Procedure file

Basic information

INI - Own-initiative procedure	2007/2120(INI)	Procedure completed
CARS 21: a competitive automotive regulatory framework		

Subject
2.10.03 Standardisation, EC/EU standards and trade mark, certification, compliance
3.20.06 Transport regulations, road safety, roadworthiness tests, driving licence
3.40.03 Motor industry, cycle and motorcycle, commercial and agricultural vehicles
3.40.14 Industrial competitiveness
3.70.02 Atmospheric pollution, motor vehicle pollution
4.15.05 Industrial restructuring, job losses, redundancies, relocations, Globalisation Adjustment Fund (EGF)
6.20.04 Union Customs Code, tariffs, preferential arrangements, rules of origin
6.20.05 Multilateral and plurilateral economic and trade agreements and relations

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
ITRE Industry, Research and Energy	ALDE CHATZIMARKAKIS Jorgo	12/04/2007

Committee for opinion	Rapporteur for opinion	Appointed
INTA International Trade	PSE MANN Erika	11/04/2007
ECON Economic and Monetary Affairs	PSE SÁNCHEZ PRESEDO Antolín	22/05/2007
EMPL Employment and Social Affairs	ALDE RAINYTÉ-BODARD Ona	28/02/2007
ENVI Environment, Public Health and Food Safety (Associated committee)	Verts/ALE HARMS Rebecca	08/06/2007
IMCO Internal Market and Consumer Protection	PPE-DE HARBOUR Malcolm	04/06/2007
TRAN Transport and Tourism	ITS ROMAGNOLI Luca	04/06/2007
JURI Legal Affairs	PSE TITLEY Gary	18/06/2007

Council of the European Union	Council configuration	Meeting	Date
	Competitiveness (Internal Market, Industry, Research and Space)	2801	21/05/2007
European Commission	Commission DG	Commissioner	
	Internal Market, Industry, Entrepreneurship and SMEs	VERHEUGEN Günter	

Key events

07/02/2007	Non-legislative basic document published	COM(2007)0022	Summary
21/05/2007	Resolution/conclusions adopted by Council		Summary
06/06/2007	Committee referral announced in Parliament		
21/06/2007	Referral to associated committees announced in Parliament		
22/11/2007	Vote in committee		Summary
04/12/2007	Committee report tabled for plenary	A6-0494/2007	
14/01/2008	Debate in Parliament		
15/01/2008	Results of vote in Parliament		
15/01/2008	Decision by Parliament	T6-0007/2008	Summary
15/01/2008	End of procedure in Parliament		

Technical information

Procedure reference	2007/2120(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Strategic initiative
Legal basis	Rules of Procedure EP 54
Stage reached in procedure	Procedure completed
Committee dossier	ITRE/6/48096

Documentation gateway

Non-legislative basic document		COM(2007)0022	07/02/2007	EC	Summary
Document attached to the procedure		SEC(2007)0077	07/02/2007	EC	
Document attached to the procedure		SEC(2007)0078	07/02/2007	EC	
Committee opinion	EMPL	PE388.629	28/06/2007	EP	
Committee draft report		PE391.934	16/07/2007	EP	
Committee opinion	IMCO	PE391.995	13/09/2007	EP	
Committee opinion	INTA	PE391.997	14/09/2007	EP	
Amendments tabled in committee		PE394.096	19/09/2007	EP	
Committee opinion	ECON	PE392.371	04/10/2007	EP	

Committee opinion	JURI	PE392.186	05/10/2007	EP	
Committee opinion	TRAN	PE392.050	11/10/2007	EP	
Committee opinion	ENVI	PE392.100	15/10/2007	EP	
Committee report tabled for plenary, single reading		A6-0494/2007	04/12/2007	EP	
Text adopted by Parliament, single reading		T6-0007/2008	15/01/2008	EP	Summary
For information		SEC(2008)0280	26/02/2008	EC	
Commission response to text adopted in plenary		SP(2008)1176	27/02/2008	EC	
Commission response to text adopted in plenary		SP(2008)1340	18/03/2008	EC	
Follow-up document		SEC(2009)0405	24/03/2009	EC	Summary
Follow-up document		SEC(2010)0631	17/05/2010	EC	Summary
Follow-up document		SEC(2011)0689	30/05/2011	EC	Summary
Follow-up document		SWD(2012)0071	23/03/2012	EC	Summary
Follow-up document		SWD(2013)0276	15/07/2013	EC	Summary
Follow-up document		SWD(2015)0138	07/07/2015	EC	Summary

CARS 21: a competitive automotive regulatory framework

PURPOSE: to present a Green Paper on the direction of future automotive policy.

CONTENT: the Commission presents its position on the CARS 21 High Level Group which brought together the main stakeholders (Member States, industry, NGOs and MEPs) in 2005 to examine the main policy areas impacting the European automotive industry and to make recommendations for future public policy and regulatory framework. This Communication outlines the direction of future automotive policy. In the spirit of better regulation it aims to promote coherent interaction between different policy areas, provide predictability and seek the protection of public interest (e.g. environment and safety) while attempting to reduce the regulatory burden on industry. The proposals and initiatives contained in the Communication aim to improve the functioning of the internal market; simplify automotive legislation and pursue the internationalisation of the automotive regulatory environment; and promote environmentally sustainable road transport.

Simplification of the regulatory environment: in the light of the fact that the Community has acceded to more than 100 international vehicle-related regulations adopted under the auspices of the UN/ECE which are applicable as alternatives to corresponding Community legislation, the CARS 21 Group recommended that 38 directives could be replaced by UN/ECE Regulations without any loss in the level of safety and environmental protection. In addition, it also identified one directive which could be repealed and 25 directives and UN/ECE Regulations in which self-testing and virtual testing could be introduced so as to reduce regulatory compliance costs for industry. The Commission supports these recommendations, but is conscious of the need to maintain the possibility for the EU to legislate independently from the UN/ECE system where this is required. The Commission will propose replacing 38 EC directives with corresponding UN/ECE regulations as soon as the Framework Directive on type-approval has been adopted, and it will propose the introduction of necessary technical provisions for using self testing and virtual testing in 25 EC directives and UN/ECE regulations.

Environmentally sustainable road transport:the Communication endorses the further limiting of pollutant emissions in line with the Thematic Strategy on Air Pollution. Furthermore, it describes the key elements of the future Commission strategy to reduce CO2 emissions from cars set out in the Communication on results of the review of the current Community strategy. The future strategy is based on an integrated approach to achieving the EU objective of 120 g/km CO2 by 2012 through a combination of EU and Member States action. The Commission will propose legislation, focusing on mandatory reductions of the emissions of CO2 to reach the objective of 130 g/km for the average new car fleet by means of improvements in vehicle motor technology. This will include setting minimum efficiency requirements for air-conditioning systems, the compulsory fitting of accurate tyre pressure monitoring systems, and setting maximum tyre rolling resistance limits in the EU for tyres fitted on passenger cars and light commercial vehicles. The Commission will propose a reduction of 10 g/km of CO2, or equivalent if technically necessary, by other technological improvements and by an increased use of bio-fuels. It will encourage additional efforts by the Member States (CO2 related taxation and other fiscal incentives, use of public procurement, traffic management, infrastructure, etc.) and by the consumers (informed choice as a buyer, responsible driving behaviour). The strategy is to be seen in the context of the Commission Communication on Energy for Europe (see COM(2007)0001).

Road safety: the Commission feels an effective road safety strategy should be based on the interaction between improvements in vehicle technology, road infrastructure, driver behaviour and enforcement. A number of vehicle-related actions are proposed with the inclusion of the

Electronic Stability Controlin new vehicles being the most significant. Other actions involve making the inclusion of Isofix child restraint systems obligatory for all new M1 vehicles, and making the use of daytime running lights obligatory. The Communication stresses the need to adopt a holistic approach to road safety involving vehicle features, infrastructure and road users.

Trade: the Communication aligns the main concerns of the automotive sector to trade policy. It proposes to assess the potential of using bi-lateral trade agreements(particularly in the Asian region) to improve market access and reinforces the need enforce intellectual property rightsglobally. It will continue monitoring Chinese business and regulatory developments to ensure that improved market access resulting from China?s WTO accession is implemented in practice. It will also pursue a formal dialogue with China on issues related to China?s regulatory environment to ensure that there is a level playing field and legal certainty for the business community in this market. In this respect, the Commission will continue to follow the development of the draft Chinese Anti-Monopoly Law.

Research and development: with approximately ? 20 billion (ca. 5% of the sector?s turnover) invested into research and product development the automotive industry is the largest industrial R&D investor in Europe in absolute terms. The Communication identifies clean renewable fuels and intelligent vehicles and roads as core research priorities. It adopts a forward-looking approach and outlines the Commission?s intention to set up a Joint Technology Initiative on hydrogen and fuel cellsas well as to put forward a regulation on vehicles which use hydrogen as a fuel.

Taxation and fiscal incentives and competition in the aftermarket: the diverse vehicle-related taxation regimesin the Member States are considered to be among the main barriers to an effectively functioning internal market while the use of fiscal incentives should be coordinated across the Member States and should demonstrably contribute to the EU?s policy objectives in areas such as the environment and safety. With regard to the distribution of vehicles, the Commission will continue its efforts to ensure that Regulation (EC) No 1400/2002 on motor vehicle distributionis applied throughout the Community while in the light of the increasing complexity of vehicles it has become imperative that all vehicle repairers in the Community have access to the appropriate technical repair information.

The Commission will, together with all relevant stakeholders, conduct a mid-term review of the actions proposed in the Communication in the course of 2009 to monitor progress made and, if appropriate, adapt the automotive regulatory policy framework on the basis of the results of the review It will regularly inform the co-legislators on the status of changes in automotive regulations by issuing an annual working paper on progress made at the UN/ECE.

CARS 21: a competitive automotive regulatory framework

The Council held a policy debate on industrial policy. As regards the automotive industry in particular, it emphasised the need to formulate the framework conditions for the EU automotive industry in such a way that it can successfully face up to the increased competition on the global market. It regards the recommendations contained in the final report of the CARS 21 High Level Group as a good starting point for achieving this objective.

The Council welcomes the Commission's communication on the CARS 21 report and invites it to implement speedily and coherently the proposals and initiatives contained therein for improving the regulatory framework for the EU automotive industry, once their impact is assessed, so as to achieve as much progress as possible in implementing them by the time of the interim review in 2009.

The Commission is called upon to give priority to those proposals and initiatives which can be expected to have the biggest impact on improving the European regulatory framework for the automotive industry and, in particular, securing its international competitiveness also with regard to initiatives in the areas of environmental protection and road safety. The Council underlines the significance of a stable, long-term, proportionate, coherent and consistent regulatory framework for the successful development of the EU automotive industry and calls on the Commission to incorporate into Community policies the following principles: (i) adoption of an integrated approach, which involves all stakeholders, to developing and implementing measures to tackle environmental and safety challenges; (ii) legislative measures regarding the policy towards cars must be formulated on a long-term and technologically neutral basis; (iii) all relevant stakeholders are to be consulted at an early stage and extensively on all initiatives and draft legislation affecting the car sector and the results are to be appropriately reflected in decision-making; (iv) thorough impact assessments of all new proposals are to be submitted at an early stage. The framework conditions for the EU automotive industry must, as part of a stringent competitiveness test, also be compared with the framework conditions in major competing countries; (v) new vehicles should continue to be accessible to different consumer groups if environmental and safety improvements are to be achieved through a continuous fleet renewal process; (vi) the programme for simplification of the regulatory framework must continue to be implemented speedily, focusing on the needs of the car sector.

Moreover, the Council supports the Commission's proposals to reduce the car manufacturers' administrative burden by replacing EU Directives with UN/ECE Regulations and by introducing the instrument of self-testing and virtual testing, under strict surveillance of type-approval authorities. It underlines the contribution which the Community's financial instruments (e.g. EIB, Structural Funds) can make to accompany a structural change in the car sector and requests that they are used in a targeted manner and in accordance with the prevailing rules of these instruments.

The Commission is also called upon:

- in the context of bilateral free trade agreements, to give priority to countries with a high market potential, to ensure reciprocity, to assess the impacts of such agreements, to ensure that non-tariff barriers to trade are abolished, to combat uncompetitive practices in third countries which are detrimental to the EU automotive industry and to guarantee effective protection of intellectual property rights;

- in the framework of the 7th research framework programme, to intensify its efforts to promote innovative and highly efficient propulsion technologies and systems, alternative fuels, intelligent and safe motor vehicles and to set the course in good time for best technologies and for future clean, low-carbon or carbon-free technologies;

- to come forward with a proposal for Euro VI emission limit values for heavy-duty vehicles this year at the latest in order to give the automotive industry sufficient lead time for its implementation;

- to configure the planned framework for attaining the target for average CO_2 emissions from the fleet of new cars sold in the EU on the basis of a thorough impact assessment in a way that is as neutral as possible from the point of view of competition, and which is socially equitable and sustainable. It should be framed in such a way as to ensure that all manufacturers continue efforts to make their whole vehicle production more environmentally friendly in a cost-effective way.

Lastly, the Council invites the Member States, and where appropriate, the Commission, in connection with developing a CO2 strategy in the automotive sector, to examine to what extent, in addition to the automotive industry's possibilities for CO2 reduction and the potential in the field of biofuels, contributions by other players both on demand and supply side or via other measures (e.g. CO2-based vehicle tax and other fiscal measures, traffic infrastructure and management, driving behaviour, renewal of the vehicle fleet, stimulation of public transport) can also be enhanced.

CARS 21: a competitive automotive regulatory framework

The Committee on Industry, Research and Energy adopted the own-initiative report by Jorgo CHATZIMARKAKIS (ALDE, DE) in response to the Commission communication on a competitive automotive regulatory framework (CARS 21). The report highlights the economic importance of the European automotive industry as a sector producing 19 million vehicles yearly and providing 2.3 million direct jobs and a further 10 million in ancillary sectors. MEPs in the committee say that, while the industry will have to undergo substantial change, adjustments in EU policy will also be needed to ensure regulations do not lead to job losses

Completing the internal market for cars: the report calls on the Member State authorities to work closely with the Commission in implementing the CARS 21 recommendations. It notes, in particular, the need to ensure that new regulations affecting the automotive sector are introduced in a coordinated manner, avoiding distortions in the internal market. It emphasises the need to perfect the EU system for type-approval, covering all motor vehicles. The Commission is asked to propose measures guaranteeing a registration-procedure, which will allow easier cross-border sales especially for used cars.

A competitive automotive after market:the Commission is called upon to continue promoting effective competition in the automotive after-sales market by addressing consumer choice and effective access for independent market operators to technical information, training, spare parts, multi-brand diagnostic tools and test equipment in its future automotive policy. The report urges the Commission to submit proposals for the creation of an internal market for custom and tuning parts, such as special tyres, wheels and other tuning parts and spare parts, as the current diversity of national regulations obstructs the further development of this sector, which consequently would benefit from Community harmonising legislation and appropriate protection of intellectual property. Efforts are also needed to combat the import of counterfeit spare parts.

Adopting environmental standards for the 21st century: the report calls on the Commission to create an environment that ensures that road transport is environmentally sustainable. It welcomes the rapid introduction of the Euro-5 and Euro-6 standards for the reduction of emissions of pollutants from private cars and urges the Commission, without delay, to adopt an ambitious proposal for a EURO-VI standard for heavy goods vehicles. In the context of Community legislation, MEPs call on the Commission to begin the process of reassessing and revising emissions testing procedures to better reflect real life conditions of use, without prejudice to the ongoing discussion on CO2 emissions from cars.

Reducing CO2 emissions substantially: the report encourages the Commission to consider developing a common framework for a coordinated application of technology-neutral and possibly harmonised CO2 related fiscal incentives that have a significant CO2 reduction potential, while avoid distortions of competition. It urges the Council to reach an agreement on the Commission proposal to relate taxes on passenger cars to their polluting emissions such as CO2 in order to avoid further internal market fragmentation arising from varying application by Member States. As the development of new types of passenger cars takes about five to seven years, MEPs urge the Commission not to set any final mandatory targets for CO2 emissions for any date before 2015. From then on, however, an average target of 125g/km of CO2 emissions for new passenger cars should be achievable. MEPs consider it crucial in this connection that the target values should be graduated according to the weight of the vehicle.

Making road transport even safer: the report highlights that additional security systems might further increase the weight of passenger cars, thus leading to increased CO2 emissions. It also expresses concern at the negative impact on road safety resulting from increases in the speed of vehicles. The Commission is called upon to: i) improve the road safety system by requiring Member States to tighten up learner-driver training requirements, expand compulsory training and introduce rules providing for the periodic training of professional drivers; ii) carry out the announced 2007-2009 assessment of the environment required for measures to reduce the number of road accident victims; iii) develop a system allowing car manufacturers to without penalty to produce vehicles that emit extra CO2 if these additional emissions result from legally binding safety measures taken at Community level; iv) improve the regime for the cross-border inspection of vehicles and the cross-border enforcement of fines imposed for the infringement of traffic rules in a foreign Member State as a matter of priority.

Lastly, the committee does not believe that day time running lights should be obligatory throughout the EU.

Bringing fair-play to automotive trade relations: the report states that the EU automotive industry is one of the most competitive industries in the world. It believes however that unfair competition and the infringement of intellectual property rights threaten this position. The committee recalls that the successful conclusion of multilateral trade negotiations should remain a priority for the EU. The Commission is urged, in the framework of the current EU-Korea FTA negotiations, to make sure that Korea abolishes all existing tariff and non-tariff barriers and does not create new ones, and that it will implement more UN/ECE regulations. The committee requests that the Commission considers a strategy of phasing out EU import tariffs with safeguards and, therefore, recommends that this phasing out be connected to the lifting of non-tariff barriers on the Korean side.

The committee also emphasises the importance of a close partnership with China in the development of a regulatory framework offering a level playing field. It states that effective protection of IPR is a precondition for such a partnership. MEPs disagree with the Commission's proposal to abolish design protection rights, as this might have a negative effect on the automotive sector in the EU while not guaranteeing any customer benefits. They call on the Commission to respect the existing level playing-field in relation to Japan and certain US States, where very high standards are in force.

Research and Development in the automotive sector: the report calls on the Commission to adopt before 2012 a strategy to increase significantly and sufficiently the R&D funding for the automotive sector, paying particular attention to supply industries. The committee urges the Member States to make any increase in future R&D funding for the automotive sector conditional on the binding nature of the CO2 emission targets. Member States and the EU institutions are urged to give all necessary support to the research and development of break-through technologies, such as hydrogen motors, fuel cells or hybrids. The committee is of the opinion that the Intelligent Car Initiative, Galileo and other instruments contributing to an intelligent transport system are of the utmost importance and therefore calls on the Commission to strongly support these developments.

CARS 21: a competitive automotive regulatory framework

The European Parliament adopted a resolution based on the own-initiative report drafted by Jorgo CHATZIMARKAKIS (ALDE, DE) in response to the Commission communication on a competitive automotive regulatory framework (CARS 21). The resolution was adopted by 607 votes for, 76 against, and 14 abstentions. It highlighted the economic importance of the European automotive industry as a sector producing 19 million vehicles yearly and providing 2.3 million direct jobs and a further 10 million in ancillary sectors. Parliament hoped that the parliaments of the Member States and their regions would wish to be associated with the outcome of the CARS 21 process, and suggested that an inter-parliamentary network for the purpose of considering automotive issues.

Completing the internal market for cars: Parliament called on Member State authorities to work closely with the Commission in implementing the CARS 21 recommendations. It noted, in particular, the need to ensure that new regulations affecting the automotive sector are introduced in a coordinated manner, avoiding distortions in the internal market. It emphasised the need to perfect the EU system for type-approval, covering all motor vehicles. The Commission was asked to propose measures guaranteeing a registration-procedure, which will allow easier cross-border sales especially for used cars.

A competitive automotive after market: the Commission was called upon to continue promoting effective competition in the automotive after-sales market by addressing consumer choice and effective access for independent market operators to technical information, training, spare parts, multi-brand diagnostic tools and test equipment in its future automotive policy. Parliament urged the Commission to submit proposals for the creation of an internal market for custom and tuning parts, such as special tyres, wheels and other tuning parts and spare parts, as the current diversity of national regulations obstructs the further development of this sector, which consequently would benefit from Community harmonising legislation and appropriate protection of intellectual property. Efforts were also needed to combat the import of counterfeit spare parts.

Adopting environmental standards for the 21st century: Parliament believed that individual mobility and the automotive sector should be considered in the wider context of sustainable mobility. It felt that mobility and environmental protection were not necessarily mutually exclusive and that future car technology would have to contribute to reconciling the two. Indeed, the challenge of climate change in particular presented opportunities for technological advances and innovation. Parliament called on the Commission to create an environment that ensured that road transport was environmentally sustainable. It welcomed the rapid introduction of the Euro-5 and Euro-6 standards for the reduction of emissions of pollutants from private cars. Parliament stated that improved air quality could be achieved only by a speedier renewal of the automobile fleet, in addition to the introduction of less polluting vehicles, and financial measures needed to be put in place to induce consumers to replace their old cars with less polluting vehicles. In the context of Community legislation, MEPs called on the Commission to begin the process of reassessing and revising emissions testing procedures to better reflect real life conditions of use, without prejudice to the ongoing discussion on CO2 emissions from cars.

Reducing CO2 emissions substantially: Parliament welcomed the Commission's plans to reduce the CO2 emissions of passenger cars. It encouraged the Commission to consider developing a common framework for a coordinated application of technology-neutral and possibly harmonised CO2-related fiscal incentives that had a significant CO2 reduction potential, while avoiding distortions of competition. It urged the Council to reach an agreement on the Commission proposal to relate taxes on passenger cars to their polluting emissions such as CO2 in order to avoid further internal market fragmentation arising from varying application by Member States. Parliament also urged the Commission to set ambitious but realistic targets, taking into account the real situation in the EU market, where the fleet renewal rate was currently below 10% per annum. The affordability of new cars played a crucial role in achieving the Community target. The more ambitious the mandatory targets for CO2 emissions were, the more time should be granted to the automotive industry to adapt. As the development of new types of passenger cars takes about five to seven years, MEPs urged the Commission not to set any final mandatory targets for CO2 emissions for any date before 2015. An average target of 125g/km of CO2 emissions for new passenger cars for 2015 should be achievable. MEPs considered it crucial in this connection that the target values should be graduated according to the weight of the vehicle. Parliament noted the Commission's plan to set a binding agrofuels target and called for the development of a mandatory certification scheme, applicable to agrofuels placed on the EU market. The certification criteria should be designed to ensure a minimum of 50% greenhouse gas savings over the whole life cycle compared to conventional fuels in addition to environmental and social criteria.

Making road transport even safer: Parliament highlighted that additional security systems might further increase the weight of passenger cars, thus leading to increased CO2 emissions. It also expressed concern at the negative impact on road safety resulting from increases in the speed of vehicles. The Commission was called upon to: i) improve the road safety system by requiring Member States to tighten up learner-driver training requirements, expand compulsory training and introduce rules providing for the periodic training of professional drivers; ii) carry out the announced 2007-2009 assessment of the environment required for measures to reduce the number of road accident victims; iii) develop a system allowing car manufacturers to without penalty to produce vehicles that emit extra CO2 if these additional emissions result from legally binding safety measures taken at Community level; iv) improve the regime for the cross-border inspection of vehicles and the cross-border enforcement of fines imposed for the infringement of traffic rules in a foreign Member State as a matter of priority.

Parliament did not believe that day time running lights should be obligatory throughout the EU.

Bringing fair-play to automotive trade relations: whilst the EU automotive industry was one of the most competitive industries in the world, unfair competition and the infringement of intellectual property rights threatened this position. It was important that the current negotiations in the Doha Development Round made third-country markets as accessible as possible for automobile manufacturers, especially potentially large, emerging third-country markets. Whilst the successful conclusion of multilateral trade negotiations should remain a priority for the EU, Parliament nevertheless, supported the Commission's will to negotiate new bilateral trade agreements, primarily in Asia, in order to improve market access conditions. The Commission was urged, in the framework of the current EU-Korea FTA negotiations, to make sure that Korea abolished all existing tariff and non-tariff barriers and did not create new ones, and that it would implement more UN/ECE regulations. The committee requests that the Commission considers a strategy of phasing out EU import tariffs with safeguards and, therefore, recommends that this phasing out be connected to the lifting of non-tariff barriers on the Korean side.

Parliament also emphasised the importance of a close partnership with China in the development of a regulatory framework offering a level playing field. It stated that effective protection of IPR was a precondition for such a partnership. It welcomed the Commission's request for the establishment of a WTO panel to resolve outstanding issues relating to the treatment of imported vehicle parts by China, which the Commission argued was inconsistent with several articles of different WTO agreements.

Research and Development in the automotive sector: the Commission was asked to adopt before 2012 a strategy to increase significantly and

sufficiently the R&D funding for the automotive sector, paying particular attention to supply industries. Member States should make any increase in future R&D funding for the automotive sector conditional on the binding nature of the CO2 emission targets. Member States and the EU institutions were urged to give all necessary support to the research and development of break-through technologies, such as hydrogen motors, fuel cells or hybrids. Parliament felt that the Intelligent Car Initiative, Galileo and other instruments contributing to an intelligent transport system were of the utmost importance and therefore called on the Commission strongly to support these developments.

CARS 21: a competitive automotive regulatory framework

The Commission presents a Commission Staff Working Document on progress during 2008 at the UN Economic Commission for Europe (UNECE).

In accordance with the CARS 21 Communication of 7 February 2007, this Commission staff working document sets out the major automotive-related developments that have occurred during 2008 at the UNECE with a view to informing the European Parliament, the Council and the public about progress achieved at UNECE and of the respect observed by the Commission with the political orientations set out in the relevant Community legislation. The 2008 staff working document is the second annual report on these activities.

UNECE was established in 1947 with a view to setting out norms, standards and conventions to facilitate international cooperation for various sectors both within and outside the European region.

2008 was a very productive year at the UNECE. The establishment of four new global technical regulations (GTRs) represents considerable progress towards international harmonisation of vehicle test requirements. Furthermore, the adoption of 95 technical amendments to UNECE Regulations under the 1958 Agreement will contribute towards the construction of vehicles meeting the latest technological progress in terms of vehicle safety and environmental performance.

Where it is appropriate, the technical changes that have been made at a UNECE level (e.g. Electronic Stability Control) will be incorporated into EC legislation. Furthermore, and as demonstrated by the proposed General Safety Regulation, compliance with the requirements in one or more UNECE Regulations can become the only option for type-approval.

The resultant close links between EC legislation and UNECE Regulations will enable European vehicles that have been manufactured in accordance with UNECE standards to be accepted in many other countries. As highlighted by the CARS 21 mid-term report, this regulatory simplification and international harmonisation is broadly welcomed by all stakeholders and will ensure that the European automotive industry will remain competitive around the world.

CARS 21: a competitive automotive regulatory framework

The Commission presents a Commission Staff Working Document on progress during 2009 at the United Nations Economic Commission for Europe (UNECE).

In accordance with the CARS 21 Communication of 7 February 2007, this Commission staff working document sets out the major automotive-related developments that have occurred during 2009 at the UNECE with a view to informing the European Parliament, the Council and the public about progress achieved at UNECE and of the respect observed by the Commission with the political orientations set out in the relevant European Union legislation.

The 2009 Commission staff working document is the third annual report on these activities.

To recall, UNECE was established by the United Nations Economic and Social Council in 1947 in order to promote regional economic integration through dialogue and cooperation on economic and sectoral issues. It provides analysis and policy advice to governments in consultation with key stakeholders and provides a framework for norms, standards and conventions to facilitate international cooperation for various sectors. UNECE brings together 56 countries located in the European Union, non-EU Western and Eastern Europe, South-East Europe and Commonwealth of Independent States (CIS) and North America.

The report states that during 2009 significant progress on the harmonization of vehicle standards continues to be achieved through the EU's participation at UNECE. A considerable proportion of this work is now linked to the important role that UNECE Regulations will play in the area of motor vehicle safety through the EU General Safety Regulation. In addition, the UNECE can also provide the framework for important complementary measures, such as the defining of test methodologies for vehicle emissions or, where appropriate, as a first step in taking additional new measures for type-approval in the EU (e.g., electric vehicles).

The resultant close links between EU legislation and UNECE Regulations will mean that European vehicles will be increasingly manufactured in accordance with UNECE technical standards. At the same time, the development of common UNECE standards or test procedures will reduce the development and deployment costs for manufacturers and regulators / test laboratories. As highlighted by the CARS 21 mid-term report, this regulatory simplification and international harmonisation is welcomed by stakeholders and will ensure that the European automotive industry remains competitive around the world.

Lastly, appropriate efforts are being made to encourage the interest shown in the 1958 and 1998 Agreements by the emerging economies, particularly those with a significant automotive manufacturing capability (e.g., India and China). This should help further to bring about acceptance by the major economies of the world that the UNECE standards are truly global standards for the automotive industry.

CARS 21: a competitive automotive regulatory framework

In accordance with the CARS 21 Communication (COM (2007) 0022), this Commission staff working document reports on the major automotive-related regulatory developments and activities that arose during 2010 at the World Forum for Harmonisation of Vehicle Regulations (?WP.29?) of the United Nations Economic Commission for Europe (?UNECE?). Its objective is to inform the European Parliament, the Council and the public about the progress achieved by WP.29 and of the compliance observed by the Commission with

regards to the political orientations set out in the relevant EU legislation. This 2010 Commission staff working document is the fourth annual report on these activities.

CARS 21: a competitive automotive regulatory framework

In line with the CARS 21 Communication, this document reports on the major automotive-related regulatory developments and activities that arose during 2011 at the World Forum for Harmonisation of Vehicle Regulations (WP.29) of the United Nations Economic Commission for Europe (UNECE). It aims at informing the European Parliament, the Council and the public about the progress achieved by WP.29 and of the observance of the political orientations set out in the relevant European Union legislation.

This 2011 Commission staff working document is the fifth annual report on these activities.

CARS 21: a competitive automotive regulatory framework

In line with the CARS 21 Communication, this document reports on the major automotive-related regulatory developments and activities that arose during 2012 at the World Forum for Harmonisation of Vehicle Regulations (WP.29) of the United Nations Economic Commission for Europe (UNECE). It aims at informing the European Parliament, the Council and stakeholders about the progress achieved by WP.29 and of the observance of the political orientations set out in the relevant European Union legislation.

This 2013 Staff Working Document is the sixth annual report on these activities.

CARS 21: a competitive automotive regulatory framework

In line with the CARS 21 Communication, this Commission staff working document reports on the major developments and activities in the automotive sector that arose during 2014 at the World Forum for Harmonisation of Vehicle Regulations (WP.29) of the United Nations Economic Commission for Europe (UNECE).

This is the eighth annual report on these activities aiming at informing the European Parliament, the Council and stakeholders about the progress achieved by WP.29 and of the compliance observed by the European Commission with regards to the political orientations set out in the relevant European Union legislation.

To recall, UNECE was established in 1947 with a view to setting out norms, standards and conventions to facilitate international cooperation for various sectors both within and outside the European region.

WP.29 is historically a Working Party of the Inland Transport Committee of the UNECE established in 1950 to facilitate the free movement of vehicles.

The European Union is a Contracting Party to the 1958 and 1998 Agreements. These agreements establish harmonised requirements at global level to ensure high levels of safety, environmental protection and energy efficiency.

This Commission staff working document will focus specifically on the progress achieved in 2014 and provides an indication for the forthcoming developments in 2015.

Reform of the 1958 Agreement: the long-awaited revision (Revision 3) of the 1958 Agreement is imminent. The UNECE WP.29 is expecting a clear signal from the EU as to whether the proposal to increase the majority voting rule to four-fifths majority threshold can be accepted. It is anticipated that if the majority voting threshold is raised to a higher ratio, the chances to attract as new Contracting Parties such important EU partners as Brazil, India, China and the ASEAN countries would become more realistic. The acceptance of internationally harmonised vehicle regulations established under the 1958 Agreement by the EUs trading partners is the best way to remove non-tariff barriers to trade and thus, the attractiveness of the 1958 Agreement needs to be enhanced. With a view to provide supportive evidence of the benefits the accession of emerging countries to the revised 1958 Agreement will generate for the EU automotive industry, the European Commission has awarded a study contract the results of which will be available in June 2015.

Development of the International Whole Vehicle Type Approval system (IWVTA): the implementation of the IWVTA system at UNECE level will create a strong competitive advantage for the European car industry, which is already approving its products in conformity with those international standards. In 2014, discussions allowed for the clear identification of the UN Regulations to be covered by the IWVTA Regulation. The need for a flexibility scheme enabling some Contracting Parties to apply limited recognition of IWVTA for domestic purposes has also been acknowledged and specific procedures are developed to accommodate this need.

EU involvement in the regulatory development process under 1958 and 1998 Agreements: as from 1 November 2014, a large number of UN Regulations have been implemented into binding Union law by means of adopting Regulation (EC) No 661/2009 on the General Safety of motor vehicles (General Safety Regulation), which repealed more than 50 EU Directives and replaced the majority of the previous regulation at Union level with provisions implementing the respective UN Regulations.

The activities of the WP.29 and the UNECE working groups responsible for the motor vehicle regulations are becoming more and more important. These intergovernmental bodies are used by the European Union as the main instrument for the development of revisions and amendments to those regulations with respect to updates according to technological progress. Therefore, it is of outmost importance that the UN Regulations continue to provide a coherent framework for technical discussions that will be compatible to the EU type-approval policy framework.

The European Commission endeavours to ensure coherence between the regulatory activities at UNECE and EU levels. The activities related to the 1958 and 1998 Agreements in 2014 and the results obtained demonstrate that this coherence is being successfully achieved.

Forthcoming developments: the key focus of the WP. 29 activities in 2015 will be on the successful finalisation of the reform of the 1958 Agreement through the swift adoption of its Revision 3, which is promising to bring substantial benefits in terms of trade facilitation and

enhancing of the competitive position of the European automotive industry on a global market whose centre of gravity is steadily shifting to emerging countries.

Domestic procedures aiming at becoming Contracting Parties to the 1958 Agreement already in 2015 are launched by Brazil, the Philippines, and Ecuador. In addition, on 3 March 2015 Belarus became a Contracting Party to the 1998 Agreement.

The possible adoption of the new UN Regulation on International Whole Vehicle Type Approval (IWVTA), as part of the reform of the 1958 Agreement, will also be at the focus of the attention and could allow at least partial application of the scheme by the Contracting Parties in 2016. Having in mind that the IWVTA will only be established between the Contracting Parties to the 1958 Agreement, thus excluding such important partners of the Union as the US, China and India, the need of fostering the accession of more countries to the 1958 Agreement becomes even more tangible.

WP.29 will also continue to provide an adequate and effective framework for developing international requirements on new technologies. There are great expectations that it can deliver on such highly complicated topics as battery performance and durability and recyclability of electric vehicles. On the basis of a research conducted and reported by the end of 2016, it will be decided whether new UN Global Technical Regulations (GTRs) need to be drafted and presented for adoption in these areas.

Lastly, strengthening the implementation of internationally agreed standards under the UNECE framework and complementing them through bilateral regulatory cooperation with key EU partners have also been at the centre of the European Commission's efforts. In this regard, the negotiations with the United States in the framework of the Translatlantic Trade and Investment Partnership, are of paramount importance.