



New fuel consumption regulation sees US EV adoption slow

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With significantly lowered fuel consumption standards, the US government under President Donald Trump is promoting the market for internal combustion engine vehicles. This is noticeably hindering the ramp-up of electromobility in the USA and reducing pressure on automakers to sell more electric cars.

By Florian Treiss

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The US Department of Transportation has – [as announced by US President Donald Trump in February 2026](#) – adopted significantly lower fuel consumption standards for vehicles. This is the latest measure by the Trump administration to promote the sales of petrol-powered vehicles and reverse the efforts of former US President Joe Biden to [increase fuel efficiency and electric vehicle adoption](#). The Department of Transportation specifically stated that it is setting a fleet-wide average of 34.9 miles per gallon (14.7 km per litre) by 2031 – a significant reduction compared to the 50.4 miles per gallon (21.4 km per litre) standard under Biden.

By easing fuel consumption standards for the automotive industry, manufacturers face reduced regulatory pressure to rapidly transition their model ranges to fully electric vehicles. As conventional internal combustion engine vehicles become significantly more attractive and cost-effective to produce and sell, the market ramp-up of electromobility in the United States is likely to slow further. This trend had already stalled at the end of September 2025 due to the [end of the tax credit](#) for purchasing new EVs. By Q1 2026, EV sales had already declined by 28 per cent. US automakers Ford, GM, and Stellantis have already responded by reorienting their

model portfolios back towards internal combustion engine vehicles and making billion-dollar write-downs in their EV businesses.

US Secretary of Transportation Sean P. Duffy struck a defiant tone: “Thanks to President Trump’s leadership, we have finally ended the illegal mandate that forced automakers to produce more expensive electric vehicles that American families didn’t want. While Joe Biden and Pete Buttigieg (former Secretary of Transportation, ed.) pushed a green agenda that made our roads less safe and drove up costs for hard working Americans, this administration is delivering relief to families and reviving the beating heart of American manufacturing. With our common sense standards in place, we are making the American dream affordable again, putting safer cars on the road, and investing in the American autoworker.”

Emissions trading scheme to be abolished

In addition to introducing new fuel consumption standards, the US government will also abolish the CAFE emissions trading programme starting with the 2028 model year. According to the US Department of Transportation, this programme “artificially propped up the EV industry at the expense of traditional automakers.” The abolition of the programme is said to restore fairness, create a level playing field for all automakers, and ensure that they implement fuel-saving technologies across their entire vehicle fleets.

Market observers and associations view the lowered fuel consumption standards as a poison pill for the ecological transformation of the US transport sector. Several US organisations explicitly see the decision as a setback for the ramp-up of electromobility. The [Electrification Coalition](#) [warns](#) that the US risks falling behind China and other competitors in the transition to electric transport. “The rest of the world is increasingly shifting to electric transportation, but the United States is falling behind China and other global competitors,” explained Executive Director Ben Prochazka. **The [Center for Biological Diversity](#) also sees the risk that US automakers could lag behind in developing cleaner vehicles while electric cars continue to gain global significance. The organisation describes the decision as one that could leave the US auto industry “on the sidelines” as other markets continue to electrify.**

The [Environmental Defense Fund \(EDF\)](#) also views the new fuel consumption standards as a technological step backwards. According to calculations by the US traffic authority NHTSA, the 2031 model year new vehicle fleet would be less efficient under the new regulations than the fleet already sold in 2024. Critics argue that the government is removing an important regulatory incentive for manufacturers to bring more efficient and electric vehicles to market. The [Union of Concerned Scientists](#) also describes the move as a significant regression in efficiency requirements. For critics, the decision not only represents weaker consumption standards but also raises the question of whether the US auto industry can keep pace technologically with the global shift towards electric drivetrains.

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