

While the U.S. may be backsliding on requiring more fuel efficient and zero-emission vehicles, the story globally is largely the opposite. Governments around the world are still seeking to improve air quality and meet greenhouse gas goals and are increasingly moving towards supply-side regulations for their vehicle fleets. These policies include fuel economy standards, emission standards, and zero-emission vehicle sales requirements, typically paired with credit and/or credit trading systems. Jurisdictions can rely on them to boost clean vehicles and improve vehicle fuel economy.



A new report [Supply-Side Regulations to Accelerate Clean Truck Deployment](#) from UC Berkeley's Center for Law, Energy, and the Environment (CLEE) explores why these tools have become the preferred mechanism for policymakers, particularly in the heavy-duty truck sector. The report maps out which jurisdictions have adopted supply-side regulations and identifies several key reasons why these regulations have been effective. Overall, the experience globally shows that these policies can:

- ensure that automakers invest in new clean technologies when market forces otherwise favor incumbent technologies
- create market certainty, which accelerates investment in clean technologies
- encourage the development of supportive fueling infrastructure, such as electric vehicle chargers and hydrogen stations and battery manufacturing
- can create self-financing markets without reliance on public funding

## Why do Governments Around the World Use Supply-Side Regulations to Boost Clean Transport? | 2

- can support the global competitiveness of local industry and create jobs
- reduce fossil fuel dependency, generating savings for consumers and improving energy security

While the federal government has recently sought to overturn California's authority to set its own supply-side standards, the [state still remains committed](#) to maintaining and strengthening its supply-side regulations, and coupling them with demand-side support.

As the report notes, high-ambition jurisdictions such as California and Chile tend to feature coordinated coalitions of labor, environmental, and pro-regulatory industry actors. In this time of uncertainty, these local and regional coalitions will be more vital than ever in maintaining the momentum of the zero-emission transition of clean vehicles. And while strong supply-side policies may often require complementary demand-side incentives, recent history has shown that regulatory approaches have been instrumental in making engines more efficient while helping to spark the ongoing global transition to zero-emission vehicles.