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PROPOSAL

From:	Secretary-General of the European Commission, signed by Mr Jordi AYET PUIGARNAU, Director
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To:	Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union
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Delegations will find attached document COM(2018) 296 final.

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Brussels, 17.5.2018
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2018/0148 (COD)

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
on the labelling of tyres with respect to fuel efficiency and other essential parameters
and repealing Regulation (EC) No 1222/2009

(Text with EEA relevance)

{SEC(2018) 234 final} - {SWD(2018) 188 final} - {SWD(2018) 189 final}

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

• **Reasons for and objectives of the proposal**

Improving the labelling of tyres will give consumers more information on fuel efficiency, safety and noise, allowing them to obtain accurate, relevant and comparable information on those aspects when purchasing tyres. This will help improve the effectiveness of the tyre labelling scheme so as to ensure cleaner, safer and quieter vehicles and to maximise the scheme's contribution to the decarbonisation of the transport sector.

This proposal repeals and replaces Regulation (EC) No 1222/2009¹ on the labelling of tyres with respect to fuel efficiency and other essential parameters (the Tyre Labelling Regulation, TLR).

The TLR was amended twice before it entered into application, first to include a new testing method for the wet grip of C1 tyres (cars), and then to reflect the fact that a suitable international testing method of wet grip had also been developed also for C2 (vans) and C3 (heavy duty vehicles) tyres² and to include a laboratory alignment procedure for the measurement of rolling resistance. This proposal incorporates those amendments.

• **Consistency with existing policy provisions in the policy area**

In 2009, the EU adopted two sets of rules relating to tyres:

- The TLR, which set out Union requirements harmonising the information on tyre parameters to be provided to end-users allowing them to make informed purchasing choices; and
- The Regulation on type-approval requirements³ for the general safety of motor vehicles (the General Safety Regulation, GSR), which put in place harmonised technical requirements that tyres must satisfy before they can be placed on the Union market.

The GSR puts in place minimum requirements *inter alia* for tyres as regards:

- (i) rolling resistance;
- (ii) wet grip performance; and
- (iii) external rolling noise of tyres.

These requirements became applicable from 1 November 2012, with a second stage of more stringent requirements for the rolling resistance starting to apply on 1 November 2016 (with further adjustments coming into application in 2018 and 2020).

¹ Regulation (EC) No 1222/2009 of the European Parliament and of the Council of 25 November 2009 on the labelling of tyres with respect to fuel efficiency and other essential parameters, OJ L 342 of 22.12.2009, p.46

² Commission Regulation (EU) No 228/2011 of 7 March 2011 amending Regulation (EC) No 1222/2009 of the European Parliament and of the Council with regard to the wet grip testing method for C1 tyres and Commission Regulation (EU) No 1235/2011 of 29 November 2011 amending Regulation (EC) No 1222/2009 of the European Parliament and of the Council with regard to the wet grip grading of tyres, the measurement of rolling resistance and the verification procedure.

³ Regulation (EC) No 661/2009 of the European Parliament and of the Council of 13 July 2009 concerning type-approval requirements for the general safety of motor vehicles, their trailers and systems, components and separate technical units intended therefor, OJ L 200 of 31.7.2009, p.1

Like any other products placed on the Union market, tyres must be checked by national market surveillance authorities for compliance with the applicable requirements. Regulation (EC) No 765/2008⁴ establishes the framework for market surveillance by Member States and ensures efficient cross-border market surveillance.

The general energy labelling framework was updated in 2017 with the adoption of Regulation (EU) 2017/1369⁵. This repealed and replaced Directive 2010/30/EU and introduced a number of new elements, such as a product registration database and new rules on visual advertising and on distance and internet sales.

Tyre labelling forms part of Union legislation on the energy efficiency of products. This includes ecodesign regulations, which set minimum requirements that energy-related products must satisfy before they can be placed on the Union market, and energy labelling regulations, which provide consumers with information on the energy consumption and other essential aspects of products, helping them to take informed, cost-effective and environment-friendly purchasing decisions that are both good for the environment and save money.

This initiative is in line with the Union's energy policy as it updates and improves the effectiveness of the existing *acquis* on tyre labelling.

- **Consistency with other Union policies**

The review of the tyre labelling scheme contributes to EU efforts to reduce the greenhouse gas emissions and air pollution caused by the transport sector.

This initiative is part of the Third "Europe on the Move" Package, which delivers on the new industrial policy strategy of September 2017, and is designed to complete the process of enabling Europe to reap the full benefits of the modernisation and decarbonisation of mobility. It is essential that tomorrow's mobility system is safe, clean and efficient for all EU citizens. The aim is to make European mobility safer and more accessible, European industry more competitive, European jobs more secure, and to be cleaner and better adapted to the imperative of tackling climate change. This will require the full commitment of the EU, Member States and stakeholders, not least in strengthening efforts to reduce greenhouse gas emissions and air pollution.

The Commission's Communication "A European Strategy for Plastics in a Circular Economy" refers to the need to study ways of reducing the unintentional release of microplastics from tyres.

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

- **Legal basis**

Regulation (EC) No 1222/2009 is based on Article 95 of the Treaty establishing the European Community, now Article 114 of the Treaty on the Functioning of the European Union (TFEU). It is appropriate to have an internal market legal base as the Regulation is linked to type approval requirements for tyres to be placed on the Union market, but as it also covers fuel efficiency, it is appropriate to add also an energy legal base, i.e. Article 194 TFEU.

⁴ OJ L 218, 13.8.2008, p. 30–47. See Commission proposal COM(2017)795 for a Regulation laying down rules and procedures for compliance with and enforcement of Union harmonisation legislation on products which will replace Regulation 765/2008.

⁵ OJ L 198, 28.7.2017, p. 1–23

- **Subsidiarity (for non-exclusive competence)**

The instruments on energy and fuel efficiency adopted at EU level reflect the growing importance of energy as a political and economic challenge and its close links to the policy areas of security of energy supply, climate change, sustainability, environment, internal market, and economic development. To date, Member States acting alone have been unable sufficiently to achieve energy efficiency objectives and action at Union level is needed to facilitate and support the uptake of activities at national level.

It is essential to ensure a level playing field for manufacturers and dealers in terms of the information supplied to customers in respect of tyres for sale across the EU internal market. For this reason, EU - wide legally binding rules are necessary.

Market surveillance is carried out by the authorities of the Member States. In order to be effective, it must be uniform across the Union otherwise the internal market is undermined and there is a disincentive to businesses that invest resources in designing, making and selling energy- efficient products. The inclusion of tyres in a product database will help make market surveillance more effective.

- **Proportionality**

In accordance with the principle of proportionality, the proposed amendments to the existing legislative framework do not go beyond what is necessary to achieve the objectives set. They will improve its clarity and workability.

The proposed amendments will make it possible to display information about snow/ice tyres on the label, strengthen the requirement to show the label in situations where consumers do not see the tyre(s) they are considering buying (because the tyres are stocked elsewhere, or with distance or internet selling) and include tyres in the product registration database established under Regulation (EU) 2017/1369 in order to improve market surveillance and information for consumers.

Suppliers will be required to enter information in the new product database. This is information that they currently have to provide to national market surveillance authorities on request, so any additional burden is considered minimal and proportionate to the enforcement and transparency benefits that the product database is expected to bring.

An impact assessment SWD(2018)189 accompanies the proposal and reference should be made to the parts that discuss proportionality.

- **Choice of the instrument**

The current TLR is a Regulation of the European Parliament and the Council, and it is appropriate to replace it with an instrument of the same type, as it contains directly applicable obligations for economic operators.

3. RESULTS OF EX-POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS

- **Ex-post evaluations/fitness checks of existing legislation**

The Commission carried out an ex-post evaluation of the TLR, which can be found in Annex 5 to the impact assessment report.

The evaluation concluded that the effectiveness and efficiency of the TLR can be further improved, in particular by:

- (i) increasing consumers' awareness of and confidence in the label (which will make them more likely to use the label information when purchasing tyres), and
- (ii) improving market surveillance to ultimately achieve in full the three objectives of the TLR.

- **Stakeholder consultations**

A stakeholder meeting was held in November 2015 with over 40 stakeholders.

A public consultation ran from 10 October 2017 to 8 January 2018 on the Commission's consultation web page⁶. 70 responses were received and a detailed summary of the respondents and responses can be found at Annex 2 of the impact assessment report.

- **Collection and use of expertise**

As part of a specific and wide-ranging study commissioned to prepare the review⁷, 6000 consumers were questioned in six Member States.

- **Impact assessment**

An impact assessment accompanies this proposal and is published on the Commission's Europa website together with the favourable opinion of the Regulatory Scrutiny Board (Ares(2018) 1626237) adopted on 23 March 2018.

The impact assessment identified a number of issues with the current Regulation, of which the two most important were:

- reduced effectiveness of the tyre label due to poor visibility;
- non-compliance due to weak enforcement.

The policy options examined were:

1. non- regulatory measures, including information campaigns, joint enforcement actions and revision of testing methods.
2. targeted legislative amendments, to allow for:
 - the labelling at all times of tyres delivered with vehicles;
 - online labelling;
 - the inclusion on the label of snow and ice performance information;
 - extending the scope of the labelling requirement to C3 tyres;
 - strengthening the requirements relating to technical documentation;
 - amendments to the annexes on testing methods and extending the type approval process to include the label declaration;

⁶ https://ec.europa.eu/info/consultations/public-consultation-evaluation-and-review-eu-tyres-labelling-scheme_en

⁷

https://ec.europa.eu/energy/sites/ener/files/documents/Study%20in%20support%20of%20the%20Review%20of%20the%20Tyre%20Labelling%20Regulation_final.pdf

- the future inclusion of mileage and abrasion as a performance parameters;
- re-adjustment of the label classes; and
- the inclusion of tyres in the product registration database established under Regulation (EU) 2017/1369.

Sub-options were also considered in which some of the targeted legislative amendments mentioned above were excluded.

3. a combination of policy options 1 and 2.

The preferred option was options 3. Study of this option found the following estimated impacts (section 6 of the impact assessment report):

- increased turnover for business of EUR 9 billion per year by 2030;
- 129 PJ annual fuel savings by 2030;
- 10 Mt annual CO₂-eq savings by 2030;
- decreased noise emission from tyres and resultant health benefits; and
- greater safety and fewer accidents.

This proposal implements the legislative part of the preferred option. Further non-legislative action to implement the option is outlined in the impact assessment.

- **Regulatory fitness and simplification**

As this proposal revises existing legislation, it has explored how to simplify and improve that legislation. The text has been updated to ensure maximum consistency with other updated legislation in the field, in particular the new Energy Labelling Framework Regulation.

Three main possibilities for simplifying the legislation and reducing administrative burden were identified and included in the proposal:

- product registration database;
- alignment with GSR testing methods; and
- wider use of delegated acts.

The estimated REFIT cost savings of these three possibilities are as following:

<i>REFIT cost savings – preferred option(s)</i>		
<i>Description</i>	<i>Amount</i>	<i>Comments</i>
Product registration database	EUR 80 000 per year	Recurrent cost savings for Member State market surveillance authorities, manufacturers and retailers. Possible cost savings for manufacturers as well. Initial marginal costs for the Commission to include tyres in the database for energy-related products.
Alignment with GSR	EUR 420 000 per year	Could require more expensive tests for manufacturers in approved testing laboratories but in return, they will not have to carry out further testing. Reduced market surveillance costs (recurrent savings).
TLR / delegated acts.	EUR 110 000 per delegated act	Will reduce the administrative costs in the EU law-making Institutions and Member States.

To ensure fair competition in the single market and coherent and consistent information for consumers the same rules should apply to all economic operators. All retailers should therefore be subject to the same rules, as tyre labels are useful for consumers only if all products are labelled in all retail outlets. As such, the proposal does not exempt SMEs or micro-enterprises. However, there are no European SME or micro tyre manufacturers, and any potential costs are not expected to be insignificant and are mainly related to the obligation on manufacturers and retailers to show the label when tyres are offered for sale online.

The proposal is internet ready as it includes tyre labelling in the online product registration database established under Regulation (EU) 2017/1369, which will simplify, accelerate and enhance the transmission of product information between manufacturers, retailers, market surveillance authorities and the consumer. Like other products, tyres use QR codes that give consumers electronic access to detailed information. These will be part of the new label.

- **Fundamental rights**

The proposal is not considered to have impacts on fundamental rights.

4. BUDGETARY IMPLICATIONS

This proposal replaces an existing Regulation on the labelling of tyres, and the administrative impact and costs are therefore estimated to be moderate, as most of the necessary structures and rules are in place.

This expenditure will be supported within the resources already foreseen in the official financial programming. No additional resources will be required from the EU budget. Moreover, this initiative does not intend to prejudge the Commission's proposal on the next Multiannual Financial Framework.

5. OTHER ELEMENTS

• **Implementation plans and monitoring, evaluation and reporting arrangements**

The impact of the new Regulation will be monitored and evaluated in an evaluation study to be carried out six years after its entry into force. The evaluation will determine whether the objectives of the initiative have been reached.

Reporting by Member States to the Expert Group on Tyres Labelling – Market Surveillance Administrative Cooperation will provide data on market surveillance activities and compliance rates. Further data will come from the ongoing MSTyre15⁸ joint surveillance action and any follow-up projects.

The proposed mandatory product registration database will also be a source of data on the basis of which to monitor and evaluate progress towards meeting the objectives of the Regulation. It will provide data on the distribution of tyres across the different performance classes. It will also support market surveillance, which is essential for enforcement of the Regulation. Enforcement will also be aided by requiring Member States to inform the Commission of the penalties and enforcement mechanisms applicable to infringements of the Regulation.

• **Detailed explanation of the specific provisions of the proposal**

The proposal retains the objectives and main principles of the current TLR but clarifies, strengthens and extends its scope by:

- updating the tyre label and allowing for its revision;
- improving the visibility of the label to consumers by requiring that it be shown in all situations where tyres are sold; and setting requirements in relation to internet and distance selling and as other situations where the tyres are not physically seen by the consumer;
- requiring that information on the snow and ice performance of tyres be included on the label;
- allowing for the future inclusion of mileage and abrasion, if appropriate, as a parameter for the label;
- allowing for the future inclusion of re-treaded tyres, if appropriate;
- requiring that the label be shown in visual advertisements and in technical promotional material;
- extending to C3 tyres the requirement for the label to be shown;
- extension of the type approval process to include the label declaration;
- improving enforcement by creating an obligation to register tyres in the product database established under Regulation (EU) 2017/1369;
- Adjusting the grading of tyre parameters in Annex I;
- Updating the label in Annex II (in particular to show a “snow” icon);
- Adding Annexes on information requirements;

⁸ For more information, see <http://www.mstyr15.eu/index.php/en/>

- Replacing the annex on the testing method for measuring the wet grip index (G) of C1 tyres with a reference to the relevant measurement methods.

Updating the tyre label and allowing for its revision:

The label covers three parameters: rolling resistance, wet grip and external rolling noise. The classes for these parameters need to be adjusted, to take account of technological progress and the fact the GSR requirements mean that the bottom classes are in fact empty because such tyres can no longer be sold on the Union market.

Article 11 of the current Regulation empowers the Commission to adopt delegated acts to amend non-essential elements and supplement the Regulation, and to adapt the annexes in the light of technical progress. The scope of the article is expanded to include changes to the label itself so that the possible future inclusion of ice, mileage and abrasion parameters and future re-adjustment of the label classes can be achieved via delegated acts.

Improving the visibility of the label to consumers:

All tyres placed on the market must be accompanied by a label, whether in the form of a separate document or of a sticker. This obligation will apply to C3 tyres for which a full label is currently not required but only a reference to the performance parameters in promotional material. The full label will have to be shown when tyres are sold on the internet and in paper-based distance selling. It will also be shown when tyres are sold with a new vehicle and when vehicles are leased or are part of a fleet.

Requiring that information on the snow and ice performance of tyres be included on the label:

This will give consumers a fuller picture of the performance of tyres in winter conditions, in particular regarding wet grip. A suitable test and logo already exists for snow performance, and this will be included in the label. A test for ice performance is being developed, and it is proposed to use delegated powers to include this parameter in the future once the test standard is finalised.

Allowing for the future inclusion of mileage and abrasion , if appropriate, as a parameter for the label:

The mileage of tyres is related to their durability and life expectancy. Tyre abrasion is a major source of microplastics released into the environment. No test has yet been developed that would allow the mileage or abrasion rate of tyres to be measured reliably. It is therefore proposed to consider using delegated powers to include these parameters in the future, once an appropriate test standard is finalised.

Tyre re-treading is a process used to extend the life of used tyres. It is particularly relevant for C3 tyres, which make up about 30% of the market share of re-treaded tyres in Europe, corresponding to around 5 million tyres. Including re-treading tyres would have significant energy saving potential and would contribute to circular economy objectives such as waste reduction. However, as no suitable testing method exists it is therefore proposed to consider using delegated powers to include re-treaded tyres in the future, once an appropriate test standard is finalised.

Requiring that the label be shown in visual advertisements and technical promotional material:

In line with obligations on suppliers of energy-related products under Regulation (EU) 2017/1369, suppliers of tyres will have to provide information on the performance of their tyres in advertisements and technical promotional material. However, the whole label will have to be shown, not just the energy class and the range of classes available (as for the energy label).

Extending to C3 tyres the requirement for the label to be shown:

Under the current Regulation, a full label is not required for C3 tyres but only a reference to the performance parameters in promotional material. C3 tyres will now be covered by the same label requirements as C1 and C2 tyres.

Extension of the type approval process to include the label declaration:

Tyre manufacturers will be required to subject the label declaration to the type approval process thus providing an additional guarantee of the correctness of the label.

Improving enforcement by creating an obligation to register tyres in the product database established under Regulation (EU) 2017/1369:

The database for products covered by energy labelling regulations will be operational as of 1 January 2019. From that date on tyre suppliers will be obliged to enter into the database the information set out in Annex 1 to Regulation (EU) 2017/1369 (supplier identification, model of tyre, label, parameter classes and product information sheet).

Amendments to the Annexes:

The grading of the parameters in Annex I has been adjusted by redefining the boundaries between the current A-G classes to make them more accurate and to reflect the fact that the bottom class (G) is now empty because of GSR requirements.

In Annex II the label has been amended to remove the bottom class for rolling resistance, to add an icon for snow and a QR code. Also, the appearance of the label has been aligned to a degree with the labels under the Energy Labelling Framework Regulation.

To improve and standardise information available to end users, and to align with the requirements under the Energy Labelling Framework Regulation, a new Annex III lists the minimum information required in technical documentation. A new Annex IV lists the information required in the product information sheet that must accompany tyres placed on the market and a new Annex V sets out the information to be provided in technical promotional material.

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

**on the labelling of tyres with respect to fuel efficiency and other essential parameters
and repealing Regulation (EC) No 1222/2009**

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,
Having regard to the Treaty on the Functioning of the European Union, and in particular
Article 114 and Article 194(2) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee ⁽⁹⁾,

Having regard to the opinion of the Committee of the Regions ¹⁰,

Acting in accordance with the ordinary legislative procedure,

Whereas:

- (1) The Union is committed to building an Energy Union with a forward looking climate policy. Fuel efficiency is a crucial element of the Union's 2030 Climate and Energy Policy Framework and is key to moderating energy demand.
- (2) The Commission has reviewed ¹¹ the effectiveness of Regulation (EC) No 1222/2009 of the European Parliament and of the Council ¹² and identified the need to update its provisions to improve its effectiveness.
- (3) It is appropriate to replace Regulation (EC) No 1222/2009 by a new Regulation which incorporates amendments made in 2011 and modifies and enhances some of its provisions to clarify and update their content, taking into account the technological progress for tyres over recent years.
- (4) The transport sector accounts for a third of Union energy consumption. Road transport was responsible for about 22% of the Union's total greenhouse gas emissions in 2015. Tyres, mainly because of their rolling resistance, account for 5% to 10% of vehicles' fuel consumption. A reduction of the rolling resistance of tyres would therefore contribute significantly to the fuel efficiency of road transport and thus to the reduction of emissions.

⁹ OJ C [...], [...], p. [...].

¹⁰ OJ C [...], [...], p. [...].

¹¹ COM(2017) 658 final

¹² Regulation (EC) No 1222/2009 of the European Parliament and of the Council of 25 November 2009 on the labelling of tyres with respect to fuel efficiency and other essential parameters (OJ L 342 of 22.12.2009, p. 46).

- (5) Tyres are characterised by a number of interrelated parameters that are interrelated. Improving one parameter such as rolling resistance may have an adverse impact on others such as wet grip, while improving wet grip may have an adverse impact on external rolling noise. Tyre manufacturers should be encouraged to optimise all parameters beyond the standards already achieved.
- (6) Fuel-efficient tyres can be cost-effective since fuel savings more than compensate for the increased purchase price of the tyres resulting from their higher production costs.
- (7) Regulation (EC) No 661/2009 of the European Parliament and of the Council¹³ lays down minimum requirements for the rolling resistance of tyres. Technological developments make it possible to decrease energy losses due to tyre rolling resistance significantly beyond those minimum requirements. To reduce the environmental impact of road transport, it is therefore appropriate to update the provisions for tyre labelling to encourage end-users to purchase more fuel-efficient tyres by providing updated harmonised information on that parameter.
- (8) Traffic noise is a significant nuisance and has a harmful effect on health. Regulation (EC) No 661/2009 lays down minimum requirements for the external rolling noise of tyres. Technological developments make it possible to reduce external rolling noise significantly beyond those minimum requirements. To reduce traffic noise, it is therefore appropriate to update the provisions for tyre labelling to encourage end-users to purchase tyres with lower external rolling noise by providing harmonised information on that parameter.
- (9) The provision of harmonised information on external rolling noise also facilitates the implementation of measures to limit traffic noise and contributes to increased awareness of the effect of tyres on traffic noise within the framework of Directive 2002/49/EC of the European Parliament and of the Council¹⁴.
- (10) Regulation (EC) No 661/2009 lays down minimum requirements for the wet grip performance of tyres. Technological developments make it possible to improve wet grip significantly beyond those requirements, and thus to reduce wet braking distances. To improve road safety, it is therefore appropriate to update the provisions for tyre labelling to encourage end-users to purchase tyres with high wet grip performance by providing harmonised information on that parameter.
- (11) In order to ensure alignment with the international framework, Regulation (EC) No 661/2009 refers to UNECE Regulation 117¹⁵, which includes the relevant measurement methods for rolling resistance, noise, and wet and snow grip performance of tyres.
- (12) In order to provide end-users with information on the performance of tyres specifically designed for snow and ice conditions, it is appropriate to require the inclusion on the label of information requirements on snow and ice tyres.
- (13) The abrasion of tyres during use is a significant source of microplastics, which are harmful to the environment, and the Commission's Communication "A European

¹³ Regulation (EC) No 661/2009 of the European Parliament and of the Council of 13 July 2009 concerning type-approval requirements for the general safety of motor vehicles, their trailers and systems, components and separate technical units intended therefor (OJ L 200, 31.7.2009, p. 1).

¹⁴ Directive 2002/49/EC of the European Parliament and of the Council of 25 June 2002 relating to the assessment and management of environmental noise (OJ L 189, 18.7.2002, p. 12).

¹⁵ OJ L307, 23.11.2011, p.3

Strategy for Plastics in a Circular Economy"¹⁶ therefore mentions the need to address unintentional release of microplastics from tyres, *inter alia* through information measures such as labelling and minimum requirements for tyres. However, a suitable testing method to measure tyre abrasion is not currently available. Therefore, the Commission should mandate the development of such a method, taking into full consideration all state-of-the-art internationally developed or proposed standards or regulations, with a view to establishing a suitable testing method as soon as possible.

- (14) Re-treaded tyres are a substantial part of the market for heavy-duty vehicle tyres. Re-treading tyres extends their life and contributes to circular economy objectives such as waste reduction. Applying labelling requirements to such tyres would bring substantial energy savings. However, as suitable testing method to measure the performance of re-treaded tyres is not currently available, this Regulation should provide for their future inclusion.
- (15) The energy label pursuant to Regulation (EU) 2017/1369 of the European Parliament and of the Council¹⁷, which ranks the energy consumption of products on a scale from 'A' to 'G', is recognised by over 85% of Union consumers and has proven to be effective in promoting more efficient products. The tyre label should continue to use the same design to the extent possible, while recognising the specificities of the tyre parameters.
- (16) The provision of comparable information on tyre parameters in the form of a standard label is likely to influence purchasing decisions by end-users in favour of safer, quieter and more fuel-efficient tyres. This, in turn, is likely to encourage tyre manufacturers to optimise those parameters, which would pave the way for more sustainable consumption and production.
- (17) The need for greater information on tyre fuel efficiency and other parameters is relevant for all end-users, including purchasers of replacement tyres, purchasers of tyres fitted on new vehicles, and fleet managers and transport undertakings, who cannot easily compare the parameters of different tyre brands in the absence of a labelling and harmonised testing regime. It is therefore appropriate to require the labelling of tyres delivered with vehicles at all times.
- (18) Currently, labels are explicitly required for tyres for cars (C1 tyres) and vans (C2 tyres) but not for heavy duty vehicles (C3 tyres). C3 tyres consume more fuel and cover more kilometres per year than C1 and C2 tyres, and therefore the potential to reduce fuel consumption and emissions from heavy goods vehicles is significant.
- (19) Including C3 tyres fully in the scope of this Regulation is also in line with the Commission's proposal for a Regulation on the monitoring and reporting of CO₂ emissions from, and fuel consumption of, new heavy-duty vehicles¹⁸ and of the Commission's proposal on CO₂ standards for heavy-duty vehicles¹⁹.
- (20) Many end-users make tyre purchasing decisions without seeing the actual tyre and therefore do not see the label affixed to it. In all such situations, the end-user should be shown the label before finalising the purchasing decision. The display of a label on tyres at the point of sale, as well as in technical promotional material, should ensure

¹⁶ COM(2018) 28 final

¹⁷ Regulation (EU) 2017/1369 of the European Parliament and of the Council of 4 July 2017 setting a framework for energy labelling and repealing Directive 2010/30/EU (OJ L 198, 28.7.2017, p. 1).

¹⁸ COM(2017)279

¹⁹ Reference to be added once the proposal is adopted

that distributors as well as potential end-users receive harmonised information on the relevant tyre parameters at the time and place of the purchasing decision.

- (21) Some end-users choose tyres before arriving at the point of sale, or purchase them by mail order or on the internet. To ensure that those end-users can also make an informed choice on the basis of harmonised information on tyre fuel efficiency, wet grip performance, external rolling noise and other parameters, labels should be displayed in all technical promotional material, including where such material is made available on the internet.
- (22) Potential end-users should be provided with information explaining each component of the label and its relevance. This information should be provided in technical promotional material, for instance on suppliers' websites.
- (23) Fuel efficiency, wet grip, external noise and other parameters concerning tyres should be measured according to reliable, accurate and reproducible methods that take into account the generally recognised state-of-the-art measurements and calculation methods. As far as possible, such methods should reflect average consumer behaviour and be robust in order to deter intentional and unintentional circumvention. Tyre labels should reflect the comparative performance of tyres in actual use, within the constraints due to the need of reliable, accurate and reproducible laboratory testing, to enable end-users to compare different tyres and so as to limit testing costs for manufacturers.
- (24) Compliance with the provisions on tyre labelling by suppliers and distributors is essential in order to ensure a level playing field in the Union. Member States should therefore monitor such compliance through market surveillance and regular ex-post controls, in line with Regulation (EC) No 765/2008 of the European Parliament and of the Council²⁰.
- (25) In order to facilitate the monitoring of compliance, provide a useful tool to end-users and allow alternative ways for dealers to receive product information sheets, tyres should be included in the product database established under Regulation (EU) 2017/1369. Regulation (EU) 2017/1369 should therefore be amended accordingly.
- (26) Without prejudice to Member States' market surveillance obligations and to suppliers' obligations to check product conformity, suppliers should make the required product compliance information available electronically in the product database.
- (27) In order for end-users to have confidence in the tyre label, other labels that mimic it should not be allowed. Additional labels, marks, symbols or inscriptions that are likely to mislead or confuse end-users with respect to the parameters covered by the tyre label should not be allowed for the same reason.
- (28) The penalties applicable to infringements of this Regulation and delegated acts adopted pursuant thereto should be effective, proportionate and dissuasive.
- (29) In order to promote energy efficiency, climate change mitigation and environmental protection, Member States should be able to create incentives for the use of energy efficient products. Member States are free to decide on the nature of such incentives. Such incentives should comply with Union State aid rules and should not constitute

²⁰ Regulation (EC) No 765/2008 of the European Parliament and of the Council of 9 July 2008 setting out the requirements for accreditation and market surveillance relating to the marketing of products and repealing Regulation (EEC) No 339/93 (OJ L218, 13.8.2008, p. 30).

unjustifiable market barriers. This Regulation does not prejudice the outcome of any future state aid procedure that may be undertaken in accordance with Articles 107 and 108 of the Treaty on the Functioning of the European Union (TFEU) in respect of such incentives.

- (30) In order to amend the content and format of the label, to introduce requirements with respect to re-treaded tyres, abrasion and mileage, and to adapt the Annexes to technical progress, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making of 13 April 2016²¹. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council should receive all documents at the same time as Member States' experts, and their experts should systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.
- (31) Tyres which were already placed on the market before the date of application of the requirements contained in this Regulation should not need to be re-labelled.
- (32) In order to reinforce confidence in the label and to ensure its accuracy, the declaration that suppliers make on the label regarding the values for rolling resistance, wet grip and noise should be subject to the type approval process under Regulation (EC) No 661/2009.
- (33) The Commission should carry out an evaluation of this Regulation. Pursuant to paragraph 22 of the Interinstitutional Agreement between the European Parliament, the Council of the European Union and the European Commission on Better Law-Making of 13 April 2016, that evaluation should be based on the five criteria of efficiency, effectiveness, relevance, coherence and EU value added and should provide the basis for impact assessments of possible further measures.
- (34) Since the objectives of this Regulation, namely to increase the safety and economic and environmental efficiency of road transport by providing information to end-users to allow them to choose more fuel efficient, safer and less noisy tyres, cannot be sufficiently achieved by the Member States because it requires harmonised information for end users but can rather, by reason of a harmonised regulatory framework and a level playing field for manufacturers, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. A Regulation remains the appropriate legal instrument as it imposes clear and detailed rules which preclude divergent transposition by Member States and thus ensures a higher degree of harmonisation across the Union. A harmonised regulatory framework at Union rather than at Member State level reduces costs for suppliers, ensures a level playing field and ensures the free movement of goods across the internal market. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve those objectives.
- (35) Regulation (EC) No 1222/2009 should therefore be repealed.

²¹ OJ L 123, 12.5.2016, p. 1.

HAVE ADOPTED THIS REGULATION:

Article 1

Aim and subject matter

1. The aim of this Regulation is to increase the safety, health protection, and the economic and environmental efficiency of road transport by promoting fuel-efficient and safe tyres with low noise levels.
2. This Regulation establishes a framework for the provision of harmonised information on tyre parameters through labelling, allowing end-users to make an informed choice when purchasing tyres.

Article 2

Scope

1. This Regulation applies to C1, C2 and C3 tyres.
2. This Regulation shall also apply to re-treaded tyres once a suitable testing method to measure the performance of such tyres is added to the Annexes by a delegated act pursuant to Article 12.
3. This Regulation does not apply to:
 - (a) off-road professional tyres;
 - (b) tyres designed to be fitted only to vehicles registered for the first time before 1 October 1990;
 - (c) T-type temporary-use spare tyres;
 - (d) tyres whose speed rating is less than 80 km/h;
 - (e) tyres whose nominal rim diameter does not exceed 254 mm or is 635 mm or more;
 - (f) tyres fitted with additional devices to improve traction properties, such as studded tyres;
 - (g) tyres designed only to be fitted on vehicles intended exclusively for racing.

Article 3

Definitions

For the purposes of this Regulation, the following definitions shall apply:

- (1) ‘C1, C2 and C3 tyres’ means the tyre classes defined in Article 8 of Regulation (EC) No 661/2009;
- (2) ‘re-treaded tyre’ means a used tyre reconditioned by replacing the worn tread with new material;
- (3) ‘T-type temporary-use spare tyre’ means a temporary-use spare tyre designed for use at inflation pressures higher than those established for standard and reinforced tyres;
- (4) ‘label’ means a graphic diagram, either in printed or electronic form, including in the form of a sticker, which includes symbols in order to inform end-users

about the performance of a tyre or batch of tyres, in relation to the parameters set out in Annex I;

- (5) ‘point of sale’ means a location where tyres are displayed or stored and offered for sale to end-users, including car show rooms in relation to tyres offered for sale to end-users which are not fitted on the vehicles;
- (6) ‘technical promotional material’ means documentation, in printed or electronic form, produced by the supplier to supplement advertising material with at least the technical information in accordance with Annex V;
- (7) ‘product information sheet’ means a standard document containing the information as set out in Annex IV, in printed or electronic form;
- (8) ‘technical documentation’ means documentation sufficient to enable market surveillance authorities to assess the accuracy of the label and the product information sheet of a product, including the information as set out in Annex III;
- (9) ‘product database’ means the database established under Regulation (EU) 1369/2017 and which consists of a consumer-oriented public part, where information concerning individual product parameters is accessible by electronic means, an online portal for accessibility and a compliance part, with clearly specified accessibility and security requirements;
- (10) ‘distance selling’ means the offer for sale, hire or hire purchase by mail order, catalogue, internet, telemarketing or by any other method by which the potential end-user cannot be expected to see the product displayed;
- (11) ‘manufacturer’ means any natural or legal person who manufactures a product, or has a product designed or manufactured and places that product on the market under his name or trademark;
- (12) ‘importer’ means any natural or legal person established in the Union who places a product from a third country on the Union market;
- (13) ‘authorised representative’ means any natural or legal person established in the Union who has received a written mandate from a manufacturer to act on his behalf in relation to specified tasks;
- (14) ‘supplier’ means a manufacturer established in the Union, an authorised representative of a manufacturer who is not established in the Union, or an importer, who places a product on the Union market;
- (15) ‘distributor’ means any natural or legal person in the supply chain, other than the supplier, who makes a product available on the market;
- (16) ‘making available on the market’ means the supply of a product for distribution or use on the Union market in the course of a commercial activity, whether in return for payment or free of charge;
- (17) ‘placing on the market’ means the first making available of a product on the Union market;
- (18) ‘end-user’ means a consumer, a fleet manager or a road transport undertaking, that buys or is expected to buy a tyre;

- (19) ‘parameter’ means a tyre parameter as set out in Annex I, such as rolling resistance, wet grip, external rolling noise, snow, ice, mileage or abrasion, that has a significant impact on the environment, road safety or health during use;
- (20) ‘tyre type’ means a version of a tyre of which all units share the same technical characteristics relevant for the label and the product information sheet and the same model identifier.

Article 4

Responsibilities of tyre suppliers

1. Suppliers shall ensure that C1, C2 and C3 tyres that are placed on the market are accompanied:
 - (a) for each individual tyre, with a label complying with Annex II in the form of a sticker, indicating the information and class for each of the parameters set out in Annex I, and with a product information sheet as set out in Annex IV;
 - (b) for each batch of one or more identical tyres, with a label complying with Annex II in printed format indicating the information and class for each of the parameters set out in Annex I, and with a product information sheet as set out in Annex IV.
2. In relation to tyres sold on the internet, suppliers shall ensure that the label is displayed in proximity to the price and that the product information sheet can be accessed.
3. Suppliers shall ensure that any visual advertisement for a specific type of tyre, including on the internet, shows the label.
4. Suppliers shall ensure that any technical promotional material concerning a specific type of tyre, including on the internet, meets the requirements of Annex V.
5. Suppliers shall ensure that the values, the related classes and any additional performance information they declare on the label for the essential parameters set out in Annex I have been subject to the type approval process under Regulation (EC) No 661/2009.
6. Suppliers shall ensure the accuracy of the labels and product information sheets that they provide.
7. Suppliers shall make technical documentation in accordance with Annex III available to the authorities of Member States on request.
8. Suppliers shall cooperate with market surveillance authorities and take immediate action to remedy any case of non-compliance with the requirements set out in this Regulation, which falls under their responsibility, at their own initiative or when required to do so by market surveillance authorities.
9. Suppliers shall not provide or display other labels, marks, symbols or inscriptions that do not comply with the requirements of this Regulation, if doing so would be likely to mislead or confuse end-users with respect to the essential parameters.
10. Suppliers shall not supply or display labels that mimic the label provided for under this Regulation.

Article 5

Responsibilities of tyre suppliers in relation to the product database

1. With effect from 1 January 2020, suppliers shall, before placing a tyre on the market, enter into the product database the information set out in Annex I of Regulation (EU) 2017/1369.
2. Where tyres are placed on the market between *[please insert the date of entry into force of this Regulation]* and 31 December 2019, the supplier shall, by 30 June 2020, enter in the product database the information set out in Annex I of Regulation (EU) 2017/1369 in relation to those tyres.
3. Until the information referred to in paragraphs 1 and 2 has been entered in the product database, the supplier shall make an electronic version of the technical documentation available for inspection within 10 days of a request received from market surveillance authorities.
4. A tyre for which changes are made that are relevant for the label or the product information sheet shall be considered to be a new tyre type. The supplier shall indicate in the database when it no longer places on the market units of a tyre type.
5. After the final unit of a type of tyre has been placed on the market, the supplier shall keep the information concerning that type of tyre in the compliance part of the product database for a period of five years.

Article 6

Responsibilities of tyre distributors

1. Distributors shall ensure that:
 - (a) tyres, at the point of sale, bear the label in accordance with Annex II in the form of a sticker provided by suppliers in accordance with point (a) of Article 4(1) in a clearly visible position;
 - (b) before the sale of a tyre, belonging to a batch of one or more identical tyres, the label referred to in point (b) of Article 4(1) is shown to the end-user and is clearly displayed in the immediate proximity of the tyre at the point of sale.
2. Distributors shall ensure that any visual advertisement for a specific type of tyre, including on the internet, shows the label.
3. Distributors shall ensure that any technical promotional material concerning a specific type of tyre, including on the internet, meets the requirements of Annex V.
4. Distributors shall ensure that where tyres offered for sale are not visible to the end-user, they provide end-users with a copy of the label before the sale.
5. Distributors shall ensure that any paper-based distance selling must show the label and that the end-user can access the product information sheet through a free access website, or request a printed copy of that sheet.
6. Distributors using telemarketing-based distance selling shall specifically inform end-users of the classes of the essential parameters on the label, and that they can access the full label and the product information sheet through a free access website, or by requesting a printed copy.

7. In relation to tyres sold directly on the internet, distributors shall ensure that the label is displayed in proximity to the price and that the product information sheet can be accessed.

Article 7

Responsibilities of vehicle suppliers and vehicle distributors

Where end-users intend to acquire a new vehicle, vehicle suppliers and distributors shall, before the sale, provide them with the label for the tyres offered with the vehicle, as well as the relevant technical promotional material.

Article 8

Testing and measurement methods

The information to be provided under Articles 4, 6 and 7 on the parameters indicated on the label shall be obtained by applying the testing and measurement methods referred to in Annex I, and the laboratory alignment procedure referred to in Annex VI.

Article 9

Verification procedure

Member States shall assess the conformity of the declared classes for each of the essential parameters indicated in Annex I in accordance with the procedure set out in Annex VII.

Article 10

Obligations of Member States

1. Member States shall not impede the placing on the market or putting into service, within their territories, of tyres which comply with this Regulation.
2. Member States shall not provide incentives with regard to tyres below class B with respect to either fuel efficiency or wet grip within the meaning of Annex I, Parts A and B respectively. Taxation and fiscal measures do not constitute incentives for the purposes of this Regulation.
3. Member States shall lay down the rules on penalties and enforcement mechanisms applicable to infringements of this Regulation and the delegated acts adopted pursuant thereto, and shall take all measures necessary to ensure that they are implemented. The penalties provided for shall be effective, proportionate and dissuasive.
4. Member States shall, by 1 June 2020, notify the Commission of the rules referred to in paragraph 3 that have not previously been notified to the Commission, and shall notify the Commission, without delay, of any subsequent amendment affecting them.

Article 11

Union market surveillance and control of products entering the Union market

1. [Articles 16 to 29 of Regulation (EC) No 765/2008/Regulation on compliance and enforcement proposed under COM(2017)795] shall apply to products covered by this Regulation and by the relevant delegated acts adopted pursuant thereto.
2. The Commission shall encourage and support cooperation and the exchange of information on market surveillance relating to the labelling of products between

national authorities of the Member States that are responsible for market surveillance or in charge of the control of products entering the Union market, and between them and the Commission, in particular by involving more closely the 'Administrative Cooperation for Market Surveillance' Expert group on Tyre Labelling.

3. Member States' general market surveillance programmes established pursuant to [Article 13 of Regulation (EC) No 765/2008/Regulation on compliance and enforcement proposed under COM(2017)795] shall include actions to ensure the effective enforcement of this Regulation.

Article 12

Delegated acts

The Commission is empowered to adopt delegated acts in accordance with Article 13 in order to:

- (a) introduce changes to the content and format of the label;
- (b) introduce parameters or information requirements to the Annexes in particular for mileage and abrasion, provided suitable testing methods are available;
- (c) adapt to technical progress the values, calculation methods and requirements of the Annexes.

Where appropriate, when preparing delegated acts, the Commission shall test the design and content of the labels for specific product groups with representative groups of Union customers to ensure their clear understanding of the labels.

Article 13

Exercise of delegation

1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.
2. The power to adopt delegated acts referred to in Article 12 shall be conferred on the Commission for a period of five years from *[please insert the date of entry into force of this Regulation]*. The Commission shall draw up a report in respect of the delegation of power not later than nine months before the end of the five-year period. The delegation of power shall be tacitly extended for periods of an identical duration, unless the European Parliament or the Council opposes such extension not later than three months before the end of each period.
3. The delegation of power referred to in Article 12 may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the *Official Journal of the European Union* or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.
4. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making.
5. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.

6. A delegated act adopted pursuant to Article 12 shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

Article 14

Evaluation and report

By 1 June 2026, the Commission shall carry out an evaluation of this Regulation and present a report to the European Parliament, the Council and the European Economic and Social Committee.

That report shall assess how effectively this Regulation and the delegated acts adopted pursuant thereto have allowed end-users to choose higher performing tyres, taking into account its impacts on business, fuel consumption, safety, greenhouse gas emissions and market surveillance activities. It shall also assess the costs and benefits of independent and mandatory third party verification of the information provided in the label, taking also into account the experience with the broader framework provided by Regulation (EC) No 661/2009.

Article 15

Amendment to Regulation (EU) 2017/1369

In Article 12(2) of Regulation (EU) 2017/1369, point (a) is replaced by the following:

"(a) to support market surveillance authorities in carrying out their tasks under this Regulation and the relevant delegated acts, including enforcement thereof, and under Regulation (EU) [*insert reference to the present regulation*]".

Article 16

Repeal of Regulation (EC) No 2009/1222

Regulation (EC) No 2009/1222 is repealed.

References to the repealed Regulation shall be construed as references to this Regulation and read in accordance with the correlation table in Annex VIII.

Article 17

Entry into force

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

It shall apply from 1 June 2020.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the European Parliament
The President

For the Council
The President

LEGISLATIVE FINANCIAL STATEMENT

1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

- 1.1. Title of the proposal/initiative
- 1.2. Policy area(s) concerned in the ABM/ABB structure
- 1.3. Nature of the proposal/initiative
- 1.4. Objective(s)
- 1.5. Grounds for the proposal/initiative
- 1.6. Duration and financial impact
- 1.7. Management mode(s) planned

2. MANAGEMENT MEASURES

- 2.1. Monitoring and reporting rules
- 2.2. Management and control system
- 2.3. Measures to prevent fraud and irregularities

3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

- 3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected
- 3.2. Estimated impact on expenditure
 - 3.2.1. *Summary of estimated impact on expenditure*
 - 3.2.2. *Estimated impact on operational appropriations*
 - 3.2.3. *Estimated impact on appropriations of an administrative nature*
 - 3.2.4. *Compatibility with the current multiannual financial framework*
 - 3.2.5. *Third-party contributions*
- 3.3. Estimated impact on revenue

LEGISLATIVE FINANCIAL STATEMENT

1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

1.1. Title of the proposal/initiative

Proposal for a Regulation of the European Parliament and the Council on the labelling of tyres with respect to fuel efficiency and other essential parameters and repealing Regulation (EC) No 1222/2009

1.2. Policy area(s) concerned in the ABM/ABB structure¹

Title 32 — Energy
32 02 02 Support activities for the European energy policy and internal market

1.3. Nature of the proposal/initiative

The proposal/initiative relates to **the extension of an existing action.**

1.4. Objective(s)

1.4.1. *The Commission's multiannual strategic objective(s) targeted by the proposal/initiative*

Energy Union

1.4.2. *Specific objective(s) and ABM/ABB activity(ies) concerned*

Specific objective

Promoting the moderation of energy demand.

ABM/ABB activity(ies) concerned

ABB 1: Conventional and renewable energy

ABB 2: Research and innovation activities related to energy

1.4.3. *Expected result(s) and impact*

The expected result of this initiative is to improve the existing energy labelling scheme for tyres in the Union, which is not optimal in terms of effectiveness, compliance and level of ambition.

This proposal will enhance the protection of citizens and end-users of tyres through more effective labelling and enhanced enforcement.

The proposal will have an impact on economic operators, who will have to continue to provide and display the tyre label and provide information for market surveillance through different channels.

The proposal will have an impact on national authorities, who will be better equipped to undertake market surveillance.

1.4.4. *Indicators of results and impact*

Proportion of A-class, B-class, etc. tyres.

¹ ABM: activity-based management; ABB: activity-based budgeting.

Proportion of non-compliant tyres found by national market surveillance authorities.

1.5. Grounds for the proposal/initiative

1.5.1. Requirement(s) to be met in the short or long term

The general objective of this initiative is to support the functioning of the internal market through the free movement of goods that ensure high levels of environmental and consumer protection, safety and public health (external rolling noise).

1.5.2. Added value of EU involvement

Action at EU level will provide end-users with the same, harmonised information in whichever Member State they choose to purchase their tyres. A tyre labelling scheme at EU level will promote energy-efficient and safe tyres that reduce noise pollution in all Member States, creating a larger market for such tyres and hence greater incentives for the tyre industry to develop them.

This will ensure a level playing-field for manufacturers and retailers as regards the information supplied to customers for tyres for sale across the EU internal market. For this reason, EU-wide legally binding rules are necessary.

This is the only way to ensure that labels for products placed on the market are comparable in all Member States, thereby ensuring the functioning of the internal market underpinned by Article 26 TFEU.

1.5.3. Lessons learned from similar experiences in the past

Although the EU has achieved a single market for tyre labels, the labels need to be updated in line with technological advances that mean that many models will be included in the highest classes, providing no differentiation for consumers, and with the fact that the worst-performing tyres are banned from the market as a result of the type-approval procedure under Regulation (EC) No 661/2009 (General Safety Regulation – GSR).

Although market surveillance authorities have been checking compliance with energy label requirements, non-compliance still leads to a loss of approximately 10 % of envisaged energy savings (and monetary savings for consumers). The Commission's proposal for a new market surveillance Regulation (COM(2017) 795) aims to address such challenges for EU harmonisation legislation on products. However, market surveillance authorities in the area of tyre labelling face problems that are not resolved by that proposal: timely access to technical documentation, problems in identifying, and obtaining contact information for, foreign manufacturers, and no central system to identify equivalent models that may have already been inspected by other market surveillance authorities. Further, it has been difficult for the Commission to determine the appropriate label class requirements, because of a lack of recent public data on tyre performance.

This proposal tackles these problems by establishing a link with the product registration database set up under Regulation (EU) 2017/1369 (Energy Labelling Framework Regulation), where suppliers provide performance and compliance data in a central location, accessible to the national market surveillance authorities and the Commission.

1.5.4. *Compatibility and possible synergy with other appropriate instruments*

This initiative is coherent with the GSR, which lays down a type approval procedure with minimum requirements for tyre performance on rolling resistance, wet grip and external rolling noise.

It is also coherent with Regulation (EC) No 765/2008 (the current Market Surveillance Regulation), in particular by removing overlapping provisions from the tyre labelling legislation that are already covered by market surveillance provisions for all EU harmonisation legislation.

The proposed link to the product registration database allows for synergies with other EU harmonisation legislation for which such databases are established or may be established in future.

1.6. **Duration and financial impact**

Proposal/initiative of **unlimited duration**

implementation with a start-up period from 2019;

followed by full-scale operation.

1.7. **Management mode(s) planned²**

Direct management by the Commission

by its departments, including its staff in the Union delegations.

Comments

This initiative requires budgetary resources for the inclusion of tyres in the energy-related products registration database established under the Energy Labelling Framework Regulation, including communication campaign and enforcement actions. This expenditure will be supported within the resources already foreseen in the official financial programming.

² Details of management modes and references to the Financial Regulation may be found on the BudgWeb site: http://www.cc.cec/budg/man/budgmanag/budgmanag_en.html

2. MANAGEMENT MEASURES

2.1. Monitoring and reporting rules

A tyre labelling expert group will be the platform for discussions regarding the proper implementation of the proposed Regulation.

A final provision proposes that the Commission should evaluate and report on the implementation of the Regulation seven years after its entry into force. This should identify possible problems and shortcomings and could be the starting point for further action, including any proposals for amendment.

Management and control system

2.1.1. Risk(s) identified

The budget for the adjustment of the current products database for the registration of tyres has been estimated at EUR 200 000. The number of tyres models could increase and generate extra costs in the update of the database.

The risks as regards the functioning of the product registration database relate mainly to IT-related problems, such as a possible breakdown of the system and confidentiality issues.

2.1.2. Information concerning the internal control system set up

The control methods envisaged are laid down in the Financial Regulation and Rules of Application.

2.2. Measures to prevent fraud and irregularities

No specific measures beyond the application of the Financial Regulation.

3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected

Existing budget lines

In order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
			from EFTA countries ²⁵	from candidate countries ²⁶	from third countries	within the meaning of Article 21(2)(b) of the Financial Regulation
1a Competitiveness for growth	32 02 02 Support activities for the European energy policy and internal market	Diff	YES	NO	NO	NO

²⁴ Diff. = Differentiated appropriations / Non-diff. = Non-differentiated appropriations.

²⁵ EFTA: European Free Trade Association.

²⁶ Candidate countries and, where applicable, potential candidate countries from the Western Balkans.

and jobs						
5 Adminis tration	32 01 01 Expenditure related to officials and temporary staff in the 'Energy' policy area	Non-diff.	NO	NO	NO	NO
5 Adminis tration	32 01 02 External personnel and other management expenditure in support of the 'Energy' policy area	Non-diff.	NO	NO	NO	NO

New budget lines requested

In order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number [Heading.....]	Diff./Non-diff.	from EFTA countries	from candidate countries	from third countries	within the meaning of Article 21(2)(b) of the Financial Regulation

3.2. Estimated impact on expenditure

3.2.1. Summary of estimated impact on expenditure

EUR million (to three decimal places)

Heading of multiannual financial framework	Number	1a Competitiveness for growth and employment
---------------------------------------------------	--------	----------------------------------------------

DG: ENER			Year 2019 ²⁷	Year 2020	Year 2021	Year 2022	Enter as many years as necessary to show the duration of the impact (see point 1.6)			TOTAL
• Operational appropriations										
32 02 02	Commitments	(1)	1.3	1.62						2.92
Complement to IT database energy-related products registration, including the information campaign and the joint enforcement actions.	Payments	(2)	0.8	1.12	1.0					2.92
Appropriations of an administrative nature financed from the envelope of specific programmes ²⁸										
32 04 03		(3)								
Societal challenges										
TOTAL appropriations for DG ENER	Commitments	=1+3	1.3	1.62						2.92
	Payments	=2+3	0.8	1.12	1.0					2.92

²⁷ Year N is the year in which implementation of the proposal/initiative starts.

²⁸ Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former 'BA' lines), indirect research, direct research.

• TOTAL operational appropriations	Commitments	(4)	1.3	1.62						2.92
	Payments	(5)	0.8	1.12	1.0					2.92
• TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)								
TOTAL appropriations under HEADING 1a of the multiannual financial framework	Commitments	=4+6	1.3	1.62						2.92
	Payments	=5+6	0.8	1.12	1.0					2.92

Heading of multiannual financial framework	5	‘Administrative expenditure’
---------------------------------------------------	----------	------------------------------

EUR million (to three decimal places)

		Year 2019	Year 2020	Year 2021	Year 2022	Enter as many years as necessary to show the duration of the impact (see point 1.6)			TOTAL
DG: ENER									
• Human resources		0.055	0.055						0.110
• Other administrative expenditure		0.007	0.007						0.014
TOTAL DG ENER	Appropriations	0.062	0.062						0.124

TOTAL appropriations under HEADING 5 of the multiannual financial framework	(Total commitments = Total payments)	0.062	0.062						0.124
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EUR million (to three decimal places)

		Year 2019 ²⁹	Year 2020	Year 2021	Year 2022	Enter as many years as necessary to show the duration of the impact (see point 1.6)			TOTAL
TOTAL appropriations under HEADINGS 1 to 5 of the multiannual financial framework	Commitments	1.362	1.682						3.044
	Payments	0.862	1.182	1.000					3.044

²⁹ Year N is the year in which implementation of the proposal/initiative starts.

3.2.2. Estimated impact on operational appropriations

The proposal/initiative requires the use of operational appropriations, as explained below:

Commitment appropriations in EUR million (to three decimal places)

Indicate objectives and outputs ↓			Year 2019		Year 2020		Year 2021		Year 2022		Enter as many years as necessary to show the duration of the impact (see point 1.6)						TOTAL	
	OUTPUTS																	
	Type ³⁰	Average cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	Total No	Total cost
SPECIFIC OBJECTIVE: Promoting the moderation of energy demand.																		
Update of the IT database energy-related products registration	0.2	1	0.2														1	0.2
Maintenance of the updated IT database energy-related products registration	0.02			1	0.02												1	0.02
Technical assistance and/or studies to assess aspects of tyres necessary for implementation of the regulation and support to standardisation	0.1	1	0.1	1	0.1												2	0.2
Information campaign	2.0	0.5	1.0	0.5	1.0												1	2.0

³⁰ Outputs are products and services to be supplied (e.g. number of student exchanges financed, number of km of roads built, etc.).

Joint enforcement actions					1	0.5											1	0.5
TOTAL COST				1.3		1.62												2.92

3.2.3. Estimated impact on appropriations of an administrative nature

3.2.3.1. Summary

The proposal/initiative requires the use of appropriations of an administrative nature, as explained below:

EUR million (to three decimal places)

	Year 2019 ³¹	Year 2020	Year 2021	Year 2022	Enter as many years as necessary to show the duration of the impact (see point 1.6)			TOTAL
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HEADING 5 of the multiannual financial framework								
Human resources	0.055	0.055						0.110
Other administrative expenditure	0.007	0.007						0.014
Subtotal HEADING 5 of the multiannual financial framework	0.062	0.062						0.124

Outside HEADING 5³² of the multiannual financial framework								
Human resources								
Other expenditure of an administrative nature								
Subtotal outside HEADING 5 of the multiannual financial framework								

TOTAL	0.062	0.062						0.124
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The appropriations required for human resources and other expenditure of an administrative nature will be met by appropriations from the DG that are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

³¹ Year N is the year in which implementation of the proposal/initiative starts.

³² Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former 'BA' lines), indirect research, direct research.

3.2.3.2. Estimated requirements of human resources

The proposal/initiative requires the use of human resources, as explained below:

Estimate to be expressed in full time equivalent units

	Year 2019	Year 2020	Year 2021	Year 2022	Enter as many years as necessary to show the duration of the impact (see point 1.6)		
• Establishment plan posts (officials and temporary staff)							
32 01 01 01 (Headquarters and Commission's Representation Offices)	0.36	0.36					
XX 01 01 02 (Delegations)							
XX 01 05 01 (Indirect research)							
10 01 05 01 (Direct research)							
• External staff (in Full Time Equivalent unit: FTE)³³							
32 01 02 01 (AC, END, INT from the 'global envelope')	0.03	0.03					
XX 01 02 02 (AC, AL, END, INT and JED in the delegations)							
XX 01 04 yy ³⁴	- at Headquarters						
	- in Delegations						
XX 01 05 02 (AC, END, INT — Indirect research)							
10 01 05 02 (AC, END, INT — Direct research)							
Other budget lines (specify)							
TOTAL	0.39	0.39					

The human resources required will be met by staff from the DG who are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

³³ AC= Contract Staff; AL = Local Staff; END= Seconded National Expert; INT = agency staff; JED= Junior Experts in Delegations.

³⁴ Sub-ceiling for external staff covered by operational appropriations (former 'BA' lines).

Description of tasks to be carried out:

Officials and temporary staff	Administrators: 0.03 FTE as team leader 0.3 FTE as desk officers for the Regulation, the delegated acts and for support for coordination of enforcement by market surveillance authorities Assistants: 0.03 FTE as support for legislative procedures and communication
External staff	0.03 FTE (CA) as secretary of the team and responsible for logistics

3.2.4. *Compatibility with the current multiannual financial framework*

The proposal/initiative is compatible with the current multiannual financial framework.

3.2.5. *Third-party contributions*

The proposal/initiative does not provide for co-financing by third parties.

3.3. Estimated impact on revenue

The proposal/initiative has no financial impact on revenue.