EXPLANATORY MEMORANDUM TO

THE ROAD VEHICLES (TYPE-APPROVAL) (AMENDMENT) REGULATIONS 2024

2024 No. 146

1. Introduction

1.1 This explanatory memorandum has been prepared by the Department for Transport (the Department) and is laid before Parliament by Command of His Majesty.

2. Purpose of the instrument

2.1 This instrument amends assimilated law on road vehicle type approval[1] to incorporate recent developments in international regulations on vehicles. Principally, the instrument recognises several United Nations Economic Commission for Europe Regulations (UN Regulations) in the Great Britain (GB) type approval scheme for road vehicles, to increase harmonisation and reduce certification costs for manufacturers.

3. Matters of special interest to Parliament

Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None.

4. Extent and Territorial Application

4.1 The extent of this instrument (that is, the jurisdictions which the instrument forms part of the law of) is England and Wales, Scotland and Northern Ireland (NI).

4.2 The territorial application of this instrument (that is, where the instrument produces a practical effect) is in principle identical to the extent. However, it does not apply in NI further to the implementation of the Windsor Framework (see section 7A of the European Union (Withdrawal) Act 2018).

5. European Convention on Human Rights

5.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

6. Legislative Context

6.1 The purpose of type approval legislation is to ensure that vehicles meet prescribed safety and environmental standards.

6.2 All the details of the EU type approval scheme are set out in a large body of EU Regulations, of which the principal instrument is Regulation (EU) 2018/858.

[1] Type approval is the process whereby manufacturers of a new model of vehicle or engine are required to test it against international and domestic safety and environmental standards and obtain approval from a government body prior to placing it on sale.

6.3 For road vehicles (cars, buses, goods vehicles, and their trailers), the Road Vehicles (Approval) Regulations 2020 (S.I. 2020/818) provide the domestic regulatory framework implementing Regulation (EU) 2018/858 in the UK.

6.4 Under the Windsor Framework, the body of EU Regulations governing type approval remain directly applicable in NI. Accordingly, NI is governed by the EU scheme, rather than the GB scheme.

6.5 In GB, this body of EU Regulations is now assimilated law. Deficiencies in the assimilated law were removed by the Road Vehicles and Non-Road Mobile Machinery (Type-Approval) (Amendment and Transitional Provisions) (EU Exit) Regulations 2022 (S.I. 2022/1273) so as to enable continued functioning of the regulatory framework within the domestic context.

6.6 Part I of Annex II to Regulation (EU) 2018/858 lists the regulatory acts which contain the technical requirements that vehicles must meet to gain type approval. Part II of that Annex is a list of UN Regulations which are accepted as alternatives to the regulatory acts set out in Part I of the Annex.

6.7 Regulation (EU) 2020/683 implements Regulation (EU) 2018/858 with regards to the administrative requirements for the type approval of motor vehicles. This includes introducing consistent templates, standardised labelling and a harmonised numbering system for type approval certificates.

6.8 The type approval requirements governing the position and size of the space on the rear of a vehicle for mounting the rear registration plate are prescribed in (assimilated) Regulation (EU) 1003/2010. The EU updated their requirements in 2021 through Regulation (EU) 2021/535, which recast these requirements. This instrument will offer manufacturers the option for their vehicles to meet either the existing GB requirements or the requirements of the recast EU specification.

7. Policy background

What is being done and why?

7.1 Motor vehicles are required to be type approved against safety and environmental rules before they go on sale. The requirements of the GB type approval scheme are derived from assimilated law, whilst the requirements of the type approval scheme in the EU and NI are set out in EU Regulations. The legislation is framed so that UN Regulations can often offer an alternative way to demonstrate compliance – see Part II of Annex II to Regulation (EU) 2018/858.

7.2 International agreement was reached in June 2023 on three new or amended UN Regulations setting out a new emissions standard for light duty vehicles (cars and vans), known as Euro 6e. The UK has acceded to these regulations, and so international obligations require acceptance of vehicles approved under them. These Regulations are currently not listed as being accepted in the GB type approval scheme. Currently in GB the standard is Euro 6d (which is a less stringent standard).

7.3 However, in the EU and NI, Euro 6e will shortly be compulsory, and manufacturers will need to gain type approval to that standard. As the law stands, manufacturers that are planning to sell the same vehicles (as regards engines/emissions) in the EU/NI and GB will be required to test to two different standards. To sell Euro 6e vehicles in GB they would have to prove they also meet Euro 6d, which despite being a less stringent

standard, would in some cases require re-testing, or re-processing the Euro 6e test results.

7.4 This instrument ensures that, in addition to Euro 6d, the GB type approval scheme accepts the UN Regulations covering Euro 6e, to avoid potential for double testing. This will remove barriers for manufacturers wishing to sell Euro 6e vehicles in both GB and EU/NI markets.

7.5 Two of the amended UN Regulations incorporating Euro 6e entered into force on 6 January 2024. The other, new UN Regulation 168 on real driving emissions enters into force on 26 March 2024 and so that element of this instrument accordingly comes into force on that later date. Compliance with Annex IIIA of Regulation 2017/1151 on real driving emissions will be also acceptable in this subject (as is currently the case) and so may be relied on irrespective of when UN Regulation 168 enters into force.

7.6 There are also two other UN Regulations, on heavy duty vehicle emissions and on installation of tyres, which have been signed by the UK and so these regulations are also being added to the list of acceptable UN Regulations, in line with our international obligations (see paragraph 2 of regulation 2).

7.7 The UK currently accepts UN Regulation 138 on added sound – the artificial sound that is added to an electric vehicle moving at low speed so that blind or vision impaired persons can hear it coming. There is an update to UN Regulation 138 (UN Regulation 138.01) which does not permit vehicles to be fitted with a "pause function" whereby the driver can turn the sound off. Likewise, this function is no longer permitted under the GB type approval scheme. This instrument updates the list of acceptable UN Regulations, by replacing UN Regulation 138 with UN Regulation 138.01, to align it with our GB type approval requirements.

7.8 The UN have introduced an International Whole Vehicle Type Approval (IWVTA) scheme, to promote further international harmonisation. This instrument amends the text above the table in Part II of Annex II to Regulation (EU) 2018/858, to clarify that type approvals to individual UNECE Regulations which form part of the most stringent "universal" version of IWVTA are acceptable.

7.9 There are two errors in the table in Part II of Annex II to Regulation (EU) 2018/858, where two UN Regulations (UN Regulation 133 and 134) were omitted by the EU in error. This instrument therefore reinstates them in paragraph 3 of regulation 2. In paragraph 4 of regulation 2, a row omitted in error from the table in Annex VII, which lists the regulatory acts for which a manufacturer may be designated as a technical service, is reinstated. In regulation 3, a minor error inserted in assimilated Regulation (EU) 2020/683 by S.I. 2022/1273 is corrected.

7.10 Regulation (EU) 1003/2010 requires manufacturers to assign a flat space on the rear of a vehicle (that is provided with illumination at night) to mount the rear registration plate. The dimensions and maximum and minimum height of the space are specified. In 2021 the EU made modest relaxations, for example allowing the space to be placed slightly lower on the rear of the vehicle than previously permitted and made slightly more curved. Manufacturers have requested that the GB scheme also accepts vehicles meeting this new and slightly relaxed specification. Regulation 4 amends Regulation (EU) 1003/2010 to offer manufacturers the option for their vehicles to meet either the existing GB requirements or the requirements of the new EU specification.

Explanations

What did any law do before the changes to be made by this instrument?

7.11 The law on the GB type approval scheme for road vehicles set out detailed technical requirements on around 70 subjects and required or accepted approval to UN Regulations as demonstrating compliance with many of them. It is aligned to the EU specifications as they stood on 31 December 2020. It did not recognise several UN Regulations that the UK had subsequently signed, and it differed from the EU law on rear registration plate space, which had been amended in 2021.

Why is it being changed?

7.12 The UN 1958 Agreement[2] requires that Contracting Parties accept vehicles that are approved under UN Regulations they have signed. The UK is therefore obliged to amend Regulation (EU) 2018/858 to recognise these UN Regulations in the GB scheme.

7.13 In addition, Regulation (EU) 1003/2010 is being amended to accept vehicles designed to the latest EU specification for rear registration plate space. The EU specification is broadly similar to the GB specification, and this amendment will give businesses greater flexibility to use a single design in the GB, NI and EU markets.

7.14 Finally, as described in paragraph 7.9 there are minor errors in Regulation (EU) 2018/858 and Regulation (EU) 2020/683, which this instrument corrects.

What will it now do?

7.15 The law will now ensure the Vehicle Certification Agency (VCA) are able to accept approvals under the relevant UN Regulations that the UK has signed, and accept vehicles designed to meet the EU rear registration plate space specification. These measures will save manufacturers the costs of additional testing under the GB scheme, enable the same specification of vehicle to be sold in GB, NI and the EU and remove any barriers to selling cleaner vehicles.

8. European Union Withdrawal and Future Relationship

8.1 This instrument does not relate to withdrawal from the European Union / trigger the statement requirements under the European Union (Withdrawal) Act.

9. Consolidation

9.1 There are no plans to consolidate the collection of assimilated EU law and domestic law on type approval.

10. Consultation outcome

10.1 Under Article 82(3) of Regulation (EU) 2018/858 and Article 15(3) of Regulation (EU) 661/2009, the Secretary of State is required to consult with such representative organisations as the Secretary of State thinks fit, before making these regulations.

[2] Agreement concerning the Adoption of Harmonized Technical United Nations Regulations for Wheeled Vehicles, Equipment and Parts which can be Fitted and/or be Used on Wheeled Vehicles and the Conditions for Reciprocal Recognition of Approvals Granted on the Basis of these United Nations Regulations, available from https://unece.org/trans/main/wp29/wp29regs.

10.2 The Department conducted a public consultation from 12 October to 10 November 2023, with information placed on the Department's website and a link emailed to a list of ten major stakeholders.

10.3 33 responses were received, of which seven were on behalf of a representative organisation and eight were companies, the remainder mostly private individuals. The main trade associations responding included the Society of Motor Manufacturers and Traders, the Wheelchair Accessible Vehicle Converters Association and the Vehicle Bodybuilder and Repair Association.

10.4 All the trade associations supported the measure. There were nine members of the public who opposed the measure – assuming that the proposal was to make the Euro 6e emissions standard compulsory, and in some cases objecting to the costs of repairing emissions control technology in the latest vehicles. This is not the case; this instrument simply permits different ways of certifying compliance with Euro 6d to ease the process. The Department will consider the cost of repair when assessing potential future changes to stringency of emissions rules, for example whether GB should adopt Euro 7 which is being proposed for the EU.

10.5 The consultation also asked for suggestions for future amendments to the scheme. The main theme of responses from the industry and from some of the other stakeholders was to maintain alignment with NI and the EU. That said, groups representing specialist manufacturers or converters, who tend to be Small or Medium-sized Enterprises, made suggestions for appropriate exemptions to be maintained or introduced. All suggestions will be carefully considered and followed up where necessary in due course.

10.6 A more detailed summary of the responses to this consultation is available online at https://www.gov.uk/government/consultations/updating-gb-type-approval-for-road-vehicles.

11. Guidance

11.1 The Department considers the provision of guidance on this instrument unnecessary, as affected manufacturers will already be in dialogue with the VCA to obtain their GB approvals. The VCA will be emailing their customers to notify them of this instrument and its implications.

12. Impact

12.1 The impact on business, charities or voluntary bodies is likely to be a reduction in the administrative and testing costs of obtaining GB type approval for new vehicles. The reduction in Equivalent Annual Net Direct Cost to Business (EANDCB), has been assessed by the Department as below the £5m per year De Minimis threshold. Internal analysis explored a mixture of manufacturers' strategies for demonstrating compliance with GB type approval, all of which fall within the De Minimis threshold. In the two central scenarios, cost savings for manufacturers range between £9.4 million (EANDCB of -£1.1 million) and £12.8 million (EANDCB of -£1.5 million) over the 10 year appraisal period (2024-2033). The other two scenarios look at extreme cases, where costs and benefits would be minimised/maximised. For these, costs savings are -£6.0 million (EANDCB of £0.7 million) and £25.4 million (EANDCB of -£3.0 million). The Department is of the view that the extreme scenarios are unlikely to arise, however are informative in setting the boundaries of the potential size of the impacts.

12.2 There is no, or no significant, impact on the public sector.

12.3 A full Impact Assessment has not been prepared for this instrument because the Equivalent Annual Net Direct Cost to Business (EANDCB) has been assessed as below the £5m per year De Minimis threshold.

13. Regulating small business

13.1 The legislation applies to activities that are undertaken by small businesses.

13.2 No specific action is proposed to minimise regulatory burdens on small businesses.

13.3 The basis for the final decision on what action to take to assist small businesses (no action), is because the regulations in themselves seek to minimise the regulatory burden on small business. The impact of the regulations on small businesses is intended to be either neutral or positive.

14. Monitoring & review

14.1 The approach to monitoring of this legislation is that the Department and VCA will continue their regular liaison meetings with stakeholders about the functioning of the GB road vehicle approval scheme, with the aim of continuous improvement. The Department will continue to monitor new UN Regulations to ensure that these are promptly incorporated into the GB approval scheme, and will monitor, with a view to minimising, divergence from type approval requirements in NI and the EU.

14.2 The instrument does not include a statutory review clause and, in line with the requirements of the Small Business, Enterprise and Employment Act 2015, the Parliamentary Under Secretary of State, Anthony Browne MP, has made the following statement:

"The Department has assessed the net benefits to industry of this instrument as amounting to less than the £5 million De Minimis threshold. Regulation (EU) 2018/858 on type approval, places an obligation (Article 6(8)) on the Secretary for State to carry out a review of type approval activities every four years. Conducting a five-year review on top of this is considered disproportionate and duplication. Given this, a statutory review clause has not been included."

15. Contact

15.1 Mike Lowe or Adrian Burrows at the Department for Transport, email: mike.lowe@dft.gov.uk or adrian.burrows@dft.gov.uk, and can be contacted with any queries regarding this instrument.

15.2 Phil Earl, Deputy Director for International Vehicle Standards, at the Department for Transport can confirm that this Explanatory Memorandum meets the required standard.

15.3 Anthony Browne MP, Parliamentary Under Secretary at the Department for Transport can confirm that this Explanatory Memorandum meets the required standard.