

EU LEGISLATION UPDATE

FEBRUARY 2006



OPPORTUNITIES FOR DIALOGUE

Taxation

In February, FIVA submitted its comments on the European Commission's proposal on passenger car taxation to the European Parliament's Economic and Monetary Affairs Committee Rapporteur on the issue, Danish MEP Karin Riis-Jorgensen (see July issues update). Because the proposal addresses taxation, the EP only has the option to offer its views on the proposal – i.e it is not a negotiating partner on the text. However, its views are considered by the other institutions so FIVA proposed to the Rapporteur that she include in her report a paragraph which would read:

“A tax differentiation based of the number of grams of carbon dioxide emitted per kilometre shall not be applied to historic vehicles, meaning those over 25 years old; maintained in a proper and environmentally sound manner and in a historically correct condition; either in use for leisure purposes or preserved in a collection;”

Commission published Mid-term Report on Road Safety Programme

On 22 February, the European Commission adopted its mid-term review of its Road Safety Action Programme (2003-2010). It has primarily been drafted to take into account the change to the programme necessitated by the enlargement of the EU and focuses on road safety data categorised by vehicles and by Member State. data. One of the paragraphs of the paper suggest that the Commission is looking at requiring seat belt use in all vehicles (the potential threat being that seat belts would have to be retrofitted to vehicles with belts) but discussions with relevant Commission officials have reassured FIVA that the way the paragraph is written is misleading and that there are no such ongoing discussions – rather , the paragraph refers to Directives in force – specifically the 2003 Directive about the use of safety belts provided in vehicles which is currently being implemented by the member states

FIVA Legislation Commission meets

In late February, FIVA's Legislation Commission met for the first time under the Chairmanship of Horst Bruning. Issues discussed included:

- The road safety: in light of the European Commissions' new paper (see above), Legislation Commission members have been asked to collate data from insurance companies about the road safety statistics of historic vehicle use;
- Environment: both FIVA's draft Environmental Code and the increasing number of road bans and the internal market implications of national vehicle emission output labelling schemes were discussed;

- Daytime running lights: the FIVA position paper was updated in anticipation of a proposal from the European Commission on the compulsory use of DRL:

Other issues discussed were: preparations for the Brussels event to launch the Research Project; FIVA communications; definition of historic vehicles and other developing national issues

INFORMATION

European Commission calls for more support from industry and policy-makers for development of life-saving technologies systems for cars

The European Commission's DG Information Society has launched an Intelligent Car Initiative as part of the EU's i2010 strategy. It addresses the need for a stronger take up of new technologies to make cars safer, cleaner and more efficient and focuses on three aims - to:

- co-ordinate the efforts of stakeholders, citizens, Member States and industry to accelerate the development and take-up of these technologies;
- support research and development on smarter, cleaner and safer vehicles, with funding from the EU's seventh research framework programme (FP7) and facilitate the take-up and use of research results;
- build awareness of the benefits of e-safety technologies and to stimulate demand among drivers. This work will include regular technology demonstration events and targeted TV programmes.

The Commission supports the need for the initiative with data showing that:

- ITS preventing rear-end collisions could eliminate 4,000 accidents per year across the EU if such technology was incorporated on only 3% of cars by 2010;
- Technology helping cars to stay in lane, or to overtake, could prevent 1,500 accidents per year if such technology was incorporated on only 0.6% of cars by 2010;
- Technology that wakens drowsy drivers could help prevent 30% of fatal motorway crashes and 9% of all fatal accidents.

Other data used to support the initiative is that:

- Human error is involved in almost 93% of accidents, which cost around €200 billion, or 2% of EU GDP.
- Traffic congestion now affects 10% of the road network, and costs €50 billion per year, or 0.5% of EU GDP;
- Up to 50% of fuel consumption is due to traffic congestion or poor driving.

The Commission believes that these can all be solved by using information and communication technologies.

Madrid to ban old vehicles

Madrid city council has announced that from 2008 heavily-polluting vehicles – “generally those over 15 years old” - will be excluded from the historic city centre in an attempt to reduce nitrogen dioxide emissions by 13%.

In parallel, Spain has decided to introduce fiscal measures to discourage the purchase of diesel-engined cars, SUVs and other heavily-polluting private vehicles. While it has not yet been formally announced, apparently the vehicle tax on medium-sized engines would be raised from 7% to 12%, the current fiscal incentives for diesel will be removed, and a special 17% rate will be levied on engines over 2.5 litres.

European Parliament criticises the European Commission’s Environment plans

The EP rapporteur on the European Commission’s five thematic environmental policy strategies, Riita Myller – a left of centre Finnish MEP, has said that the plans fall far short of implementing the EU's sixth environmental action programme because they do not include targets and timetables – and because she is worried that they may in fact weaken existing legislation. She focused on the “Café” air quality strategy as “fairly poor” and suggested that the EP will table “very ambitious” amendments to it.

European Commission presents plan for biofuel use

The European Commission has adopted a broad-ranging plan to boost production and use of transport biofuels with the aim to help reduce greenhouse gas emissions and boost European energy self-sufficiency while benefiting farmers in the EU. However, European Environmental organisations have criticised the moves as saying that more environmental safeguards are needed and because they do not believe that biofuel use count towards carbon dioxide emission targets for new cars.

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The FIVA Legislation Commission members are: Horst Bruning (Chairman); Tidde Bresters, Andrew Burt, David Davis, Adalberto Gueli, Winfried Kallinger; Patrick Rollet, Svend Aage Tholstrup; and Carla Fiocchi (Secretariat)