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| **Executive Summary Sheet** |
| Impact assessment on Proposal for a Regulation of the European Parliament and of the Council on the monitoring and reporting of CO2 emissions from and fuel consumption of new heavy-duty vehicles |
| **A. Need for action** |
| **Why? What is the problem being addressed?** |
| Carbon dioxide (CO2) emissions and fuel consumption from new heavy-duty vehicles (HDVs) placed on the EU market have so far not been monitored and reported. This knowledge gap leads to: 1) missed opportunities to design policies to reduce the fuel bill for transport operators, which are mainly SMEs; 2) increased competition for vehicle manufacturers; 3) greenhouse gas emission (GHG) challenges for the HDV sector in contributing to EU GHG targets. |
| **What is this initiative expected to achieve?** |
| Monitoring and reporting the specific fuel consumption and CO2 emissions of HDVs would overcome the market failure, increasing transparency and closing the knowledge gap with robust and comparable data. It would enable well-informed purchasing decisions to be made, and stimulate competitiveness and the development of rational policies, thereby promoting the uptake of fuel-efficient vehicles. |
| **What is the value added of action at the EU level?** |
| Many monitoring schemes at national level would result in a lack of comparability and completeness of data. This would trigger EU market fragmentation and loss of market transparency. A common database would instead make monitoring data available for use by purchasers and policy makers at EU and national level. |
| **B. Solutions** |
| **What legislative and non-legislative policy options have been considered? Is there a preferred choice or not? Why?** |
| With the entry into force of the certification regulation, the CO2 and fuel consumption of all new lorries will have to be calculated with the VECTO simulation tool. Options have been considered on whether and how these data should be reported and monitored at EU level. The baseline is no action at EU level. The legislative options considered are: 1) reporting by national authorities; 2) reporting by HDV manufacturers and 3) mixed reporting by national authorities and manufacturers.  Option 3 is preferred. It is the most effective, particularly as it ensures the digital flow of information and provides data coverage both at national and EU levels, and its administrative cost is modest. |
| **Who supports which option?** |
| Support by professional organisations, private enterprises, civil society organisations and public authorities is split between option 1 and 3. Option 3 is also favoured by individuals and international organisations and is supported by most stakeholders.  Option 2 is supported mainly by some professional organisations. |
| **C. Impacts of the preferred option** |
| **What are the benefits of the preferred option (if any, otherwise main ones)?** |
| It is likely to foster competition to produce more energy-efficient vehicles and incentives to innovation. The effects of more energy-efficient freight are expected to spread, at least partially, to most sectors of the EU economy: lower fuel operating costs of transport would trigger lower transport prices, thereby reducing other sectors’ costs and eventually benefitting EU consumers.  Employment benefits are expected in the medium/long term.  Incremental efficiency improvement of the vehicles purchased should result in CO2 emission savings. Favourable but only negligible reductions are expected in other emissions. |
| **What are the costs of the preferred option (if any, otherwise main ones)?** |
| The only economic costs are administrative. They are expected to be negligible: around €1 per vehicle. |
| **How will businesses, SMEs and micro-enterprises be affected?** |
| Most EU transport companies are SMEs operating only a few vehicles. They are expected to benefit from the monitoring. More transparency on the fuel consumption performance of HDVs would enable better informed purchasing decisions to be made to ensure fuel savings. |
| **Will there be significant impacts** **on national budgets and administrations?** |
| Beside the administrative costs of around €3.500 per year, Member States are expected to benefit from the availability of HDV monitoring data to design policies to promote emission reductions, for example specific taxation or incentives schemes, including road charging and public procurement. |
| **Will there be other significant impacts?** |
| Competitiveness and the international impact are expected to be positive in the medium/long term. |
| **D. Follow up** |
| **When will the policy be reviewed?** |
| After an application period of 5 years. |