



Brussels,
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Opinion

Title

DG ENTR - Impact assessment on the proposal on complementary provisions to Euro 5/6 and Euro VI – type approval

(draft version of 15 February 2012).

(A) Context

The EU has committed itself to providing for a high level of environmental and public health protection: this concern is present, in particular, in the Europe 2020 strategy. Similarly, the "effort sharing decision" (COM(2007)19) promotes an integrated approach to reduce CO₂ emissions from new motor vehicles sold in the EU, in order to ensure that the EU meets its greenhouse gas emission targets. Common European emission standards define acceptable limits for toxic exhaust emissions of all new motor vehicles sold in the EU. A series of Directives have progressively set specific limits at different levels for different motor vehicle types. Currently, Euro 5 and 6 (Regulation 715/2007) are setting the emissions standards for light duty (LD) vehicles, whilst the Euro VI standards (Regulation 595/2009) concern heavy duty (HD) vehicles. It is important to note that the Euro standards are formulated according to a split-level approach, which means that essential aspects are contained in a main instrument agreed via the ordinary legislative procedure, while non-essential technical aspects are regulated by means of delegated or implementing acts prepared by the Commission. This Impact Assessment focuses on a "narrow" legislative action, as it only analyses the part of the legislation which can be changed through the ordinary legislative procedure.

(B) Overall assessment

The report provides an adequate and proportionate analysis but should be further improved in a number of aspects. Firstly, the report should strengthen the evidence base of the problem definition, in particular by explicitly presenting supporting data, for instance on the health effects of air pollution. Secondly, it should provide a more developed baseline scenario, including quantitative data where available. Thirdly, it should present a more detailed analysis of the various options, including a more quantitative analysis of the economic and environmental impacts, and an assessment of SME and competitiveness issues. Finally, the report should clarify the future monitoring and evaluation arrangements.

In its written communication with the Board, DG ENTR agreed to revise the report in line with the recommendations in this opinion.

(C) Main recommendations for improvements

(1) Strengthen the evidence base of the problem definition. The report should present a more comprehensive overview of relevant EU initiatives indicating the links and synergies with the present proposal, and provide more data, preferably from various sources on the typical ammonia emissions of positive ignition vehicles. Furthermore, it should further describe the effects of air pollution on the health of the EU population, based on a summary of the key information contained in the EEA factsheet (annex 3). In addition, the report should clearly indicate the role of the problem drivers, by better explaining the impact of regulatory failures in this context, and demonstrating why there is a need to act now. The report should present in a clear manner the state of the automotive sector, including an analysis of the competitive situation, and it should detail how the proposal will affect component suppliers and in particular SMEs. It should also outline the consumption and emissions reduction results achieved by the current legislative framework.

(2) Improve the baseline scenario. The report should clearly outline the insufficiencies of the current system and the likely evolution of the situation. In doing so it should provide data on the compliance costs imposed on manufacturers due to the double emissions certification. Moreover, it should more explicitly explain the differences of Light Duty (LD)/Heavy Duty (HD) vehicles and also the 'driving behaviour' problem, as HD vehicles increasingly rely on highly efficient automatic gear shift modes. Finally, the report should more precisely indicate the level and the consequences of a likely decline of the share of natural gas HD vehicles.

(3) Better present the options and their expected impacts. The report should provide a clear analysis of the costs of reducing CO₂ induced by the options, providing also the source of the cost assumptions. It should also demonstrate that the options concerning mass limits and classification will not lead to a relaxation of emission standards. As simplification of the legislation and reduction of the administrative burden on manufacturers are presented as objectives in the report, it should provide clear and where possible, quantitative evidence of the expected impacts of the options on these objectives. The report should also take into account the impacts on component suppliers, particularly SMEs, as well as the international competitiveness of the EU sector. If available evidence demonstrates that these specific impacts can be expected to be very limited, the report should explicitly refer to it.

(4) Clarify the future monitoring and evaluation arrangements. The report should provide more developed monitoring and evaluation arrangements, including a set of concrete progress indicators that are clearly linked to the preferred option.

Some more technical comments have been transmitted directly to the author DG and are expected to be incorporated in the final version of the impact assessment report.

(D) Procedure and presentation

The report should detail how stakeholders' opinions have been taken into account throughout the text and should systematically provide references to the stakeholders' consultation. It should clarify the process of the public consultation by, amongst other options, making available stakeholders' answers, and justify why the only 15 contributions received can be considered sufficiently representative.

(E) IAB scrutiny process	
Reference number	2012/ENTR/019
External expertise used	No
Date of IAB meeting	Written procedure (15/02/2012)