

**EXPLANATORY MEMORANDUM TO**  
**THE MEASURING INSTRUMENTS (TAXIMETERS) REGULATIONS 2006**  
**2006 No. 2304**

1. This explanatory memorandum has been prepared by the Department for Transport and is laid before Parliament by Command of Her Majesty.

2. **Description**

These Regulations implement Directive 2004/22/EC (the Measuring Instruments Directive) (“MID”) in respect of taximeters, which are instruments used to measure the distance travelled by a taxi and the fare accrued by virtue of the distance travelled or the time which has elapsed.

3. **Matters of special interest to the Joint Committee on Statutory Instruments**

None

4. **Legislative Background**

4.1 The Regulations are being made (a) to implement the MID insofar as it relates to taximeters; and (b) to specify the requirements that these instruments must meet when in use for the protection of consumers. The Regulations are made under section 2(2) of the European Communities Act.

4.2 The MID was adopted in March 2004 and covers a number of different devices and systems, including gas and electricity meters; petrol pumps and automatic weighing instruments. It repeals ten other directives which covered these measurement systems and devices. Transitional provisions in the MID mean that the UK Regulations implementing those earlier directives may remain in force to regulate measuring instruments placed on the market after 30<sup>th</sup> October 2006 but produced pursuant to certificates of approval and EEC pattern approvals granted before that date, whilst those certificates and approvals are in force, provided that such instruments are duly stamped and passed as fit for use for trade as required by the relevant Regulations.

4.3 No specific undertakings have been given to Parliament that relate to these Regulations, in the course of debate, Parliamentary Question or Committee appearance.

4.4 The following is a list of the Regulations including the one mentioned in this Memorandum, that to date have been prepared to implement the MID:

SI 2006/1270 Non-UK Prescribed Instruments

SI 2006/1258 Automatic Gravimetric Filling Instruments  
SI 2006/1259 Beltweighers  
SI 2006/1264 Capacity Serving Measures  
SI 2006/1257 Automatic Catchweighers  
SI 2006/1268 Cold Water Meters  
SI 2006/1255 Automatic Discontinuous Totalisers  
SI 2006/2164 Exhaust Gas Analysers  
SI 2006/1266 Liquid Fuel and Lubricants  
SI 2006/1269 Liquid Fuel delivered from Road Tankers  
SI 2006/1267 Measures of Length  
SI 2006/1256 Automatic Rail-Weighbridges  
**SI 2006/2304 Taximeters**  
SI 2006/\*\*\*\* Gas Meters<sup>1</sup>  
SI 2006/1679 Electricity Meters

### **Transposition**

4.5 This SI implements Directive 2004/22/EC on measuring instruments. The transposition note is attached.

### **Scrutiny Committee History**

4.6 An explanatory memorandum (to Parliament) covering the opinion of the Commission on the European Parliament's amendments at second Reading (5788/04) to the common position of the Council regarding the proposal for a Directive of the European Parliament and Council Directive on Measuring Instruments was submitted by DTI on 17 February 2004. The Commons European Scrutiny Committee did not consider the text to be legally or politically important and cleared it from further scrutiny on 25 February 2004 (Report 11 Session 03/04). The Lords Select Committee on the EU in its Progress of Scrutiny sift of 24 February 2004 did not report on the content.

4.7 The amendments proposed by the European Parliament at Second Reading did not change any of the provisions of the Directive in respect of matters which were of earlier concern to the Commons Scrutiny Committee and did not introduce any new technical provisions. The main focus of the amendments was to provide for greater transparency in relation to those areas in which the Member State may choose not to regulate, greater clarity in the presentation and drafting of the text, and an invitation to the Commission to review more widely the arrangement of the Directive particularly in relation to conformity assessment.

4.8 The previous explanatory memorandum covering the amended proposal following the Commission's response to amendments of the European Parliament at first Reading (6121/02) was submitted by DTI on 12 March 2003. This was considered by the Commons European Scrutiny Committee to be legally or politically important and was not therefore, cleared from scrutiny and a request was made for further information (Report 32, Session 01/02). The Lords Select Committee on the EU in its Progress of

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<sup>1</sup>Not yet implemented -currently subject of notification under Technical Standards Directive 98/34/EC

Scrutiny sift of 01 April 2002 did not report on the content. Following this the key issues were resolved and a supplementary explanatory memorandum was presented for consideration. This was again regarded by the Commons European Scrutiny Committee to be legally or politically important and cleared (Report 4, Session 02/03). The Lords Select Committee on the EU in its Progress of Scrutiny sift of 09 December 2002 again did not report on the content.

## **5. Extent**

This instrument applies to all of the United Kingdom.

## **6. European Convention on Human Rights**

As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

## **7. Policy Background**

### **Policy objectives of the Directive**

7.1 The primary aim of the MID is to create a single market in measuring instruments for the benefit of manufacturers and consumers across Europe. The MID specifies the essential requirements that a product covered by the Directive must meet before it can be placed on the market and put into use. These requirements are both general (the essential requirements that apply to all measuring instruments) and instrument specific. The MID requires manufacturers to follow a conformity assessment procedure to ensure that the product satisfies the requirements of the MID, but gives them a wide choice of assessment procedures from which to choose. These procedures may be specific to instrument types.

7.2 Under the optionality provisions of the MID, Member States can choose which measuring instruments to regulate and can also choose the measurement tasks to be regulated.

7.3 The MID has been implemented in the UK on the basis of 'status quo' i.e. maintaining the current scope of regulatory control, by only regulating those measuring instruments that are currently regulated and regulating the purpose of use, i.e. use for trade. In relation to taximeters, this means that taximeter manufacturers will be required to place on the market taximeters that comply with the requirements of MID. We are not regulating to make the fitting of taximeters mandatory; the requirement of whether taximeters should be fitted remains with local licensing authorities. By implementing MID on the basis of status quo, we aim to maintain the current levels of consumer protection, bring the benefits of the single market to business and avoid any further regulatory burdens on business. We have therefore introduced self-contained Regulations in respect of each type of measuring instrument

concerned. Each set of Regulations includes the provisions setting out the requirements applicable where a measuring instrument is in use for trade and enforcement provisions.

### **The size and nature of the problem it is addressing**

7.4 The MID will create a single market providing opportunities for UK manufacturers to innovate and to export their new products much more easily to the twenty nine Member States. It should be easier for a UK manufacturer to meet the requirements for sales in other Member States. The single market will result in greater competition and improved choice for customers which, in turn, will help promote innovation. At the same time, barriers to trade will be removed and the market will become more free and fair. The MID is a 'New Approach' Directive, which means only the essential requirements are specified. Therefore, businesses have greater scope and choice about how to comply.

7.5 The optionality provisions of the MID will provide an opportunity for the UK to deregulate or regulate other measuring instruments if this is considered appropriate in the course of time. Deregulation would provide manufacturers with an even greater scope for innovation and would enable products to get to market more quickly and cheaply. However, measuring instruments are generally controlled in order to protect the customer from fraud or short measure – these measurements are important because they provide the basis for about £2bn of legal transactions on goods in the UK every week. The decision to maintain the status quo was supported in consultation.

7.6 The only part of the UK which has a formal type approval procedure for taximeters is London where the instruments must meet the detailed requirements specified by Transport for London. So, those manufacturers who have taximeters approved by Transport for London will benefit from the ten year derogation allowing them to place non-MID compliant taximeters on the market until 2016. All other taximeter manufacturers will, therefore, only be able to place MID-compliant taximeters on the market after October 2006. This means that they will necessarily incur costs for the first time when they embark on the MID conformity assessment procedure.

7.7 There is generally no media attention and no public interest in the policy.

7.8 The change is neither politically nor legally important.

### **Who has been consulted?**

7.9 There have been two consultations – a consultation on the general policy on implementing the taximeter element of the MID in December 2005, followed by a consultation on the draft Regulations implementing the Directive in May 2006.

7.10 The consultees were manufacturers, enforcement officers, trade associations, government organisations and consumer organisations.

### **What was the outcome?**

#### 7.11 Outcome from first consultation:

A total of ten responses were received. They were generally supportive of the Government's proposed approach to implementation. However, one response expressed concern about the fact that it would have to start placing MID-compliant taximeters on the market from 30th October because it had chosen not to serve the London market and would therefore not benefit from the derogation provisions which would apply to instruments which had gone through the London type approval procedure. It was decided that the Government would issue a further consultation document to include the draft regulations themselves. The follow-up consultation document confirmed the position set out in the actual Directive, that only those instruments which had secured type approval could benefit from the ten year derogation, and London was the only area which subjected taximeters to a formal type approval process.

#### 7.12 Outcome from second consultation:

A total of three responses were received; they were all from those engaged in manufacturing or trading in taximeters. One response offered detailed comments about the technical requirements set out in Schedule 1. The taximeter manufacturers who produced taximeters which did not meet the London standard (and would not, therefore, benefit from the 10 year derogation) took the opportunity to express their concerns about suffering a commercial disadvantage. The point was made that effective enforcement was necessary to ensure that all taximeter manufacturers complied with the MID requirements from October 2006.

## **8. Impact**

A Regulatory Impact Assessment is attached; it details the impact on the public sector.

## **9. Contact**

David Farmer at the Department for Transport, Tel: 020 7944 2283 or e-mail: david.farmer@dft.gsi.gov.uk can answer any queries regarding this document.

# **Measuring Instruments Directive: Taximeters**

## **Final Regulatory Impact Assessment**

This RIA, which is one of ten relating to the implementation of the Measuring Instruments Directive, is relevant to taximeters and pertains to the following Statutory Instrument:

The Measuring Instruments (Taximeters) Regulations 2006

### **1. Title of proposal**

1.1 The Measuring Instruments (Taximeters) Regulations 2006.

### **2. Purpose and intended effect**

Objective

2.1 To transpose the taximeter provisions of the Measuring Instruments Directive (MID) (2004/22/EC – OJ No. L135, 30.4.04) into national regulations. The objective in doing so is to open markets to competition, provide opportunities to innovate and export; improve choice for consumers and remove barriers to trade through this measure.

Background

2.2 The Directive creates a single market by harmonising controls on taximeters so that it will be possible for manufacturers to design taximeters to a single set of requirements which, when the meter has been approved, will be accepted across the EU. Taximeters are just one of the instruments covered by the MID.

2.3 The Secretary of State for Transport is responsible for two instruments - taximeters and exhaust gas analysers covered by the MID. The National Weights and Measures Laboratory (under the Secretary of State for Trade and Industry) are taking forward implementation of other instruments.

Rationale for government intervention

2.4 In order for the MID to be transposed into national legislation, it is necessary for the Secretary of State to make Regulations. If the Government chose not to make Regulations then it would risk infraction proceedings. In any case, the Government considers it right that manufacturers of taximeters in the UK should secure the benefits of the Directive in terms of being able to sell their products in a single market across the EU.

### **3. Consultation**

#### Within Government

3.1 The proposals and the Regulations have been drawn up in consultation with DTI, National Weights and Measures Laboratory, Scottish Executive, Welsh Assembly Government and Department for the Environment Northern Ireland.

#### Public consultation

##### (i) initial consultation

3.2 The Department for Transport published on 6 December 2005 an initial consultation document. In that document a number of questions were raised in order to seek information about the UK taximeter market with the view of informing deliberations and views on the Government's proposed approach to implementing that element of the MID in the United Kingdom. Views were also sought about the proposed policy in principle. We said that a further consultation may well be needed which would include the draft Regulations.

3.3 The consultation document was sent to 47 consultees and it was placed on the Department's web-site. The closing date was 28 February 2006.

A total of ten responses were received. They can be categorised as follows:

- Meter manufacturing interest - 4 responses
- Licensing/authorising interest - 5 responses
- Trade interest - 1 response

3.4 With regard to the policy proposals, responses generally were positive, with one main exception (dealt with below). The manufacturers were clearly familiar with the new requirements; most of them regarded the Directive as an opportunity rather than a threat and were gearing up to producing taximeters which met the essential requirements of the MID.

3.5 The only point of contention was a view expressed by two manufacturers that it was unfair that manufacturers who produced taximeters for the London market to standards set by Transport for London would benefit from the ten year derogation (by virtue of the meters having gone through a formal type approval process) whereas manufacturers who served only the outside London market would not benefit from the derogation because their meters had not been through such a process. The terms of the MID, however, give no scope for flexibility on this point.

3.6 Although the consultation document sought information on cost aspects, very limited information about the cost implications was included in consultation

responses. So it has not been possible to gauge in any detail the likely costs and impacts on manufacturers and others, but where possible, this information has been added to the RIA.

(ii) follow-up consultation

3.7 A follow-up, shorter, consultation exercise was undertaken in May 2006; it included draft Regulations and sought comments from those who had responded to the first consultation exercise and several other interest organisations on both the draft Regulations and on the draft RIA.

3.8 A total of three responses were received; they were all from those engaged in manufacturing or trading in taximeters. One response offered detailed comments about the technical requirements for taximeters set out in Schedule 1 of the draft Regulations. The taximeter manufacturers who produced taximeters which did not meet the London standard (and would not, therefore, benefit from the 10 year derogation) took the opportunity to express their concerns about suffering a commercial disadvantage. The point was made that effective enforcement was necessary to ensure that all taximeter manufacturers complied with the MID requirements from October 2006.

## **4. Options**

4.1 In considering how to deal with the taximeter element of the MID, two options were considered:

Option 1: Do nothing.

Option 2: Implement the MID on the basis of maintaining the regulatory status quo, leaving the decision on whether to make taximeters mandatory in any area with the local taxi licensing authority; but where they are used, the meters must meet the specifications in the Directive. The main implications would be for taximeter manufacturers; those implications are explained below.

## **5. Costs and benefits**

Sectors and groups affected

5.1 The sector which would be most affected by regulation would be taximeter manufacturers, and taximeter operators (distributors to the trade). It is estimated that some 12-15 companies in the UK would be directly affected by the changes.

5.2 It was clear from consultation that overall there would be benefits to business from harmonising regulation which would result in reduced time and costs of getting new products approved for the EU market. There would be a new cost burden on taximeter manufacturers who did not at present serve the London market and would, therefore, have to go through a type approval process for the first time. However, the consultation responses generally acknowledged that the benefits of harmonised standards would be of benefit to manufacturers. Further details are given below.



5.3 This policy has been assessed for race relevance; a Race Impact Assessment is not required.

5.4 These Regulations have no particular effect on rural areas.

## **Benefits**

### Option 1 - Do nothing

5.5 There would be no need for the Government to make Regulations; it would save on Departmental and Parliamentary resources. It would impose no changes on taximeter manufacturers.

### Option 2 - Implement MID

5.6 This option would retain the status quo in respect of the extent to which the fitting of taximeters is mandatory. It would allow taximeter manufacturers to secure the benefits associated with harmonised controls, and it accords with the Government's principle of allowing local authorities to make decisions about taxi licensing policy. It does not introduce unnecessary burdens on business and maintains the extent of existing consumer protection.

5.7 The creation of a single market for taximeters will be of potential benefit to UK manufacturers. The opportunity to export taximeters to other Member States was mentioned by a couple of manufacturers in their consultation responses.

5.8 For manufacturers who currently serve the London taxi market as well as markets in other EU countries, the approval procedure will be streamlined. These manufacturers would no longer have to engage in several different approval processes, they would simply require one authorisation from a notified body that the meter met the essential requirements of the MID and then they would be able to place the meters on the market in any Member State. Accordingly, the costs of testing and certification will be reduced, as only one type approval will be required for the whole of the European Community market. Exporting should become easier and will become an option for companies that have not already explored that option. Indeed, two of the taximeter manufacturers that responded indicated that they would be looking to export their taximeters after the implementation of MID.

5.9 Under MID there are choices for manufacturers about the routes to obtaining conformity assessment. Options in relation to taximeters include self-verification and sample testing of instruments. This approach allows the manufacturer to have more control over the conformity assessment of his products and to reduce costs.

5.10 Not only do manufacturers have a choice about how to obtain conformity assessment, they also have a choice about where to obtain that assessment - introducing an element of competition into the marketplace and enabling manufacturers to shop around for high quality and value for money services.

5.11 There is a derogation period proposed for up to ten years before the Directive comes fully into force. Therefore, in theory, a manufacturer could obtain type

approval according to the Member State's rules up until 29 October 2006 for a maximum period of ten years. The UK does not have national regulations governing type approval of taximeters, but the taxi Licensing Authority for London does have in place a formal type approval procedure for any taximeters which are fitted in London cabs. The Regulations recognise this procedure as sufficient to allow taximeters approved for the London market to benefit from the derogation. So, in the case of taximeter manufacturers who have secured approval for London, where the authorisation is of indefinite duration, those manufacturers will not have to place on the market MID-compliant taximeters before October 2016. This will enable these manufacturers to develop MID-compliant taximeters over a longer period, thereby avoiding any cost implications that would be associated with a more speedy transition.

5.12 MID has no impact on existing taximeters already placed on the market. "Placing on the market" occurs at the point when a product is made available for the first time for distribution or use, that is to say, the product has transferred from the stage of manufacture by virtue of a physical handover or transfer of ownership and is available for use or sale. So in the case of taximeter manufacturers who do not serve the London market and whose taximeters have not, therefore, undergone a formal approval process, there is still the opportunity to place non-MID-compliant taximeters on the market up until 29<sup>th</sup> October 2006.

## **Costs**

### Option 1 - Do nothing

5.13 If the Government chose to do nothing, it would risk infraction proceedings. Doing nothing would also mean a loss of competitiveness for taximeter manufacturers. The manufacturers would miss out on the benefits of harmonised control. Moreover, if a Member State chose not to implement the MID, it could not impose any other form of regulation on taximeters, which would have the result of less consumer protection.

### Option 2 - Implement MID

#### (i) Production

5.14 The cost impact of implementing on the basis of maintaining the status quo are estimated to be minimal on all concerned. It would relate solely to manufacturers placing on the market only those taximeters which conformed to the requirements in the MID. The obligation to place only MID compliant taximeters on the market would take full effect for all taximeter manufacturers from the end of the derogation period - October 2016. The derogation was included in the Directive with the intention of minimising the cost burden on manufacturers. During the derogation period, taximeter manufacturers can develop, produce and, as desired, place on the market MID compliant meters.

5.15 As noted above, three manufacturers who do not currently produce taximeters for the London market suggested they would be at a commercial disadvantage, though they did not quantify the costs to them of this. It should be noted that although the MID comes into force in October 2006, it was actually adopted in March 2004, thus

providing a long lead-in period for manufacturers to plan for change. Further, since the MID applies to taximeters at the point when they are first placed on the market, a taximeter manufacturer, who does not serve the London market, will have the option of ensuring that any stocks of non-MID-compliant taximeters are placed on the market before 30 October 2006.

5.16 With regard to timescales, the taximeter manufacturers who responded to the consultation exercise expressed the view that they intended to produce taximeters that conformed to the MID requirements before the expiry of the derogation period. Two responses suggested that they would be producing MID-compliant taximeters within the next two to three years.

5.17 Little information was provided by the consultation exercise in relation to production costs, but the following information was provided in response to the question "*How much will it cost to gear up your organisation for MID eg training, change in working practices, change of design of products or services?*" One response suggested £5000 per year; another suggested 1.5 man-years; another suggested £50,000 and another thought it would cost very little for ten years.

(ii) Conformity assessment

5.18 Taximeter manufacturers already incur costs in relation to authorisation. They must go through an assessment procedure in order to have a taximeter accepted for use in London licensed taxis. Once a meter has been designated as acceptable for the London market, in practice, it has become acceptable for the national market, as most local licensing authorities look to Transport for London in respect of taximeter authorisation. Once MID has been implemented the position will be that all taximeter manufacturers, ultimately, will be required to secure authorisation from the notified body in respect of their taximeters before placing them on the market. So, extra costs will, in practice, be imposed on those taximeter manufacturers who do not at present supply the London market. The information below attempts to set out the size of these costs.

5.19 Consultees were asked "How long does it currently take to get new models of taximeter to market in the UK and how much does this cost?" Two responses suggested that it took 3-4 months (they may have been referring to securing the necessary authorisation) with costs ranging from £2000 to £6,500. Two responses suggested that it took in the region of 18 months to two years (referring to the development process combined with the authorisation procedure). One of these responses suggested that it took £30,000-50,000 to develop a new model of meter, followed by £5-6,000 for approval.

5.20 They were also asked "*How long do you expect it to take to get your products to market post MID implementation and how much do you expect it to cost? How many countries do you intend to export to once the MID is implemented?*" One manufacturer ventured an opinion that it would take about a year to get products to market post MID-implementation. One manufacturer thought they would incur two or three times the cost of national approval. Another thought that removing local regulatory hurdles should reduce costs to around £10,000 per EU State. One manufacturer intended to export to all EU countries. Another thought they would export to an extra two countries per year.

## Other implications

5.21 There would be some additional costs for the Member State in terms of appointing notified bodies to undertake assessment of taximeters; this is expected to be minimal given the small number of manufacturers involved. The costs of the actual designation and audit would be met directly by the notified bodies themselves. The costs of setting up a market surveillance programme would need to be met by the Member State; the details of this programme have not been fully resolved, so the costs cannot be quantified, but this responsibility is not expected to involve significant new expenditure, as it will be incorporated within existing enforcement responsibilities.

5.22 The cost impact of implementing the MID is likely to be negligible for licensing authorities and the taxi trade. Licensing authorities would no longer be able to specify taximeter criteria (in respect of the part of the taximeter covered by the Directive) after the end of the derogation period - October 2016, as only MID-compliant taximeters would be available. The taxi trade - in areas where the fitting of taximeters is mandatory - would have no option but to purchase MID-compliant taximeters after the end of the derogation period - October 2016. It is possible that these taximeters may be more expensive, but not significantly.

## **6. Small Firms Impact Test**

6.1 No small firms were identified as such in the consultation exercise. In general terms, the proposal should not have a disproportionate effect on small businesses. The issue, referred to above, of the effect on manufacturers who do not currently serve the London market, is not one related to the size of the company.

6.2 The Small Business Service has been informed of the proposals and was included in the consultation.

## **7. Competition Assessment**

7.1 In general terms, the Directive will reduce barriers to trade by harmonising the requirements that must be satisfied by taximeters, across the EU. The current position is that only taximeters used by the licensed London taxi market must meet specified requirements before they can be fitted and used in London taxis. This will be the first time that taximeter manufacturers who serve the non-London market will be required to produce taximeters that meet the standards set out in MID. It is an integral part of MID that only instruments which have been type approved can benefit from the derogation; the Regulations will simply transpose this principle.

## **8. Enforcement, sanctions and monitoring**

8.1 Taximeter manufacturers will have to go through the conformity assessment procedures set out in the Regulations in order to secure the necessary authorisation showing that their taximeters comply with the essential requirements of the MID.

Once a particular model of taximeter has been authorised by a notified body, the instruments will carry certain markings to convey the fact that they conform to the MID (the CE marking; an M marking and the identification number of the notified body which gave authorisation). This will allow enforcement agencies readily to ascertain whether taximeters are MID-compliant and have been subjected to the proper conformity assessment procedures. The Regulations make it an offence to place on the market a taximeter which has not been authorised by a notified body; the penalty is a fine not exceeding level 5 on the standard scale (which is currently £5000).

8.2 Notified bodies will be appointed by the Secretary of State. These bodies will carry out the conformity assessment of new taximeters submitted to them to ensure that they meet the essential requirements of the MID before being duly authorised. The Directive expects Member States to undertake market surveillance to ensure that only taximeters which meet the essential requirements of the MID are placed on the market after 30 October 2006 (the derogation mentioned above is permitted, but the surveillance body will want to ensure that it is only the non- MID compliant taximeters, which are entitled to benefit from the derogation provisions, that are, in fact, placed on the market during the derogation period). Responsibility for market surveillance rests with the Secretary of State.

## 9. Implementation and delivery plan

9.1 Implementation would be carried out through transposition of the MID into Regulations made under section 2(2) of the European Communities Act. A Statutory Instrument has been made in order to achieve this objective.

9.2 The United Kingdom Accreditation Service (UKAS) has agreed to assist the Secretary of State in assessing applicants for notified body status. It will be possible for the Secretary of State to appoint notified bodies once the Regulations have come into force.

## 10. Post-implementation review

10.1 Post-implementation review is on-going within DfT and with other government departments such as the NWML of DTI as well as devolved Administrations.

## Qualitative assessment of costs and benefits table

Option	Total benefit; economic, environmental, social	Total cost: - economic, environmental, social - policy and administrative
1	<ul style="list-style-type: none"> <li>• No need for Government to make regulations.</li> <li>• Save on Departmental and Parliamentary resources.</li> </ul>	<ul style="list-style-type: none"> <li>• Risk infraction proceedings.</li> <li>• Loss of competitiveness for taximeter manufacturers.</li> <li>• Manufacturers would miss out of the</li> </ul>

	<ul style="list-style-type: none"> <li>No need for manufacturers to change existing set-up.</li> </ul>	<ul style="list-style-type: none"> <li>benefits of harmonised control.</li> <li>Less consumer protection.</li> </ul>
2	<ul style="list-style-type: none"> <li>Maintain and, in some cases, enhance consumer protection</li> <li>Manufacturers would secure the benefits associated with harmonised controls.</li> <li>Manufacturers will find it simpler to export taximeters to other EU states.</li> <li>Only one approval process will be required in order to serve EU member states rather than having to go through numerous approval processes.</li> <li>Manufacturers will be able to choose the conformity procedure that best suits them.</li> <li>Long derogation period (ten years) for manufacturers whose products meet the London standard.</li> </ul>	<ul style="list-style-type: none"> <li>Minimal for those who benefit from the ten year derogation; Directive will only bite from 2016, so long lead-in period to adapt.</li> <li>Manufacturers who do not benefit from the derogation will have to <u>produce</u> MID-compliant taximeters much sooner; consultation responses indicated generally that the essential requirements were not unduly onerous.</li> <li>Manufacturers who do not benefit from the derogation will incur costs relating to <u>authorisation</u> for the first time; this will bite from Autumn 2006.</li> <li>Overall cost of moving to new regime not clear yet; responses varied widely, from £5000 to £50,000.</li> <li>Member States will have to appoint Notified Bodies; this is expected to be a minimal cost</li> </ul>

## Declaration and publication

*I have read the regulatory impact assessment and I am satisfied that the benefits justify the costs*

**Signed G.Merron**

**Date 24th August 2006**

**Gillian Merron**

**Parliamentary under Secretary of State, Department for Transport**

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August 2006

## TRANSPOSITION NOTE

*Directive 2004/22/EC of the European Parliament and Council on measuring instruments.*

These Regulations transpose the Measuring Instruments Directive (MID) (2004/22/EC – OJ No. L135, 30.4.04). The Secretary of State is responsible for taking measures to implement the MID in relation to the making of Regulations, the appointment of notified bodies, enforcement of provisions and market surveillance. Articles of the Directive not relevant to these Regulations have not been referred to within this transposition note. Administrative actions that are the responsibility of the Secretary of State are not included within the Regulations.

Article	Objectives	Implementation
1	Specifies scope of the directive in respect of measuring instruments controlled.	Regulation 3(1) Regulations apply to Taximeters for use for the protection of consumers within MI-007 and first placed on the market after 30 October 2006.
2	Specifies scope of the directive in respect of the tasks for which measuring instruments are prescribed.	Regulation 3(1) Regulations for Taximeters within MI-007 only apply to taximeters intended for use for the protection of consumers.
3	Sets out the essential requirements for measuring instruments to be placed on the market and put into use  The directive provides requirements for electromagnetic immunity.	Schedule 1  This provision is given effect by regulation 33 of the Measuring Instruments (Automatic Gravimetric Filling Instruments) Regulations 2006 (one of the set of Regulations implementing the MID). This provides that the provisions of Directive 89/336/EEC are disapplied in relation to the electromagnetic immunity of measuring instruments by amendment of the Electromagnetic Compatibility Regulations 2005 (EMC Regulations) in respect of instruments for which the Measuring Instruments Directive has been implemented. The emission requirements of the EMC Regulations continue to apply to measuring instruments.
4	Definitions	Where applicable, included within regulation 2
5	Applicability to sub-assemblies	Not relevant



6	Essential requirements and assessment of conformity	Regulations 5 and 6 and Schedule 1.
7	Conformity marking	Regulation 12 and 13 and Schedule 4.
8	Placing on the market and putting into use	Regulation 4  Regulation 3(3) disappplies the obligations in relation to non-compliant instruments displayed at trade fairs and exhibitions subject to certain conditions.
9	Conformity assessment	Regulation 6 and Part 2 of Schedule 2.
10	Technical documentation	Regulation 6(2) and Schedule 3
11	Procedure for the designation of notified bodies	Regulations 7, 9 and 10
12	Criteria to be satisfied by designated bodies	Regulation 7 and Part 1 of Schedule 2
13	Harmonised Standards and Normative Documents	Regulations 2(1), 5 and 6
17	Markings	Regulation 12 and Schedule 4
18.1	Market surveillance	Regulations 15, 16 and 19
18.2, 18.3 and 18.4	Administrative cooperation	Not relevant
19.1	Safeguard clause	Regulations 15 and 16
19.2	Administrative provisions for Commission	Not relevant
20	Unduly affixed markings	Regulations 15 and 16
21	Decisions entailing withdrawal from the market or prohibition or restriction on placing on the market of non-compliant measuring instruments	Regulations 15 and 16 and Part 2 of Schedule 2.
22	Repeal of Directives	Not relevant
23	Transitional provisions	Regulation 3. The Regulations do not apply to instruments placed on the market before 30 October 2006 or instruments placed on the market after that date which comply with the Metropolitan Conditions of Fitness.
24.1	Transposition	Regulation 1. The Regulations come into force on 30 October 2006 except Regulations for the designation of notified bodies which come into force on 29 September.

24.2	Administrative action for member states	Not relevant
Annex I	Essential Requirements	Schedule 1
Annex MI-007	Requirements for Taximeters	Regulation 2 and Schedule 1