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COVER NOTE

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	30 March 2023
To:	Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union
No. Cion doc.:	SEC(2023) 145 final
Subject:	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the approval and market surveillance of non-road mobile machinery circulating on public roads and amending Regulation (EU) 2019/1020 - REGULATORY SCRUTINY BOARD OPINION

Delegations will find attached document SEC(2023) 145 final.

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EUROPEAN COMMISSION

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REGULATORY SCRUTINY BOARD OPINION

Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the approval and market surveillance of non-road mobile machinery circulating on public roads and amending Regulation (EU) 2019/1020

{COM(2023) 178 final}
{SWD(2023) 64 final}
{SWD(2023) 65 final}
{SWD(2023) 66 final}



Opinion

Title: Impact assessment / Road circulation requirements for mobile machinery

Overall opinion: POSITIVE WITH RESERVATIONS

(A) Policy context

Mobile machinery comprises machinery that is not suitable for carrying passengers or transporting goods. It is specifically designed to perform certain works, such as construction or material handling. Some requirements are already harmonised at the EU level. These include machinery safety, electromagnetic compatibility and exhaust emissions. However, there are no common rules for the road circulation of mobile machinery. This impact assessment aims to harmonise the requirements for the road circulation of mobile machinery at EU level.

(B) Summary of findings

The Board notes the information provided in advance of the meeting and commitments to make changes to the report.

However, the report still contains significant shortcomings. The Board gives a positive opinion with reservations because it expects the DG to rectify the following aspects:

- (1) The report does not sufficiently explain why mutual recognition does not work in this sector and why promoting the respect of the mutual-recognition principle is not one of the policy options.
- (2) The report does not provide convincing evidence that a lack of harmonised rules results in more accidents involving mobile machinery. It does not justify why the initiative aims at equal requirements and technical solutions for road safety.
- (3) The report is unclear about the methodology used to estimate costs and cost savings. It does not present the reliability and robustness of the evidence base.
- (4) It is unclear why the report does not assess the additional design elements as part of the main policy options. It does not explain to what extent the assessment of impacts and the choice of the preferred option would change if these design elements were taken into account in the analysis.

This opinion concerns a draft impact assessment which may differ from the final version.

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(C) What to improve

- (1) The problem description should discuss in more detail why mutual recognition does not function in the mobile machinery sector, despite being an area of technical regulation without EU harmonisation. This would help to justify why there is no policy option aiming to promote

the practical implementation of the mutual recognition principle.

(2) The problem description should provide a clear overview of the different cost categories. It should describe in more detail the costs incurred by manufacturers due to market entry delays, distinguishing them clearly from the direct costs, also clarifying the incidence of on demand production (which allows for adaptation) relative to mass production. Given the magnitude of indirect costs, the report should explain how they are estimated and discuss whether they are realistic or risk to be overestimated. It should specify which costs and savings correspond to each of the affected groups (manufacturers, distributors, users, rental companies and authorities).

(3) The report should justify why harmonised requirements would likely increase the level of road safety of mobile machinery across the EU. It should explain why road safety requires equal requirements and technical solutions, and not just sufficiently high requirements. This would better support the choice of the preferred option, since the main determining factor is its higher score on road safety.

(4) Road safety should be a secondary objective rather than one of the main specific objectives. The report should clarify how this initiative will contribute specifically to road safety. It should also specify whether all options can deliver on the objectives.

(5) The report should clarify what will be decided now, based on this analysis, and what will be decided later through implementing legislation.

(6) The report should describe the methodology used to quantify costs and savings. The main report should present the sources of information and main assumptions, providing more detail in an annex. It should assess the reliability of the estimates and possible uncertainties affecting the evidence base.

(7) The report should better justify why additional design elements affecting the scope and take up of harmonised rules are assessed separately from the analysis of the main policy options. It should consider how the impacts would change as a result of the choices made on these design elements. In particular, the report should consider how the estimated impacts would change if EU rules and national rules coexist or if the scope of application is narrowed. It should also discuss whether the choice of the preferred option would change if these specific design elements were part of the main policy options. The costs and benefits in the standardised table in annex should be changed to incorporate the additional design elements that are part of the preferred option.

Some more technical comments have been sent directly to the author DG.

(D) Conclusion

The DG must revise the report in accordance with the Board's findings before launching the interservice consultation.

If there are any changes in the choice or design of the preferred option in the final version of the report, the DG may need to further adjust the attached quantification tables to reflect this.

Full title	Proposal for a regulation of the European Parliament and of the Council on the harmonisation of safety requirements for the road circulation of mobile machinery
Reference number	2017/GROW/003
Submitted to RSB on	10 November 2021
Date of RSB meeting	8 December 2021

ANNEX: Quantification tables extracted from the draft impact assessment report

The following tables contain information on the costs and benefits of the initiative on which the Board has given its opinion, as presented above.

If the draft report has been revised in line with the Board’s recommendations, the content of these tables may be different from those in the final version of the impact assessment report, as published by the Commission.

I. Overview of Benefits (total for all provisions) – Preferred Option		
Description	Amount	Comments
Direct and indirect benefits		
Compliance cost reductions	EUR 748 million over 10 years EUR 512 million over 10 years Total: 1.2 billion over 10 years	For manufacturers and distributors. For end-users and rental companies
Competitiveness	Not quantifiable	
Internal Market	Not quantifiable	
Road Safety	Not quantifiable	
Reduced noise emissions	Not quantifiable	

II. Overview of costs – Preferred option							
		Citizens/Consumers		Businesses		Administrations	
		One-off	Recurrent	One-off	Recurrent	One-off	Recurrent
Action (a)	Direct costs	Adaptation and compliance costs offset by much higher savings. Net saving reported in previous table.				Not significant	Not significant
	Indirect costs	Adaptation and compliance costs offset by much higher savings. Net saving reported in previous table				Not significant	Not significant