Approval and market surveillance of motor vehicles and their trailers, and of systems, components and separate technical units intended for such vehicles

2016/0014(COD) - 27/01/2016 - Legislative proposal

PURPOSE: to revise the legal framework for the type-approval of motor vehicles and their trailers in order to ensure the proper functioning of the internal market while at the same time providing for a high level of public safety and environmental protection.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: a comprehensive EU type-approval framework for motor vehicles and their trailers, and of systems, components and separate technical units intended for such vehicles, was established by <u>Directive 2007/46/EC of the European Parliament and of the Council</u>.

This framework aims at facilitating the free movement of motor vehicles and trailers in the internal market by laying down harmonised requirements designed to achieve common environmental and safety objectives. Directive 2007/46/EC covers motor vehicles for the carriage of passengers (category M) and of goods (category N), and their trailers (category O), as well as their systems and components.

As part of the commitments the Commission made in its <u>CARS2020 Action Plan</u> for a strong, competitive and sustainable European car industry, the EU type-approval framework for motor vehicles has been the subject of a comprehensive fitness check in 2013.

Although the fitness check confirmed that the existing regulatory framework has its merits in meeting policy objectives, it has come under harsh criticism after the discovery that a German manufacturer (VW) had for several years used software to manipulate the emission performance of its cars.

Within a week of the outbreak of the scandal, the Commission announced that it would reinforce the type-approval system, in particular by ensuring adequate supervisory mechanisms to ensure a correct and harmonised application of the type-approval procedures.

Triggered by the outburst of the VW emissions scandal, the European Parliament adopted on 27 October 2015 a <u>Resolution on emission</u> <u>measurements in the automotive sector</u>, calling on the Commission for significantly strengthening the current EU type approval regime including more EU oversight, in particular with regard to market surveillance, coordination and follow up regime for vehicles sold in the Union.

IMPACT ASSESSMENT: the proposal is accompanied by an <u>impact assessment</u> of the VW emissions crisis on the review of the type-approval framework for motor vehicle.

Already before the outburst of the VW crisis, the Commission was working on proposals to improve the type-approval legislation for motor vehicles, and identified main areas with a significant potential for improvement to better address the problems of unsafe and non-compliant automotive products. The assessment of the possible policy options resulted in the conclusion that regulatory action in these areas would be the most effective.

The re-assessment of these policy options in the light of the VW crisis has highlighted the need to further increase their effectiveness in terms of detecting and preventing non-compliance problems.

There is a warranted need for EU wide supervision to achieve a harmonised and co-ordinated enforcement based on commonly applicable criteria and uniformly applied by Member States.

CONTENT: the proposed Regulation seeks to replace Directive 2007/46/EC. It sets out the harmonised rules and principles for the type-approval of motor vehicles and their trailers, and of systems, components and separate technical units intended for such vehicles, and the individual vehicle approval.

The proposal aims to strengthen the existing type-approval framework, by introducing market surveillance provisions. It also contains a wide range of measures relating to:

- the traceability of products and role and responsibilities of economic operators in the supply chain;
- responsibilities of and co-operation between the different national authorities involved in the enforcement of the technical harmonisation legislation for motor vehicles;
- the quality of the type-approval and conformity assessment tasks carried out by technical services;
- the post-market safeguard procedures and the provisions for the recall of vehicles,
- procedures for ensuring conformity of production.

BUDGETARY IMPLICATION: the budgetary implication of this proposal is estimated at EUR 40.104 million (including administrative expenditure) for the period 2017-2020.

In view of the constraints of the Multiannual Financial Framework 2014-2020, the implementation of the legislative proposal will have to be built on existing resources and to be designed in such a manner that additional financial resources under the EU budget are not needed. For the period following 31 December 2020, the amount shall be subject to the multiannual financial framework in force for the period commencing in 2021.

DELEGATED ACTS: the proposal contains provisions empowering the Commission to adopt delegated acts in accordance with Article 290 of the Treaty on the Functioning of the European Union.