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#### COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 11.02.1999 COM(1999)66 final

98/0272 (SYN)

Amended proposal for a

#### **COUNCIL DIRECTIVE**

on the availability of consumer information on fuel economy and the emission of carbon dioxide  $(CO_2)$  in respect of the marketing of new passenger cars

(presented by the Commission pursuant to Article 189 a (2) of the EC-Treaty)

#### **Explanatory Memorandum**

1. On the 3 September 1998, the Commission adopted a proposal on fuel economy information in respect of new passenger cars. This proposal is an integral element of the Community's CO<sub>2</sub>/cars strategy. The aim of the Directive is to provide potential purchasers of new passenger cars with relevant information on fuel consumption in an effort to influence their choice towards more fuel-efficient models. Such information will complement the measures being taken or planned by manufacturers, as part of the environmental agreement which has been agreed between the Commission and the European Automobile Manufacturers Association (ACEA), to improve the fuel economy of their vehicles. It will also provide support to those Member States that have introduced or plan to introduce fiscal measures aimed at influencing the market for more fuel-efficient vehicles.

The essential elements of the Commission's proposal are:

- a fuel economy label for all cars that are displayed at the point of sale;
- a fuel economy guide which must be available free of charge and produced both as a booklet and in an electronic media form;
- a list, containing the fuel efficiency and CO<sub>2</sub> emissions of all new passenger cars available at a particular dealership, displayed in the form of a poster;
- the inclusion of official fuel consumption data in promotional literature.

Although the proposal stipulates certain minimum requirements that must be met, for example that official EC type-approval data is used thus guaranteeing the consistency and reliability of fuel-economy information, Member States will be left flexibility in designing the labels, the guides and the posters.

- 2. The Economic and Social Committee adopted its opinion on the 2 December 1998. It welcomed and supported the Commission's proposal.
- 3. At its plenary session on 17 December 1998, the European Parliament approved the proposal with a total of 29 amendments.

Of the 29 amendments approved by the Parliament, the Commission accepted 6 in their entirety (1, 2, 5, 7, 20, 22), 4 in part (15 first part, 17 last sentence, 18 first part, 23 second part), and 5 in principle (9, 12, 14, 19 first part, 23 first part).

The first group of amendments 1, 2 and 5 (title, recital 6 and article 1) all add a reference to their respective provisions that one of the objectives of the scheme is to give information on CO<sub>2</sub> emissions as well as fuel consumption.

Amendment 7 (article 2(5)) seeks to enlarge the scope of point of sale (this amendment is in line with the opinion of the Economic and Social Committee).

Amendments 9, 19 and 23 (Article 10) all deal with giving the role to the Commission with the assistance of the Committee to look into how categories of cars could be set up (e.g. small, medium, large) and how these could all include a list of the top ten most fuel efficient cars in each category. The changes proposed to Article 10 take on board all three of these amendments as well as taking on board amendment 14 which clarifies that the Commission with the help of the Committee should seek to further harmonise the scheme, in the future, if such a harmonisation would be appropriate.

Amendments 17 and 20 (annex I (7) and II (4a) (new)) add an explanation of the effects of additional options, such as air conditioning, on fuel consumption into the label and the guide. Along similar lines, amendment 22 (annex II (6) (new)) adds a reference to the Internet guide into the paper guide. Moreover amendments 15, 18 and 23 (annex I (4), II (1) and III (3)) lead to the inclusion of both the urban and extra urban drive cycles into the requirement for the label, guide and poster (this amendment is in line with the opinion of the Economic and Social Committee).

Amendment 12 (Article 5) clarifies that any electronic guide will be kept up-to-date with changes in the new car market.

4. There are 15 complete amendments that cannot be accepted (3, 4, 6, 8, 10, 11, 13, 16, 21, 24, 25, 26, 27, 28, 29) and 5 parts of amendments that cannot be accepted (15 part 2, 17 first two sentences, 18 part 2, 19 part 2 and 23 part 3).

Fuel costs offer an important signal to consumers to change their purchasing behaviour towards more fuel-efficient vehicles. Amendments 3, 10, 11, 16, 21, 24, 19 part 2 and 23 part 3, are therefore not acceptable.

As this scheme is intended to cover new passenger cars, the Commission feels that it is inappropriate to enlarge the scope also to nearly new cars; such an extension potentially entails certain technical difficulties. Moreover, it is the view of the Commission that the present definition of new passenger car in the Directive covers cars that are registered for one day. Therefore amendments 4 and 6 cannot be accepted.

The Commission has no objection in principle to the inclusion of the Internet into the definition of promotional literature. However, amendment 8 has to be rejected since it is Member State law which will determine whether within their territory Internet advertising is seen as coming under the scope of promotional literature.

On the question of the inclusion of CO<sub>2</sub> emissions data into promotional literature, along side fuel economy data, the Commission is of the opinion that this would have a negative effect on the objective of the Directive. Promotional literature being simple and direct any information that is given in addition should also be simple and direct. In this case, the Commission feels that concise information on fuel economy is best. Amendments 13, 26, 27 and 29 can therefore not be accepted.

The provision of fuel consumption data varies from Member State to Member State. Some countries have a tradition of giving information in km/litre, others in litres/100 km and some choose miles/gallon. To accommodate these cultural variations the proposal allows each Member State to choose which of these units to use or to use a

combination. Limiting this choice could undermine the acceptance of the scheme by consumers. Amendments 15 part 2, 18 part 2 and 28 are therefore not acceptable.

The present text referring to the role of passenger cars on climate change already offers a clear text, which also points out the importance of driving behaviour on fuel consumption. Moreover, the text proposed by the European Parliament does not provide any additional information. Amendments 12 part 1 and 25 therefore cannot be accepted.

## Amended Proposal for a Council Directive on the availability of consumer information on fuel economy and the emission of carbon dioxide (CO<sub>2</sub>) in respect of the marketing of new passenger cars

#### Original Proposal<sup>1</sup>

#### Amended Proposal

#### Title

Proposal for a Council Directive relating to the availability of consumer information on fuel economy in respect of the marketing of new passenger cars. Proposal for a Council Directive relating to the availability of consumer information on fuel economy and the emission of carbon dioxide (CO<sub>2</sub>) in respect of the marketing of new passenger cars.

#### Recital 6

Whereas information plays a key role in the operation of market forces and the provision of accurate, relevant and comparable information on the specific fuel consumption of passenger cars may influence consumer choice in favour of those cars which use less fuel and thereby emit less CO<sub>2</sub>, thus prompting manufacturers to take steps to reduce the fuel consumption of the cars that they manufacture;

Whereas information plays a key role in the operation of market forces and the provision of accurate, relevant and comparable information on the specific fuel consumption and CO<sub>2</sub> emissions of passenger cars may influence consumer choice in favour of those cars which use less fuel and thereby emit less CO<sub>2</sub>, thus prompting manufacturers to take steps to reduce the fuel consumption of the cars that they manufacture;

#### Article 1

The purpose of this Directive is to ensure that information relating to the fuel economy of new passenger cars offered for sale or lease in the Community is made available to consumers.

The purpose of this Directive is to ensure that information relating to the fuel economy and CO<sub>2</sub> emissions of new passenger cars offered for sale or lease in the Community is made available to consumers.

### Article 2, paragraph 5

"point of sale" means a location, such as a car showroom or forecourt, where passenger cars are displayed and offered for sale or lease to potential customers; "point of sale" means any location where new passenger cars are displayed to potential customers with a view to promoting their sale or leasing;

<sup>&</sup>lt;sup>1</sup> OJ C 305, 03/10/1998 p. 2

The Member States shall ensure that a fuel economy guide is produced at least on an annual basis in accordance with the requirements of Annex II. The guide shall be compact, portable and be available free of charge to consumers upon request both at the point of sale and also from a designated body within each Member State. The Member State shall also ensure that the guide is available through electronic means, such as the Internet, and that this form of the guide is kept up-to-date with changes in the range of new passenger car versions available for purchase in the Member State.

The Member States shall ensure that a fuel economy guide is produced at least on an annual basis in accordance with the requirements of Annex II. The guide shall be compact, portable and be available free of charge to consumers upon request both at the point of sale and also from a designated body within each Member State. The Member State shall also ensure that the guide is available through electronic means, such as the Internet. Any electronic version of the guide shall be kept up-to-date with changes in the range of new passenger car versions available for purchase in the Member State.

Article 10

Any amendments which are necessary in order to adapt the Annexes to this Directive to take account of progress shall be adopted by the Commission in accordance with the procedure set out in Article 11 and following consultation with consumer organisations and other interested parties.

In order to assist this adaptation process, five years after this Directive has entered into force each Member State shall transmit to the Commission a report on the effectiveness of the provisions of this Directive.

Any amendments which are necessary in order to adapt the Annexes to this Directive shall be adopted by the Commission in accordance with the procedure set out in Article 11 and following consultation with consumer organisations and other interested parties.

In order to assist this adaptation process, three years after this Directive has entered into force each Member State shall transmit to the Commission a report on the effectiveness and application of this Directive, and in particular the application of the annexes. On the basis of these reports the Commission shall also assess whether there is a need for further harmonisation, and if appropriate shall present proposals to amend this directive.

Furthermore, the Commission shall, in accordance with the procedure laid down in Article 11, take measures aiming at the creation of categories of passenger cars.

#### Annex I (4)

contain the numerical value of the official fuel consumption and the official specific emissions of CO<sub>2</sub>. The value of the official fuel consumption shall be expressed in either litres per 100 kilometres (//100 km), miles per gallon (mpg), kilometres per litre (km//), or an appropriate combination of these and be quoted to one decimal place. The official specific emissions of CO<sub>2</sub> are to be quoted to the nearest whole number in grams per kilometre (g/km);

contain the numerical value of the official fuel consumption and the official specific emissions of CO<sub>2</sub> for the urban cycle, the extra urban cycle and the combined cycle. The value of the official fuel consumption shall be expressed in either litres per 100 kilometres (I/100 km), miles per gallon (mpg) kilometres per litre (km/l) or an appropriate combination of these and be quoted to one decimal place. The official specific emissions of CO<sub>2</sub> are to be quoted to the nearest whole number in grams per kilometre (g/km);

#### Annex I (7)

In addition to the fuel efficiency of a car, driving behaviour as well as other non-technical factors play a role in determining a car's fuel economy and CO<sub>2</sub> emissions. CO<sub>2</sub> is the main greenhouse gas responsible for global warming.

In addition to the fuel efficiency of a car, driving behaviour as well as other non-technical factors play a role in determining a car's fuel economy and CO<sub>2</sub> emissions. CO<sub>2</sub> is the main greenhouse gas responsible for global warming. Extra equipment such as air conditioning and pre-heating systems may increase fuel consumption substantially

#### Annex II(1)

The numerical value of the official fuel consumption and the official specific emissions of CO<sub>2</sub>. The value of the official fuel consumption shall be expressed in either litres per 100 kilometres (l/100 km), miles per gallon (mpg), kilometres per litre (km/l) or an appropriate combination of these and be quoted to one decimal place. The official specific emissions of CO<sub>2</sub> are to be quoted to the nearest whole number in grams per kilometre (g/km).

The numerical value of the official fuel consumption and the official specific emissions of CO<sub>2</sub> for the urban cycle, the extra urban cycle and the combined cycle as well as the fuel type shall be indicated. The value of the official fuel consumption shall be expressed in either litres per 100 kilometres (l/100 km), miles per gallon (mpg), kilometres per litre (km/l) or an appropriate combination of these and be quoted to one decimal place. The official specific emissions of CO<sub>2</sub> are to be quoted to the nearest whole number in grams per kilometre (g/km);

Annex II (4a) (new)

The fuel economy guide shall also include detailed information on how fuel consumption is increased by extra equipment such as air conditioning and pre-heating systems.

Annex II (6) (new)

A reference to the updated version on the Internet or in any other electronic format.

#### Annex III(3)

New car versions must be grouped and listed separately according to fuel type (petrol or diesel). For each car in the list the make, variant, version, official CO<sub>2</sub> emissions, official fuel consumption and fuel cost associated with 10 000 kilometres or 6 000 miles shall be included for the particular vehicle in question. Within each fuel type, versions are to be ranked in order of increasing CO<sub>2</sub> emissions, with the most fuel efficient vehicle being placed at the top of the list;

New car versions must be grouped and listed separately according to fuel type (petrol, diesel). For each version in the list, the make, type, the fuel type, the numerical value of the official fuel consumption and the official specific emissions of CO2 for the urban cycle, the extra urban cycle and the combined cycle and the fuel cost associated with 10000 kilometres or 6000 miles, based on the combined cycle, shall be given. Within each fuel type, versions are to be ranked in order of increasing CO2 emissions, based on the value for the combined cycle, with the most fuel efficient vehicle being placed at the top of the list;

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## **DOCUMENTS**

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