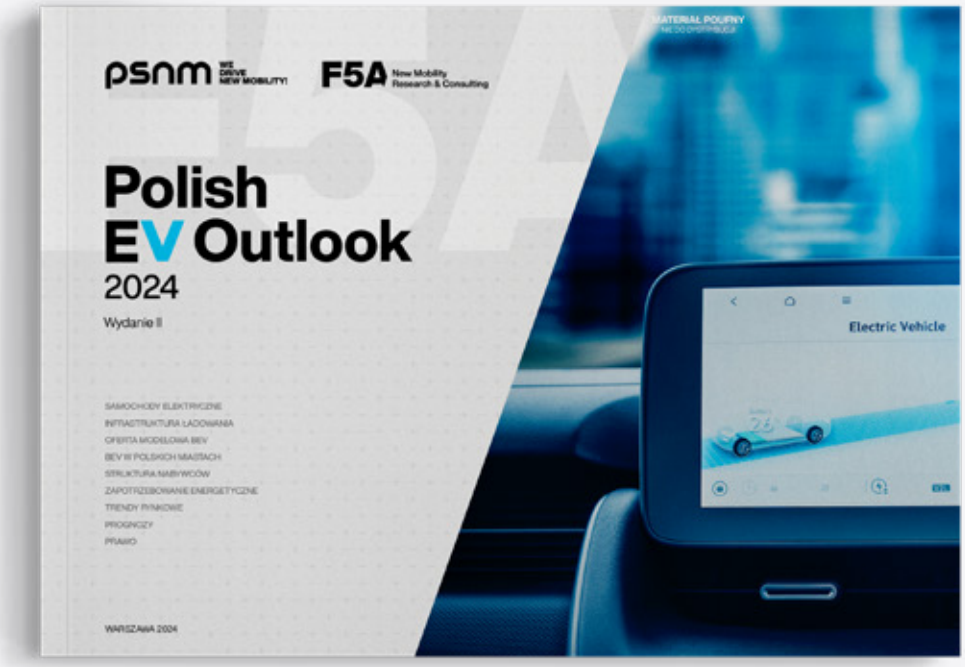

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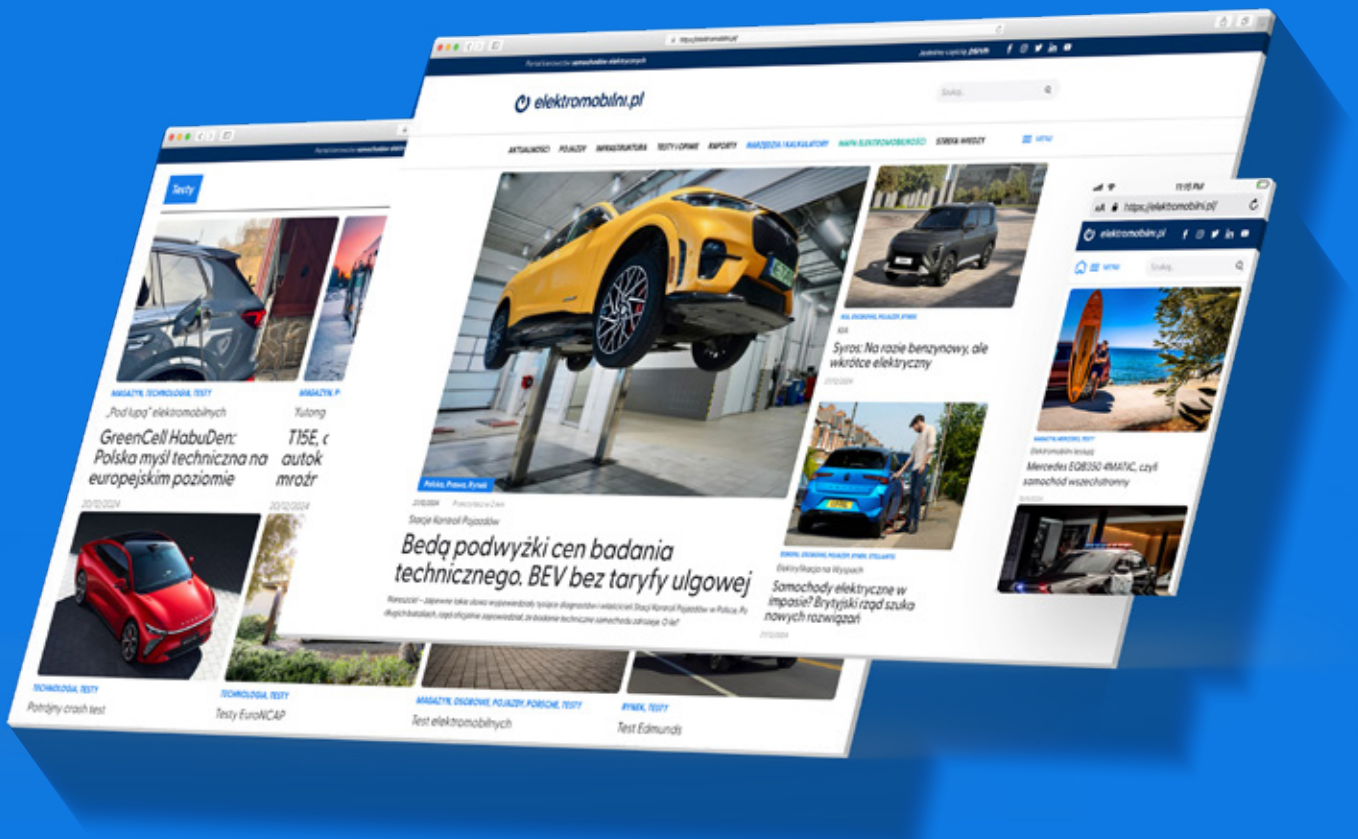

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