# COMMISSION OF THE EUROPEAN COMMUNITIES



Brussels, 24.02.1999 SEC(1999)280 final

98/0272 (SYN)

# COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT

pursuant to the first subparagraph of Article 189 c (b) of the EC-Treaty

Common Position of the Council on the proposal for a Council Directive relating to the availability of consumer information on fuel economy in respect of the marketing of new passenger cars

### **COMMUNICATION FROM THE COMMISSION**

### TO THE EUROPEAN PARLIAMENT

Subject: Council Common Position on the amended proposal for a Council Directive relating to the availability of consumer information on fuel economy in respect of the marketing of new passenger cars

## 1. Procedural Matters

- The Commission submitted to the Council its original proposal on the above subject on 3 September 1998.
- The Parliament gave its opinion on first reading the 17 December 1998.
- The amended proposal was transmitted to the Council on the 11 February 1999.
- The Common Position was adopted on the 22 February 1999.
- The Economic and Social Committee gave its opinion on 2 December 1998.

## 2. Purpose of Commission Proposal

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.

## 3. Comments on Common Position

## 3.1 General observation on Common Position

The Common Position is very much in line with the position of the Commission and that of the European Parliament. In addition, the Common Position in some ways strengthens the obligations created by the original proposal.

Concerning the two most controversial issues, that of fuel costs and of creating categories, the Common Position reflects the position taken by the Parliament. On the question of fuel cost the Council's position reflects the Parliament's concern that fuel costs may promote diesel penetration and therefore fuel costs no longer appear; the Commission however continues to feel that such figures would provide an incentive for consumers to shift to fuel efficient cars. On the question of categories, the Common Position reflects Parliament's desire to see the inclusion of categories of cars, into the Directive, during any revision.

# 3.2.1 Parliament's amendments on first reading accepted by the Commission in the amended proposal and incorporated in full or in part in the Common Position

Amendments 1, 2, 5, 7, 9, 19, 22 and 23 were incorporated in full or in part in the Common Position.

#### Title

Amendment 1, which deals with including a reference to CO<sub>2</sub> emissions in the Title, has been included in full.

## Recitals

Amendment 2, which deals with including a reference to CO<sub>2</sub> emissions in Recital 5, has been included in full.

## **Article 1**

Amendment 5, which deals with including a reference to CO<sub>2</sub> emissions in Article 1, has been included in full.

## Article 2(4)

Amendment 7 deals with the enlargement of the scope of point of sale. The Council's Common Position reflects this amendment by extending the scope of point of sale to include trade fairs where new passenger cars are presented to the public.

### Article 9

Amendments 9, 19 and 23 deal with creating a system to categorise passenger cars so that cars with similar characteristics can be compared against each other and also so that a list of the top ten most fuel efficient cars can be created for each category. The Common Position reflects this concern by specifying in Article 9 that the Commission, with the help of the Committee created under this Directive, shall further specify the requirements of the guide with a view to including categories so that separate top ten lists can be included along side the existing top ten list for all passenger cars. The part of amendment 23 which deals with including figures for both the urban and extra urban drive cycle, for each passenger car that appears in the poster, is dealt with in the next section (3.2.2).

## Annex II

Amendment 22 deals with the inclusion of a reference to the Internet guide in the paper guide. This amendment is now reflected in the Common Position.

# 3.2.2 Parliament's amendments on first reading accepted by the Commission in the amended proposal but not incorporated in full or in part in the Common Position

Amendments 12, 15, 17, 18, 20 and part of 23 are not included in the Common Position.

#### Article 4

Amendment 12 clarified the need to keep the Internet version of the guide up to date. Since, it is now the Commission who will create an Internet version of the guide and not the Member States, the question of the Internet guide is no longer covered in the Directive. However, the Commission fully intends, once established, to keep this version of the guide up to date.

## Annex I and II

Amendments 17 and 20, which deal with the addition of information concerning the effect of certain options on fuel economy were not taken up in the Common Position.

# Annex I, II and III

Amendments 15, 18 and 23 deal with the inclusion of fuel economy figures for the extra urban and urban drive cycle into the guide and on the label and poster, in addition to figures for the combined cycle which are already included. Although the Commission felt that it would be appropriate to include these figures, the Council's position reflects the desire of the Member States to allow a certain level of flexibility in how they define the requirements of their national schemes.

# 3.2.3 New provisions introduced by the Council and position of the Commission thereto.

## Recitals

The Council rationalised the recitals by deleting recitals 3 (original number) and 8 (original number), as well as bringing other recitals more in line with the Common Position. The Commission was happy with the changes made.

## Article 2 - Definitions

Several changes were made to the definitions, which help to clarify them and which make them more user friendly. The Commission feels that all the changes were appropriate and improved on the original definition.

"passenger car"—It was clarified that passenger car only covered those vehicles which are covered by the European type approval system, in terms of their fuel consumption and CO<sub>2</sub> emissions.

"dealer" – this term was removed, the Council preferring to refer to the point of sale, where previously, the term dealer had been used.

"model" – a definition of the term car model was created in order to link the type approval terminology to the terminology used by car manufacturers. This addition also led to a change to:

"official fuel consumption" – in order to clarify which figure should be used for a given model.

"official specific emissions of CO<sub>2</sub>" - in order to clarify which figure should be used for a given model.

"type, variant and version" – the two different definitions for variant and version were brought into one and type was added, in order to rationalise the text.

"average fuel price" – this definition was deleted (see Art. 3 below)

# Article 3 (original numbering) and Annexes I, II, III - average fuel price

The Council removed all references to fuel costs in the Directive. This meant the deletion of Article 3 (original numbering) and the references to fuel costs in Annexes I, II and III.

## Article 3 - Fuel economy label

The second paragraph of this article was removed since the change to the definition of passenger car made it superfluous. The Commission was in agreement with the change.

## Article 4 – Fuel economy guide

Two changes were made to the guide. Firstly, the obligation of the Member States to create an Internet guide was removed, however the Commission made a declaration that it would establish an Internet guide by the end of 1999. Secondly, it was agreed that Member States could co-operate in the establishment of the guide. The Commission was happy with both these changes.

## Article 5 – Fuel economy poster

It was agreed that as an alternative to a poster, that a display (e.g. a computer screen that is fully accessible to consumers) could be exhibited. The Commission felt this was a positive development.

## Article 6 - Promotional literature

The Council added a provision that Member States shall, as appropriate, provide for data on fuel economy and CO<sub>2</sub> emissions, in other promotional material beyond promotional literature. The Commission feels this is a good addition.

## Article 7 - Presence of competing information

Article 7 deals with the prohibition on the use of fuel economy figures, which do not comply with the requirements of the Directive and could therefore cause confusion to the customer. The change made by the Council acts to clarify that this is not a general prohibition on such figures but a prohibition on the use of such figures along side official figures on the label, poster and within the guide and promotional literature. The Commission feels this is a useful clarification.

### Article 9 and 10 – review and role of the Committee

The Council, wanting to clarify a certain number of roles for the Committee, agreed that the Committee should examine the possibility of further specifying the contents of the label, classifying cars, and establishing recommendations for the application of the scheme to other promotional material. They also brought forward the date for reporting on the scheme so that it would coincide with the review of the agreement with European car manufacturers. The Commission is positive towards these changes.

In addition, the Committee procedure was changed to a II(a) committee.

## Article 12

The date of entry into force of the provisions necessary to comply with this Directive was changed from a specific date (31 December 1999) to being 12 months after the Directive enters into force. The Commission felt this a reasonable period for the implementation of the requirements.

## Annex II - fuel economy guide

An obligation to refer to the Community's CO<sub>2</sub>/cars target (i.e. 120 g/km by 2005 (2010 at the latest)), in the guide, was included into this annex. The Commission felt this was a useful addition.

## **Annex III**

An obligation to update the poster, at least every 6 months, was added. The Commission agreed with this addition.

## Annex IV

The obligation to refer also to CO<sub>2</sub> emissions along side fuel economy information was added. The Commission had reservations concerning this addition, however it was in line with the European Parliament's amendments.

# 4. Conclusions and General Remarks

The Commission supports the Common Position. The original proposal has been improved in technical terms (e.g. the use of the term model where before type, variant and version were referred to) and although fuel costs have been removed (which was in line with the Parliament's opinion) the Common position has maintained the substance of the original proposal. In addition, many of the proposals made by the Parliament have been taken on board and there is very little divergence between the respective positions of the different institutions.