acea

December 2023

Position Paper

End-of-life vehicle (ELV) management and circularity requirements for vehicle design

CONTEXT

The European Automobile Manufacturers' Association (ACEA) is firmly committed to advancing the EU towards a modern, resource-efficient, and competitive economy. We welcome the European Commission's Proposal for a Regulation on circularity requirements for vehicle design and on management of end-of-life vehicles (ELVs), which envisages a transformation towards enhanced sustainability, circularity, and innovation. Vehicle manufacturers stand ready to continue designing products that promote advanced circularity.

The ELV legislation is currently and should remain, the central piece of law dealing with circularity requirements for design, including automotive-specific provisions regarding substances, critical raw materials, production, and end-of-life treatment of vehicles and their components.

In addition, the choice of the legal instrument (a Regulation replacing the current Directive) will secure the implementation of a harmonised legal framework for vehicles in each EU member state. The co-legislators should, therefore, refrain from providing unnecessary, costly, and burdensome flexibility to member states, especially for the extended producer responsibility (EPR) obligations. A harmonised system covering all member states equally will reduce operating costs for all economic operators while delivering solid environmental benefits.

ACEA praises the efforts to enhance circularity and sustainability but highlights the need for clarity, consistency across legislations linked to the automotive industry, and a feasible and progressive approach aligned with the state of technology. Furthermore, improved circularity as envisaged under the proposed Regulation must not result in trade-offs towards achieving other sustainability aspects, including the non-toxic environment and the carbon neutrality ambitions.

The measures addressing missing ELVs and expanding the coverage to other vehicle types are a positive development and complete the scope. In particular, ACEA welcomes the proposal to implement an EU-wide registration/deregistration system and regulate the export of ELVs outside the EU, preventing valuable raw materials from leaving the European market.

European manufacturers are committed to reducing the total CO2 footprint of vehicles over their entire life cycle, the primary material volume needed for production, as well as the indirect impact resource extraction on the planet.

A circular economy approach, which looks at the above issues comprehensively, including the upstream and downstream value chain of materials and decarbonisation is essential to a sustainable and competitive European automotive industry. This needs to translate into overarching targets for the automobile industry value chain including end of life recycling which enable individual manufacturers to unleash the power of innovation and competition to reach such targets in the most efficient manner. A very detailed regulatory framework controlling the technical and business model limited aspects of circular economy would stifle innovation and lead to inefficient deployment of resources in addition to presenting goal conflicts with decarbonisation and broader circular economy objectives.

The vehicle manufacturers are already on a solid path towards decarbonisation and supply chain sustainability due to regulations and directives like the CSRD[1] and CSDDD[2]. A combination of various regulations targeting individual aspects of the automotive value chain would constrain innovation and the ability to produce competitive, affordable, and sustainable electric vehicles (EVs) in Europe for global markets.

In this position paper, ACEA sets out the industry's key messages on the proposed Regulation on circularity requirements for vehicle design and on the management of ELVs. We look forward to further discussions and refinements to ensure a coherent and effective regulatory framework.

KEY MESSAGES AT A GLANCE

Minimum recycled content target

- Ambitious recycled content targets can be realistic only if the following preconditions are met:
  - any target should be based on the plastics definition from the European Commission's Joint Research Centre (thermoplastics + polyurethane foams);
  - both mechanical and chemical recycling should be accepted;
  - special thresholds for legacy Substances of Concern (SoC) should be set;
  - pre-consumer and post-consumer recycled content must count towards the calculation; and
  - responsible bio-based feedstocks should be included in the calculation.

- ACEA strongly recommends the technology neutrality approach towards new recycling technologies.

Extended producer responsibility (EPR)

- Different from consumer products, an ELV is a valuable good. Possible insufficient profits claimed by a waste management operator cannot be verified by a producer, and this can lead to financial inconsistencies. Only contracted waste management operators should be entitled to claim a deficit compensation

- The producer should have the right to define the collection system when called upon his extended responsibility. Any approach contradicting free-market principles should be rejected

Circularity strategy

- Most of the elements of the circularity strategy proposed by the new Regulation are outside the remit of manufacturers. Where relevant to vehicle manufacturers, the circularity strategy should be applied to the manufacturer as a whole and not at the vehicle type level

[1] Corporate Sustainability Reporting Directive
[2] Corporate Sustainability Due Diligence Directive

Mandatory dismantling

- The underlying criteria behind the list of parts and components, subject to mandatory removal from ELVs and possible exemptions, is unclear. Removal of parts and components for reuse or remanufacturing should remain driven by market demand and ecological feasibility (toxicity, CO2 footprint, durability, etc)

Lead time between publication and implementation of design-impacting delegated acts

- Delegated acts impacting vehicle design and material definition should be published at least five years before the related application date to take into account the long development cycle of vehicles

New type-approval requirements

- The ELV draft contains new type approval requirements (Articles 4–13), eg changes to calculation methodologies, raising many new demands on manufacturers and type-approval authorities who therefore require clear clarification, tools and processes of how these new requirements affect the issuing of new type approvals. Furthermore, the new demands introduce divergence from the globally harmonised UN R133 regulation and, thus, loss of synergies whereby EU divergence from non-EU markets will require workload duplication to meet the same aims without additional benefit
- The proposal allows type approval according to the current Directive 2005/64/EC pending its repeal. Transitional measures are needed to ensure that such approvals remain valid after the entry into force of the new rules (ie 72 months after entry into force)

Multistage vehicles and dismantling information in type approval

- Extended producer responsibility requirements should apply to the bodywork of multistage vehicles
- Providing dismantling information should become part of type approval for categories M2, M3, N2, N3, and O[3]

KEY MESSAGES IN DETAIL

Minimum recycled content target

According to Art 3.1 (9), 'plastic' means a polymer within the meaning of Article 3.5 of Regulation (EC) No 1907/2006, to which additives or other substances may have been added. The definition of plastic according to REACH Art 3.5 ('polymers') includes non-recyclable materials such as elastomers and all thermosets along with process materials (paints, adhesives, sealant agents). ACEA supports the JRC study's conclusion, which states, *"thermosets and elastomers (such as rubber tires) that are difficult to recycle should not be in the scope of the target, unlike polyurethane foam which should be accounted for"*. Process materials were not in the scope of the JRC study at all because these materials cannot be removed as a separate waste stream and then recycled. The definition of plastic

3

should only apply to polymers which are recyclable. For other kinds of plastics, we need innovation support for research and industrialisation funding.

Based on the currently available recycling technologies, the automotive industry considers that the 25% target is not technically achievable, especially with the solely mechanical recycling of post-consumer waste. According to the JRC study report recommendation[4] (page 64), *"the level of the targets should be set based on traceable flows of recyclates and considering the recycling technologies currently mature at full industrial scale (ie mechanical recycling*. *When chemical recycling becomes widely available, the level of the target could be then levelled up, eg through a review clause".*

A crucial prerequisite to setting recycling content targets is a defined and described methodology. This methodology needs to, for example, define the included material streams (eg dealership/workshop wastes), accounted recycling processes and the handling of substances of concern. Additionally, pre-consumer recycled content and responsible bio-based feedstocks must count towards the calculation. Furthermore, the approach of technology neutrality towards new recycling technologies must be guaranteed. Because of the high durability of vehicles and their resulting legacy, plastics that often are 15 years and older, a closed-loop approach is not only challenging but can even be unsustainable due to the carbon footprint emitted during the required extensive operations. Therefore, the closed-loop targets should be removed. Furthermore, given the global scope of the automotive industry, it should be considered that the volume of available feedstock for recycled content is not matured enough in other regions, as in Europe.

To optimise administrative processes, multiple recycled content calculations would have to be performed within the same vehicle type, which should be avoided.

Similarly to the draft of the Packaging Regulation (Proposal for a Packaging and Packaging Waste Regulation, COM(2022)0677, Art 7.9 and 7.10), an exception clause should be introduced which enables the Commission to revise and amend the target in case of non-availability of automotive grade recycled material.

The fulfilment of any envisaged mandatory recycled plastics quota will only be possible if the recycled plastics used in new vehicles also comply with the current legal requirements, including substance restrictions under EU REACH & POP regulations.

Plastic recyclates derived from ELVs and other highly durable products, however, may contain substances that were not restricted 15-20 years ago, when these products were developed and produced but that have become restricted in the meantime. Such substances, including PFAS or Polybrominated Diphenyl Ethers (PBDEs), often are or will be restricted with very low thresholds (eg 25 ppb), which may ultimately result in possible incompliance of almost any plastic recyclates. This is specifically a barrier for ELV closed-loop recyclates.

Due to the fact that such chemicals are broadly distributed in hundreds of sometimes very small components and that there was (and still is) no legal reporting duty for such chemicals by the supply chain, a ‘de-toxification’ of the ELV waste stream, for example, through

[4] Towards recycled plastic content targets in new passenger cars and light commercial vehicles: https://publications.jrc.ec.europa.eu/repository/handle/JRC129008

dismantling or even technical sorting is also impossible. Especially for automotive shredder waste, this problem will also realistically not be solved by the application of chemical recycling.

We are therefore calling for higher thresholds for such non-intentionally added legacy substances of concern in plastic recyclates to be applied for newly produced parts.

Extended producer responsibility

Art 16 (a) and (b) require the producers to ensure that authorised treatment facilities (ATF) treat all ELVs in an environmentally sound manner so that they reach their treatment targets. In most cases, there is no legal basis (contract) between the producer and all existing individual waste management operators (some tens of thousands in Europe). Therefore, the producer cannot be responsible for ensuring the compliance of each existing waste management operator in Europe and cannot be obligated to audit each waste management operator (Art 16 (a)). Similarly, the producers lack the legal instruments to enforce compliance with authorised treatment facilities. Compliance with the Regulation should be the sole responsibility of the waste management operator or the authorised treatment facility and be monitored by local competent authorities.

Art 23 (1) obliges the producer "to set up a collection system". At the same time, Art. 24 (2) obliges all authorised treatment facilities (ATF) to take back ELVs at zero cost for the last owner. These two obligations are inconsistent, and the exact task and responsibility of the producer for setting up a collection system must be clarified. The producer's responsibility is also laid down in Art 16 and Art 27. For all the articles mentioned, the producer should have the right to define and organise these collection systems.

Art 20 obliges the producer to finance the costs of the whole collection and treatment chain, which are not covered by sales revenues of used spare parts, depolluted ELVs, or secondary raw materials. An ELV is a valuable good. If a waste management operator claims insufficient profits (Art. 20), this claim cannot be verified by a producer due to the lack of a legal basis in the relationship between the producer and waste management operator. There is no independent verification mechanism for the waste management operators' claims – which is worrying and can lead to financial inconsistencies. Even a contracted operator cannot be forced to disclose financial information. In addition, it cannot be the producers' responsibility to subsidise an unlimited number of inefficient operators. The profitability of ATFs depends on several factors related to the entrepreneurial decisions or ability on which producers cannot have any influence (such as cost structure, capitalisation, managerial ability, etc). Just stating the producers will have to pay the cost will lead to lower investment innovation from ATFs, inefficiency, and ultimately higher consumer costs. It should be clarified that only contracted waste management operators are entitled to claim deficit compensation.

The wording of Art 20 could be interpreted that the calculation of a deficit should be applied to different waste streams generated by the ELVs. This would require producers to compensate the costs of operators who are obtaining high profits from the ELV treatment in total. It should, therefore, be clarified that deficit compensation is based on the business case of the whole ELV treatment chain. Otherwise, an allocation of costs would also require an allocation of revenues.

Art 20 (2) obliges the competent authorities to monitor costs and revenues of the treatment chain. According to recital (38), the aim of this monitoring is to "ensure a fair allocation of costs between interested operators", which would suggest state-controlled prices. ACEA rejects any approach contradicting free-market principles.

In light of the reasons explained above, the mechanism foreseen under Art. 22 in the case of vehicles becoming end-of-life in another member state is also unpracticable.

The financial modulation criteria of the fees for a Producer Responsibility Organisation (PRO) in Art 21 needs to be reconsidered because several criteria are not feasible or representative. For example, the vehicle weight is not an indicative criterion because a higher vehicle weight may mean more dismantling time but may bring more revenue, depending on the material composition. In addition, it is impossible to objectively measure the dismantling time due to widely differing equipment levels of treatment operators, and the subsidisation of inefficient operations needs to be avoided. It should also be mentioned that substances preventing high-quality recycling should not automatically be classified as ecologically negative but can also have a positive effect on the sustainability of a vehicle. The presence of certain substances is a complex criterion and would not be feasible in practice.

The criteria must be feasible and representative and should be limited to a short list of relevant circularity indicators (such as recycled content or RRR rates), as it is for the Batteries Regulation (Art. 57).

Concerning the type of drivetrain, the Commission needs to clarify that there should be no double regulation since the electrical vehicle battery is already covered by extended producer responsibility according to Regulation (EU) 2023/1542).

Art 23 (2c), in combination with Art. 20 (1a), obliges the producer to ensure and finance workshop disposal. It is unclear how this is supposed to work for independent operators without a contract / legal basis with the producer. In addition, it should not be expected that producers finance the disposal of parts that they have not themselves put on the market. The sentence Art. 23 (2c) should therefore be deleted.

Furthermore, Art. 23 (2d) states that the producers shall collect vehicles of every brand. Every manufacturer can only be responsible for the collection of their own brands.

Art. 18 (4) obliges PROs to ensure fair representation of producers and waste management operators in their governing bodies. A definition of "fair" is missing, and it must be ensured that such actions required by this Regulation comply with competition law. There is a possible conflict here if contract partners of a PRO can be represented on the governing body.

Art. 24 obliges all ATFs to take back ELVs at zero costs for the last owner, even in the case of a missing electric vehicle battery. Such a regulation would increase the danger of missing electric vehicle batteries, unsafe transport/handling by non-professionals whose activities are not in the scope of EU Regulation 2023/1542 on Batteries and consequently, a lack of tracking on battery’s fate. ACEA, therefore, emphasises the importance that only professional operators should be allowed to dismantle batteries from ELVs or used vehicles.

According to Art 25, the Certificate of Destruction is intended to serve as the basis for the final deregistration of the vehicle. For this important article to have a real impact, it should be clarified that enforcement is vital. Therefore, the Regulation should oblige member states more explicitly in Art. 47 to introduce consequences for ongoing registration and temporary deregistration, eg continuation of tax/insurance payments in case of temporary deregistrations should be only possible for a limited period, eg one year, and the vehicle needs to be presented for prolongation of a temporary deregistration.

Circularity strategy

Art 9 requires that a circularity strategy be drawn up for newly type-approved vehicles. The obligation to submit the circularity strategy should apply to manufacturers at the company level and not to each newly type-approved model, similar to the current company recycling strategy under the 3R Type-Aproval Directive. It is worth noting that most of the elements of the circularity strategy introduced with the proposal, namely Annex IV, Part A, paragraphs 5, 6, and 7 are outside of the remit of vehicle manufacturers. For example, "*monitoring on how parts, components and materials contained in vehicles belonging to the vehicle type are reused, recycled and recovered in practice*": this is the task of the waste management operator. Manufacturers can only monitor those operators with direct contracts (< 10 % of all operators). Moreover, monitoring in a centralised system would make more sense. Another example is: "*A description of the manner in which the effectiveness of the actions referred to in point 6 (investment in research and development of recycling technology or infrastructure) will be assessed*". Manufacturers can only monitor those operators with direct contracts (< 10% of all operators) or own (research) projects in which they participate or invest.

Furthermore, waste management operators (recyclers) should be targeted to improve and implement recycling technologies (Annex IV, point 6) but not the producer of the vehicle since the expertise and responsibilities lie with the waste management operators. On top of this, it is quite challenging to provide information on recycling technologies, as well as to monitor the practice of reuse, recycling, and recovering parts and components, since these activities are conducted and controlled by waste operators located in different countries and with different level of expertise, infrastructures, and traceability systems.

Ar. 10 requests manufacturers to declare the share of recycled content of steel, while Art 6 paragrpah 3 foresees a study to assess the feasibility of a minimum share of recycled steel to be present and incorporated in the vehicle type. The two rules are inconsistent in terms of timing. Indeed, the study under Art 6 paragraph 3 shall be finalised 23 months after the entry into force, while Art 10 should enter into force 36 months later.

Also, in the case of aluminium and its alloys, magnesium and its alloys, neodymium, dysprosium, praseodymium, terbium, samarium, and boron, it is not the objective of the declaration, considering that a feasibility study on the possible minimum share of recycled material is expected to be just finalised once the declaration obligation enters into force.

It is recommended to wait for the finalisation of the studies and to avoid declarations under Regulation 2018/858 until a decision on the possible minimum share is made.

Circular vehicle passport

Art 13 describes the obligation for manufacturers to provide a circular vehicle passport for certain components of each vehicle placed on the market. The manufacturer shall ensure that the information in the circular vehicle passport is accurate, complete and up to date.

Today, the available IT system, IDIS (International Dismantling Information System), already provides detailed information, eg on parts for recycling and dismantling components, to all interested waste management operators, per vehicle type. To avoid duplication and unnecessary burden, the circularity vehicle passport (Art 13) should require information (eg for reuse, dismantling and recycling) only per vehicle type, but not for each individual vehicle and should make use of existing systems, such as the IDIS. It has to be noted that a guarantee of completeness and up-to-date-ness for the vehicle passport can only be ensured by the manufacturer at the time the vehicle is produced and not later because of maintenance, customisation, and repair during its lifetime.

Mandatory dismantling

The mandatory removal of parts and components from ELVs prior to shredding is trying to address the improvement of reuse, refurbishing, and remanufacturing; compelling safety reasons (eg traction or Starting, Light, and Ignition (SLI) batteries) or the impossibility of reaching an equivalent level of material extraction and separation with post-shredding techniques (eg catalytic converters). However, in reality, for several components mentioned in Annex VII, part C, dismantling is not the most efficient solution to achieve any of the above-mentioned objectives. The reuse of ELV parts, for example, would constrain ATFs to dismantle old ELV parts that are not fit for reuse, refurbishment, or remanufacturing or for which there is no demand and that would, therefore, eventually be destroyed, thus incurring high dismantling, transport and storage costs and corresponding additional carbon footprint for no environmental benefit. Demand-side measures (eg reduced VAT, incentive insurance policies) would be a more effective way of bolstering the markets and removal rates of reused, refurbished, or remanufactured parts without such adverse effects.

The mandatory disassembly of the dashboard and displays is not helpful since the dashboard is not clearly defined and consists of a large variety of sub-components or materials which are not harmonised even within and across vehicle manufacturers and thus would generate a large heterogeneous waste stream with no benefit of a separate recycling supported by dismantling. Therefore, even after dismantling, post-shredding technologies would still be needed to the same extent.

Disassembling of several components such as wiring harnesses or circuit boards larger than 10 cm^2 – as proposed in Annex VII part C – is not justified. The corresponding trade-offs have never been assessed via eg a life-cycle assessment (LCA) or feasibility studies. The content of precious metals, etc, depends on the number of components on the printed circuit board and not on the size.

Article 7 stipulates that batteries for electric vehicles must be designed in terms of fasteners and sealing elements so that they can be easily removed and replaced without destruction. In addition, the Commission is empowered to adopt implementing acts laying down the conditions for the design of the dismantling and replacement of parts and components.

In order to decrease insurance rates and keep their residual value, vehicles' components are already replaceable in a non-destructive manner as far as possible. In addition, other legal requirements, including the Battery Regulation, also require such components to be removable. Therefore, there is no need for detailed requirements under the End-of-life vehicles Regulation (ELVR).

In addition, paragraphs 3 and 4 indicate that design guidelines are issued by the EU Commission. ACEA rejects such requirements as a matter of principle, as they hinder competition and the search for the best technical solution by manufacturers, as well as prevent innovation or future technical developments. In addition, we would like to emphasise that vehicles are a long-term investment asset for which customers already expect to be used in the long term through appropriate repair methods and replacement solutions.

OTHER MESSAGES

ACEA would also like to comment on several other provisions for which the automotive industry has identified ambiguities, uncertainties and challenges. These include obligations, responsibilities, lack of methodologies, definitions, and information requirements.

Reusability or recyclability targets

Art 4 sets out the key goals for manufacturers of "(a) reusability or recyclability to a minimum of 85% by mass and (b) reusability or recoverability to a minimum of 95% by mass". At the same time, Art 34 requires waste management operators to meet similar 85% and 95% targets without including EV batteries in the calculation methodology. The achievement of the latter targets should be ensured both by producers (Art. 16) and member states (Art. 34). Furthermore, 30% of the plastic shall be recycled by waste management operators.

It is our understanding that the formulation of the provision does not necessarily denote an exclusive disjunction, but rather, it leaves open the possibility that each vehicle belonging to a vehicle type that is type-approved as of […] under Regulation (EU) 2018/858 shall be constructed so that it is reusable and/or recyclable to a minimum of 85 % by mass and reusable and/or recoverable to a minimum of 95% by mass. Essentially, it allows the possibility of either option or both. To avoid legal uncertainty, ACEA suggests making the provision clearer in line with the targets under the current ELV Directive for 85% reuse and recycling, and 95% reuse and recovery. The sentence should read: "reusability and/or recyclability" and "reusability and/or recoverability".

Requirements for substances in vehicles

Art 5 lays down the requirements for substances present in vehicles that shall be compliant with REACH, POPs, and Battery Regulations, as well as the restrictions and exemptions regarding the use of heavy metals in vehicles (Annex III).

ACEA believes that already introduced provisions for enforcement with regard to substance restrictions stated in EU POP, REACH, and Batteries Regulation in the respective regulations are sufficient to ensure compliance. Any additional demonstration of compliance during type approval would, therefore, be considered double regulation and would add an unjustified burden for manufacturers.

Furthermore, the link to the definition of Substances of Concern (SoCs) in the regulation on eco-design for sustainable products (ESPR) links to the CLP Regulation, which is a dynamic piece of legislation covering thousands of substances that are not directly relevant to articles or products such as vehicles. In addition, subpoint (c) of the ESPR is referring to substances which "*negatively affects the reuse and recycling of materials in the product in which it is present*". Proving compliance with such criteria is impossible for highly durable products such as vehicles as today it is not known the recycling technologies available once our vehicles become waste in 15 to 20 years. The ELVR should contain clear definitions and processes to define requirements for SOCs in vehicles.

Vehicles, like many other highly durable products/goods, have a lifetime of many years or even decades. Such products, that are designed and manufactured today only will become waste and thus end up at the scrap yard a long time after their design has started. Vehicles, for example, usually have a development time of around three years, followed by a manufacturing phase of at least three to five years and an average lifetime of around fifteen years. Therefore, a car developed today can easily end up at the recycler's facility in 2042 or even later.

On the other side, the state of recycling technologies in 20 years is not foreseeable due to their steep innovation trend and thus, the selection of substances, materials or fixation techniques that are probably seen to be critical today may not cause any issue anymore in the future. This fits the observation that advanced recycling techniques nowadays already tackle legacy substances in materials that had been introduced as substances of no concern 20 years ago.

However, the ESPR seems to ignore that, due to the unpredictability of the future, any decision today in order to improve future actions may have, in reality, even counterproductive trade-offs – especially for highly durable products.

Risking the innovation and competitiveness of product manufacturers

Not allowing product manufacturers to use substances only based on non-scientifically proven assumptions that these substances may have negative impacts on recycling in the far future will ultimately limit their competitiveness as well as that of their products.

Reducing the innovation of recycling technologies/industries

There is sufficient proof that during the above-mentioned ~20-plus years, the waste operators and recycling companies have not only been able to solve challenges caused by new technologies or materials but even to develop their own new technologies, which are increasing their competitiveness in a global market. This driving force would be reduced.

Risking additional but unnecessary efforts on the recyclers' side

The SOC definition in 28 (2)(c) is likely to end up in different SOC lists per each delegated act/product category, which makes sense because products such as vehicles and washing machines are different and thus also require different rules. However, in reality, mainly in order to safeguard sufficient volumes, waste streams are mixed eg vehicles and household goods, including washing machines, and this will most likely not change in the future. However, this also results in the situation that product groups with different SOC lists may be treated together, which makes either the waste treatment highly complex or inefficient.

Therefore, a SOC definition beyond that of substance intrinsic hazard classifications is another example of the NOFAS (No One Fits All Solution) principle. Whereas subpoint (c) may make sense for products with a short- to mid-lifetime, it definitely bears more risks and disadvantages, especially for highly durable products, including vehicles.
The European automotive industry, therefore, sees the sub-point (c) as highly critical and therefore recommends, instead of referencing the ESPR, including its own definition for SOCs under the ELVR with the deletion of sub-point (c).

Alternatively, the wording of sub-point (c) needs to be changed to take note of the above arguments. Any alternative wording, however, will not solve all discussed challenges:

c) impede the recycling of materials in the product in which it is present, *considering best available and laboratory scale recycling technologies today.*

Expansion of the scope to heavy-duty vehicles (HDVs) and trailers

We welcome the European Commission's gradual approach to extending the legislation's scope to heavy-duty vehicles and trailers. The decision to grant a partial exemption from the Regulation's requirements to M2, M3, N2, N3 and O vehicle categories, coupled with the obligation to provide information on the removal and replacement of parts, components and materials contained in vehicles, will allow to fill knowledge gaps regarding the end-of-life of heavy-duty vehicles (HDVs) and inform the development of future rules.

However, we note that the scope extension generates a series of specific ambiguities and uncertainties related to the newly included vehicle categories:

The requirement to provide dismantling information should only apply to vehicles that have been type-approved after Entry Into Force (EIF) plus 60 months.

Art 2, par. 1 (b) expands the application scope to vehicles and ELVs of categories M2, M3, N2, N3, and O. It can be interpreted as applying the requirement on the provision of dismantling information to any vehicle of the named categories already on the EU market.

It is extremely challenging to ensure compliance with this requirement for old vehicle types that become an ELV after EIF plus 60 months. The scope, in this case, should be limited to vehicles that have been type-approved after EiF plus 60 months. The surest way to do so is to make providing dismantling information part of the type approval; this requires the inclusion of Art 8, paragraph 5 into the scope for the named categories by amending (to Art. 2, paragraph 3, point e).

The requirement to collect and depollute bodywork of end-of-life multistage vehicles should apply to bodybuilders.

Art 2, paragraph 2 (b) explicitly puts the bodywork of multistage vehicles out of the Regulation’s scope (keeping only the base vehicle in). Yet no rule is foreseen for dismantling/depolluting/treating end-of-life bodywork of multistage vehicles, which would normally arrive at ATF together with the base vehicle. This might lead to uncertainty in the application of the producer's responsibility and how to deal with the bodywork treatment process and associated costs, given that the only one liable for vehicle collection and depollution is the base vehicle producer.

To exclude such undesired effects, responsibilities for decoupling bodywork and further managing it (depollution, storage, etc) should be clearly assigned in the Regulation. Namely, the bodywork of multistage vehicles (referred to in Art 2 par. 2 b) should be in scope for Section 2, included in the scope of Art 20 on extended producer responsibility and, in particular, for Article 20 on the financial responsibility of producers.

Uncertainty around requirements imposed on heavy-duty special-purpose vehicles should be addressed.

Article 2, paragraphs 5(a) and 6 regulate the application of requirements on special purpose vehicles (SPV) and specify the requirements on extended producer responsibility for categories M2, M3, N2, N3, O. Though it follows from the rest of the text that the intention of the regulator is not to impose Art 5 requirements (substances of concern) on heavy-duty SPVs and not to shorten the transition period for the named vehicle categories from 60 to 36 months after the Regulation's entry into force, the legal technicalities of the text may suggest an opposite interpretation which would warrant a clarification.

ABOUT THE EU AUTOMOBILE INDUSTRY

- 12.9 million Europeans work in the auto industry (directly and indirectly), accounting for 6.8% of all EU jobs
- 8.3% of EU manufacturing jobs – some 2.4 million – are in the automotive sector
- Motor vehicles are responsible for €392.9 billion of tax revenue for governments across key European markets
- The automobile industry generates a trade surplus of €101.9 billion for the European Union
- The turnover generated by the auto industry represents over 7% of the EU's GDP
- Investing €59.1 billion in R&D per year, automotive is Europe's largest private contributor to innovation, accounting for 31% of the EU total

ACEA REPRESENTS EUROPE'S 14 MAJOR CAR, VAN, TRUCK AND BUS MANUFACTURERS

ACEA
European Automobile
Manufacturers' Association
+32 2 732 55 50
info@acea.auto
www.acea.auto

twitter.com/ACEA_auto

linkedin.com/company/acea

youtube.com/c/ACEAauto