## DRAFT STATUTORY INSTRUMENTS

# 2023 No.

# The Vehicle Emissions Trading Schemes Order 2023

## Part 8

Revocation, amendment and saving of EU Regulations relating to CO<sub>2</sub> emission limits

### Interpretation of Part 8

### 109. In this Part—

"Regulation (EU) 1014/2010" means Commission Regulation (EU) No 1014/2010 of 10 November 2010 on monitoring and reporting of data on the registration of new passenger cars pursuant to Regulation (EC) No 443/2009 of the European Parliament and of the Council(1);

"Regulation (EU) 63/2011" means Commission Regulation (EU) No 63/2011 of 26 January 2011 laying down detailed provisions for the application for a derogation from the specific  $CO_2$  emission targets pursuant to Article 11 of Regulation (EC) No 443/2009 of the European Parliament and of the Council(2);

"Regulation (EU) 293/2012" means Commission Implementing Regulation (EU) 293/2012 of 3 April 2012 on monitoring and reporting of data on the registration of new light commercial vehicles pursuant to Regulation (EU) No 510/2011 of the European Parliament and of the Council(**3**);

"Regulation (EU) 114/2013" means Commission Delegated Regulation (EU) No 114/2013 of 6 November 2012 supplementing Regulation (EU) No 510/2011 of the European Parliament and of the Council with regard to rules for the application for a derogation from the specific  $CO_2$  emissions targets for new light commercial vehicles(4);

"Regulation (EU) 2017/1152" means Commission Implementing Regulation (EU) 2017/1152 of 2 June 2017 setting out a methodology for determining the correlation parameters necessary for reflecting the change in the regulatory test procedure with regard to light commercial vehicles and amending Implementing Regulation (EU) No 293/2012(5);

"Regulation (EU) 2017/1153" means Commission Implementing Regulation (EU) 2017/1153 of 2 June 2017 setting out a methodology for determining the correlation parameters necessary for reflecting the change in the regulatory test procedure and amending Regulation (EU) No 1014/2010(6).

#### Partial revocation and amendment of Regulation (EU) 2019/631

**110.**—(1) Article 2(4), Articles 4, 5, 6, 7, 7a, 8, 9, 10, and 14 of, and Annexes 1 to 5 to, Regulation (EU) 2019/631 are revoked in relation to Great Britain, subject to the savings in article 116.

<sup>(1)</sup> EUR 2010/1014, amended by S.I. 2019/550, 2021/1242 and 2022/1361.

<sup>(2)</sup> EUR 2011/63, amended by S.I. 2019/550, 2021/1242 and 2022/1361.

<sup>(3)</sup> EUR 2012/293, amended by S.I. 2019/550, 2021/1242 and 2022/1361.

<sup>(4)</sup> EUR 2013/114, amended by S.I. 2019/550, 2021/898, 2021/1242 and 2022/1361.

<sup>(5)</sup> EUR 2017/1152, amended by S.I. 2020/1418 and 2022/1361.

<sup>(6)</sup> EUR 2017/1153, amended by S.I. 2020/1418 and 2022/1361.

- (2) Regulation (EU) 2019/631 is amended as follows.
- (3) In Article 1 (subject matter and objectives)-
  - (a) in paragraph 1, after "new light commercial vehicles" insert "registered in Northern Ireland";
  - (b) in paragraph 2—
    - (i) in both places where it occurs, for "United Kingdom fleet-wide" substitute "Northern Ireland fleet-wide";
    - (ii) for "in the United Kingdom" substitute "in Northern Ireland";
    - (iii) omit the words "in domestic law, and as that Regulation has effect";
  - (c) in paragraphs 4 and 5, in each place where it occurs, for "United Kingdom fleet-wide" substitute "Northern Ireland fleet-wide";
  - (d) at the end insert-

"(8) This Regulation establishes an application process for the approval of  $CO_2$  savings to be achieved through the use of innovative technologies, or a combination of innovative technologies, fitted to new passenger cars or new light commercial vehicles registered in the United Kingdom."

- (4) In Article 2 (scope)-
  - (a) for paragraph 1 substitute—

"(1) This paragraph and paragraphs 2, 3 and 5 of this Article, and Articles 1, 3, 11, 12, 13, 15, 17, 18 and 19 of this Regulation apply to the whole of the United Kingdom. Those paragraphs and Articles apply to the following vehicles—

- (a) category M1 as defined in Article 4 of Regulation (EU) 2018/858, as it has effect in domestic law (in respect of vehicles with GB type-approval), or, where relevant, Article 4 of Regulation (EU) 2018/858 as it has effect in EU law as amended from time to time and by virtue of the Northern Ireland Protocol (in respect of vehicles with UK (NI) type-approval or EU type-approval) ("passenger cars"), which are registered in the United Kingdom for the first time and which have not previously been registered outside the United Kingdom ("new passenger cars");
- (b) category N1 as defined in Article 4 of Regulation (EU) 2018/858, as it has effect in domestic law (in respect of vehicles with GB type-approval), or, where relevant, Article 4 of Regulation (EU) 2018/858 as it has effect in EU law as amended from time to time and by virtue of the Northern Ireland Protocol (in respect of vehicles with UK (NI) type-approval or EU type-approval), with a reference mass not exceeding 2 610 kg, and vehicles of category N1 to which type-approval is extended in accordance with Article 2(2) of Regulation (EC) No 715/2007 ("light commercial vehicles"), as it has effect in domestic law (in respect of vehicles with GB type-approval) or, where relevant, as that Regulation has effect in EU law as amended from time to time and by virtue of the Northern Ireland Protocol (in respect of vehicles with UK (NI) type-approval or EU typeapproval), which are registered in the United Kingdom for the first time and which have not previously been registered outside the United Kingdom ("new light commercial vehicles"). In the case of zero-emission vehicles of category N with a reference mass exceeding 2 610 kg or 2 840 kg, as the case may be, they shall, from 1 January 2025, for the purposes of this Regulation and without prejudice to Regulation (EU) 2018/858 and Regulation (EC) No 715/2007, as those Regulations have effect in domestic law (in respect of vehicles with GB type-approval) and, where relevant, as those Regulations have effect in EU law

as amended from time to time and by virtue of the Northern Ireland Protocol (in respect of vehicles with UK (NI) type-approval or EU type-approval), be counted as UK light commercial vehicles falling within the scope of this Regulation if the excess reference mass is due only to the mass of the energy storage system.";

(b) after paragraph 1 insert—

"(1A) This paragraph and paragraphs 2A, 4 and 5A of this Article, and Articles 4, 5, 6, 7, 7a, 8, 9, 10 and 14 of, and Annexes 1 to 5 to, this Regulation apply in relation to Northern Ireland only. Those paragraphs, Articles and Annexes apply to the following vehicles—

- (a) category M1 as defined in Article 4 of Regulation (EU) 2018/858, as it has effect in EU law as amended from time to time and by virtue of the Northern Ireland Protocol ("NI passenger cars") which are registered in Northern Ireland for the first time and which have not previously been registered outside Northern Ireland ("new NI passenger cars");
- (b) category N1 as defined in Article 4 of Regulation (EU) 2018/858, as it has effect in EU law as amended from time to time and by virtue of the Northern Ireland Protocol, with a reference mass not exceeding 2 610 kg, and vehicles of category N1 to which type-approval is extended in accordance with Article 2(2) of Regulation (EC) No 715/2007 ("NI light commercial vehicles"), which are registered in Northern Ireland for the first time and which have not previously been registered outside Northern Ireland ("new NI light commercial vehicles"). In the case of zero-emission vehicles of category N with a reference mass exceeding 2 610 kg or 2 840 kg, as the case may be, they shall, from 1 January 2025, for the purposes of this Regulation and without prejudice to Regulation (EU) 2018/858 and Regulation (EC) No 715/2007, as those Regulations have effect in EU law as amended from time to time and by virtue of the Northern Ireland Protocol, be counted as NI light commercial vehicles falling within the scope of this Regulation if the excess reference mass is due only to the mass of the energy storage system.";
- (c) at the beginning of paragraph 2 for "A" substitute "For the purposes of paragraph 1, a";
- (d) after paragraph 2 insert—

"(2A) For the purposes of paragraph 1A, a previous registration outside Northern Ireland made less than three months before registration in Northern Ireland shall not be taken into account.";

- (e) in paragraph 5 for "This Regulation" substitute "Paragraph 1";
- (f) after paragraph 5 insert—

"(5A) Paragraph 1A shall not apply to any vehicle registered in Northern Ireland which is permanently removed from Northern Ireland within three months after that registration.";

- (g) omit paragraph 6.
- (5) In Article 3(1) (definitions)—
  - (a) in point (g) (definition of "mass in running order") omit "in point 2.6 of Annex 1 to Commission Implementing Regulation (EU) 2020/683, as it has effect in domestic law, or, as the case may be,";
  - (b) in point (i) (definition of "footprint") omit "points 2.1 and 2.3 of Annex 1 to Commission Implementing Regulation (EU) 2020/683, as it has effect in domestic law or, as the case may be,";
  - (c) in point (k) (definition of "United Kingdom fleet-wide target")—

- (i) for "United Kingdom fleet-wide" substitute "Northern Ireland fleet-wide";
- (ii) for "all new passenger cars or all new light commercial vehicles" substitute "all new NI passenger cars or all new NI light commercial vehicles";
- (d) in point (l) (definition of "test mass") omit "point 3.2.25 of Annex XXI to Regulation (EU) 2017/1151, as it has effect in domestic law or, as the case may be,";
- (e) after point (p) insert—
  - "(pa) "NI passenger cars" and "new NI passenger cars" have the meanings given in Article 2(1A)(a);
  - (pb) "NI light commercial vehicles" and "new NI light commercial vehicles" have the meanings given in Article 2(1A)(b);".
- (6) In Article 7 (monitoring and reporting of average emissions)-
  - (a) in paragraph 1—
    - (i) for "each new passenger car and each new light commercial vehicle" substitute "each new NI passenger car and each new NI light commercial vehicle";
    - (ii) for "the United Kingdom", in both places where it occurs, substitute "Northern Ireland";
    - (iii) for "passenger cars" substitute "NI passenger cars";
    - (iv) omit "as it has effect in domestic law, or as the case may be,";
  - (b) in paragraph 4 for "new passenger cars and of new light commercial vehicles" substitute "new NI passenger cars and of new NI light commercial vehicles";
  - (c) in paragraph 11, in both places where it occurs, omit "in domestic law or, as the case may be, as that Regulation has effect".

(7) In Article 8 (excess emissions premium), in paragraph 2, for "new passenger cars or new light commercial vehicles" substitute "new NI passenger cars or new NI light commercial vehicles".

- (8) In Article 9 (publication of performance of manufacturers)-
  - (a) in paragraph 1, in each place where it occurs, for "all new passenger cars and new light commercial vehicles registered in the United Kingdom" substitute "all new NI passenger cars and new NI light commercial vehicles registered in Northern Ireland";
  - (b) in paragraph 3(a) for "United Kingdom fleet-wide" substitute "Northern Ireland fleet-wide".

(9) In Article 10(4) (derogations for certain manufacturers), in point (c), omit "in domestic law or, as the case may be, as that Regulation has effect".

(10) In Article 11 (eco-innovation), in paragraph 1—

- (a) for "average specific emissions of CO<sub>2</sub> of a manufacturer" substitute "CO<sub>2</sub> emissions of a new passenger car or a new light commercial vehicle";
- (b) for "average specific emissions of CO<sub>2</sub> of manufacturers" substitute "CO<sub>2</sub> emissions of new passenger cars or new light commercial vehicles".
- (11) In Article 15 (review and report), in paragraph 3—
  - (a) for "United Kingdom fleet-wide" substitute "Northern Ireland fleet-wide";
  - (b) for "passenger cars and light commercial vehicles" substitute "NI passenger cars and NI light commercial vehicles".
- (12) In Part A of Annex 1 (specific emissions targets for passenger cars)-
  - (a) in point 4 for "mass in running order (M) of the new passenger cars" substitute "mass in running order (M) of the new NI passenger cars";

- (b) in point 6—
  - (i) in each place where it occurs, for "United Kingdom fleet-wide" substitute "Northern Ireland fleet-wide";
  - (ii) in each place where it occurs, for "registered in 2021" substitute "registered in the United Kingdom in 2021";
  - (iii) in point 6.0, for "registered in 2020" substitute "registered in the United Kingdom in 2020";
  - (iv) in point 6.3, for "new passenger cars registered in the relevant calendar year" substitute "new NI passenger cars registered in the relevant calendar year".
- (13) In Part B of Annex 1 (specific emissions targets for light commercial vehicles)—
  - (a) in each place where it occurs, for "United Kingdom fleet-wide" substitute "Northern Ireland fleet-wide";
  - (b) in each place where it occurs, for "registered in 2021" substitute "registered in the United Kingdom in 2021";
  - (c) in point 4, for "mass (M) of the new light commercial vehicles" substitute "mass (M) of the new NI light commercial vehicles";
  - (d) in point 6.0, for "registered in 2020" substitute "registered in the United Kingdom in 2020";
  - (e) in point 6.2.1, for "registered in the relevant calendar year" substitute "registered in Northern Ireland in the relevant calendar year";
  - (f) in point 6.3.1, in each place where it occurs, for "new light commercial vehicles" substitute "new NI light commercial vehicles";
  - (g) in point 6.3.2, in each place where it occurs, for "new light commercial vehicles" substitute "new NI light commercial vehicles".

(14) In Part A of Annex 2 (collection of data on new passenger cars and determination of  $CO_2$  emissions monitoring information)—

- (a) in the heading, for "new passenger cars" substitute "new NI passenger cars";
- (b) in point 1—
  - (i) for "new passenger car" substitute "new NI passenger car";
  - (ii) for "the United Kingdom" substitute "Northern Ireland";
- (c) in point 2 for "passenger car" substitute "NI passenger car";
- (d) in point 3—
  - (i) in point 3(a) for "new passenger cars subject to GB type-approval, UK (NI) typeapproval" substitute "new NI passenger cars subject to UK (NI) type-approval";
  - (ii) in point 3(b) for "passenger cars" substitute "NI passenger cars";
  - (iii) in point 3(c) omit "GB type-approval of small series and".
- (15) In Part B of Annex 2 (format for the transmission of data)—
  - (a) omit "GB type-approval,";
  - (b) omit "GB type-approval of small series and".

(16) In Part A of Annex 3 (collection of data on new light commercial vehicles and determination of CO<sub>2</sub> emissions monitoring information)—

(a) in the heading, for "new light commercial vehicles" substitute "new NI light commercial vehicles";

- (b) in point 1.1, in the words before point (a)—
  - (i) omit "GB type-approved,";
  - (ii) for "new light commercial vehicle" substitute "new NI light commercial vehicle";
  - (iii) for "the United Kingdom" substitute "Northern Ireland";
- (c) in point 1.1(q) omit "in domestic law or, as the case may be, as that Regulation has effect";
- (d) in point 1.2.1.2, omit "in domestic law or, as the case may be, as that Regulation has effect";
- (e) in point 1.2.2, in both places where it occurs, omit "in domestic law or, as the case may be, as that Regulation has effect";
- (f) in point 1.2.4, in both places where it occurs, omit "in domestic law or, as the case may be, as that Regulation has effect";
- (g) in point 1.2.4, omit "GB type-approval,";
- (h) in point 2, for "light commercial vehicle" substitute "NI light commercial vehicle";
- (i) in point 3—
  - (i) in each place where it occurs, for "new light commercial vehicles" substitute "new NI light commercial vehicles";
  - (ii) omit "GB type-approval,";
  - (iii) omit "GB type-approval of small series and".

(17) In Part B of Annex 3 (methodology for determining CO<sub>2</sub> monitoring information for new light commercial vehicles)—

- (a) in each place where it occurs, including the heading and cross-heading, for "new light commercial vehicles" substitute "new NI light commercial vehicles";
- (b) in point 1—
  - (i) for "the United Kingdom" substitute "Northern Ireland";
  - (ii) omit "GB type-approval,";
  - (iii) omit "GB type-approval of small series and".
- (18) In Part C of Annex 3 (formats for transmission of data)—
  - (a) in Section 1—
    - (i) omit "GB type-approval,";
    - (ii) omit "GB type-approval of small series and";
  - (b) in Section 2, in note (2) omit "GB type-approval of small series or".

#### Amendment of Regulation (EU) 725/2011 (eco-innovation for passenger cars)

111.—(1) Regulation (EU) 725/2011 is amended as follows.

(2) In Article 11(1), for "benefit from a reduction of its average specific  $CO_2$  emissions for the purpose meeting its specific emissions target by means of the CO2 savings from an eco-innovation" substitute "demonstrate certified  $CO_2$  savings from an eco-innovation".

(3) In Article 12(2), for "decide not to take the certified  $CO_2$  savings into account for the calculation of the average specific emissions of that manufacturer for the following calendar year" substitute—

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- (a) in relation to Northern Ireland, decide not to take the certified CO<sub>2</sub> savings into account for the calculation of the average specific emissions of that manufacturer for the following calendar year; and
- (b) in relation to Great Britain, give notice of that fact to the administrator of the Non-Zero Emission Car  $CO_2$  Trading Scheme, for the purposes of article 36(3) of the Vehicle Emissions Trading Schemes Order 2023 (measuring activity in the scheme)".

(4) In Article 12(3), after "taken into account", insert "under point (a) of paragraph 2, or in relation to whom a notice is given under point (b) of that paragraph,".

#### Amendment of Regulation (EU) 427/2014 (eco-innovations for light commercial vehicles)

112.—(1) Regulation (EU) 427/2014 is amended as follows.

(2) In Article 11(1), for "benefit from a reduction of its average specific  $CO_2$  emissions for the purpose meeting its specific emissions target by means of the CO2 savings from an eco-innovation" substitute "demonstrate certified  $CO_2$  savings from an eco-innovation".

(3) In Article 12(2), for "decide not to take the certified  $CO_2$  savings into account for the calculation of the average specific emissions of that manufacturer for the following calendar year" substitute—

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- (a) in relation to Northern Ireland, decide not to take the certified CO<sub>2</sub> savings into account for the calculation of the average specific emissions of that manufacturer for the following calendar year; and
- (b) in relation to Great Britain, give notice of that fact to the administrator of the Non-Zero Emission Van CO<sub>2</sub> Trading Scheme, for the purposes of article 68(3) of the Vehicle Emissions Trading Schemes Order 2023 (measuring activity in the scheme)".

(4) In Article 12(3), after "taken into account", insert "under point (a) of paragraph 2, or in relation to whom a notice is given under point (b) of that paragraph,".

# Partial revocation and amendment of Regulation (EU) 1014/2010 and Regulation (EU) 293/2012 (monitoring and reporting of data on vehicle registration)

**113.**—(1) Regulation (EU) 1014/2010 and Regulation (EU) 293/2012 are revoked in relation to Great Britain, subject to the savings in article 116.

(2) Regulation (EU) 1014/2010 is amended as follows—

- (a) in Article 1, in both places where it occurs, omit "in domestic law and as that Regulation has effect";
- (b) in Article 3(1) (data sources)—

(i) for "passenger car" substitute "NI passenger car";

- (ii) omit "in domestic law and as that Regulation has effect";
- (c) in Article 7(1) (vehicles not covered by GB, UK (NI) or EU type-approval)—
  - (i) in the heading omit "GB,";
  - (ii) for "passenger cars" substitute "NI passenger cars";
  - (iii) omit "GB type-approval of small series or";
  - (iv) in the first place where it occurs, omit "in domestic law or, as the case may be, as that Regulation has effect";

- (v) omit "Article 45 of Regulation (EU) 2018/858, as it has effect in domestic law or, as the case may be, in accordance with";
- (vi) for "the United Kingdom" substitute "Northern Ireland";
- (d) in Article 7(2)(b) omit "GB type-approval of small series or";
- (e) in Article 8(1), in point (b) omit "Commission Regulation (EU) No 19/2011, as it has effect domestic law, or".
- (3) Regulation (EU) 293/2012 is amended as follows-
  - (a) in Article 1, in point (a) (subject matter), for "light commercial vehicles as referred to in Article 2(1) of Regulation (EU) No 510/2011" substitute "NI light commercial vehicles as referred to in Article 2(1A)(b) of Regulation (EU) 2019/631";
  - (b) in Article 2 omit "in domestic law and as that Regulation has effect";
  - (c) in Article 4(1) (data sources) for "light commercial vehicle" substitute "NI light commercial vehicle";
  - (d) in Article 8 (vehicles not covered by GB, UK (NI) or EU type-approval), in the heading omit "GB,";
  - (e) in Article 8(1)—
    - (i) for "light commercial vehicles" substitute "NI light commercial vehicles";
    - (ii) omit "GB type-approval of small series and";
    - (iii) in the first place where it occurs, omit "in domestic law or, as the case may be, as that Regulation has effect";
    - (iv) omit "Article 45 of Regulation (EU) 2018/858, as it has effect in domestic law or, as the case may be,";
    - (v) for "the United Kingdom" substitute "Northern Ireland";
  - (f) in Article 8(2)(b), omit "GB type-approval of small series or";
  - (g) in Article 10(3) (additional information) for "the United Kingdom" substitute "Northern Ireland";
  - (h) in Article 10a(1) (notification of errors by manufacturers) omit "GB type-approval,".

# Partial revocation and amendment of Regulation (EU) 63/2011 and Regulation (EU) 114/2013 (derogations)

**114.**—(1) Regulation (EU) 63/2011 and Regulation (EU) 114/2013 are revoked in relation to Great Britain.

(2) Regulation (EU) 63/2011 is amended as follows—

- (a) in Article 5 (specific emissions target and reduction potential), in point (b) of paragraph 3, for "passenger cars" substitute "NI passenger cars";
- (b) in Annex 1 (standard format of derogation application)—
  - (i) in point 6 for "passenger cars to be launched on the United Kingdom market" substitute "NI passenger cars to be launched on the Northern Ireland market";
  - (ii) in point 8.2.2 for "United Kingdom market" substitute "Northern Ireland market";
  - (iii) in point 8.2.3 for "United Kingdom market" substitute "Northern Ireland market";
- (c) in Annex 2 (standard format of derogation application), in point 5, in the words before point 5.1, for "United Kingdom" substitute "Northern Ireland".
- (3) Regulation (EU) 114/2013 is amended as follows—

- (a) in Article 5 (specific emissions target and reduction potential)—
  - (i) in point (f) of paragraph 2, in both places where it occurs, for "light commercial vehicles" substitute "NI light commercial vehicles";
  - (ii) in point (b) of paragraph 3, for "light commercial vehicles" substitute "NI light commercial vehicles";
- (b) in Annex 1 (standard format of derogation application)—
  - (i) in point 7, in the heading, for "United Kingdom market" substitute "Northern Ireland market";
  - (ii) in point 9.2.2 for "United Kingdom market" substitute "Northern Ireland market";
  - (iii) in point 9.2.3 for "United Kingdom market" substitute "Northern Ireland market".

#### Revocation of Regulation (EU) 2017/1152 and Regulation (EU) 2017/1153

115. Regulation (EU) 2017/1152 and Regulation (EU) 2017/1153 are revoked.

#### Savings for monitoring and compliance in relation to Great Britain

**116.**—(1) In this article—

"old scheme year" means a calendar year occurring during the period beginning with 1st January 2021 and ending with 31st December 2023;

"revocations" means the revocations effected by article 110(1) and article 113(1);

"specific emissions obligation" means the duty imposed on a manufacturer by Article 4 of Regulation (EU) 2019/631.

- (2) The revocations do not affect—
  - (a) the operation of the specific emissions obligation in relation to Great Britain in respect of an old scheme year; or
  - (b) any power conferred, or duty imposed, on a manufacturer, the Secretary of State or the First-tier Tribunal by or under the legislation revoked by the revocations which may or must be exercised—
    - (i) after the end of an old scheme year in relation to Great Britain; and
    - (ii) in relation to the specific emissions obligation in relation to Great Britain in respect of an old scheme year.

(3) Any power mentioned in sub-paragraph (b) of paragraph (2) may, and any duty mentioned in that sub-paragraph must, be exercised on and after the date on which this Order comes into force as if the revocations had not been effected.