Opinion

Title  Impact Assessment on: Proposal for a Regulation relating to the type-approval of hydrogen powered motor vehicles
       (draft version of 19 June 2007)

Lead DG  DG ENTR

1) Impact Assessment Board Opinion

(A) Context

The proposal foresees the amendment of the existing type-approval Directives and Regulations framework in order to include specific requirements for hydrogen powered vehicles.

(B) Positive aspects

The Impact Assessment report sets out the comprehensive consultation with relevant stakeholders whose input has been included in appropriate parts of the report. The results of detailed scientific studies on public safety and environmental impacts are presented.

(C) Main recommendations for improvements

The recommendations below are listed in order of descending importance. Some more technical comments have been transmitted directly to the author DG.

General recommendation: The IA report should more clearly define the problems that the proposal is intended to tackle, and what its main objectives are. It should more explicitly set out the assumptions and uncertainties underlying the analysis and substantiate the factual basis with some information on the current situation in Member States as regards hydrogen-type approval schemes. These recommendations were largely accepted by DG ENTR in the Board meeting.

(1) The IA report should more clearly define the problem(s) and the drivers prompting the initiative and establish a more explicit link between these and the objectives and policy instruments analysed. The IA report should better differentiate the concrete problem (lack of harmonised type approval and consequently, internal
market fragmentation), the wider context (obstacles to the introduction of hydrogen-
powered vehicles and the necessary research and infrastructure investments) and the
overall background (concerning climate change, emission reductions etc.). It should
present more detailed factual information on current procedures (or lack thereof) and
technical requirements for approval of hydrogen powered vehicles in Member States, so
as to better put in perspective the extent of the noted fragmentation of the internal market
and the likely impacts of the technical requirements set out in the proposed regulation.

(2) The IA report should put a greater emphasis on the analysis of uncertainties
related to the link between EU-level type approval and the uptake of hydrogen cars.
Specifically, it should clearly state the uncertainties deriving from the HyWays research
project scenarios and their relationship with the content of the proposal and the analysis
of the policy options (more concretely, the link between scenarios b and c and options 3
and 2). The IA report should moreover discuss the uncertainties related to alternative
parameters for the implementation of an EU type approval scheme (e.g. in relation to
definition and testing of safety/risk factors and relevant technical requirements, etc.). The
presentation of the (net) benefits of the proposal should reflect the uncertainties (e.g.
through the use of intervals in the tables). In this context, any distributional impacts could
usefully be analysed, both within the EU and vis-à-vis third countries. The IA should
make it clearer that the technical detail will be worked out by a comitology procedure and
whether a further IA will follow.

(3) The IA report should address the issue of the potential benefits of a "package
approach", integrating EU level action on all aspects of the diffusion of hydrogen
powered vehicles (safety of hydrogen cars, hydrogen reservoirs, safety and availability of
filling stations, hydrogen production from renewable energies, etc). The reinforced
analysis of uncertainties, recommended in point 2 above, should also take into account
the uncertainties associated with the fact that this would be a stand alone initiative.

(4) The IA report should clarify how increased use of hydrogen powered vehicles
can in the long run be expected to affect the car manufacturing process and what the
impacts will be on employment and required worker skills.

(5) The IA report should include a more careful and verifiable examination of
administrative costs, using the EU Standard Cost Model.

(D) Procedure and presentation

It appears that all necessary procedural elements have been complied with.

The IA report should include a more comprehensive proposal for monitoring and
evaluation arrangements. It should also present in a more reader-friendly and organized
way the technical data on the hydrogen vehicles technology presented at various
occasions in the text in order to facilitate comprehension.
2) IAB scrutiny process

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<tr>
<th>Reference number</th>
<th>2006/ENTR/044 [CLWP 2007 Priority Initiative]</th>
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<tbody>
<tr>
<td>Author DG</td>
<td>DG ENTR</td>
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<tr>
<td>External expertise used</td>
<td>No</td>
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<tr>
<td>Date of Board Meeting</td>
<td>11 July 2007</td>
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<td>Date of adoption of Opinion</td>
<td>17 July 2007</td>
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