EXPLANATORY MEMORANDUM TO

THE MEASURING INSTRUMENTS (GAS METERS) REGULATIONS 2006

2006 No. 2647

1 This explanatory memorandum has been prepared by the Department of Trade and Industry and is laid before Parliament by Command of Her Majesty**.**

2 Description

2.1 These Regulations implement Directive 2004/22/EC, the Measuring Instruments Directive (MID), in respect of gas meters intended for use for trade.

3 Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None

4 Legislative Background

4.1 The Regulations are being made under section 2(2) of the European Communities Act to implement the Measuring Instruments Directive (MID) insofar as it relates to gas meters and to specify certain requirements that such meters must meet when they are in use in the United Kingdom.

4.2 The Directive was adopted in March 2004 and covers a number of different devices and systems, including gas meters, petrol pumps and automatic weighing instruments. It repeals ten other directives that covered these measurement systems and devices. Transitional provisions in the MID mean that UK legislation implementing those earlier directives may remain in force to regulate measuring instruments placed on the market after 30 October 2006 but produced pursuant to certificates of approval and EEC pattern approvals granted before that date, whilst those certificates and approvals are in force, provided that such instruments are duly stamped and passed as fit for use for trade as required by the relevant Regulations.

4.3 No specific undertakings have been given to Parliament that relate to this instrument, in the course of debate, Parliamentary Question or Committee appearance.

4.4 There are fifteen sets of Regulations (including the one mentioned in this document) designed to implement the MID in respect of:

- Electricity Meters
- Gas Meters
- Non-Prescribed Instruments
- Automatic Gravimetric Filling Instruments
- Beltweighers
- Capacity Serving Measures
- Automatic Catchweighers
- Cold Water Meters
- Automatic Discontinuous Totalisers
- Liquid Fuel and Lubricants
- Liquid Fuel delivered from Road Tankers

- Measures of Length
- Automatic Rail-weighbridges
- Exhaust Gas Analysers
- Taximeters

Transposition

4.5 The SI implements Directive 2004/22/EC on measuring instruments. The transposition note is attached at Annex A.

Scrutiny Committee History:

4.6 An explanatory memorandum (to Parliament) covering the opinion of the Commission on the European Parliament's amendments at second Reading (5788/04) to the common position of the Council regarding the proposal for a Directive of the European Parliament and Council Directive on Measuring Instruments was submitted by DTI on 17 February 2004. The Commons European Scrutiny Committee did not consider the text to be legally or politically important and cleared it from scrutiny on 25 February 2004 (Report 11 Session 03/04). The Lords Select Committee on the EU in its Progress of Scrutiny sift of 24 February 2004 did not report on the content.

4.7 The amendments proposed by the European Parliament at second Reading did not change any of the provisions of the Directive in respect of matters which were of earlier concern to the Commons Scrutiny Committee and did not introduce any new technical provisions. The main focus of the amendments was to provide for greater transparency in relation to those areas in which the Member State may choose not to regulate, greater clarity in the presentation and drafting of the text, and an invitation to the Commission to more widely review the arrangements of the Directive particularly in relation to conformity assessment.

4.8 The previous explanatory memorandum covering the amended proposal following the Commission's response to amendments of the European Parliament at first Reading (6121/02) was submitted by DTI on 12 March 2003. This was considered by the Commons European Scrutiny Committee to be legally or politically important was not therefore, cleared from scrutiny, and a request was made for further information (Report 32, Session 01/02). The Lords Select Committee on the EU in its Progress of Scrutiny sift of 01 April 2002 did not report on the content. Following this the key issues were resolved and a supplementary explanatory memorandum was presented for consideration. This again was regarded by the Commons European Scrutiny Committee to be legally or politically important and cleared (Report 4, Session 02/03). The Lords Select Committee on the EU in its Progress of Scrutiny sift of 09 December 2002 again did not report on the content.

5 Extent

5.1 This instrument applies to all of the United Kingdom

6 European Convention on Human Rights

6.1 The Minister of State for Energy has made the following statement regarding Human Rights:

6.2 In my view the provisions of the Measuring Instruments (Gas Meters) Regulations 2006 are compatible with the Convention rights.

7 Policy background

Policy objectives of the parent Directive and how this instrument fulfils them

7.1 The primary aim of the MID is to create a single market in measuring instruments for the benefit of manufacturers and consumers across Europe. The MID specifies the essential requirements that a product covered by the Directive must meet before it can be placed on the market and put into use. These requirements are both general (the essential requirements that apply to all measuring instruments) and instrument specific (reflected in the instrument-specific Regulations listed above). The MID requires manufacturers to follow a conformity assessment procedure to ensure that the product satisfies the requirements of the MID, but gives them a wide choice of assessment procedures from which to choose. These procedures may be specific to instrument types.

7.2 Under the optionality provisions of the Directive, Member States can choose which measuring instruments to regulate and can also choose the measurement tasks to be regulated. The Directive has been implemented in the UK maintaining the existing scope of regulatory control, only regulating those measuring instruments that are currently regulated and used for trade. By doing so we aim to maintain the current levels of consumer protection, bring the benefits of the single market to business and avoid any further regulatory burdens on business. We have introduced self-contained Regulations in respect of each type of measuring instrument concerned. The present Regulations therefore include the general requirements of the MID, the specific technical requirements applicable to the measuring instrument covered by the particular Regulations, certain provisions setting out the requirements applicable where an measuring instrument is in use for trade and enforcement provisions.

The size and nature of the problem it is addressing

7.3 The MID will create a single market providing opportunities for UK manufacturers to innovate and to export their new products much more easily to the twenty-nine Member States. The costs and time needed to get a product to market will reduce significantly. The single market will result in greater competition and improved choice for customers which, in turn, will help promote innovation. At the same time, barriers to trade will be removed and the market will become freer and fairer.

7.4 The MID is a ‘New Approach’ Directive, which means only the essential requirements are specified. Therefore, businesses have greater scope and choice about how to comply.

7.5 The optionality provisions of the MID provide an opportunity for the UK to deregulate or regulate other measuring instruments if this is considered appropriate in the course of time. Deregulation would provide manufacturers with an even greater scope for innovation and would enable products to get to market more quickly and cheaply. However, measuring instruments are generally controlled in order to protect the customer from fraud or short measure – these measurements are important because they provide the basis for about £2bn of legal transactions in the UK every week. The decision to maintain the status quo was supported in consultation.

7.6 There is generally no media attention and a low public interest in the policy.

7.7 The change is neither politically nor legally important.

Who has been consulted?

7.8 There has been two consultations on implementation. A Consultation on the approach to implementation in November 2004, followed by a Consultation on the draft Regulations implementing the Directive in December 2005. Stakeholder meetings were held during both consultation periods. The consultees included manufacturers, consumers, enforcement officers, trade associations, government organisations, consumer organisations and individual businesses. For a full list of organisations consulted see Annex B.

What was the outcome?

7.9 Responses to the first consultation were very positive overall with a substantial majority of respondents supporting the proposed approach to implementation. It was therefore decided that the Government would:

- Implement on the basis of status quo i.e. maintaining the current scope of regulatory control;
- Produce a self-contained Statutory Instrument for each type of instrument to be regulated;
- Issue a further consultation document to include the draft regulations themselves.

7.10 All comments have been considered, and changes made to the legislation where necessary to accommodate concerns raised. Detailed analysis of the 2nd consultation responses (entitled 'Government response to consultation on draft regulations implementing the Measuring Instruments Directive: Electricity and Gas Meters April 2006) can be found on the DTI website: http://www.dti.gov.uk/files/file29980.pdf

8 Impact

8.1 A Regulatory Impact Assessment was published in July 2006 and is attached to this memorandum at Annex A.

8.2 The impact on the public sector is detailed in the Regulatory Impact Assessment attached to this memorandum.

9 Contact

9.1 Valerie Haines, Department of Trade and Industry Tel: 020 7215 5285 or e-mail: valerie.haines@dti.gsi.gov.uk for queries regarding the instrument.

The Regulatory Impact Assessment on the Measuring Instruments Directive – Gas and Electricity Meters

This RIA, relating to the regulation of gas and electricity meters, is one of nine dealing with the implementation of the Measuring Instruments Directive. A full list of RIAs is attached at Annex 1.

The issue and objective

1. Issue: The impact of transposing the Measuring Instruments Directive (MID), on the basis of maintaining the existing scope of regulatory control, into UK legislation.

2. Objective: To implement the MID, which aims to harmonise essential requirements on measuring instruments across the EU[1]. The objective of the Directive is to open markets to competition; provide opportunities to innovate and export; improve choice for consumers and remove barriers to trade, through this deregulatory measure.

Risk assessment

3. The intention is to maintain the existing scope of regulatory control (status quo); that is to introduce new Regulations covering only the instruments that the UK currently regulates and not to introduce further Regulations which would act as a burden on business. The risks of pursuing this course, and alternative courses of action, are covered under the three options set out below. The initial consultation document[2], issued by NWML with DTI and Ofgem input, sought information about the level of interest in deregulating some instruments. There was no great impetus for deregulation. Feedback was received about the risk to the levels of consumer protection if the number of instruments regulated were reduced.

Identify Options

4. The three original options, and the risks associated with each, are set out below. These options were explored during the initial consultation. In view of the responses to the consultation, we have proceeded with option 2 below.

Option 1

5. Do nothing.

a face infraction proceedings against the UK for not implementing an agreed Directive.
b miss out on the benefits of a harmonised set of requirements
c goes against the feedback received from the initial consultation document

Option 2

6. Implement on the basis of status quo:

a maintains consumer protection
b does not introduce further burdens on business
c is in line with feedback from consultation document

Option 3

7. Change the scope of regulation:

[1] EU includes EEA and Switzerland, once the bilateral agreement is implemented.

[2] Measuring Instrument Directive: Consultation on the approach to implementation can be found on the NWML website: http://www.nwml.gov.uk/Docs/Legislation/MID/MID_consultation_on%20_approacht.pdf

a technical expertise and evidence base not in place to support the introduction of further regulations
b risks unintended consequences
c risks missing implementation deadline for whole Directive
d goes against feedback from initial consultation document, which did not strongly support an increase or decrease in number of instruments regulated

Results of consultation

8. The initial consultation document issued in November 2004 was circulated to over five hundred stakeholders and was made available on the NWML website. Forty-one responses to the proposals were received, of which seventeen were from the enforcement community (Local Authority Trading Standards Departments, regional Trading Standards groups, the Local Authorities Co-ordinators of Regulatory Services (LACORS) and the Trading Standards Institute (TSI)). Responses were also received from the business community, including twelve from individual businesses and four responses from trade associations. Five government organisations responded, along with one consumer organisation, BSi and one individual. In addition, three meetings with stakeholders were carried out during the consultation period.

9. Responses were very positive overall, with a substantial majority of respondents supporting the proposed approach to implementation in principle.

10. 95% of respondents who provided an answer to the question about status quo agreed that this would be the preferable way forward. 86% of those who replied to the question about deregulation did not want any instruments deregulated.

11. 78% of respondents agreed with the proposal to produce a Statutory Instrument (SI) for each type of instrument to be regulated.

12. A second consultation on separate draft Regulations covering gas and electricity meters was published in December 2005. Four meetings with consultees were held during the consultation period. Twenty-four responses were received including from meter manufacturers, multi utilities, meter owners and asset managers and a consumer representative. All comments have been considered and, where appropriate, changes made to the legislation. A summary of responses received and conclusions drawn will be published on the DTI website[3].

13. NWML received useful information about the costs and benefits of MID in response to the 2004 consultation document. Overall, we are satisfied that the costs to manufacturers of implementing the MID are not unreasonable, indeed several responses explained that there would be benefits in terms of costs and time of getting their products to market.

14. Some of the Trading Standards community expressed views that the implementation of the MID would adversely affect their levels of income. Whilst these comments touch on issues that are, strictly speaking, outside the scope of the MID implementation project, we have noted these comments and will be integrating them into our future strategies for the infrastructure of weights and measures enforcement.

Issue of Equity and Fairness

15. Implementation will be equal across the whole of the industries covered, although regulation in each of the Member States for each of the instrument types may be different. The optionality clause of the Directive enables Member States to choose to regulate instruments for prescribed measurement tasks – as is currently the case, i.e. different Member States may regulate different instruments and for different purposes.

16. Exiting national certificates of conformity for type approval have a transition period under the Directive, to allow certificates of conformity to last for a period of up to ten years after the date on which the MID Regulations come into force or, in the case of EC certificates, ten years, the date MID

[3] Published on the DTI website www.dti.gov.uk

was made European law.

17. The likely burden on small businesses is not considered to be any greater than for large businesses apart from familiarisation with the new legislation, where most small businesses have less administrative capacity.

Identify the Benefits

Option 1

18. The only benefit to UK manufacturers is that they would continue as at present. However, it is a disadvantage to the UK manufacturing base to remain regulated solely by UK legislation, as it is a disincentive to export to the EU marketplace, which will be closed to non-compliant measuring instruments in Member States that have opted to implement the MID. UK manufacturing would be limited to the UK marketplace although the UK would not be able to prevent meters compliant with MID from being placed on the UK market. It was clear from the responses to the December 2005 consultation, covering gas and electricity meters, that any disparity of approach to regulation in the UK to that of other Member States (i.e. durability for gas meters) could create barriers to the free movement of products across the EC.

Option 2

19. The first benefit of implementation will be the removal of technical barriers that currently exist, caused by dissimilar national regulation across the EU and the provision of a harmonised set of requirements for each of the instrument categories. However, most Member States already comply with the Recommendations of the Organisation Internationale de Métrologie Légale (OIML) for most measuring instruments, which means that, even under current national legislation, the technical requirements are already the same, although a lesser consideration for gas and electricity meters where national requirements have tended to prevail. The new regulations also permit European approval of electronic instruments as MID allows any technological solution that meets requirements. Former EC directives covering gas and electricity meters do not recognise electronic instruments.

20. For instrument types that are subject to approval, the cost of testing and certification will be reduced, as only one type or design approval will be required for the whole of the Community The MID should provide further reductions in cost and time to market. Exporting should be easier and will become an option for companies that have not yet explored that option.

21. Under MID there are choices for manufacturers with respect to the routes to obtaining conformity assessment (previously called type approval and verification). Options now also include self-verification and sample testing of instruments, depending on the type of instrument and the quality systems the manufacturer has employed. This enables the manufacturer to have more control over the conformity assessment of his products and the costs incurred.

22. Not only do manufacturers have choice about how to obtain conformity assessment, they also have a choice about where to obtain that assessment. This will introduce an element of competition into the marketplace and enabling manufacturers to shop around for high quality and value for money services and hence removing the potential monopoly of the individual Member State in relation to the home market.

23. A transitional period of up to ten years is provided before the Directive comes fully into force. It would therefore be possible for a manufacturer to obtain a national approval up until 29th October 2006 for a maximum period of 10 years. This exceeds product development times and is comparable with product lifetimes etc, so it is possible that, in practice, no significant non-recurring costs will be attributable to the Directive.

24. The Directive also has no impact on existing instruments already placed on the market, which will remain controlled by national legislation.

Option 3

25. There is a possibility that consumers will receive greater benefits since they could enjoy greater

protection if the number of instruments regulated increases. However, businesses could experience an increase in the burden resulting from compliance with a greater number of regulations. Their marketplace would, however, be opened up to extend to all Member States. Businesses in the UK market would have greater benefits through a reduction in the burdens resulting from compliance with regulations, but would not benefit from free access to the markets in all Member States.

26. If the number of instruments controlled through regulation was reduced, there could be corresponding reduction in the level of consumer protection. Businesses in the UK market would have greater benefits through a reduction in the burdens resulting from compliance with regulations.

Quantifying and Valuing Benefits

Option 1

27. No change - current national position prevails

Option 2

28. In response to the initial consultation document two companies and one trade association said that post MID time to market should be reduced, in some cases significantly. One company said that they expected time to market and costs to remain almost the same, though they recognise that there would be some reduction in the paperwork relating to compliance. One trade association said that their members did not expect there to be any significant increases in Type Approval costs in the Member State where the EU type approval is obtained. One company said that there may be future benefits from the wide range of conformity assessment modules available.

Option 3

29. If the number of instruments regulated increases, then it is likely that the benefits of increased consumer protection would increase proportionally, along with the burdens on business. Conversely, if the number of instruments regulated went down, then benefits to business will increase, as potentially consumer protection decreased.

Costs

30. One of the costs of getting a new product to market is the time taken to get a product onto that market. It normally takes one to two years to take a new product from initial concept to market. Development costs, including tooling, range from £150,000 up to about £2m, depending on the complexity of the instrument. Approval time varies from about four weeks, where test results from another body support an application, to twelve weeks. Costs range from £3,500 to £15,000. Gas and electricity meter approvals are within these ranges for timescales and costs with, amounts dictated by complexity of the instrument and scope of approval.

31. There are costs attached to exporting products i.e. obtaining approvals in other Member States. Costs within the EU can amount to £80,000, based on an initial £30,000 for the costs associated with inspection, laboratory testing and administrative functions related to the type approval of the instrument, plus £2,000 per country, for such activities as technical review, additional testing (if required) generation and distribution of documentation. A trade association representing companies that export to most EU countries and many outside the EU stated that exporting within Europe is fairly straightforward, as a result of the WELMEC Type Approval Agreement (whereby test results are accepted between test houses reducing the work needed to provide approval). They also stated that the OIML Certificates of Conformity ease the type approval process outside the EU, with the notable exception of North America.

32. In response to a question in the initial consultation document about costs of gearing up for MID, three companies said that they were anticipating the gearing up costs to be zero or very small. One trade association does not expect costs to increase significantly. They themselves are planning to provide training, but expect the costs of this training to be reasonable. It should be noted, from the responses to the December 2005 consultation covering gas and electricity meters, that a gas meter manufacturer and trade association were concerned that interpretation of one particular aspect of the

essential requirements related to gas meters, the “same signs rule”, could have significant financial impact. Further consideration and potential routes to resolve issues are being investigated with WELMEC.

Opportunities and Threats

33. Two trade associations and one company, who responded to the question in the initial consultation document, saw implementation of the MID as an opportunity. Respondents stated that the opportunities include savings in costs and time to market, based on the advantage that one approval ensures compliance in all EU countries.

34. Ten other respondees to this question saw implementation of the MID as both a threat and an opportunity. The perceived threat was that countries will regulate different instruments, so there will be the case whereby a manufacturer of an MID compliant product will not be able to compete equally in a country that does not regulate in line with the MID, because a non-compliant product will be cheaper and easier to make. This point was echoed by one of the trade associations, which stated that the lack of uniformity in prescription across the EU is seen as unhelpful and not in the spirit of the internal market. However, a Member State that does not regulate in accordance with the MID cannot prevent compliant instruments being placed on its market or put into use.

35. Another comment made was that, unless appropriately implemented, it could become a threat to consumer protection. In general, the trading standards organisations were concerned about how the implementation would affect the viability of their services and whether or not there would be sufficient demand to make it justifiable for Local Authorities to become Notified Bodies (NBs). Some comments were around the possibility of Local Authorities working in partnership with others to provide a regional service.

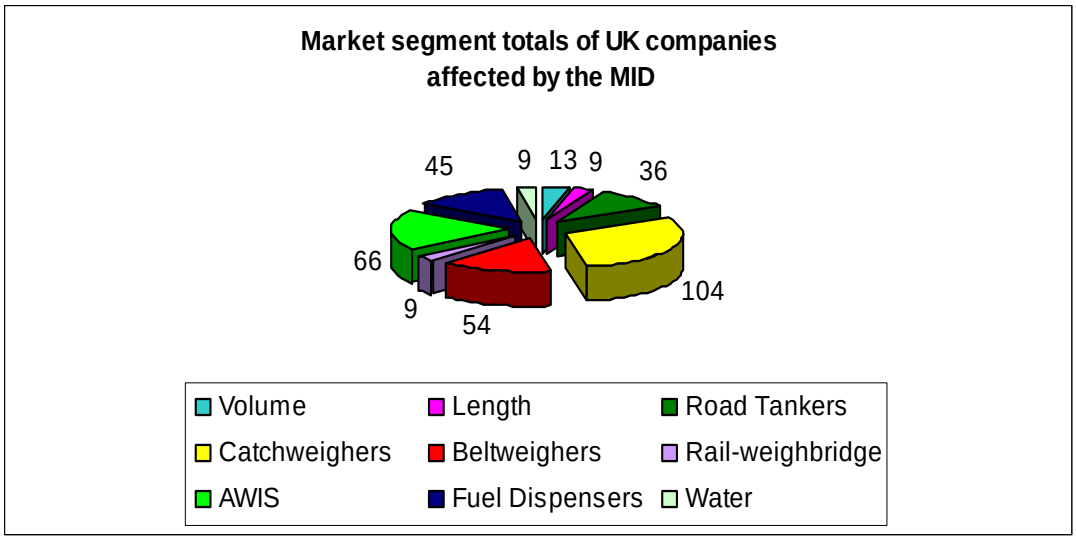
Conclusion on costs and benefits

36. The comments received on the initial consultation were mixed, on whether the MID presents an opportunity or a threat. However, it is clear that there will be benefits to business of reduced regulatory burden, which would result in reduced time and costs of getting new products to the EU market. The Government accepts that prescription may not be the same across all Member States, since the optionality clause enables Member States to decide which instruments to regulate and for what purposes. However where instruments are prescribed, the requirements are identical. Where no national regulation is permitted MID compliant products are allowed to circulate freely alongside non-MID compliant products. There was concern that non-compliant instruments would be cheaper to make and therefore would ultimately cost less, thus undercutting compliant instruments. As the optionality clause is permitted this point cannot have any bearing on the implementation of MID in the UK.

Business sectors affected

37. 15 electricity and nine gas meter manufacturers have been active in the sector over the last year and are likely to be directly affected by MID implementation in the UK. Not all of these companies manufacture exclusively in the UK, but all have at least some operational activity in the UK.

38. Additionally, research into the number of UK companies affected by the MID regulation under the responsibility of NWML has concluded there are in excess of 260 companies affected. The following graph illustrates how the impact is spread across the MID market segments covered by NWML’s regulations:



39. Following the initial research, NWML took a snap shot involving 148 of these companies to find out more about the impact the MID will have on them. NWML were able to establish that the combined turnover of the UK market is in excess of £450 million and more than 28,000 staff will be affected. The gas and electricity sector, for the 25 manufacturers, has a turnover of approximately £35 million with around 1,200 staff affected.

40. Most gas and electricity meter manufacturers are part of global enterprises, with probably only two or three able to be possibly defined as UK companies without international parent company interests. Most operations situated in the UK supply to the home market. A small number export to other European Member States.

Small Firms Impact Test

41. After having conducted 2 consultations and held 4 stakeholder meetings, (on the advice of the Small Business Service) NWML tried to contact at least one small firm manufacturing each specific instrument in the draft Regulations. During the course of this research, NWML was unable to identify any disproportionate impact on the small firms polled as a result of the implementation of the Directive. This is representative of the gas and electricity metering sector.

42. A small number of firms may incur a slight cost at the initial stages of the Regulations coming into force, but only in the very short term. The consensus view was that the advantages gained would outweigh these initial costs. Therefore, it is not anticipated hat this implementation will have any significant or complex impact on small firms, within the sectors affected by the proposed changes. Small firms have in the past raised concerns about the current ‘one size fits all’ approach to fees and charges. MID may therefore deliver some cost benefit to small firms through the potential for NBs to employ more flexible charging regimes.

Identify any other costs

Option 1

43. None

Options 2 and 3

44. No additional costs for the manufacturer, although, for the Member State as the designating authority, there are the additional costs, estimated at around £40,000 as a one off cost for setting up a designation and auditing programme for Notified Body activities. The costs of the actual designation and audit will be met directly by the NB themselves. The costs of setting up a market surveillance programme will need to be met by the Member State, as well as the on-going operation of programme;

the on-going cost is likely to be in the order of £100,000 per year for those instruments currently regulated by NWML. Ofgem has anticipated a budget of approximately £60,000 per year to deal with Notified Body designation (this is recovered through charges), Market Surveillance and enforcement. The actual costs will be dependent on numbers of Notified Body applications and the rate at which manufacturers switch to MID conformity assessment.

Competition Assessment

45. It is anticipated that manufacturers would not incur any significant additional costs as a result of the proposed Directive. It is probable that manufacturers already comply with the technical requirements of the International Recommendations of the OIML, on which the essential requirements of the Directive are based. The Directive will reduce barriers to trade by harmonising national legislative requirements at European level. It is not likely that implementation of the proposed Directive would result in any disproportionate costs or other effects between manufacturers of the same type/categories of instruments.

46. For manufacturers of products that require type approval, there is a 10-year transitional period from the date on which the proposed Directive comes into force, during which instruments may continue to be first passed as fit for use for trade under current national legislation, thereby allowing manufacturers to make full use of any type approval certificates that have been issued before 30th October 2006. A similar approach applies to existing EC approvals such that adequate transition is maintained irrespective of the status of existing approvals except that a different deadline exists.

47. In the light of the above comments, it is not anticipated that implementation of the proposed Directive will have any (or any significant) impact on competition within any affected markets.

Rural Proofing

48. See Annex 2.

Summary and recommendation

49. Evidence, provided in response to the consultation document, suggests that the time and cost of getting new products to market will be reduced as a result of implementing the MID. However, there will be some costs for Government, in providing the infrastructure for Notified Bodies; Trading Standards Departments, through potential loss of income and for certain measures manufacturers, as a result of switching overnight to a new system of product approval.

50. Notwithstanding these identified costs, the responses received to the initial consultation document were very positive overall, with a substantial majority supporting the proposed approach to implementation.

51. The recommendation is, therefore, to proceed with implementation along the lines set out in the initial consultation document:

- Implementation on the basis of existing scope of regulatory control
- Produce an individual SI for each category of instrument
- Include the in-service provisions in each SI.

Enforcement, Sanctions, Monitoring and Review

52. Similar activities are already carried out on gas and electricity meters currently controlled under national legislation and will equally be applied to the same instruments regulated under the MID, by the respective regulatory authorities within the UK.

53. I have read the Regulatory Impact Assessment and I am satisfied that the balance between cost and benefit is t he right one in the circumstances.

Signed by the responsible Minister ***Malcolm Wicks***

Date ***21st June 2006***

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Annex 1

List of RIAs relating to the implementation of the MID

In total 15 SIs will implement the Directive in relation to the range of instruments regulated in the UK. NWML have taken the lead on general approach and implementation of the majority of the other SIs with DfT taking forward Exhaust Gas Analysers and Taximeters.

1. Weighing Instruments, which covers:
    - Automatic Beltweighers
    - Automatic Catchweighers
    - Automatic Gravimetric Filling Instruments
    - Automatic Rail-weighbridges
    - Automatic Discontinuous Totalisers
2. Liquid Fuel delivered from Road Tankers
3. Liquid Fuel and Lubricants
4. Material Measures, which covers:
    - Capacity Serving Measures
    - Material Measures of Length
5. Cold-water Meters
6. Non-Prescribed Instruments
7. Exhaust Gas Analysers
8. Energy Meters, which covers:
    - Gas Meters
    - Electricity Meters
9. Taximeters

Annex 2

Rural Proofing

1. Will the policy affect the availability of public and private services?
   No
2. Is the policy to be delivered through existing service outlets, such as schools, banks and GP surgeries?
   No
3. Will the cost of delivery be higher in rural areas where clients are more widely dispersed or economies of scale are harder to achieve?
   No
4. Will the policy affect travel needs or the ease and cost of travel?
   No
5. Does the policy rely on communicating information to clients?
   Manufacturers and trade associations have been consulted at different times during the drafting of the Commission's proposal and during the negotiation phase. Further consultation is taking place now that the draft Regulations are ready. They will also be informed when the Regulations have been made and 12-week guidance leaflets will be issued at that time.
6. Is the policy to be delivered by the private sector or through a public-private partnership?
   No.
7. Does the policy rely on infrastructure (e.g. broadband ICT, main roads, utilities) for delivery?
   No
8. Will the policy impact on rural businesses, including the self-employed?
   There has been no indication of significant costs.
9. Will the policy have a particular impact on land-based industries and, therefore, on rural economies and environments?
   No
10. Will the policy affect those on low wages or in part-time or seasonal employment?
    No
11. Is the policy to be targeted at the disadvantaged?
    No
12. Will the policy rely on local institutions for delivery?
    No.
13. Does the policy depend on new buildings or development sites?
    No
14. Is the policy likely to impact on the quality and character of the natural and built rural landscape?
    No
15. Will the policy impact on people wishing to reach and use the countryside as a place for recreation and enjoyment?
    No

Directive 2004/22/EC of the European Parliament and Council on measuring instruments.

These Regulations transpose the Measuring Instruments Directive (MID) (2004/22/EC – OJ No. L135, 30.4.04) in relation to gas meters for use for trade. The Secretary of State is responsible for taking measures to implement the MID in relation to these meters. Under the Regulations, the appointment of notified bodies, enforcement of provisions and market surveillance will fall to the Gas and Electricity Markets Authority or the Northern Ireland Authority for Energy Regulation. Administrative actions that are the responsibility of the Secretary of State or those authorities are not included within the Regulations.

Article	Objectives	Implementation
1	Specifies scope of the directive in respect of measuring instruments controlled.	Regulation 3(1) Regulations apply to gas meters within Annex MI-002 for use for trade and first placed on the market or put into use after 30 October 2006.
2	Specifies scope of the directive in respect of the tasks for which measuring instruments are prescribed.	Regulation 3(1) Regulations for gas meters within Annex MI-002 only apply to instruments for use for trade.
3	Sets out the essential requirements for measuring instruments to be placed on the market and put into use The directive provides requirements for electromagnetic immunity.	Schedule 1 This provision is given effect by regulation 33 of the Measuring Instruments (Automatic Gravimetric Filling Instruments) Regulations 2006 (one of the set of Regulations implementing MID). This provides that the provisions of Directive 89/336/EEC are disapplied in relation to the electromagnetic immunity of measuring instruments by amendment of the Electromagnetic Compatibility Regulations 2005 (EMC Regulations) in respect of measuring instruments complying with the marking and identification requirements of the MID. The emission requirements of the EMC Regulations continue to apply to measuring instruments.
4	Definitions	Where applicable, included within regulation 2
5	Applicability to sub-assemblies	Schedule 1
6	Essential requirements and assessment of conformity	Regulations 5 and 6, and Schedule 1

7	Conformity marking	Regulations 12 and 13, and Schedule 4.
8	Placing on the market and putting into use	Regulation 4 Regulation 3(6) disapplies the obligations in relation to non-compliant instruments displayed at trade fairs and exhibitions subject to certain conditions.
9	Conformity assessment	Regulations 5 and 6
10	Technical documentation	Regulation 6 (2) and Schedule 3
11	Procedure for the designation of notified bodies	Regulations 7, 9 and 10
12	Criteria to be satisfied by designated bodies	Regulation 7 and Part 1 of Schedule 2
13	Harmonised Standards and Normative Documents	Regulations 2(1), 5(2) and (3), and 6
17	Markings	Regulation 12 and Schedule 4
18.1 18.2, 18.3 and 18.4	Market surveillance Administrative cooperation	Regulations 16 and 17 Not relevant
19.1 19.2	Safeguard clause Administrative provisions for Commission	Regulations 16 and 17 Not relevant
20.1 20.2	Unduly affixed markings	Regulations 16 and 17
21	Decisions entailing withdrawal from the market or prohibition or restriction on placing on the market of non-compliant measuring instruments	Regulation 17 and Part 2 of Schedule 2
22	Repeals of directives	Not relevant
23	Transitional provisions	Regulation 3. The Regulations do not apply to instruments placed on the market before 30 October 2006 or instruments placed on the market after that date which comply with current Regulations
24.1 24.2	Transposition Administrative action for member States	Regulation 1. The Regulations come into force on 30 October 2006. Not relevant
Annex I	Essential Requirements	Schedule 1
Annex MI-002	Definitions	Regulation 2 and Schedule 1
Annex MI-002	Specific Requirements for gas meters	Schedule 1