

## Regulatory remarks concerning the EU-Commission's position on motor vehicle and type-approval process

VdTÜV welcomes the negotiations regarding a free trade agreement between the EU and the USA to achieve discrimination-free, mutual and simplified access to the market for motor vehicles. Assessment of the safety of vehicles within the framework of the homologation process by independent Technical Services considerably strengthens the global competitiveness of the European automotive industry. A procedure for the introduction to the market of vehicles which is harmonised as far as possible in both economic areas, is considered by VdTÜV to be challenging, but desirable. However, there are some fundamental questions to be asked, which must be clarified in the course of the forthcoming negotiations.

### **Status Quo of the safety level of motor vehicles in the USA and the EU and resulting consequences**

There are quite significant differences between the vehicle safety and environmentally-relevant systems in Europe and the USA. Mobility and infrastructure are defined differently in Europe and in the USA. The vehicles are optimised in order to fit the different requirements and are designed accordingly.

For example, vehicles approved for Europe are specifically designed so as to protect pedestrians, in order to counteract the rising numbers of accidents in this area. On the other hand, European homologation does not include rollover testing as is the case in the USA. Totally different crash scenarios result from this in some cases.

In addition to differences within the vehicles themselves, the "placing on the market" - in other words the procedure for assessing whether all the requirements applied to the vehicle by road traffic legislation have been fulfilled - is organised differently in Europe and in the USA. The same applies to post-market surveillance. The systems are as follows:

- **EU:** Approval system based on EU Directive 2007/46 and UN-ECE regulations, with independent third-party assessment by notified Technical Services in order to provide proof of fulfilment of the requirements regarding protective functions - on the basis of which the EU authorities issue the vehicle type approval (Third Party). In addition, the EU has very liberal product liability legislation, which does not include either class actions or penalty payments.
- **USA:** Manufacturer self-certification according to US law, based on the Federal Motor Vehicle Safety Standards (FMVSS) and subsequent "model year certification". However, extremely consumer-friendly product liability legislation applies, in combination with a far-reaching penal system which provides strong deterrence. This is further augmented by an effective surveillance system implemented by government agencies with regard to observance of the product liability legislation.

EU Regulation No. 183/2011 creates the necessary and appropriate harmonised measures for maintenance of the European traffic safety and environmental standards when importing, among others, US vehicles into the European internal market.

For example, in order to demonstrate attainment of European protective targets and obtain approval for importation of US vehicles, additional testing of the brake system on an actual test rig is necessary. Furthermore, the USA does not define any requirements with regard to, for example, the noise level and interior equipment of vehicles. This necessitates comprehensive additional testing.

#### **Further international harmonisation based on the UN-ECE regulations prior to mutual recognition**

- VdTÜV underlines the importance of the World Forum for Harmonization of Vehicle Regulations (WP.29), under the auspices of the United Nations Economic Commission for Europe (UNECE), for the development of internationally-recognised regulations for harmonisation of technical standards in the motor vehicle sector. At the present time, a sub-group of WP.29 is developing a vertical overall system for homologation of motor vehicles, to be valid worldwide (UNECE R-0).
- VdTÜV supports further development of common transatlantic approval conditions and approval processes. In our view, only the efforts of the WP.29 to date and the 1998 Global technical regulations for wheeled vehicles, equipment and parts (Parallel Agreement) can provide a basis for this work. Alongside the EU and the Member States, the USA is also a signatory to this Agreement. In some cases, corresponding, internationally harmonised “Global Technical Regulations” (GTR) have already been officially agreed. In the TTIP negotiations, the contractual partners should therefore agree to mandatory implementation in their own legislation of the GTRs that have already been passed.
- For the reasons described above, the differences between the homologation procedures and the different legal frameworks with regard to product liability do not permit straightforward mutual recognition between the USA and the EU. Rather, harmonisation of the assessment procedures between both sides should be the desired goal. If mutual recognition of requirements and processes between the USA and the EU occurs at a later date, current safety, health and environmental standards should not be diluted.
- VdTÜV therefore asks the negotiators on both sides to retain the tried- and-tested European homologation procedure (using the instruments of standardisation, approval and independent assessment according to the third-party principle) in the conception of a bi-lateral free trade agreement between the EU and USA. This releases the enforcement authorities from the need to carry out random sample testing and guarantees a uniform and high level of quality and safety. It also offers vehicle manufacturers a reliable system of neutral validation and therefore security and cost control within the development process.