

EEB reaction to the new legislative initiative on vehicles

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

Intro:

On 13 July 2023, the EU Commission [released a new text](#) to address design and end of life stages of vehicles placed on the EU market.

This was long expected as the original text was first issued in year 2000 and focused exclusively on end of life. With the shift of fossil fuel to electric vehicles, including beyond the automotive type vehicles, it acknowledges that the future impact of vehicles will be increasingly linked to their manufacturing and waste treatment stages than their use stage.

It also presents an opportunity to merge two pieces of existing laws which were not necessarily fully consistent (the **Directive 2000/53/EC of the European Parliament and of the Council of 18 September 2000 on end-of life vehicles** and the Directive **2005/64/EC** of the European Parliament and of the Council of 26 October 2005 on the type-approval of motor vehicles with regard to their reusability, recyclability and recoverability).

Reaction:

We welcome this integrated new piece of law, notably as beyond merging more coherently two legislative pieces, it proposes:

- To extend the scope of the law and cover vehicles beyond automotives (e.g. trucks, motorbikes)
- To set requirements for increased circularity through boosting reusability, repairability remanufacturability and recyclability, including through boosting trust of harvested parts and obligation for pre-shredding removal of some components
- To set a EU wide harmonized EPR system in place with EU harmonized eco-modulation fees (that is a difference in the fees paid by placers on the market according to the circularity and sustainability of vehicles)
- To condition the shipment of used vehicles to roadworthiness and more clearly distinguish used vehicles from waste
- To suggest minimum (plastic) recycled contents: 25% by weight and one quarter of this coming from closed loop
- To set a EU interoperable system for registration and deregistration of vehicles (MOVE-HUB) and to boost enforcement with 10% of concerned facilities to be checked every year and easier control of roadworthiness by Customs
- To set a circularity vehicle passport

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Those intentions are clearly relevant for anchoring the whole sector into a decarbonised and circular economy. However, it seems as if the EU Commission feared its own intentions and undermine them by delaying actions and formulations showing a huge gap between what is preached and what is proposed.

We regret some clear missed opportunities, most specially:

- The delays associated to most important measures and their implementation through future uncertain secondary acts. We cannot wait for another 5 to 6 years to engage the sector. The circularity shift should be accelerated together with the shift to electrical vehicles.
- The misalignment of the proposed circularity passport for vehicles with the one proposed under revised Ecodesign (ESPR), while still arguing for their interoperability (notably with batteries or electronics). The circularity passport as proposed now does not go very far and iconically does not even require the disclosure of the carbon footprinting of vehicles, while it is recognised that most of the climate impact will occur through manufacturing and such a carbon footprinting approach is now considered for all products placed on the EU market and even buildings.
- The misalignment in the way to address Substances of Concern, as not going beyond heavy metals restrictions and delegating to an hypothetical future REACH complementary possible future restrictions, thus renouncing to have a unique system to convey information on those substances and silencing the case of substances hampering circularity beyond safety consideration.
- The reluctance to already set some recycled contents for steel, aluminium and rare earths, when these are so important to create the necessary market drivers to engage the metal and automotive industry towards decarbonisation and ensure quality recycling of metals for their use in the vehicle sector (only information on recycled contents are suggested). This is at odds with recent agreements between the EU institutions on recycled contents of critical raw materials in the Batteries sector.
- The limitation of exchange of information and traceability of EPR obligations to inter EU member states, neglecting non EU trading partners that may certainly continue to import used vehicles from EU. It seems strange that at the same time the EU Commission dismisses the idea of exporting non roadworthy vehicles outside EU to prevent bad impacts, it seems to accept sub-standard management of end of life stages of vehicles shipped for reuse by not granting that receiving countries should also benefit from EPR fees paid for this purpose. A large chunk of the expected benefits could be lost if bad waste management creates more harm than the benefits of extending vehicle life through reuse outside EU.

The clear elephant in the room that this law does not address: we simply cannot substitute every fossil fuel car with an electric car as there is not enough resources for that and other countries also need to equip their population; with cars sleeping in parking slots most of their life, it may be time to share more and rethink our mobility system beyond circularising individual vehicle.

Details:

- 1- Next steps: the text will now be scrutinised by the EU parliament and the Council of MSs. It is however unlikely that the full co-decision process can be finalised before the EU elections of 2024, meaning the next generation of EU regulators will inherit the file.
- 2- Comparison to objectives to illustrate the gap between what is expected and what is proposed

EC own set objectives (as mentioned in the post legal text provisions)	Missed opportunities	How to improve
Better alignment of the production versus waste stages of vehicles	No inclusion of whole life cycle carbon and environmental footprinting within the vehicle passport No mention of Substances of Concern as part of the conveyed information	Align the digital product passport for vehicles with what is proposed under reformed Ecodesign and Batteries. Use a consistent approach for SoCs and address the issue they represent for material looping
Incentivising recycling, reducing strategic dependencies of raw materials and energy	No recycled contents for steel and rare earths, only 30% of plastic to be recycled Landfilling of vehicles residues prohibited, but not its incineration without energy recovery or backfilling	Align with Critical Raw material Act and Batteries precedents as regards metals and CRM recycled contents; Make clearer that recycling calculations are based on new method to report achievements as stipulated in the Waste Framework directive
Reducing the environmental footprint linked to the vehicles recycling	No reference to best available techniques (BREFs) to operate recycling plants and contribute to achievements within and outside EU. Creating a possible loophole to hampering a proper treatment free of charge in Authorised Treatment Facilities (article 24 and undefined status of 'essential parts of components')	Require alignment with best standards when it comes to treatment, including outside EU. Remove the loophole by always allowing access to ATF free of charge for vehicle owners

Supporting the decarbonisation of the automotive industry	No carbon footprinting information and cap Postponement of major measures with regards circularity requirements and recycled contents	Require the whole life carbon of vehicles as asked for other products including new buildings Accelerate the setting of secondary legislation and consider measures to apply immediately (e.g measures in article 7 with regards removability of parts and battery)
Reducing the EU external pollution footprint and road safety risks associated with the export of non-roadworthy used vehicles	Limiting cross boundaries requirements for EPR systems and fees only within EU	Make sure EPR fees follow the shipped used vehicles even beyond EU Consider associating the EPR fees to each vehicle through the product passport and thus ensure there is never an incentive to badly discard
Increase circularity and ensure proper treatment of vehicles currently out of scope	Delays and exemptions with regards non automotive vehicles (e.g: article 2 on scope exempts a wide range of vehicles from fundamental information and waste management obligations)	While giving some time to newly addressed vehicles to perform, do not exempt them from circularity requirements and hazardousness information. This may only create a long term problematic toxic legacy and exacerbate the risks of improper recovery of metals and CRMs