

EXPLANATORY MEMORANDUM to
THE PASSENGER CAR (FUEL CONSUMPTION AND CO₂ EMISSIONS
INFORMATION) (AMENDMENT) REGULATIONS 2013

2013 No. 65

1. This explanatory memorandum has been prepared by the Department for Transport and is laid before Parliament by Command of Her Majesty.

2. Purpose of the instrument

These Regulations extend the scope of the Passenger Car (Fuel Consumption and CO₂ Emissions Information) Regulations 2001 ('the 2001 Regulations') to cars which do not emit CO₂, hydrocarbons or carbon monoxide while being driven. This will enable consumers considering buying battery electric or hydrogen fuel cell electric cars to have the same access to information as those buying traditional vehicles. These Regulations also reduce the minimum area required to be set aside on the new car fuel economy label for specified mandatory text.

3. Matters of special interest to the Joint Committee on Statutory Instruments

None.

4. Legislative Context

The 2001 Regulations transposed into United Kingdom law the requirements for the provision of fuel economy and CO₂ emissions information for new passenger cars set out in European Directive 1999/94/EC. When the 2001 Regulations were made, vehicles that do not emit CO₂, hydrocarbons or carbon monoxide while being driven (vehicles with no internal combustion engine, such as electric vehicles) were excluded from their scope as few such vehicles were being produced. Electric vehicles are now much more widely available and they are being brought within the scope of the 2001 Regulations.

5. Territorial Extent and Application

This instrument applies to all of the United Kingdom.

6. European Convention on Human Rights

As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

7.1 These measures form part of wider Government policy to enable the UK to meet its carbon emission reduction targets under the Climate Change Act 2008. Domestic transport accounts for nearly a quarter of total UK greenhouse gas emissions, and road transport accounts for over 90% of domestic transport emissions. Reducing carbon emissions from passenger cars, by encouraging consumers to buy fuel efficient vehicles and next-generation ultra-low emission vehicles, could make an important contribution to carbon reduction targets.

7.2 The availability of new cars with alternative propulsion, in particular battery electric vehicles, is increasing. However, the 2001 Regulations currently exclude these vehicles from the requirements that information on fuel consumption and emissions should be available to consumers in advertising and promotional literature, and in car showrooms, for example on a fuel economy label placed on or near all new cars, and in a fuel economy guide to all models of passenger car on the market. The exclusion of electric vehicles restricts consumers' ability to make an informed choice between conventional and the new ultra-low emission vehicles.

7.3 These Regulations will make amendments to the 2001 Regulations which will bring into scope vehicles that have no emissions while being driven (battery electric and hydrogen fuel cell electric vehicles), and amend the specification for how the information required by the Regulations is set out on the car fuel economy label used in showrooms. The change to the specification for the fuel economy label will allow some space for supplementary information about electric and other low emission vehicles to be added on a voluntary basis by manufacturers, to help consumers make better informed choices.

7.4 The Department does not, at this stage, intend to consolidate the 2001 Regulations.

7.5 The proposal that resulted in Directive 1999/94/EC was the subject of EM 11060/98, submitted to Parliament by the Department of the Environment, Transport and the Regions on 6 October 1998. This was considered on 28 October by the House of Commons Select Committee on European Legislation. The Committee recommended that the proposed Directive was of political importance and cleared it (38th Report, Session 1997-98). The House of Lords Select Committee cleared the proposal on 16 December 1998. An amended proposal was the subject of EM 6083/99. The House of Commons Select Committee on European Legislation considered the document on 17 March 1999, recommended that it was not legally or politically important and cleared it (13th Report, Session 1998-99). The House of Lords Select Committee on the European Union cleared the document at the 988th sif on 16 March 1999.

8. Consultation outcome

The DfT wrote to 44 major stakeholders, inviting their views on our proposals. They included car and engine manufacturers, their industry associations, car retailers, and

trading standards organisations. Six replies were received. All the replies supported the proposed changes.

9. Guidance

The Vehicle Certification Agency (VCA) is the UK's national approval authority for new road vehicles, agricultural tractors and off-road vehicles. The VCA maintain a guidance document providing advice to car dealers and manufacturers, and to enforcement authorities, on some key issues arising from the 2001 Regulations. The guidance will be updated by 11 February 2013 to reflect these amendments. VCA also maintain a fuel economy label template for car dealers and manufacturers to use. VCA will continue to offer support to car dealers, including any queries arising from these Regulations.

10. Impact

10.1 The impact on business, charities or voluntary bodies will be negligible. The six stakeholders that responded to the DfT's invitation to comment on the proposals did not express any concerns about costs or other burdens.

10.2 The impact on the public sector is also considered negligible. As the changes apply only to new cars, the VCA will need to issue new style fuel economy labels with effect from 11 February 2013. The Department for Transport and VCA are responsible for producing the fuel economy guide on an annual basis, and this will continue unchanged after the amendments, with electric vehicles added to the models included in the next scheduled edition. Local authority trading standards officers will be responsible for enforcement of the requirements for consumer information to be made available in retailers' premises, but the trading standards authorities do not envisage any additional burdens falling on them from these amendments.

10.3 An Impact Assessment has not been prepared for this instrument.

11. Regulating small business

11.1 The legislation applies to small businesses.

11.2 The impact of these Regulations on small businesses, including those employing up to 20 people, will be minimal. The VCA will continue to maintain the fuel economy label, making changes as required and circulating templates to industry for use when these regulations come into force. Dealers that currently use the VCA's online Point of Sale (POS) system may continue downloading labels in the usual way. Those dealers using their vehicle manufacturers' systems should also have access to updated labels, as the VCA will provide templates directly to industry contacts. Independent new car dealers will be able to access templates through the online 'carfueldata' tools provided by VCA and made available through the government services website GOV.UK. Any changes needed to other types of consumer information covered by these Regulations can be made using the existing cycle of scheduled updates.

12. Monitoring & review

These Regulations amend the 2001 Regulations to provide for a review of the 2001 Regulations to be conducted no later than five years after these Regulations have come into force and every five years thereafter.

13. Contact

James Chan at the Department for Transport, Environment Strategy, tel: 020 7944 2706 or email: James.chan@dft.gsi.gov.uk, can answer any queries regarding these Regulations.