# EUROPEAN COMMISSION DIRECTORATE-GENERAL CLIMATE ACTION

Brussels, 18 December 2020 REV1 – replaces the notice dated 13 November 2018

### NOTICE TO STAKEHOLDERS

# WITHDRAWAL OF THE UNITED KINGDOM AND EU RULES ON CO<sub>2</sub> STANDARDS FOR NEW PASSENGER CARS, LIGHT COMMERCIAL VEHICLES AND HEAVY-DUTY VEHICLES

Since 1 February 2020, the United Kingdom has withdrawn from the European Union and has become a "third country". The Withdrawal Agreement provides for a transition period ending on 31 December 2020. Until that date, EU law in its entirety applies to and in the United Kingdom. 3

During the transition period, the EU and the United Kingdom will negotiate an agreement on a new partnership, providing notably for a free trade area. However, it is not certain whether such an agreement will be concluded and will enter into force at the end of the transition period. In any event, such an agreement would create a relationship which in terms of market access conditions will be very different from the United Kingdom's participation in the internal market,<sup>4</sup> in the EU Customs Union, and in the VAT and excise duty area.

Therefore, all interested parties, and especially economic operators, are reminded of the legal situation applicable after the end of the transition period.

### Advice to stakeholders:

To address the consequences set out in this notice, (i) manufacturers established in the United Kingdom and (ii) third country manufactures having a representative in the United Kingdom are in particular advised to ensure establishment of a representative in the EU, and inform the Commission thereof.

Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community, OJ L 29, 31.1.2020, p. 7 ("Withdrawal Agreement").

A third country is a country not member of the EU.

Subject to certain exceptions provided for in Article 127 of the Withdrawal Agreement, none of which is relevant in the context of this notice.

<sup>&</sup>lt;sup>4</sup> In particular, a free trade agreement does not provide for internal market concepts (in the area of goods and services) such as mutual recognition, the "country of origin principle", and harmonisation. Nor does a free trade agreement remove customs formalities and controls, including those concerning the origin of goods and their input, as well as prohibitions and restrictions for imports and exports.

### Please note:

This notice does not address:

- EU legislation relating to the type approval of motor vehicles;
- EU law on vehicle emissions other than CO<sub>2</sub>.

For these aspects, other notices are in preparation or have been published.<sup>5</sup>

#### LEGAL SITUATION AFTER THE END OF THE TRANSITION PERIOD

After the end of the transition period, EU rules on CO<sub>2</sub> emission performance standards for new vehicles (passenger cars and light commercial vehicles<sup>6</sup> as well as heavy-duty vehicles<sup>7</sup>) no longer apply to the United Kingdom.<sup>8</sup>

## 1. NEW PASSENGER CARS AND NEW LIGHT COMMERCIAL VEHICLES

# 1.1. New passenger cars and new light commercial vehicles registered in the United Kingdom until 31 December 2020

Pursuant to Article 96(4) of the Withdrawal Agreement, the United Kingdom will continue to report the data on new passenger cars and new light commercial vehicles registered until 31 December 2020 in its territory. It will notify the Commission by 28 February 2021, in accordance with Article 7 of Regulation (EU) 2019/631.

The Commission will take into account the 2020 data reported by the United Kingdom for all purposes under Regulation (EU) 2019/631 in which 2020 data are considered. This includes but is not limited to

https://ec.europa.eu/info/european-union-and-united-kingdom-forging-new-partnership/future-partnership/preparing-end-transition-period en

Regulation (EU) 2019/631 of the European Parliament and of the Council of 17 April 2019 setting CO<sub>2</sub> emission performance standards for new passenger cars and for new light commercial vehicles, and repealing Regulations (EC) No 443/2009 and (EU) No 510/2011, OJ L 111, 25.4.2019, p. 13.

Regulation (EU) 2019/1242 of the European Parliament and of the Council of 20 June 2019 setting CO<sub>2</sub> emission performance standards for new heavy-duty vehicles and amending Regulations (EC) No 595/2009 and (EU) 2018/956 of the European Parliament and of the Council and Council Directive 96/53/EC, OJ L 198, 25.7.2019, p. 202. Regulation (EU) 2018/956 of the European Parliament and of the Council of 28 June 2018 on the monitoring and reporting of CO<sub>2</sub> emissions from and fuel consumption of new heavy-duty vehicles, OJ L 173, 9.7.2018, p. 1.

While Regulations (EC) No 443/2009 and (EU) No 510/2011 were initially listed in the Protocol on Ireland/Northern Ireland as EU legislation applicable in the United Kingdom in respect of Northern Ireland, the EU-UK Joint Committee has decided, in Decision No 3/2020 of the Joint Committee of 17 December 2020, to remove these legal acts from Annex 2 of the Protocol. Hence, neither these Regulations nor their repealing legislation applies in the United Kingdom in respect of Northern Ireland after the end of the transition period.

- the calculation of the 2020 specific emission targets for each manufacturer;
- the calculation of the average specific emissions (WLTP and NEDC) in 2020 of each manufacturer concerned;
- the determination of the average mass in running order of the Union's fleet of new passenger cars and new light commercial vehicles in 2020;
- the determination of the value M0 to be applied in the calculation of the 2024 specific emission targets for manufacturers of light commercial vehicles<sup>9</sup>.

The Commission will also take into account data submitted by manufacturers on the measured CO<sub>2</sub> emissions data for new passenger cars and new light commercial vehicles registered in the United Kingdom in 2020 for determining the EU fleet-wide target<sub>2021</sub> as provided for in point 6.0 of the respective Parts A and B of Annex I to Regulation (EU) 2019/631.

# 1.2. New passenger cars and new light commercial vehicles registered in the United Kingdom after 31 December 2020

For new passenger car and new light commercial vehicle registered after the end of the transition period, i.e. after 31 December 2020, the United Kingdom will no longer report any data.

### 2. NEW HEAVY-DUTY VEHICLES

Data on new heavy-duty vehicles registered in the reporting period from 1 January 2019 to 30 June 2020 and reported by the United Kingdom pursuant to Article 4 of Regulation (EU) 2018/956<sup>10</sup> will be taken into account for all purposes under Regulation (EU) 2019/1242 in which data for that reporting period are considered, including but not limited to:

- the determination of the reference CO2 emissions of the Union's fleet;
- the determination of the average specific CO2 emissions for each manufacturer in that reporting period;
- the determination of the zero- and low-emission factor for each manufacturer in that reporting period.

The Withdrawal Agreement does not provide for reporting obligations of the UK as regards heavy-duty vehicles after the end of the transition period. Thus, the United

\_

<sup>&</sup>lt;sup>9</sup> See Article 14(1)(b) of Regulation (EU) 2019/631.

Regulation (EU) 2018/956 of the European Parliament and of the Council of 28 June 2018 on the monitoring and reporting of CO<sub>2</sub> emissions from and fuel consumption of new heavy-duty vehicles, OJ L 173, 9.7.2018, p. 1.

Kingdom is not obliged to report any data after the end of the transition period. It does not have to report on new heavy-duty vehicles registered after 1 July 2020.

# 3. ESTABLISHMENT REQUIREMENTS AND EU REPRESENTATIVES

Pursuant to Article 3(1)(f) of Regulation (EU) 2019/631 and Article 3(10) of Regulation (EU) 2019/1242, read in conjunction with Article 3(40) and (41) and Article 13(4) of Regulation (EU) 2018/858<sup>11</sup>, a manufacturer whose vehicles are registered in the Union must be based or have a representative based in the EU.

Therefore, after the end of the transition period:

- a manufacturer based in the United Kingdom has to have an EU representative in the EU;
- a manufacturer based in a third country whose EU representative was based in the United Kingdom before the end of the transition period, has to have an EU representative in the EU.

The Commission should be informed immediately of the contact details of the EU representative.

The website of the Commission on EU rules on CO<sub>2</sub> emissions from light- and heavy-duty vehicles (<a href="https://ec.europa.eu/clima/policies/transport/vehicles\_en">https://ec.europa.eu/clima/policies/transport/vehicles\_en</a>) provides general information concerning Union legislation on CO<sub>2</sub> emissions from motor vehicles. These pages will be updated with further information, where necessary.

European Commission
Directorate-General Climate Action

.

Regulation (EU) 2018/858 of the European Parliament and of the Council of 30 May 2018 on the approval and market surveillance of motor vehicles and their trailers, and of systems, components and separate technical units intended for such vehicles, OJ L 151, 14.6.2018, p. 1.