This Statutory Instrument has been made in consequence of a defect in S.I. 2023/1394 and is being issued free of charge to all known recipients of that Statutory Instrument.

STATUTORY INSTRUMENTS

2024 No. 1130

CLIMATE CHANGE

ROAD TRAFFIC

The Vehicle Emissions Trading Schemes (Amendment) Order 2024

Made - - - - 6th November 2024

Coming into force in accordance with article 1

At the Court at Buckingham Palace, the 6th day of November 2024

Present,

The King's Most Excellent Majesty in Council

This Order is made in exercise of the powers conferred by sections 44, 46(3), 54, and 90(3) of, and Parts 1 and 3 of Schedule 2 and paragraph 9 of Schedule 3 to, the Climate Change Act 2008(**a**).

In accordance with paragraph 10 of Schedule 3 to that Act, before the recommendation to His Majesty in Council to make this Order was made—

(a) the advice of the Committee on Climate Change, including on the amount of the limit referred to in section 48(2) of that Act, was obtained and taken into account; and

(b) such persons likely to be affected by the Order as the Secretary of State, Department for Infrastructure, the Scottish Ministers and the Welsh Ministers considered appropriate were consulted.

In accordance with paragraph 11 of that Schedule, a draft instrument containing this Order was laid before Parliament, the Northern Ireland Assembly, the Scottish Parliament and Senedd Cymru and approved by a resolution of each House of Parliament, the Northern Ireland Assembly, the Scottish Parliament and Senedd Cymru.

(**a**) 2008 c. 27.

Accordingly, His Majesty, by and with the advice of His Privy Council, makes the following Order:

PART 1

Preliminary matters

Citation, commencement and extent

1.—(1) This Order may be cited as the Vehicle Emissions Trading Schemes (Amendment) Order 2024.

(2) Part 1 and articles 3 to 11 and 13 come into force on the 21st day after the day on which this Order is made.

(3) Articles 12 and 14, Part 3 and Part 4 come into force on 1st January 2025.

(4) This Order extends to England and Wales, Scotland and Northern Ireland.

Amendment of the Vehicle Emissions Trading Schemes Order 2023

2. The Vehicle Emissions Trading Schemes Order 2023(**a**) is amended in accordance with this Order.

PART 2

Miscellaneous amendments to the Vehicle Emissions Trading Schemes Order 2023

Amendment to article 3 (interpretation)

3.—(1) In article 3(1)—

(a) in paragraph (e) of the definition of "manufacturer", after "Regulation (EU) 2017/1151"(**b**) insert "or Regulation (EU) 595/2009"(**c**);

(b) after the definition of "type approval" insert—

> ""UN Regulation No 154" means UN Regulation No 154 – Uniform provisions concerning the approval of light duty passenger and commercial vehicles with regards to criteria emissions, emissions of carbon dioxide and fuel consumption and/or the measurement of electric energy consumption and electric range (WLTP)(**d**);";

(c) in paragraph (b) of the definition of "the zero-emission conditions", after "van or SPV," insert "and subject to paragraph (8A),".

(**a**) S.I. 2023/1394.

(**b**) Commission Regulation (EU) 2017/1151 of 1 June 2017 supplementing Regulation (EC) No 715/2007 of the European Parliament and of the Council on type-approval of motor vehicles with respect to emissions from light passenger and commercial vehicles (Euro 5 and Euro 6) and on access to vehicle repair and maintenance information, amending Directive 2007/46/EC of the European Parliament and of the Council, Commission Regulation (EC) No 692/2008 and Commission Regulation (EU) No 1230/2012 and repealing Commission Regulation (EC) No 692/2008, as that Regulation has effect in domestic law (EUR 2017/1151, amended by S.I. 2022/1273), or, as the case may be, as it has effect in EU law from time to time and by virtue of the Windsor Framework (OJ No. L 175, 07.07.2017, p.1; amended by Commission Regulation (EU) 2017/1154, 2017/1347 and 2018/1832).

(**c**) Regulation (EC) No 595/2009 of the European Parliament and of the Council of 18 June 2009 on type-approval of motor vehicles and engines with respect to emissions from heavy duty vehicles (Euro VI) and amending Regulation (EC) No 715/2007 and Directive 2007/46/EC and repealing Directives 80/1269/EEC, 2005/55/EC and 2005/78/EC, as that Regulation has effect in domestic law (EUR 595/2009, amended by S.I. 2022/1273), or, as the case may be, as it has effect in EU law from time to time and by virtue of the Windsor Framework (OJ No. L 188, 18.7.2009, p. 1; amended by Commission Regulation (EU) No 582/2011 and 133/2014, Regulation (EU) 2018/858 and Regulation (EU) 2019/1242).

(**d**) OJ L 423, 26.11.2021, p. 1.

(2) After article 3(8) insert—

"(8A) Condition B does not need to be met in the case of a vehicle which was type-approved in accordance with Annex 21 to Regulation (EU) 2017/1151 as a Fuel Cell Vehicle or a Fuel Cell Hybrid Vehicle where the fuel cell is powered by hydrogen.

(8B) For the purposes of paragraph (8A)—

"Fuel Cell Vehicle" has the same meaning as in—

(a) point 3.3.19 of Annex XXI of Regulation (EU) 2017/1151 as that Regulation has effect in domestic law, or

(b) where the Regulation (EU) 2017/1151 as that Regulation applies in EU law is relevant, paragraph 3.3.19 of UN Regulation No 154;

"Fuel Cell Hybrid Vehicle" has the same meaning as in—

(a) point 3.3.20 of Annex XXI of Regulation (EU) 2017/1151 as that Regulation has effect in domestic law, or

(b) where the Regulation (EU) 2017/1151 as that Regulation applies in EU law is relevant, paragraph 3.3.20 of UN Regulation No 154.".

Amendment to article 19 (CRTS credits: registration of ZE SPVs (CRTS participants))

4. In article 19—

(a) in paragraph (1), for "Subject to paragraph (3), a" substitute "A";

(b) in paragraph (2), for "Subject to paragraph (3), a" substitute "A";

(c) omit paragraph (3).

Amendment to article 23 (CRTS credits: conversion of unused CCTS allowances)

5. In article 23—

(a) in paragraph (3), for "number of CRTS allowances allocated to the CRTS participant for that scheme year" substitute "total number of cars of which the CRTS participant is the manufacturer and which were registered during that scheme year";

(b) in paragraph (4), for "number of CRTS allowances allocated to the CRTS participant for that scheme year" substitute "total number of cars of which the CRTS participant is the manufacturer and which were registered during that scheme year";

(c) in paragraph (5), for "number of CRTS allowances allocated to the CRTS participant for that scheme year" substitute "total number of cars of which the CRTS participant is the manufacturer and which were registered during that scheme year".

Amendment to article 51 (VRTS credits: registration of ZE SPVs (VRTS participants))

6. In article 51—

(a) in paragraph (1), for "Subject to paragraph (2), a" substitute "A";

(b) omit paragraph (2).

Amendment to article 55 (VRTS credits: conversion of unused VCTS allowances)

7. In article 55—

(a) in paragraph (3), for "number of VRTS allowances allocated to the VRTS participant for that scheme year" substitute "total number of vans of which the VRTS participant is the manufacturer and which were registered during that scheme year";

(b) in paragraph (4), for "number of VRTS allowances allocated to the VRTS participant for that scheme year" substitute "total number of vans of which the VRTS participant is the manufacturer and which were registered during that scheme year";

(c) in paragraph (5), for "number of VRTS allowances allocated to the VRTS participant for that scheme year" substitute "total number of vans of which the VRTS participant is the manufacturer and which were registered during that scheme year".

Amendment to article 73 (information: participants in the Trading Schemes)

8. In article 73(2), after "Schedule 7" insert ", except for the information in paragraphs 1(s), 6(r) and 6(s) of that Schedule".

Amendment to article 77 (preparation of provisional information)

9. In article 77—

(a) in paragraph (1)(l), after "banked CRTS allowances" insert ", within the meaning of article 9(b)";

(b) in paragraph (1)(m), after "banked VRTS allowances" insert ", within the meaning of article 41(b)".

Amendment to article 94 (financial penalties: general)

10. In article 94(6), after "Wales, to" insert "be".

Amendment to article 105 (provision of false or misleading information: participants in the Trading Schemes)

11. After article 105(10) insert—

"(11) The administrator may impose the penalties in paragraph (12) on a participant in the Trading Schemes where an officer of a company who is made available by that participant in accordance with article 87 (power to question officers of a company) provides false or misleading information when questioned under that article.

(12) The penalties are—

(a) the financial penalty of £750,000 or, if lower, 0.5% of the turnover of the participant in the Trading Schemes for its financial year ending during the scheme year to which the false or misleading information relates;

(b) publication; and

(c) a block.".

Amendment to Schedule 3 (determination of the specific emissions of CO_2 of completed vans)

12. In Schedule 3—

(a) in paragraph 2, for "1.375" substitute "1.387";

(b) in paragraph 11(b), for "1.375" substitute "1.387";

(c) in paragraph 12(c), for "1.375" substitute "1.387".

Amendment to Schedule 4 (low-volume CRTS participants and low-volume VRTS participants)

13.—(1) In paragraph 9(d) of Schedule 4 for "and" substitute "or".

(2) After paragraph 10(e)(vi) of Schedule 4 insert—

"(vii) for an application relating to the VRTS, confirmation of whether each van is of category N1 or N2;".

Amendment to Schedule 7 (information provisions)

14. In paragraph 12(f) of Schedule 7, for "1.375" substitute "1.387".

PART 3

Extension of the Vehicle Emissions Trading Schemes Order 2023 to Northern Ireland

Amendment to article 2 (extent)

15.—(1) In article 2(1), after "and Scotland, subject to paragraph (2)" insert "and paragraph (3)".

(2) After paragraph (2) insert—

"(3) On and after 1st January 2025, Parts 2 to 7 and 9 extend to England and Wales, Scotland and Northern Ireland.".

Amendment to article 3 (interpretation)

16.—(1) In article 3(2), for "Great Britain" substitute "the United Kingdom".

(2) In article 3(3), in both places it occurs, for "Great Britain" substitute "the United Kingdom".

Amendment to article 90 (warrant)

17.—(1) In article 90(4)(b), for "." substitute ";".

(2) After article 90(4)(b) insert—

"(c) in Northern Ireland, a lay magistrate.".

Amendment to article 94 (financial penalties: general)

18.—(1) After article 94(5), insert—

"(5A) In Northern Ireland, a financial penalty is recoverable as if it were payable under an order of the County Court.".

(2) After article 94(6), insert—

"(7) Where action is taken under paragraph (5A) for the recovery of a sum payable as a financial penalty pursuant to this Order, the financial penalty is, for Northern Ireland, to be treated for the purposes of Article 116 of the Judgments Enforcement (Northern Ireland) Order 1981(**a**) (register of judgments) as if it were a judgment in respect of which an application has been accepted under Article 22 or 23(1) of that Order.".

(**a**) S.R. 1981 No. 226.

PART 4

Revocation, amendment and saving of assimilated direct regulations relating to CO_2 emission limits

Interpretation of Part 4

19. In this Part—

"Regulation (EU) 1014/2010" means Commission Regulation (EU) No 1014/2010 of 10 November 2010 on monitoring and reporting of data on the registration of new passenger cars pursuant to Regulation (EC) No 443/2009 of the European Parliament and of the Council(**a**);

"Regulation (EU) 63/2011" means Commission Regulation (EU) No 63/2011 of 26 January 2011 laying down detailed provisions for the application for a derogation from the specific CO_2 emission targets pursuant to Article 11 of Regulation (EC) No 443/2009 of the European Parliament and of the Council(**b**);

"Regulation (EU) 725/2011" means Commission Implementing Regulation (EU) No 725/2011 of 25 July 2011 establishing a procedure for the approval and certification of innovative technologies for reducing CO_2 emissions from passenger cars pursuant to Regulation (EC) No 443/2009 of the European Parliament and of the Council(**c**);

"Regulation (EU) 293/2012" means Commission Implementing Regulation (EU) No 293/2012 of 3 April 2012 on monitoring and reporting of data on the registration of new light commercial vehicles pursuant to Regulation (EU) No 510/2011 of the European Parliament and of the Council(**d**);

"Regulation (EU) 114/2013" means Commission Delegated Regulation (EU) No 114/2013 of 6 November 2012 supplementing Regulation (EU) No 510/2011 of the European Parliament and of the Council with regard to rules for the application for a derogation from the specific CO_2 emissions targets for new light commercial vehicles(**e**);

"Regulation (EU) 427/2014" means Commission Implementing Regulation (EU) No 427/2014 of 25 April 2014 establishing a procedure for the approval and certification of innovative technologies for reducing CO2 emissions from light commercial vehicles pursuant to Regulation (EU) No 510/2011 of the European Parliament and of the Council(**f**);

"Regulation (EU) 2019/631" means Regulation (EU) 2019/631 of the European Parliament and of the Council of 17 April 2019 setting CO_2 emission performance standards for new passenger cars and for new light commercial vehicles, and repealing Regulations (EC) No 443/2009 and (EU) No 510/2011(**g**).

(**a**) EUR 2010/1014, amended by S.I. 2019/550, 2021/1242, 2022/1361 and 2023/1394.
(**b**) EUR 2011/63, amended by S.I. 2019/550, 2021/1242, 2022/1361 and 2023/1394.
(**c**) EUR 2011/725, amended by S.I. 2019/550, 2022/1361 and 2023/1394.
(**d**) EUR 2012/293, amended by S.I. 2019/550, 2021/1242, 2022/1361 and 2023/1394.
(**e**) EUR 2013/114, amended by S.I. 2019/550, 2021/898, 2021/1242, 2022/1361 and 2023/1394.
(**f**) EUR 2014/427, amended by S.I. 2019/550, 2022/1361 and 2023/1394.
(**g**) EUR 2019/631, amended by S.I. 2020/1418, 2021/898, 2021/1242, 2022/1361 and 2023/1394.

Revocation of Regulation (EU) 1014/2010 and Regulation (EU) 293/2012 (monitoring and reporting of data on vehicle registration)

20. Regulation (EU) 1014/2010 and Regulation (EU) 293/2012 are revoked in relation to Northern Ireland, subject to the savings in article 25.

Revocation of Regulation (EU) 63/2011 and Regulation (EU) 114/2013 (derogations)

21. Regulation (EU) 63/2011 and Regulation (EU) 114/2013 are revoked in relation to Northern Ireland.

Amendment of Regulation (EU) 725/2011 (eco-innovation for passenger cars)

22.—(1) Regulation (EU) 725/2011 is amended as follows.

(2) In article 12(2)—

(a) omit point (a);

(b) in point (b) omit "in relation to Great Britain,".

(3) In article 12(3), omit "under point (a) of paragraph 2, or in relation to whom a notice is given under point (b) of that paragraph,".

Amendment of Regulation (EU) 427/2014 (eco-innovations for light commercial vehicles)

23.—(1) Regulation (EU) 427/2014 is amended as follows.

(2) In article 12(2)—

(a) omit point (a);

(b) in point (b) omit "in relation to Great Britain,".

(3) In article 12(3), omit "under point (a) of paragraph 2, or in relation to whom a notice is given under point (b) of that paragraph,".

Partial revocation and amendment of Regulation (EU) 2019/631

24.—(1) Articles 2(4), 4, 5, 6, 7, 7a, 8, 9, 10 and 14 of, and Annexes 1 to 5 to, Regulation (EU) 2019/631 are revoked in relation to Northern Ireland, subject to the savings in article 25.

(2) Articles 1(2) to (7), 2(1A), (2A) and (5A), and 15 are revoked, subject to the savings in article 25.

(3) In article 2(1), after "12, 13," omit "15".

Savings for monitoring and compliance in relation to Northern Ireland

25.—(1) In this article—

"old scheme year" means a calendar year occurring during the period beginning with 1st January 2021 and ending with 31st December 2024;

"revocations" means the revocations effected by articles 20 and 24;

"specific emissions obligation" means the duty imposed on a manufacturer by Article 4 of Regulation (EU) 2019/631.

(2) The revocations do not affect—

(a) the operation of the specific emissions obligation in relation to Northern Ireland in respect of an old scheme year; or

(b) any power conferred, or duty imposed, on a manufacturer, the Secretary of State or the First-tier Tribunal by or under the legislation revoked by the revocations which may or must be exercised—

(i) after the end of an old scheme year in relation to Northern Ireland; and

(ii) in relation to the specific emissions obligation in relation to Northern Ireland in respect of an old scheme year.

(3) Any power mentioned in sub-paragraph (b) of paragraph (2) may, and any duty mentioned in that sub-paragraph must, be exercised on and after the date on which this Part comes into force as if the revocations had not been effected.

Richard Tilbrook
Clerk of the Privy Council

EXPLANATORY NOTE

(This note is not part of the Order)

This Order amends the Vehicle Emissions Trading Schemes Order 2023 ("the 2023 Order"). It also extends that Order to Northern Ireland.

Article 3 disapplies the range condition in the definition of zero emission vehicles for hydrogen powered fuel cell vehicles, adds a definition for a UN Regulation and adds a method of the type approval of vans to the definition of manufacturer.

Articles 4 and 6 remove the cap on the number of credits a manufacturer can earn for the registration of Special Purpose Vehicles.

Articles 5 and 7 adjust the method for calculating the cap on the number of unused allowances in the carbon emission Trading Schemes which may be converted into credits in the corresponding vehicle registration scheme.

Article 8 removes the requirements for the date of registration of cars and vans and the range of electric vans to be taken from the Certificate of Conformity, or the individual vehicle approval certificate, when gathering information in relation to participants in the Trading Schemes.

Article 9 extends the meaning of "banked" allowances to the relevant provisions of Part 4 of the 2023 Order.

Article 10 corrects a typographical error.

Article 11 adds a financial penalty for providing false or misleading information under article 87 of the 2023 Order (power to question officers of a company).

Articles 12 and 14 update the figure representing the average mass of vans so that it aligns with other relevant legislation.

Article 13 alters the requirement to provide both hard and electronic copies of the application to be classed as a low-volume manufacturer and adds in the category of each vehicle as information to be submitted.

Part 3 extends the Vehicle Emissions Trading Schemes Order 2023 to Northern Ireland and makes consequential amendments to take account of the Order applying to the whole of the United Kingdom.

Part 4 revokes and amends assimilated direct law that contains carbon emission targets in Northern Ireland, subject to savings provisions so that the administrative functions of the previous carbon emissions monitoring and enforcement regime will still be operable once the Vehicle Emissions Trading Schemes Order 2023 comes into force in Northern Ireland. Other assimilated law is also preserved for the United Kingdom relating to eco-innovations and the reporting of information about real world emissions.

An impact assessment (in the form of a cost benefit analysis) of the effect that the Trading Schemes will have, including in Northern Ireland, on the costs of business, the voluntary sector and the public sector is available from the Department for Transport, Great Minster House, 33 Horseferry Road, London SW1P, and is available alongside the instrument and the Explanatory Memorandum on www.legislation.gov.uk.

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