

Overview of fuel efficiency and CO₂ emission standards of passenger cars and light-commercial vehicles around the world

Table 9. Derogations for small manufacturers

Region	Definition of Small Manufactures	Flexibility Mechanism
EU	< 10,000 new passenger cars < 22,000 new light commercial vehicles	Based on proposed specific emissions target consistent with the economic and technological potential to reduce CO ₂ emissions Manufacturers with < 1,000 new passenger cars or new light commercial vehicles annual sales are exempted from CO ₂ emissions standards
China	< 2,000 annual production or imports	2021–2023: If the CAFC drops by 4% compared to the previous year, the CAFC standard is relaxed by 60%; If the CAFC drop is between 2%–4%, the CAFC standard is relaxed by 30%
U.S.	≤ 1,500 employees	Exempted from GHG standards
Canada	< 750 LDV annual production or imports, calculated as a three-year rolling average	Exempted from GHG standards
India	≤ 5,000 manufactured/imported units	Small manufacturers opting for alternate target, the target 'T' is calculated as below: 2017 - 2021: T = P (proposed target) 2022 – 2023: T = P * 0.830
Korea	≤ 4,500 automobile sales in 2009	A relaxed standard of 8% (2021-2022), 10% (2023), 11% (2024), 14% (2025- 2026), 13% (2027), 12% (2028), 11% (2029), and 10% (2030)
	≤ 500 automobile sales in 2009	The government established a specific target in consultation with the manufacturer
UK	< 1,000 new passenger cars or new light commercial vehicles annual sales	Exempted from CO ₂ emissions standards
New Zealand	No special treatment	
Mexico (proposal)	≤ 500 vehicle sales	Exempted from GHG standards