

24 April 2024

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Committee on Technical Barriers to Trade

NOTIFICATION

The following notification is being circulated in accordance with Article 10.6

1. Notifying Member: <u>EUROPEAN UNION</u>

If applicable, name of local government involved (Article 3.2 and 7.2):

2. Agency responsible:

European Commission

Name and address (including telephone and fax numbers, email and website addresses, if available) of agency or authority designated to handle comments regarding the notification shall be indicated if different from above:

European Commission, EU-TBT Enquiry Point, Fax: +(32) 2 299 80 43,

E-mail: grow-eu-tbt@ec.europa.eu

Website: http://ec.europa.eu/growth/tools-databases/tbt/en/

- 3. Notified under Article 2.9.2 [X], 2.10.1 [], 5.6.2 [X], 5.7.1 [], 3.2 [], 7.2 [], other:
- 4. Products covered (HS or CCCN where applicable, otherwise national tariff heading. ICS numbers may be provided in addition, where applicable):
 - vehicles of categories M1 and N1 as set out in Article 4(1), point (a)(i) and (b)(i), of Regulation (EU) 2018/858 (relevant for Chapter II and Section II of the Chapter IV);
 - vehicles of categories M2, M3, N2, N3 and O as set out in Article 4(1) of Regulation (EU) 2018/858 (relevant for Article 11 and Section II of the Chapter IV);
 - vehicles categories L3e, L4e, L5e, L6e and L7e as set out in Article 4(2), points (c) to (g), of Regulation (EU) 168/2013 (relevant only for Article 11).
- **Title, number of pages and language(s) of the notified document:** Proposal for a Regulation of the European Parliament and of the Council on circularity requirements for vehicle design and on management of end-of-life vehicles, amending Regulations (EU) 2018/858 and 2019/1020 and repealing Directives 2000/53/EC and 2005/64/EC (COM/2023/451 final); (100 page(s), in English), (34 page(s), in English)
- **Description of content:** The proposed Regulation lays down the circularity requirements on vehicle design and production related to reusability, recyclability and recoverability and the use of recycled content, which are to be verified at type-approval of vehicles, and on information and labelling requirements on parts, components and materials in vehicles. It also sets out the requirements on extended producer responsibility, collection and treatment of end-of-life vehicles, as well as on the export of used vehicles from the Union to third countries.

The proposal for an ELV Regulation builds on and replaces two existing Directives: <u>Directive 2000/53/EC</u> on end-of-life vehicles and <u>Directive 2005/64/EC</u> on the type-approval of motor vehicles with regard to their reusability, recyclability and recoverability.

In order to ensure to improve the design of the vehicles, the new requirements are proposed:

- Circular design: 6 years after entry into force of the Regulation, the new typeapproved vehicles will have to comply with the requirements on reusability, recyclability and recoverability (Article 4) and substances (Article 5). New typeapproved vehicles will have to contain at least 25% of plastic recycled from postconsumer plastic waste, with 25% of such material coming from recycled end-oflife vehicles (Article 6). New type-approved vehicles will have to be designed in a way which ensures an easy removal of batteries and electric motors from ELVs and does not hinder the removal and replacement of the most valuable parts for re-use and recycling (Article 7). Additionally, Article 9 sets out the obligations for the manufacturers of new vehicles to draw-up the circularity strategy, Article 10 requires to declare the recycled content present in the vehicle and to provide the information on removal and replacement of parts, components and materials present in vehicles (Article 11). These requirements shall apply 3 years after entry into force of the Regulation. The Regulation also foresees a new element - each vehicle placed on the market within 6 years after entry into Regulation, shall have a circularity vehicle passport in a digital form (Article 13).
- The above-mentioned design related requirements shall apply to the vehicles belonging to M1 and N1 categories, with the exception of Article 11 which shall also apply to categories L3e-L7e, M2, M3, N2, N3 and O.
- **Export of used vehicles.** In order to improve the quality of vehicles that are exported from the EU to third countries, only those vehicles which are not end-of-life vehicles based on the criteria listed in Annex I to the COM/2023/451 and are roadworthy in accordance with Directive 2014/45/EU, would be authorised to be exported outside the EU. This requirement shall apply 3 years after entry into force of the Regulation.
- **7. Objective and rationale, including the nature of urgent problems where applicable:** The <u>evaluation</u> of the reviewed legislation on end-of-life vehicles revealed that that today design and production of vehicles do not sufficiently contribute to the circular economy objectives due to the lack to recyclability, reusability and recoverability and use of recycled content in vehicles. Lack of circularity at the design phase leads to sub-optimal treatment of vehicles at the end of their life. The main objective of the proposal is to establish a closer link between the design requirements for vehicles and the provisions concerning end-of-life management. This will help to save primary resources, contribute the climate neutrality objectives and prevent the material loss of the automotive waste.

Today the end-of-life vehicles are considered hazardous waste and their export from the EU to non-OECD countries is banned. This is not the case for used vehicles that have not formally reached the waste stage. As it was assessed in the Impact Assessment supporting the Regulation proposal on the end-of-life vehicles, over 800,000 used vehicles are exported from the EU each year, mainly to Africa. Many of these vehicles are dangerous, highly polluting and do not have valid roadworthiness certificate. Their export to third countries has a significant impact on air pollution and human health. All these negative factors can be translated into damage costs to environment which are external transportation costs not directly borne by the exporters but transferred to the destination countries. To address this, Section 2 "Export of used vehicles" under the Chapter V lays down the requirements on the export of used vehicles from the EU to third parties. Only those vehicles which are not end-of-life and have a valid roadworthiness status (i.e. technically and legally allowed to be used on the EU roads) would be authorised to be exported from the EU. Articles 38-45 establish a comprehensive control mechanism, which would enable customs, before releasing used cars for export, to verify electronically and automatically the compliance of each vehicle subject to the export procedures. If a vehicle is not considered roadworthy based on the information of the Member State, where it was last registered, such vehicle would not be released for export. The export measures are expected to significantly improve the quality of the exported second-hand vehicles, so increasing the affordability to the more sustainable and safer transport means. This substantially contributes to the protection of environment at a global level.

8. Relevant documents:

Additional information on the legislative:

Press release: https://ec.europa.eu/commission/presscorner/detail/en/IP 23 3819

Questions and Answers:

https://ec.europa.eu/commission/presscorner/detail/en/ganda 23 3820

Dedicated website:

https://environment.ec.europa.eu/topics/waste-and-recycling/end-life-vehicles en

9. Proposed date of adoption: Approximate adoption date 2025 (tbc)

Proposed date of entry into force: 20 days from publication in the Official Journal of the EU.

The provision on the design related requirements for the new vehicle-types (Chapter II Circularity requirements Articles 4-7) - 6 years after entry into force of the Regulation). General obligations for manufacturers Chapter III shall apply as follows: Article 9-11 - 3 years after entry into force; Article 13 - 7 years after entry into force.

The provisions on the export of used vehicles (Section II of the Chapter IV) shall apply 3 years after entry into force of a Regulation.

10. Final date for comments: 90 days from notification

11. Texts available from: National enquiry point [] or address, telephone and fax numbers and email and website addresses, if available, of other body:

European Commission, EU-TBT Enquiry Point, Fax: + (32) 2 299 80 43,

E-mail: grow-eu-tbt@ec.europa.eu

The text is available on the EU-TBT Website : http://ec.europa.eu/growth/tools-

databases/tbt/en/

EUR-Lex - 52023PC0451 - EN - EUR-Lex (europa.eu)

https://members.wto.org/crnattachments/2024/TBT/EEC/24 02764 00 e.pdf https://members.wto.org/crnattachments/2024/TBT/EEC/24 02764 01 e.pdf