

EU ISSUES UPDATE

JULY 2021



OPPORTUNITIES FOR DIALOGUE

European Parliament Historic Vehicle Group meeting

On 14 July the EPHVG held a virtual meeting when REACH, the review of the End-of-Life Vehicles Directive (ELV Directive), the EP examination of the Sustainable and Smart Mobility Strategy, the texts agreed between the European Council and European Parliament on both the Road Pricing Directive and the Motor Insurance Directive were discussed. See below for reports on each issue. Bernd Lange, the chair of the Group explained that he hoped the next meeting could be an in-person in Brussels and if so, the aim would be to have a formal presentation of the FIVA survey results to an invited audience.

REACH – an update

- REACH – the REACH Committee and the European Commission are still considering the authorisation of the use of Chromium Trioxide for decorative plating (i.e. plating commonly used for historic vehicle restoration) and a decision is likely in March/April 2022.
- Because of the poor experience with Chromium Trioxide (length of time and cost of approvals), the European Chemicals Agency and the Commission are now more reluctant to address lead (for use in batteries)
- A review of REACH, to modernise the authorisation process to make easier general exemptions for substances and to make the procedure simpler and more transparent, will start shortly.

FIVA action: FIVA will explain to the Commission the continued need for Chromium Trioxide for decorative plating and will the case against requiring REACH authorisation for lead.

European Commission publishes an Evaluation Report and a consultation on the ELV Directive:

The Directive (which aims to: prevent waste from vehicles; promote reuse, recycling and other forms of recovery of ELVs; improve the environmental performance of all economic operators involved in the life cycle of vehicles) is being reviewed and a proposal for an amendment to the Directive is expected early next year. In preparation, the Commission has published an:

- Evaluation Report of the Directive: the report includes a line in the section on “waste” stating: “For instance, a vehicle would qualify as waste ... if the repair costs exceed the present value of the vehicle (**exception: vintage cars or vehicles**) and the possibility for repair cannot be assumed, it would classify as a waste.” This is welcome as a critical concern of the historic vehicle movement is that historic vehicles can be classified as “waste” by authorities against the wishes of the owner and so have to be destroyed for recycling. This concern has arisen as a result of a number of cases, particularly in Sweden, where historic vehicles being imported have been classified as “waste” and removed from the owners. This is particularly important as very often the cost of renovation of a historic vehicle far exceeds the price paid for the vehicle. The Report also noted concern that large numbers of End-of-Life Vehicles may be being exported to developing nations. FIVA is concerned to ensure that any measures designed to prevent this action do not also prevent the sale of historic vehicles to non-EU countries. Additionally, FIVA remains concerned that the evaluation report did not note the point which FIVA has stressed in previous consultation responses that: a decision to end the life of a vehicle can only be taken by the owner. Adopting this principle in the revised Directive would resolve concerns surrounding the cross-border sale of HVs which are unregistered or do not have a current roadworthiness test certificate, around the “used-vehicle versus waste” debate and around concerns that “barn-finds” may be destroyed before potentially being restored.

- New consultation: the European Commission has published a further consultation on the Directive in preparation for its drafting of a proposal to amend the Directive. FIVA will respond to the consultation and in particular focus of questions addressing:
 - Member State systems which allow the re-registration of vehicles if they are not being used for a period of time – the Commission is seeking views as to whether a charge should be applied to de-registered vehicles to facilitate information gathering in case of sale or export
 - The export of used vehicles to developing nations – the Commission is seeking views as to whether export should only be allowed for vehicles which have a road worthiness certificate, comply with certain environmental criteria or are above a certain age/or have driven a certain number of miles
 - The use of hazardous materials in vehicles – the Commission wants to know views on whether the Directive should ban hazardous materials in vehicles or whether these controls should be enacted via REACH or other legislation
 - Missing vehicles – i.e. how to prevent vehicles from disappearing without registration to the national authorities.

- *FIVA action*: FIVA will submit its comments to the consultation on these matters and also reiterate its view that *a decision to end the life of a vehicle can only be taken by the owner*.

MEPs table positive amendments to the Sustainable and Smart Mobility Strategy

The Transport Committee is drafting its Report on the Strategy which details the policy changes needed for the evolving mobility environment in which historic vehicles will become increasingly distinct from modern traffic and where the legislative changes could present threats to the right and/or the ability to use historic vehicles on public roads. MEPs have tabled 2 Positive amendments:

- (Mr Ertug and Mr Lange – the Rapporteur and the Chair of the EPHVG): *[the EP] Recognises that our cultural heritage is represented by historic vehicles and that the preservation of this heritage is linked to the use of these specific vehicles on public roads in a limited way; proposes therefore that synthetic fuel could be an environmentally friendly fuel for historic vehicles and the mobility strategy and possible legislation should take into due account the legal definition of a historic vehicle provided among others by Article 3(7) of the EU Roadworthiness Testing Directive 2014/45/EU and should give enough space for the use and maintenance of this heritage;*
- (Renew Europe Group of MEPs): *[The EP] Recognises the cultural heritage of historic vehicles. Therefore, urges the Commission to preserve the value of historical vehicles when legislating in the field of transport, in order to safeguard the European historical vehicle fleet;*

However, one amendment tabled by Ciaran Cuffe (an Irish Green MEP), if implemented into law, would ban the sales of historic vehicles from an EU country to a third country as it states [the EP] *“Calls for a ban on the export from the EU of second-hand vehicles that do not possess a road safety certificate or have emission standards lower than Euro 5, given the impact the export of these vehicles has on road safety, emissions and pollution in third countries.”*

In the Environment Committee which is drafting an Opinion for the Transport Committee, Pernille Weiss MEP has tabled three amendments - the third amendment would address the concern of the Cuffe amendment tabled in the Transport Committee. The amendments are:

- *4a. [The EP] Recognises the cultural heritage of historic vehicles and the necessity to safeguard our common European fleet of historical vehicles; therefore, urges the Commission to actively preserve the value of historical vehicles when adopting future legislative proposals in the field of transport;*
- *4b. [The EP] Recognises that our cultural heritage is represented by historic vehicles and that the preservation of this heritage is linked to the use of these specific vehicles on public roads in a limited and controlled way; proposes therefore that synthetic fuel could be an environmentally friendly fuel for historic vehicles and the mobility strategy and possible legislation should take into due account the legal definition of a historic vehicle provided among others by Article 3(7) of the EU Roadworthiness Testing Directive 2014/45/EU and should give enough space for the use and maintenance of this heritage;*

- *4c. [The EP] Stressed that any potential future ban on the export of second-hand vehicles, that either do not possess a road safety certificate or have emission standards lower than Euro 5, shall not include historical vehicles given these vehicles' very limited impact on road safety, emissions and pollution in third countries.*

During the EP Historic Vehicle Group meeting, Bernd Lange MEP explained that these amendments are likely to be included in the EP Report as the Rapporteur and Shadow Rapporteurs agree on the need for them.

FIVA action: FIVA's Legislation Commission will ask ANFs in September to again call on their national MEPs to support the positives amendments and to ensure that the Ciaran Cuffe amendment does not impact of the sale of historic vehicles.

Historic Vehicle exemptions are included in the Road Pricing Directive

The EP examined the proposed revision of the Eurovignette Directive in 2017/18 when it adopted amendments which allows Member States to treat historic vehicles differently to other vehicles (in the event that road pricing is introduced) in order to preserve motoring heritage. FIVA had lobbied for these amendments because in some cases calculating a historic vehicle's emissions is not possible, and if it is possible, the pricing may be disproportionately high and so deter historic vehicle use. The European Council (the Member State Governments) and EP have recently agreed a negotiated text and the historic vehicle amendments remain – they read:

- *Recital (13a) To help safeguard the Union's automobile heritage, Member States should be able to place vehicles of historical interest in a special category for the purposes of adjusting the various charges payable under this Directive*
- *Articles: (20a) 'vehicle of historical interest' means a vehicle that is of historical interest within the meaning of Article 3(7) of Directive 2014/45/EU of the European Parliament and of the Council*
- *And 2 articles addressing the detail of charging and allowing Member States to treat Historic Vehicle differently for pricing/charging purposes.*

Agreement on the Motor Insurance Directive addresses historic vehicle concerns in part

The Council and EP have agreed a negotiated text to amend the Motor Insurance Directive. Included in the agreed text are measures to:

- *Address concerns about the motor insurance needs of unused vehicles or those in museums as the agreements recognises that: "...Member States do not require insurance cover for the use of vehicles which are permanently or temporarily de-registered because, for example, they are in a museum, they are undergoing restoration or they have not been used for an extended period of time for another reason, such as seasonal use. Those Member States need to take the appropriate measures to ensure that compensation in line with Directive 2009/103/EC is paid in respect of any loss or injury caused in its territory and in the territory*

of other Member States by vehicles as defined in point 1 of Article 1 which are used in the above-mentioned sense.” This amendment is necessary as the new definition of “vehicle use” now includes the words ...irrespective of the terrain on which the motor vehicle is used and of whether it is stationary or in motion.” However, it should be noted that the means to implement the measure may result in more onerous demand on national guarantee funds – so this is a matter that ANFs will need to be alert to during the implementation of the Directive in their Member State.

- Motorsport is exempted on condition that the organiser has an alternative insurance or guarantee policy covering the damage to any third party.

Commission consults views on sustainable transport for the new Urban Mobility Framework

The European Commission is seeking views for its Urban Mobility Framework - and specifically asking for input on preferred modes of transport, public transport and urban vehicle access regulations.

FIVA action: FIVA will respond to the Consultation to reiterate its views about Low Emission Zones in particular.

INFORMATION

European Commission unveils its “Fit for 55” policy package

In July, the European Commission adopted a package of proposals to make the EU's climate, energy, land use, transport and taxation policies “fit for reducing net greenhouse gas emissions by at least 55% by 2030, compared to 1990 levels”. The proposals are designed to enable the acceleration of greenhouse gas emission reductions and combine: application of emissions trading to new sectors and a tightening of the existing EU Emissions Trading System; increased use of renewable energy; greater energy efficiency; a faster roll-out of low emission transport modes and the infrastructure and fuels to support them; an alignment of taxation policies with the European Green Deal objectives; measures to prevent carbon leakage; and tools to preserve and grow natural carbon sinks. Initiatives of particular interest include those that:

- Further tighten the fleet-wide CO² emission standards for cars and vans from the current 2030 reduction target of 37.5% to 55% (and a rise to 50% for vans).
- propose to set a zero emissions target for cars for 2035. The European Commission is looking to achieve agreement across the Member States on the date after which the sale of non-zero emission vehicles will not be allowed. FuelsEurope (the oil industry trade association) has expressed concern over the proposal saying the de facto ban on the internal combustion engine “misses the opportunity to stimulate the deployment of different innovative low-carbon technologies” – such as renewable fuels – which it said will play a role in decarbonising the existing road transport fleet and aviation.

- will change the Alternative Fuels Infrastructure Directive into a regulation which introduces a mandatory national capacity target for public recharging stations for battery-based vehicle sales. Under the proposed regulation, Member States will have to provide a power output of at least 1 kW for each electric vehicle registered instead of the current recommendation 1 charger for every 10 cars. The new regulation will also mandate Member States to build charging capacity along the EU TEN-T highway network with kilometric targets for light and heavy-duty vehicles. Additionally, at least 300 kW capacity will have to be provided by fast recharging points, and at least one high-power point with a capacity of 150 kW, will have to be installed every 60km along the TEN-T core EU transport network by 2025, rising to 600 kW by 2030; and one hydrogen refuelling point will be required every 150km. The car industry has already said that it believes these targets are insufficient.

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The FIVA Legislation Commission members are: Lars Genild (Chairman), Giuseppe Dell'Aversano, Wolfgang Eckel, Carla Fiocchi, Peeter Henning, Laurent Heriou, Johann König, Stanislav Minářík, Bob Owen, Bert Pronk, Kurt Sjoberg, Harit Trivedi and Andrew Turner of EPPA works with the Committee.