

March 2018

Clean Vehicles Directive

Impact assessment (SWD(2017) 366, SWD(2017) 367 (summary)) of a Commission proposal for a directive of the European Parliament and of the Council amending Directive 2009/33/EU on the promotion of clean and energy-efficient road transport vehicles (COM(2017) 653)

Background

This note seeks to provide an initial analysis of the strengths and weaknesses of the European Commission's [impact assessment](#) (IA) accompanying the above-mentioned [proposal](#), adopted on 8 November 2017 and referred to the Parliament's Committee on Environment, Public Health and Food Safety (ENVI). The proposal¹ aims to increase the market uptake of clean – low- and zero-emission – vehicles in the context of **public procurement** operations, thus contributing to **reduction of transport emissions**, as well as stimulating competitiveness and growth in the transport sector (explanatory memorandum of the proposal, p. 3).

Globally, China and the United States together account for around 60 % of the global market of electric vehicles and the European Union (EU) for around 28 % (IA, p. 15). Currently '[a]round 95 % of vehicles on Europe's roads still have an internal combustion engine' (IA, p. 5). Deployment of low- and zero-emission vehicles is thus considered necessary in order to address the long-term climate, energy and environmental objectives of the EU.² 'The EU market share of battery-electric and plug-in hybrid electric passenger vehicles in new registrations was 1.15 % in April 2017' (IA, p. 11). Purchases of services, works and supplies by public authorities in the EU constitute 14 % of gross domestic product (GDP) (IA, p.5).

The current Clean Vehicles Directive has had only a low impact on the reduction of CO₂ emissions of publicly-procured vehicles³ according to the 2015 [REFIT ex-post evaluation](#).⁴ The evaluation concluded that 'the initiative is relevant but not fit for purpose, not effective and not efficient' ([inception impact assessment](#), p. 1), identifying no real impact on the market uptake of clean vehicles. Many procurement decisions continue to be based on the lowest purchase price tendered, and the directive has offered a low overall cost-benefit ratio.⁵ It was found that the procurement rules using the monetisation methodology⁶ were promoting diesel vehicles rather than alternatively fuelled ones (IA, pp. 8 and 19).

The evaluation recommended retaining the directive, as a repeal was likely to have a more negative impact on the urban bus market. The decision was therefore taken to revise the directive in order to address the findings of the

¹ See G. Erbach, [Review of the Clean Vehicles Directive](#), EPRS, European Parliament, February 2018.

² For example, greenhouse gas emissions from transport, as well as pollutant emissions, should be firmly on the path towards zero-emission by 2050 (IA, p. 5).

³ 5.5 % for passenger cars and 2.3 % for vans.

⁴ See E. Thirion, [Clean Vehicles Directive](#), implementation appraisal, EPRS, European Parliament, May 2017.

⁵ Benefits estimated to range between €42.6 and €521.1 million compared to total cost (purchase and operational cost) of around €34.6 to €341 million (IA, p. 7).

⁶ Methodology for the calculation of operational lifetime costs, Article 6 of [Directive 2009/33/EC](#).

ex-post evaluation (IA, pp. 7-8). The revision of the directive is also part of the [sustainable mobility strategy](#)⁷ announced by the Commission in May 2017. The path to zero-emission transportation was outlined in the [low-emission mobility strategy](#) published by the European Commission in July 2016. Consequently, this proposal has to be viewed together with the proposal for setting new CO₂ [emission performance standards](#) for cars and vans post 2020,⁸ because both initiatives are aimed at stimulating the market for clean vehicles (IA, p. 5).

Problem definition

The problem described by the IA is that the directive does not stimulate the public procurement of clean vehicles (IA, p. 10). The problem-tree on page 10 of the IA explains that the problem drivers are the following:

1. limited range of the contracts covered by the directive;
2. lack of clear, impactful vehicle-purchase provisions;
3. complex provisions for the use of the monetisation method.

Currently the directive only applies to the purchase of vehicles, but their lease, rent or hire-purchase are not covered (IA, p. 16). Similarly, the directive notes the possibility to use environmental impacts as award criteria, but does not provide specifications for weighting them (IA, p. 18). The lack of alignment of procurement criteria at the EU level hinders a better market impact. The monetisation methodology has proved complex to apply because of mandatory inclusion of operational life-time costs of vehicles in purchase decisions (IA, p. 19).

The problem implies that no significant impact on reducing greenhouse gas and pollutant emissions, or general market uptake of clean vehicles, or support to industry, competitiveness and growth, has been achieved by the original directive (IA, p. 10).

Objectives of the legislative proposal

The **general** objective of the Commission proposal is 'to accelerate the public procurement of clean, i.e. low- and zero-emission or other alternatively-fuelled vehicles, in the Union' (IA, p. 27).

The **specific** objectives seek to:

1. ensure that the directive covers all relevant procurement practices;
2. ensure that the directive supports clear, long-term market signals;
3. ensure that the directive's provisions are simple and effective to use. (IA, p. 27).

The **operational** objectives for the preferred option are to:

1. bring contracts for lease, rental and hire-purchase of vehicles by public bodies into the scope of the Clean Vehicles Directive;
2. bring contracts for transport services (other than public passenger transport) by public bodies into the scope of the Clean Vehicles Directive;
3. introduce a requirement to follow the definition of clean vehicles and minimum procurement targets of the directive for both light-duty and heavy-duty road transport vehicles;
4. introduce a requirement to monitor and report on public procurement of clean vehicles (IA, p. 77).

The objectives are linked to the described problems and appear to correspond to most of the specific, measurable, achievable, relevant and time-bound (SMART) criteria set out in [tool #16](#) of the Better Regulation [Guidelines](#), although they are not time-bound.

Range of options considered

The IA presents six policy options summarised below, including their respective sub-options, in addition to the baseline scenario. The criteria for developing policy options are included in a useful chapter on pre-screening of

⁷ Europe on the move: an agenda for a socially fair transition towards clean, competitive and connected mobility for all, COM(2017) 283 final, European Commission, May 2017.

⁸ See E. Kramer, [Review of CO₂ emission standards for new cars and vans](#), initial appraisal of a Commission impact assessment, EPRS, European Parliament, January 2018.

the policy options. This chapter also explains why certain possible actions were discarded due to increased administrative burden, or assumed lack of political support, for example.

Table 1: Options proposed and their description

| Option | Description |
|--|---|
| Option 1 — Repeal of the directive. | The objectives would be achieved by non-legislative policy measures, such as recommendations, awareness-raising, or voluntary activities. For example, the Commission would revise the financial guidelines for promoting low- and zero-emission vehicles, and voluntary participation at the European Clean Bus Deployment Initiative for cities and regions would be encouraged (IA, pp. 41, 43, Annex 5, p. 111). |
| Option 2 — Member States use national policy plans based on the common definition of clean vehicles or they use the monetisation methodology. ⁹ | Member States have a binding choice of either the common definition or the revised monetisation methodology. The level of ambition and the scope is the responsibility of the Member States: the definition includes a low ambition of CO ₂ tailpipe emission threshold of 50 gCO ₂ /km for both passenger cars and vans, as well as real driving pollutant emissions threshold with conformity factor 1. ¹⁰ National policy frameworks have to be based on certain criteria, such as target for the uptake of clean vehicles by public procurement by 2030, reporting, and inclusion of other types of contracts and services. ¹¹ (IA, pp. 42, 44, Annex 5, p. 111). |
| Option 3 — Definition is based on emission thresholds, and minimum procurement requirements are set up for light-duty vehicles ¹² . | The directive is thoroughly revised. The monetisation methodology is removed. The scope of the directive also includes rented, leased or hire-purchased vehicles, and specific transport service contracts. ¹³ A 'clean vehicle' definition is established. The minimum procurement target is based on an emission-based threshold combining CO ₂ and air pollutant thresholds for light-duty vehicles (IA, pp. 42, 45-48, Annex 5, p. 111). A minimum procurement target for public bodies is added, defined at Member State level for light-duty vehicles following the thresholds set under EU procurement law, for 2025 and 2030, as in the sub-options. |
| Sub-option 3a — Level of ambition moderate. | A mandatory threshold of 50 gCO ₂ /km for both passenger cars and vans is introduced for 2025, and it is connected to a minimum procurement target. ¹⁴ A threshold with respect to real driving air pollutant emissions is introduced — vehicles should have a conformity factor of 1 (they meet Euro 6 standards ¹⁵ as originally defined). 'The CO ₂ threshold is lowered in 2030 to 25 gCO ₂ /km for passenger cars and 40 gCO ₂ /km for vans. The threshold with respect to real driving air pollutant emissions is lowered to a conformity factor of 0.8 (i.e., 20 % below Euro 6 standards)' (IA, p. 46). |
| Sub-option 3b — Level of ambition high. | A threshold of 25 gCO ₂ /km for both passenger cars and 40 gCO ₂ /km for vans is introduced for 2025, and it is connected to a threshold with respect to real driving air pollutant emissions of a conformity factor of 0.8 (i.e. 20 % below Euro 6 standards). In 2030, the CO ₂ threshold is lowered to zero gCO ₂ /km for cars and vans, as it is expected that zero-emission technologies are established in the market by that time. (IA, p. 46). |
| Option 4 — Definition based on alternative fuels and related minimum procurement requirements for both light- and heavy-duty vehicles. | The directive is thoroughly revised in the same way as envisaged in option 3 regarding monetisation methodology and the scope. 'Clean vehicles' definition is established. Minimum procurement target is based on an alternative fuels basis for light- and heavy-duty vehicles (IA, pp. 42, 48-51, Annex 5, p. 111). These procurement targets are: |
| Sub-option 4a — Level of ambition moderate. | A 20 % share in 2025 and 35 % in 2030 for passenger cars and vans; 5 % in 2025 and 10 % in 2030 for trucks; and 30 % in 2025 and 50 % in 2030 for urban buses. The setting of the mandate levels follows expert judgement and further analysis in the context of |

⁹ To monetise energy and environmental impacts of vehicles (IA, Annex 5, p. 113).

¹⁰ The threshold is adapted to the current threshold for low-emission vehicles under the [CO₂ Emission Performance Regulation](#), which is 50 gCO₂/km. With a [conformity factor](#), the focus is put on the vehicle's average compliance with emission limits, as tested under the real driving emissions test procedure.

¹¹ Such as rent, lease, and hire-purchase contracts or transport related service (IA, p. 45).

¹² Emissions from heavy-duty vehicles are not regulated yet, hence the definition for them is not set up (IA, p. 42).

¹³ For example, for transportation of elderly or handicapped people (IA, Annex 5, p. 113).

¹⁴ 'A medium average European ambition level of setting a target for 35 % of all public procurement of vehicles to include vehicles following the definition of clean vehicles has been chosen as the basis' (IA, p. 47).

¹⁵ [Euro 6 emissions standards](#) for light-duty and EURO VI for heavy-duty vehicles 'have been adopted on grounds of environmental public health policy considerations and are not meant to address emissions with global warming effects' (IA, Glossary, p. 128).

| | |
|--|--|
| <p>Sub-option 4b — Level of ambition high.</p> | <p>the impact assessment support study,¹⁶ taking into account recent market forecasts for vehicles and their differentiation by market segments and the impact of the level of ambition relative to the projected baseline. (IA, p. 50).</p> <p>A 35 % share in 2025 and 50 % in 2030 for passenger cars and vans; 10 % in 2025 and 15 % in 2030 for trucks; and of 50 % in 2025 and 75 % in 2030 for urban buses, following the same reasoning for their design as in option 4a but with a much higher market impact in mind. The comparatively high values for urban buses are justified based on the recent market forecasts delivered by public transport operators for the deployment of low- and zero-emission bus solutions and ongoing policy and market action in Member States'. (IA, p. 50).</p> |
| <p>Option 5 — Regulation to require use of the monetisation methodology as the sole approach to vehicle procurement.</p> | <p>The directive is replaced by a regulation obliging public authorities to use a revised monetisation methodology to set monetised impacts as the award criteria for vehicle procurement. The scope also includes rented, leased or hire-purchased vehicles, and specific transport service contracts, as in options 3 and 4 (IA, pp. 42, 51-52, Annex 5, p. 111).</p> |
| <p>Option 6 — Combines an emission-based and an alternative fuels based approach.</p> | <p>Light-duty vehicles are regulated with the approach as described in option 3 (emission-based threshold combining CO₂ and air pollutant thresholds), and heavy-duty vehicles with the approach of the option 4 (alternative fuels basis). The Commission has the right to adopt a delegated act to set up CO₂ and air pollutant thresholds for heavy-duty vehicles (IA, pp. 42, 53-54, Annex 5, p. 111).</p> |

The IA's **preferred option** is **policy option 6**, which combines the strengths of option 3b for light-duty vehicles with the strengths of option 4b for heavy-duty vehicles. For **light-duty vehicles**, a 'clean vehicle' definition and minimum procurement target are established using an **emissions-based threshold**. The IA explains that the preferred option is consistent 'with the current and upcoming proposal on CO₂ emissions from cars and vans', because incentives are provided for the same type of low- and zero-emission vehicles in both proposals. For the **heavy-duty transport** sector, a requirement to purchase a **minimum share of alternatively fuelled vehicles** is established until the regulatory conditions for an emission-based approach are adopted (IA, p. 74). Therefore, a delegated act will need to be envisaged within the current proposal. The IA does not specify to which regulatory requirements it is referring. Most probably, it means the forthcoming [proposal on heavy-duty vehicles CO₂ emission standards](#). While the range of options seems reasonable, the reason for including the repeal of the directive among the assessed options is unclear since this appears contradictory to the findings of the ex-post evaluation, which concluded that the directive should remain in place and be amended.

Scope of the impact assessment

The IA discusses economic, social and environmental impacts. Analysis of the impacts includes both a quantitative and a qualitative assessment. The quantitative assessment of the policy options 'is based on the assessment of the number of vehicles procured by powertrain type under each policy option, as well as the available data on vehicle purchase and operating costs' (IA, p. 54).

The IA assesses **economic impacts** on public bodies (see below), enterprises, innovation, and small- and medium-sized enterprises (SMEs) (see below). These include costs and benefits, increase or reduction in purchase prices, operational costs, administrative costs, and administrative and compliance costs and sales revenues for vehicle suppliers (IA, pp. 56-57). Vehicle manufacturers as well as vehicle dealers are expected to benefit from increased revenues from the procurement of vehicles. The increase among the policy options ranges between 1 % and 12 %. The manufacturers will need to invest in production capacity, especially regarding low- and zero-emission and other alternatively fuelled buses. At the same time, the IA claims without further evidence that the revision of the directive should not necessarily lead to the need to significantly invest in new technologies, except for trucks. The share of procured trucks is assumed to grow to 15 % under option 4a and to 22 % under options 4b and 6 by 2030. The biggest impact on the demand side is expected in the segment of urban buses, with increased demand for clean buses leading to changes in the market share of powertrains and to impacts on production capacities of

¹⁶ The IA indicates (p. 82) that the support study performed by Ricardo AEA is annexed to the IA, which is not the case. A full reference to the support study appears not to be found anywhere in the IA or its annexes.

manufacturers (IA, p. 59). The IA refers to its Annex 9 in this respect, but no such annex is included. However, the chapter entitled 'Overview of results for vehicle categories' is possibly the text to which reference is intended.

The IA assesses **social impacts** on employment, public health, and equal treatment of citizens, as well as **territorial impacts** (territorial impact assessment is annexed to the IA, p. 142).

A positive impact on employment is expected due to increased sales of low- and zero-emission vehicles, with the highest number of additional jobs created under policy options 4b, 5 and 6. Positive, though limited impact is expected on public health due to the reduction in the emissions of harmful air pollutants. Table 6.5 (p. 60) shows cost savings from reductions in environmental costs compared to the baseline, with policy options 4b, 5 and 6 as the most effective (IA, p. 60). The IA expresses concern about equal treatment of citizens because of a possible increase in ticket prices and availability of public transport services for the most vulnerable groups. The IA expects that such groups will be protected by continuous subsidising policies. Reduced noise exposure is mentioned as a positive impact (IA, p. 61).

The IA gives only a brief summary of the conclusions of the territorial impact assessment workshop:

1. the effects are expected to be equally distributed throughout various European regions regarding CO₂ emissions, particulate matter (PM)₁₀ emissions¹⁷ or research and development (R&D) climate impacts;¹⁸
2. urban regions are expected to benefit the most from the revision of the directive due to the effects on such air pollutants as nitrogen oxides (NO_x)¹⁹ or PM₁₀. The IA does not explain what those effects are, leaving the reader to guess that, most probably, the pollutants are expected to decrease;
3. effective implementation of the revised Clean Vehicles Directive would contribute to better procurement procedures in Bulgaria, Latvia, Lithuania, Poland and Romania, as well as in some Greek, Italian and Spanish regions. (IA, p. 61).

Policy options 3, 4 and 6 are expected to bring the most advantages; however, the IA gives no comparison of these specific advantages.

The IA discusses **environmental impacts** in terms of CO₂ emissions, energy consumption, air quality and noise (IA, p. 62). It shows that all options lead to emission reductions and related cost savings for publicly procured vehicles, with again policy option 5 providing the most effective scenario – 61 % of emission reductions relative to the baseline, calculated as estimated effects over lifetime of the vehicles procured during 2020-2035 (in thousand tonnes of CO₂ and percentage of change). Policy options 6 and 4b provide 17 % reduction of emissions. In 2030, the policy options could save 560 to 6 710 thousand tonnes of CO₂ emissions. The IA mentions here that estimates also depend on the parallel legislation of CO₂ standards for cars and vans post-2020 (IA, p. 62). Similarly, all policy options lead to savings in energy consumption, with policy options 4b and 6 potentially providing 10 % of savings (and option 5, 47 %). However, these savings are considered small compared to the overall energy consumption in the transport sector. All policy options are expected to reduce NO_x and PM₁₀ emissions over the lifetime of the vehicles procured. 'This is because of the reduced use of diesel vehicles and the increased use of petrol cars and vans over a longer period of time in policy options 2 and 5, as well as the increased use of natural gas (CNG/LNG) vehicles in options 4a, 4b and 6' (IA, p. 63). Further reductions of air pollutants are expected under the policy options with high uptake of zero-emission vehicles, such as options 5, 6, 3b and 4b. However, the IA does not explain the possible timeframe of the future change from petrol and gas vehicles to low- and zero-emission vehicles. Noise levels are only qualitatively assessed due to the lack of data, and most improvements are expected from the use of battery-electric or fuel-cell electric buses (IA, p. 64).

¹⁷ Most dangerous kind of particulate matter pollution (European Environment Agency).

¹⁸ The IA does not give any further details on what these impacts mean.

¹⁹ Nitric oxide (NO) and nitrogen dioxide (NO₂) are together referred to as nitrogen oxides (NO_x) (IA Glossary, p. 128).

The IA examines and compares the impacts of the options based on effectiveness, efficiency, coherence and proportionality (IA, p. 65-75). Descriptions of the various categories of impacts are succinct, especially compared to the extensive chapters devoted to pre-screening and describing the options. Moreover, the tables included in the IA for every type of impact mention the support study, although this is not explicitly referenced. Therefore, it is not possible to verify the comparison of data included in the tables.

Subsidiarity and proportionality

Transport, environment and procurement law are shared competences between the Member States and the EU. In contrast, sectoral harmonisation of procurement rules in the internal market is an exclusive EU competence. The proposal has the same legal basis as the one used for the adoption of the Procurement Directives 2014/24/EU and 2014/25/EU (explanatory memorandum of the proposal, p. 4), namely [Article 192](#) of the Treaty on the Functioning of the European Union. Policy options are assessed in terms of subsidiarity and proportionality, and are considered proportionate and necessary, except policy option 5. This option mandates the use of one methodology for all procurements (IA, p. 73).

Budgetary or public finance implications

According to the explanatory memorandum, the proposal has no impact on the EU budget (p.9). Economic impacts on public bodies are discussed in the IA in terms of procurement costs, administrative costs and operational costs²⁰ (IA, tables 6.1. and 6.2, p. 57). Due to the higher roll-out of low- and zero-emission vehicles, initial purchase costs are expected to increase. Under policy options 4 and 6, the increase is estimated at 5 % compared to the baseline. Administrative costs include adaptation to the new provisions and setting up monitoring and reporting procedures at national level. The cost breakdown and methodology are referred to in the support study. Operational costs are expected to decrease by 1 to 2 % for most options. However, it is not clear from the IA how such a decrease compares to a higher initial purchase price of green vehicles. The costs of implementing the new technologies are borne mostly by public authorities and operators, and in this situation, the main beneficiaries are manufacturers and the general public (IA, p. 58). The costs falling on manufacturers from investing in the new technologies are not discussed in the IA.

SME test and competitiveness

The IA does not provide a breakdown of the market share of SMEs among the businesses possibly impacted by this proposal. It has to be noted that the proposal concerns not only vehicle manufacturers, but also dealers and communal service providers, such as school transport services, bus, waste collection and postal/courier services. In the section on pre-screening of options, the IA briefly mentions that SMEs are the ones often providing services such as school transport, using the same vehicles and providing the same services to multiple purchasers (IA, p. 30). No further details are provided in the analysis of impacts.

Simplification and other regulatory implications

The proposal seeks to amend the 2009 Clean Vehicles Directive. The way in which public authorities and public utility operators purchase goods, works and services is governed by two directives setting out minimum public procurement rules. These are [Directive 2014/24/EU](#) on public procurement and [Directive 2014/25/EU](#) on procurement by entities operating in the water, energy, transport and postal services sector. The proposal, amending the original Clean Vehicles Directive, continues to provide a demand-side stimulus to the clean vehicles market through public procurement (explanatory memorandum, p. 4). However, the IA could have gone into more detail on how the policy options are affected by the above directives.

The EU's climate change, environment and energy objectives are addressed in many other policy instruments, and this directive also plays an important part. There are several parallel legislative initiatives affecting the proposal

²⁰ Such as fuel costs, vehicle insurance, maintenance and repair costs.

on clean vehicles. These include the proposal on CO₂ standards for cars and vans, a forthcoming proposal on heavy-duty vehicles' CO₂ emission standards, and the [proposal](#) for a regulation on the monitoring and reporting of CO₂ emissions from and fuel consumption of new heavy-duty vehicles.²¹ The preferred option depends on the adoption of the above proposals. The IA does not provide clear references to these parallel proposals, nor does it fully explain their link with the present proposal, especially when describing the policy options.

Quality of data, research and analysis

The Commission has relied on data found in the following consultations and studies: a REFIT evaluation analysis, a support study for the IA of the revision of the Clean Vehicles Directive (Ricardo AEA 2017, not available), the expert group on alternative fuels, the expert group on territorial impact assessment, and the stakeholder consultation (see below).

In general, the IA follows the logical steps for preparing an impact assessment, as described in [tool #19](#) of the Better Regulation Guidelines. It has to be noted that the opinions expressed in the stakeholder consultation have at least been included in the pre-screening of the options.

When reading the description of the options, it is not immediately clear what can or cannot be established by the proposed directive. The context could have been explained in more detail when mentioning links of the policy options to the other, parallel proposals on reducing CO₂ emissions, which are poorly referenced in the IA. The policy options mostly discuss passenger cars and vans, whereas the proposal sets the highest procurement targets for greener urban buses. Policy options, and indeed their impacts, could have been usefully illustrated by some real life examples, especially concerning the effect on certain stakeholders, such as authorities on a regional level, environmental improvements in the cities or regions, vehicle manufacturers, dealers, and hirers. The chapter on the types of impacts is relatively short compared to the pre-screening and description of options.

The IA is at times not consistent in providing references, either to the documents mentioned in the IA, or its own annexes, some of which are not numbered. Terminology and acronyms are not always explained. Although a glossary is added to the IA, many acronyms have not been included.

Stakeholder consultation

A [public consultation](#) on the revision of the Clean Vehicles Directive was conducted from 19 December to 24 March 2017, with 130 contributions received, mostly from companies. Annex 2 of the IA (pp. 83-100) gives a detailed overview of this consultation in the form of a synopsis report, in line with the Better Regulation Guidelines.

Stakeholders targeted by this consultation were the following: public authorities at national, regional and local level, contracting authorities, transport operators (if they are not contracting authorities); vehicle and equipment manufacturers and suppliers, fuel producers and retailers; interest groups representing societal interests and the general public.

The opinions expressed in the stakeholder consultation appear to have been taken into account at least at the pre-screening stage. However, the question remains as to how representative the results of the consultation are, with 130 contributions received, especially as these are mostly from businesses. The Commission appears to have attempted to solve this through targeted consultations mainly aimed at public and contracting authorities (IA, Annex 2, pp. 83-84).

Monitoring and evaluation

Monitoring indicators are explained in the IA (pp. 76-77), and the Commission intends to monitor the performance of the legislative act together with the Member States. According to the proposal, Member States would submit an intermediate report²² to the Commission by 1 January 2023, with full reporting every three years, starting from 1 January 2026. The Commission would submit an implementation report to the Parliament and the Council every three years, starting from 1 January 2027. The lack of reporting obligations in the current directive would thus be

²¹ See S. Vettorazzi, Monitoring and reporting of CO₂ emissions and fuel consumption of new heavy-duty vehicles, [initial appraisal of a Commission impact assessment](#), EPRS, September 2017.

²² This report shall include: number and categories of the vehicles procured, the dialogue between the different levels of governance, Member States' intentions regarding the reporting activities (proposal, article 10(b), paragraph 4).

addressed. The reporting schedule would be adjusted to the timing of expected impacts to materialise — from 2015 onwards (IA, p. 76). There is, however, no article in the amending proposal covering the monitoring indicators.

Commission Regulatory Scrutiny Board

The Regulatory Scrutiny Board (RSB) issued a positive [opinion](#) with reservations dated 15 September 2017. The RSB recommended that the IA be further improved in several aspects. It should better explain the added value of this initiative compared to other initiatives affecting road transport emissions. It should make clear whether the approach to road emissions is changed from making the vehicle owners pay for emissions to direct uptake of clean vehicles. It should explain how complex the implementation of the preferred option would be for national administrations. Finally, it should provide more details on how short-term costs, including infrastructure costs, weigh against long-term benefits and cost reductions. Annex 1 of the IA includes a chapter on how the RSB recommendations have been addressed in the final version (p. 81). However, more information would have been helpful regarding how similar, parallel initiatives affect the various policy options, as well as on the content of policy options regarding uptake of greener buses. It is not clear from the IA if the approach of the preferred option is technologically neutral.

Coherence between the Commission's legislative proposal and IA

It appears that the legislative proposal of the Commission follows the recommendations expressed in the IA in general terms. It is not clear how the Member States will be informed of the monitoring indicators, as there is no specific article in the proposal.

Conclusions

The IA builds on the recommendations expressed in the ex-post evaluation on the implementation of the Clean Vehicles Directive. It is noteworthy that a territorial impact assessment has been performed; however, little of it has been included in the description of the different types of impacts. Quantifications of costs and benefits, as well as of environmental impacts have been included in the analysis, which could however have benefited from more real-life examples of the different types of impacts. It is not clear from the IA why passenger cars and vans are the ones mainly discussed among the policy options, as the market share of such vehicles purchased under public procurement procedures is limited. The added value of the proposal is still not entirely clear from the analysis of impacts. A lot of valuable information appears to be left in the support study, which is not annexed or referenced. Overall, the IA does not seem to have considered the wider context of the current, parallel, greener road transport initiatives. Finally, the interaction of the preferred option with the procurement directives is not entirely clear.

This note, prepared by the Ex-Ante Impact Assessment Unit for the European Parliament's Committee on Environment, Public Health and Food Safety (ENVI), analyses whether the principal criteria laid down in the Commission's own Better Regulation Guidelines, as well as additional factors identified by the Parliament in its Impact Assessment Handbook, appear to be met by the IA. It does not attempt to deal with the substance of the proposal. It is drafted for informational and background purposes to assist the relevant parliamentary committee(s) and Members more widely in their work.

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