



World Forum for Harmonisation of Vehicles Regulations
Regulatory Environment – European Union

I. European Automotive Industry and the overall legal Framework of approval

The automotive industry is one of Europe's key industrial sectors. Its importance is largely derived from its links within the domestic and international economy and its complex value chain of vehicle manufacturers but also upstream suppliers and downstream importers, distributors, authorised and non authorised dealers. The automotive sector has a turnover of several hundred billion €. Value added in the European automotive sector amounts to around €140 billion, representing about 8% of European manufacturing value added. It directly employs more than 2 million people and is responsible for more than 12 million jobs in total across the European Union (EU), which is equivalent to about 5.5% of employment in the EU.

Given the vehicle industry's societal role and economic importance, it interacts with many key areas of EU policy. Apart from the obvious link to competitiveness and industrial policy as spelled out in the "Europe 2020" strategy, the European automotive industry is particularly important for its interaction with the EU internal market policy, the transport and energy policies, the environmental and climate policies, the trade policy and the research and development policy.

In an effort to regularly monitor and evaluate developments in relation to the car industry and also to set up a realistic vision for this industry in the 2020-2030 perspective, the European Commission launched the "CARS 21" stakeholder consultation process. Through this process, representatives from the automotive industry, trade unions, non-governmental organisations, users, relevant Ministries of the EU Member States, the European Commission and other EU institutions can elaborate recommendations on policy actions needed to maintain competitiveness and sustainability of the EU automotive industry. Those recommendations enable the European Commission to come up with tailor-made sectoral industrial policy.

A dedicated sectoral industrial policy comprises also trade aspects where the issue of international technical harmonisation is of key importance. Since its creation, CARS 21 has been a strong advocate of international harmonisation, stating that *"efforts with a view to increasing international harmonisation of motor vehicle regulations should be maintained where appropriate, with a view to involve the key vehicle markets and to extend harmonisation to areas not yet covered, notably both in the framework of the 1958 and the*

1998 Agreements of the UNECE". The European Commission therefore continuously increases its involvement in the UNECE technical legislative process, in particular by its work within the WP.29 and its subsidiary bodies, realising that international harmonisation through UNECE Regulations and GTRs concerning the construction and functioning of motor vehicles is an essential factor in reducing the regulatory costs for all manufacturers and enhancing competitiveness. The efforts undertaken by the European Commission gradually allow for an alignment of EU legislation to the internationally adopted UNECE Regulations and GTRs. The EU goes even a step further by making a more direct link in its own legislation to UNECE Regulations (see in this respect Regulation (EC) No 661/2009 on the "General Safety of Motor vehicles). This facilitates international trade and offers at least an equally high level of safety and environmental protection to European citizens and consumers world-wide.

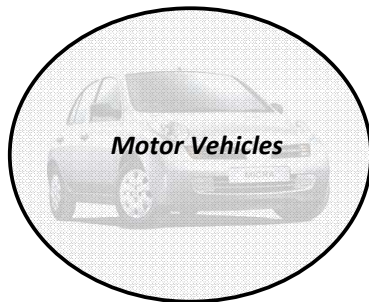
II. The European Whole Vehicle Type Approval System (EU WVTA)

At a time when the UNECE had already started the harmonisation process for vehicle regulations, the European Union Member States still had their own national legislations and type-approval systems for motor vehicles. This caused significant variations in requirements between countries, unilateral accessions to international regulations and diverging implementation dates for new requirements. To achieve the current state of legal harmonisation for motor vehicle requirements, several decades were necessary.

Technical harmonisation for motor vehicles and their trailers, implemented at EU level pursuant to Article 114 of the Treaty on the Functioning of the European Union, is based on the EU Whole Vehicle Type-Approval system (EU WVTA). Under this system, exclusively applicable for new vehicles, manufacturers can obtain approval for a new vehicle type in one EU Member State if it meets the EU technical requirements, and then market it EU-wide with no need for further approval tests or checks in other Member States. This approval is granted by a national authority in charge of type-approval. Issuing of a certificate of conformity (CoC) results as the completion of a type-approval examination: the CoC is in effect a statement by the manufacturer that the vehicle conforms to the relevant legal requirements as stipulated by the EU WVTA legislation. Registration of a vehicle must be granted on simple presentation of a certificate of conformity.

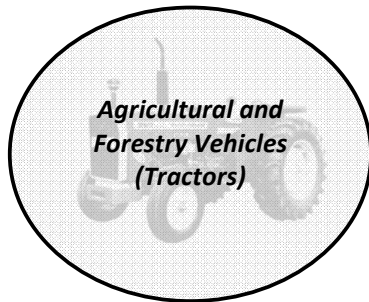
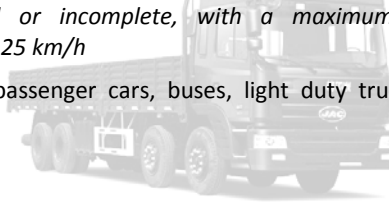
III. The three pillars of the European Union motor vehicle type approval legislation

The European Union motor vehicle legislation covers three essential areas with regard to whole vehicle type approval:



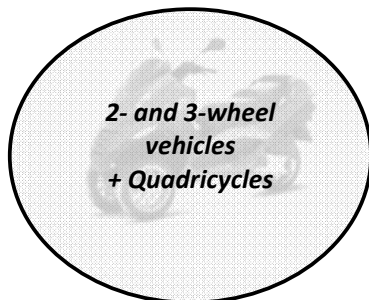
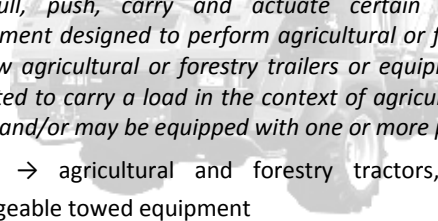
- *"Motor Vehicle" means any power-driven vehicle which is moved by its own means, having at least four wheels, being complete, completed or incomplete, with a maximum design speed exceeding 25 km/h*

Examples → passenger cars, buses, light duty trucks, heavy duty trucks, trailers



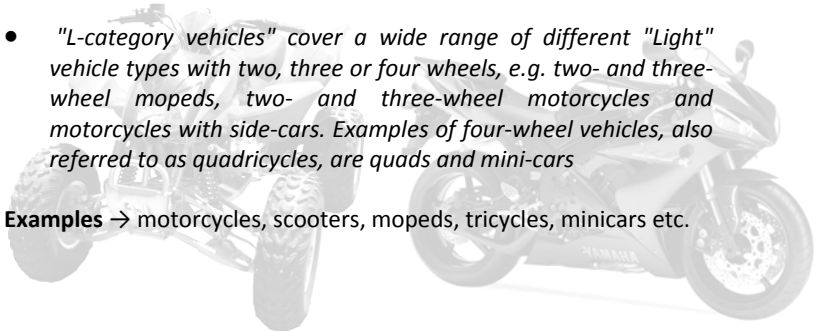
- *"Tractor" means any motorised, wheeled or tracked agricultural or forestry vehicle having at least two axles and a maximum design speed of not less than 6 km/h, the main function of which lies in its tractive power and which has been especially designed to pull, push, carry and actuate certain interchangeable equipment designed to perform agricultural or forestry work, or to tow agricultural or forestry trailers or equipment; it may be adapted to carry a load in the context of agricultural or forestry work and/or may be equipped with one or more passenger seats*

Examples → agricultural and forestry tractors, their trailers, interchangeable towed equipment



- *"L-category vehicles" cover a wide range of different "Light" vehicle types with two, three or four wheels, e.g. two- and three-wheel mopeds, two- and three-wheel motorcycles and motorcycles with side-cars. Examples of four-wheel vehicles, also referred to as quadricycles, are quads and mini-cars*

Examples → motorcycles, scooters, mopeds, tricycles, minicars etc.



IV. Interaction EU type approval legislation and the UNECE regulatory system

The European Commission disposes of a mandate in order to negotiate new UNECE Regulations and GTRs in the name of all 27 Member States. The legal texts of the EU read that draft UNECE Regulations and GTRs will receive a favourable vote of the Union if after

the consent of the European Parliament, the Council of the EU approves the draft by a qualified majority. An interesting fact to be pointed out is that in some technical areas where a UNECE requirement co-exists with EU legislation, a manufacturer can choose which one to apply. In other areas, UNECE Regulations/GTRs are applicable on a compulsory basis as the corresponding EU legislation has been repealed.

Reliance on international standards, as indicated, not only represents a clear commitment of the EU policy in support of the competitiveness of the automotive industrial sector, but it is also seen as a key element in support of the development and deployment of new technologies.

V. Conclusion/Perspectives

Even though the internal combustion engine is likely to remain dominant in road vehicles in the short and medium term perspective, alternative fuels and propulsion technologies will be increasingly important in the future. Green vehicles have very low environmental impacts throughout their lifecycle: they use low-carbon energy sources, have very low air pollutant and noise emissions and can be easily recycled. In its effort to create an economy based on smart and sustainable growth, the EU strongly promotes "green" vehicles by encouraging research, setting common UNECE standards and developing the international regulatory environment needed to support the shift towards a resource efficient and low-carbon economy.

VI. Links

1. Website of the Automotive Industry Unit of the European Commission
→ http://ec.europa.eu/enterprise/sectors/automotive/index_en.htm#
2. Legislative Documents regarding the European Automotive Industry sector
→ http://ec.europa.eu/enterprise/sectors/automotive/documents/directives/index_en.htm
