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SENSITIVE*
UNTIL ADOPTION

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

amending and supplementing Regulations (EC) No 561/2006, (EU) 2018/858, (EU) 2019/2144 and (EU) 2024/1257 as regards the simplification of technical requirements and testing procedures for motor vehicles and repealing Council Directive 70/157/EEC and Regulation No 540/2014

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EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

• Reasons for and objectives of the proposal

The automotive value chain is a pillar of the EU economy, accounting for EUR 1 trillion in GDP and a third of private research and development investment in the EU, while providing direct and indirect employment to 13 million Europeans.

In an increasingly unpredictable trade environment, maintaining a robust and competitive automotive industry is essential for safeguarding the EU's strategic autonomy and global economic standing.

The analysis provided by the recent high-level reports of Enrico Letta and Mario Draghi¹ puts the reduction of regulatory burdens and the simplification of EU legislation among the top priorities. While the existing regulatory framework brings predictability and helps to achieve our shared public policy objectives, it should, however, not put undue burden and costs on industry. Representatives from the EU's automotive industry have recently highlighted that a high number of legislations² must be complied with by European vehicle manufacturers between now and 2030, resulting in up to 25% R&D costs in certain cases³.

In her political guidelines for the European Commission's 2024–2029⁴, President von der Leyen outlined a vision focused on sustainable prosperity and strengthening competitiveness across Europe, emphasising the need to make doing business faster and easier. This has been further outlined with the adoption of the Competitiveness Compass in January 2025⁵, followed by the Clean Industrial Deal in February 2025⁶ and the “A simpler and faster Europe” Communication on implementation and simplification⁷. A simpler regulatory framework with reduced administrative burden was mentioned as one of the fundamental pillars of this new competitiveness roadmap.

In line with this simplification agenda, the Industrial action plan for the European automotive sector⁸, adopted in March 2025, stated that the Commission, in consultation with stakeholders,

¹ The Draghi report on EU competitiveness https://commission.europa.eu/topics/competitiveness/draghi-report_en

² ACEA proposal for simplified regulatory framework <https://www.acea.auto/publication/acea-proposal-for-simplified-regulatory-framework/>

³ ACEA policy paper EU regulatory framework for the decarbonisation of road transport <https://www.acea.auto/files/ACEA-policy-paper-EU-regulatory-framework-for-the-decarbonisation-of-road-transport.pdf>

⁴ Political Guidelines 2024-2029 https://commission.europa.eu/priorities-2024-2029_en

⁵ Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions - A Competitiveness Compass for the EU COM(2025) 30 final <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52025DC0030>

⁶ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: The Clean Industrial Deal: A joint roadmap for competitiveness and decarbonisation COM/2025/85 final <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52025DC0085>

⁷ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: A simpler and faster Europe: Communication on implementation and simplification COM/2025/47 final <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:52025DC0047>

⁸ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: Industrial Action Plan for the European

would develop a regulatory simplification package for the automotive industry, by improving coherence and consistency between different regulatory requirements. Furthermore, it also announced the Commission's intention to give, when making new legislative proposals, sufficient lead time for the industry to reflect these new regulatory requirements for motor vehicles in the product development process.

Following the aforementioned commitments, the automotive omnibus will simplify and streamline certain provisions and procedures of the following acts to achieve the following specific objectives:

- Removing regulatory obstacles for the uptake of electric light commercial vehicles

Electric light commercial vehicles are heavier as the result of the weight of their battery. While they have the same payload and use cases as a light commercial vehicle with an internal combustion engine with a maximum permissible mass below 3.5 tonnes, they fall within the scope of the rules on driving times and rest rules which require the installation and use of the tachograph for commercial vehicles with a maximum permissible mass exceeding 3.5 tonnes as well as the requirement to be equipped with speed limitation devices. These requirements make such electric light electric vehicles with a mass exceeding 3.5 tonnes less attractive to customers, many of whom are SMEs and microenterprises, due to the costs involved in installing and using a tachograph⁹ and speed limitation device. Such additional burden hampers the uptake of electric vans compared to similar combustion engine vans, which can therefore also result in increased difficulty for vehicle manufacturers to reach CO₂ performance targets for light commercial vehicles.

This issue has also been recognised and taken into account in the recent revision of the EU Driving Licence Directive¹⁰, whereby a category B licence will be valid, two years after it was issued for the first time, for vehicles with a maximum authorised mass exceeding 3.5 tonnes but not exceeding 4.25 tonnes.

Regulation (EC) No 561/2006¹¹: This Regulation lays down rules on driving times, breaks and rest periods for drivers of vehicles engaged in the carriage by road of goods, as well as drivers engaged in the carriage by road of passengers, with an aim to ensure fair competition among road transport operators, to improve working conditions of drivers, and to contribute to road safety. The main device used to control driving times and rest periods is the tachograph. The installation, construction and use of the tachograph is regulated by Regulation (EU) No 165/2014¹².

automotive sector COM/2025/95 final <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:52025DC0095>

⁹ The tachograph is the device that records driving time, breaks and rest periods as well as periods of other work and availability of drivers engaged in the carriage of goods or passengers by road.

¹⁰ DIRECTIVE (EU) 2025/... OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of... on driving licenses, amending Regulation (EU) 2018/1724 of the European Parliament and of the Council and Directive (EU) 2022/2561 of the European Parliament and of the Council, and repealing Directive 2006/126/EC of the European Parliament and of the Council and Commission Regulation (EU) No 383/2012.

¹¹ Regulation (EC) No 561/2006 of the European Parliament and of the Council of 15 March 2006 on the harmonisation of certain social legislation relating to road transport and amending Council Regulations (EEC) No 3821/85 and (EC) No 2135/98 and repealing Council Regulation (EEC) No 3820/85 (OJ L 102, 11.4.2006, pp. 1–14 <https://eur-lex.europa.eu/eli/reg/2006/561/oj/eng>)

¹² Regulation (EU) No 165/2014 of the European Parliament and of the Council of 4 February 2014 on tachographs in road transport, repealing Council Regulation (EEC) No 3821/85 on recording equipment in road transport and amending Regulation (EC) No 561/2006 of the European Parliament and of the

Regulation (EC) No 2019/2144¹³: also known as the General Safety Regulation (GSR), this Regulation lays down EU vehicle safety requirements for vehicle type-approval, including those addressing the specific concerns of vulnerable road users, such as pedestrians and cyclists. It also includes the requirement for N2 vehicles¹⁴ to be equipped with speed limiting devices.

- Reducing the administrative burden from Euro 7 emission tests

The Euro 7 Regulation (EU) 2024/1257 sets out in Article 14(7) that the methods for measuring pollutant emissions shall reflect those laid down in Regulation (EU) 2017/1151 (i.e., Euro 6). However, while in Euro 6 specific – significantly higher - emission limits were laid down for a laboratory test at low temperature, the Euro 7 Regulation does not contain dedicated emission limits for that specific test procedure. The requirement to comply with the general emission limits under such a laboratory test at low temperature goes against the intention of Article 14(7) and would increase the regulatory burden for vehicle manufacturers as well as for national type-approval authorities without any benefits for environmental performance.

Moreover, Annex V of the Euro 7 Regulation requires for the type-approval of heavy-duty vehicle engines tests per vehicle type. This requirement will introduce unnecessary administrative and regulatory burden by multiplying tests without providing additional environmental benefits. This is not aligned with the intention of the co-legislators to strengthen emission limits for heavy-duty vehicles while retaining the established test methods of the Euro 6 Regulation.

Lastly, the Euro 7 Regulation is not specific about the methods to process data received from on-board monitoring (OBM) systems and on-board fuel and electric energy consumption monitoring (OBFCM) devices present in Euro 7 vehicles, which could lead to dis-harmonised, inefficient approaches that would increase costs on vehicle manufacturers and authorities.

Regulation (EC) No 2024/1257¹⁵: also known as Euro 7, this Regulation covers the type-approval of vehicles, engines, and related systems and components with respect to their emissions and battery durability. It also introduces measures for on-board monitoring of emissions, battery performance, and emission performance throughout a vehicle's lifetime.

- Improving coherence and avoid market fragmentation

Regulation (EC) No 540/2014 sets mandatory noise limit values for different vehicle categories and the development of acoustic vehicle alerting systems (AVAS) for electric vehicles. At the same time, the EU motor vehicle type-approval regulation recognises compliance with UN Regulations on noise and AVAS as alternative. As Regulation (EC) No 540/2014 does not include a mechanism to update the requirements in line with UN developments, this has created a parallel set of rules to obtain motor vehicle type-approval with potential loopholes and

Council on the harmonisation of certain social legislation relating to road transport (OJ L 60, 28.2.2014, pp. 1–33 <https://eur-lex.europa.eu/eli/reg/2014/165/oj/eng>)

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Regulation (EU) 2024/1257 of the European Parliament and of the Council of 24 April 2024 on type-approval of motor vehicles and engines and of systems, components and separate technical units intended for such vehicles, with respect to their emissions and battery durability (Euro 7), amending Regulation (EU) 2018/858 of the European Parliament and of the Council and repealing Regulations (EC) No 715/2007 and (EC) No 595/2009 of the European Parliament and of the Council, Commission Regulation (EU) No 582/2011, Commission Regulation (EU) 2017/1151, Commission Regulation (EU) 2017/2400 and Commission Implementing Regulation (EU) 2022/1362 (OJ L, 2024/1257, 8.5.2024 <https://eur-lex.europa.eu/eli/reg/2024/1257/oj/eng>)

inconsistencies for the automotive industry, national type-approval and market surveillance authorities.

Regulation (EC) No 540/2014¹⁶: Regulation (EC) No 540/2014 aims to reduce major sources of noise caused by motor vehicles. The regulation sets noise-limit values for the different vehicle categories, it lays out rules on labelling and consumer information, and the development of acoustic vehicle alerting systems (AVAS) for electric vehicles.

As battery electric vehicle's technology is evolving at a fast pace and the penetration of electric vehicles on the market is increasing, interoperability between vehicles, the charging infrastructure and the electricity grid is becoming increasingly critical. A harmonised approach to interoperability - at EU level - is essential to avoid fragmentation of certain technical requirements which are currently being developed outside of the vehicle type-approval framework, notably as regards the implementation of the revised Network Codes (DDC 2.0 - Regulation (EU) 2016/1388 and RfG 2.0 Regulation (EU) 2016/631). For these reasons an empowerment to the Commission should be established within the Regulation (EU) 2018/858.

Regulation (EU) 2018/858¹⁷: is the general framework which sets out EU-wide rules on technical requirements and procedures to ensure that new types of motor vehicles and their trailers conform to EU-approved requirements on safety and environmental protection. It aims to raise the quality level and independence of vehicle type approval.

– Accelerating the uptake of small affordable electric vehicles

There is currently a lack of small affordable electric vehicles on the European market. The A- and B-segments still have lost a combined 1.6 million in sales volume compared to 2019 and in 2024 70% of new BEV sales were large cars (E- and F-segment) and SUVs. This comes along with a general trend of rising prices of vehicles across the EU, putting access to individual vehicle ownership progressively out of reach for many middle-class households. The smaller BEVs on the EU market are currently priced around €25,000-30,000. Therefore, in September 2025, the Commission President announced a small affordable car initiative aimed to incentivise the market for small electric European vehicles. This will require targeted regulatory measures (longer transitional periods for new requirements, targeted incentives in the CO2 vehicle emission standards) or fiscal (such as subsidy schemes) and non-fiscal incentives (such as reserved parking space). For this purpose, it is necessary to add a definition of a small electric car in motor vehicle legislation that can be used for targeted measures in EU legislation and by Member States. This would bring simplification for businesses, strengthening the business case to build small affordable electric cars profitably in Europe and reduce the price for consumers.

¹⁶ Regulation (EU) No 540/2014 of the European Parliament and of the Council of 16 April 2014 on the sound level of motor vehicles and of replacement silencing systems, and amending Directive 2007/46/EC and repealing Directive 70/157/EEC (OJ L 158, 27.5.2014, pp. 131–195 <https://eur-lex.europa.eu/eli/reg/2014/540/oj/eng>)

¹⁷ Regulation (EU) 2018/858 of the European Parliament and of the Council of 30 May 2018 on the approval and market surveillance of motor vehicles and their trailers, and of systems, components and separate technical units intended for such vehicles, amending Regulations (EC) No 715/2007 and (EC) No 595/2009 and repealing Directive 2007/46/EC (OJ L 151 14.6.2018, p. 1 <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02018R0858-20240701>)

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

The proposal is part of a package of measures concerning the competitiveness of the European automotive industry. It aims at reducing administrative burden and costs for industries to ensure a well-functioning single market for motor vehicles, while maintaining the high level of safety and environmental performance established in the regulatory framework.

The proposal includes only a limited number of targeted, but effective simplification measures. In the simplification context, the Association of European Automotive Manufacturers (ACEA) had cited approximately 130 upcoming pieces of legislation affecting the automotive industry. However, this list includes 25 pieces of horizontal legislation. ⁽¹⁸⁾

The list includes upcoming requirements in Battery Regulation delegated acts (carbon footprint, due diligence), Euro 7 Implementing Acts for light-duty vehicles and for heavy-duty vehicles, CO₂ in-service verification, potential Data Act Delegated Acts, nine potential REACH restrictions, nine future requirements in the End-of-Life of Vehicles Regulation (which is still in trilogues). The Euro 7 secondary legislation does not add any new requirements, but clarifies the methods needed for emissions type-approval, giving manufacturers legal certainty.

Furthermore, the list from ACEA includes nearly 70 updates of UN Regulations, which are not all mandatory in EU legislation at this point. Of these, the European Commission has identified approximately 40 amendments of existing UN Regulations or new UN Regulations that the Commission will consider postponing or not adopting in the EU.

Stakeholders raised other issues concerning simplification of the regulatory framework for the automotive industry that are not addressed in this Omnibus but will be considered in the further development and implementation of motor vehicle legislation.

Grouping regulatory requirements into batches

The Commission could group new motor-vehicle specific regulatory requirements when setting mandatory application dates in secondary legislation – unless the legislator has established a different date in the legal act.

However, it would not be appropriate to set application dates for horizontal requirements affecting several industrial sectors based solely on the needs of the automotive industry.

When it comes to primary legislation, be it horizontal or sector-specific, it is the prerogative of the legislator to establish the application dates, taking into consideration the implications on businesses and enforcement authorities.

Respecting lead time for industry

In the Industrial Action Plan for the EU automotive sector, the Commission has committed to give, when making legislative proposals, sufficient lead time for the industry to reflect such new regulatory requirements in the product development process. This is a general principle, the Commission stands ready to respect it, but it cannot be turned into a legal requirement in an Omnibus Act.

¹⁸ REACH Regulation; Classification, Labelling, and Packaging of substances and mixtures Regulation; Persistent Organic Pollutants Regulations; Battery Regulation; Renewable Energy Directive; Data Act; Regulation on fluorinated greenhouse gases; Restriction of hazardous substances Directive; Critical Raw Materials Act; European Sustainable Products Regulation; Radio Equipment Directive; Low-Voltage Directive; Electromagnetic Compatibility Directive; Pyrotechnic Articles Directive; Alternative Fuels Infrastructure Regulation; Artificial Intelligence Act; Market Surveillance Regulation; Pressure Equipment Directive; Pressure Vessels Directive; Transportable Pressure Equipment Directive; Intelligent Transport Systems Directive; Network Code on Grid Connectors; Cyber Resilience Act; Machinery Regulation; Roadworthiness Directive.

Scope of new regulatory requirements

In motor vehicle-specific legislation, there is always a different application date for new vehicle types and for all new vehicles (i.e., for existing vehicle types) to take into account the need for redevelopment. In certain cases, such as the eCall Regulation, requirements have only been established for new vehicle types. The decision not to regulate existing vehicle types needs to be taken on a case-by-case basis, considering the costs of redevelopment of existing vehicle types, which can have a high impact on small cars with lower margins, and the benefits of the new regulatory requirements¹⁹.

Simplifying the type-approval framework

With the increasing speed of innovation in the industry, in particular trends on automated driving and software updates, it is appropriate to assess the simplification potential in the EU type-approval framework for motor vehicles. Regulatory complexity can be a constraint for EU manufacturers in global competition with manufacturers from other jurisdictions.

In 2026, the Commission will undertake an evaluation of the Motor Vehicle Type-Approval Framework Regulation, Regulation (EU) 2018/858. This will help to assess the potential to reduce testing and reporting costs for the automotive industry. Preliminary analysis by the Commission services has identified the potential to reduce the number of laboratory tests during type-approval by using more virtual testing and by using risk-assessment practices to assess how ex-ante tests can be best combined with in-use monitoring (as already applied in the Euro 7 Regulation, where lighter ex ante tests are complemented by on-board monitoring of emission performance).

- **Consistency with other Union policies**

This initiative contributes to the simplification of the regulatory framework for the automotive industry, as announced in the Industrial **Action Plan for the European automotive sector**. It is part of an Automotive Package, together with the revision of the CO₂ performance for cars and vans, the Decarbonising Corporate Fleets and the Battery Booster to boost the competitiveness of the EU automotive industry in the transition to zero-emission mobility.

In line with the Action Plan, the present initiative improves coherence and consistency between different regulatory requirements. It implements the objectives of the Simplification Agenda and the Single Market Strategy for the automotive industry. The simplification measures do not affect the policy objectives behind the relevant regulations. The measures contribute to the decarbonisation of the automotive industry by removing regulatory obstacles for the uptake of electric light commercial vehicles, in line with the CO₂ performance for cars and vans. The simplification measures do not affect the environmental performance of vehicles and are fully aligned with the environmental objectives of reducing air pollution and ambient noise from motor vehicles. The simplification measures do not reduce the safety performance of vehicles and are fully aligned with the EU policies for road safety.

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

- **Legal basis**

The proposal is based on Article 91 and 114 of the Treaty on the Functioning of the European Union, in line with the original legal bases for the adoption of the sectoral frameworks, which this proposal aims to amend.

¹⁹ For example, these benefits have been explicitly acknowledged by vehicle manufacturers in the case of the General Safety Regulation (ACEA: General Safety Regulation comes into force <https://www.acea.auto/news/general-safety-regulation-comes-into-force/>)

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

The Regulations to be amended are EU Regulations. Accordingly, amendments to these Regulations need to be made at EU level.

- **Proportionality**

The initiative does not go beyond what is necessary to achieve the objectives of simplification and burden reduction without lowering the protection of human health and environment.

- **Choice of the instrument**

This proposal for revision is a legislative proposal, as the relevant Regulations to be amended were adopted by co-decision/ ordinary legislative procedure.

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

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

Not applicable.

- **Stakeholder consultations**

In the context of the Strategic Dialogue on the Future of the European Automotive Industry in January 2025, industry leaders raised the need for simplification of the regulatory framework. Subsequently, the Commission inquired industry and other stakeholders' perspectives in various bilateral exchanges, through written stakeholder submissions containing regulatory simplification proposals, and in a meeting with the Motor Vehicle Working Group²⁰. Various suggestions for simplifying or clarifying certain provisions of automotive legislation and removing the unnecessary administrative burden stemming from these provisions emerged through these stakeholder inputs.

On 14 October 2025, the European Commission launched a Targeted Stakeholder Consultation in the form of an online survey, aiming to gather feedback on a preliminary list of amendments of existing automotive regulations. This survey was sent out to over 130 stakeholders (68 replies) of the automotive industry, comprising vehicle manufacturers, automotive component manufacturers, industry associations, NGOs, fleet operators, national type approval authorities, market surveillance authorities and other relevant national authorities. Stakeholders were invited to indicate their views on a preliminary list of amendments, i.e. whether they expect the measures to have a positive, neutral or negative economic, social or environmental impact, and an impact on the regulatory burden. Furthermore, the Commission received several position papers from stakeholders, providing additional suggestions, data and costs estimates which have been taken into account in the preparation of the present proposal.

Across all stakeholder groups, a strong support emerged for the proposed measures, especially the exemption of e-Vans and large motor homes between 3.5t and 4.25t from the tachograph obligations (Regulation EC 561/2006).

- **Impact assessment**

Given the need to urgently put forward a proposal to address the identified problems in order to reduce administrative burden for businesses and authorities it has not been possible to prepare an impact assessment.

²⁰ Commission expert group with Member State representatives and a broad range of stakeholders from the automotive industry and civil society

However, following better regulation principles, this proposal is accompanied by a Commission staff working document that includes an analysis of the impacts of the proposed measures, based on existing data and information gathered during the targeted stakeholder consultation, written inputs received from stakeholders.

On the basis of the information available, it is expected that the amendments would entail significant annual cost savings of EUR 709 million for industry including SMEs, citizens and for public administrations.

- **Regulatory fitness and simplification**

This proposal is part of the commitment of the European Commission to lighten the regulatory burden for people, businesses and public administrations in the EU, to boost prosperity and resilience of the EU. The proposal is therefore aiming at simplifying provisions of automotive-related legislation, reducing unnecessary burdens and costs for businesses and authorities, without undermining the protection of the environment and the safety performance of vehicles.

- **Fundamental rights**

The proposal respects the fundamental rights enshrined in the Charter of Fundamental Rights of the European Union²¹ and adheres to the principles recognised therein. The reduction of administrative burden on companies should lead to societal gains in terms of wealth creation, employment and innovation. At the same time, the proposal seeks to ensure a high level of protection of the environment and of safety of vehicles.

4. BUDGETARY IMPLICATIONS

This initiative will not imply any additional costs for the Commission. The budgetary implications are outlined in the attached Financial fiche.

5. OTHER ELEMENTS

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

The Commission will monitor the implementation and application of new provisions and compliance with them. Furthermore, the Regulations to be amended by this proposal are subject to regular evaluation of their efficiency, effectiveness in reaching their objectives, relevance, coherence and value added in accordance with better regulation principles. This proposal does not require an implementation plan.

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

Proposed amendments to **Regulation (EC) No 561/2006**²²: the proposed amendment is to allow Member States to exempt N2²³ e-vans - with a maximum authorised mass exceeding 3.5 tonnes but not exceeding 4.25 tonnes - engaged exclusively in domestic transport, from the obligation to install smart tachographs, in order to put them on equal footing with their fossil fuel equivalent, N1 diesel vans²⁴.

²¹ OJ C 326, 26.10.2012, p. 391, ELI: http://data.europa.eu/eli/treaty/char_2012/oj

²² Regulation (EC) No 561/2006 of the European Parliament and of the Council of 15 March 2006 on the harmonisation of certain social legislation relating to road transport and amending Council Regulations (EEC) No 3821/85 and (EC) No 2135/98 and repealing Council Regulation (EEC) No 3820/85 (OJ L 102, 11.4.2006, pp. 1–14 <https://eur-lex.europa.eu/eli/reg/2006/561/oj/eng>)

²³ According to Article 4 (1)(b)(ii) of Regulation (EU) 2018/858, N2 category vehicles are: motor vehicles with a maximum mass exceeding 3,5 tonnes but not exceeding 12 tonnes

²⁴ According to Article 4 (1)(b)(i) of Regulation (EU) 2018/858, N1 category vehicles are: motor vehicles with a maximum mass not exceeding 3,5 tonnes.

The main expected impact for the proposed measure is a reduced cost for companies, in particular SMEs that are the primary users/buyers of such vans, that will no longer have to install smart tachographs for the given type of e-van. In addition, the removal of the tachograph will also determine a reduction of administrative burden/costs for the companies/drivers who will no longer have to download tachograph data (2 to 4 hours a month). Moreover, levelling the playing field between N1 diesel vans and N2 e-vans through reduced prices for the latter will help stimulate the uptake of such e-vans.

Motor caravans or motor caravan combinations that exceed 7.5 tonnes, also fall within the scope of the rules on driving times and rest rules and of the installation and use of the tachograph.

In case C-666/21 before the Court of Justice of the European Union (CJEU)²⁵, a citizen argued that Regulations (EC) No 561/2006 and (EU) No 165/2014 are not intended for non-commercial users and that such vehicles should not be treated as commercial transport. However, the Court ruled that such rules could apply to non-commercial users with vehicles greater than 7.5 tonnes. In particular, the Court ruled that *“the notion of ‘carriage by road of goods’, [...] covers carriage by road by a vehicle whose maximum permissible mass, within the meaning of Article 4(m) of Regulation No 561/2006, as amended, exceeds 7.5 tonnes, including where it is fitted out not only as a temporary private living area but also for the non-commercial loading of goods, without that vehicle’s cargo capacity or the category in which it appears in the national road traffic register having any effect in that regard”*. This judgment created uncertainty and possible national divergences on whether large motorhomes (greater than 7.5 tonnes) need a tachograph installed.

The proposed amendment consists of adding a new paragraph (s) to Article 13 of Regulation (EC) No 561/2006 that will allow Member States to exempt motor homes from the rules on driving times and rest periods, and on the tachograph. This measure is going to provide legal certainty to the entire motor caravan industry and the motor caravan drivers. Moreover, the planned exemption from the tachograph obligation on these vehicles is going to bring reduced costs and more confidence to the drivers, who use motor caravans for tourism.

Proposed amendments to **Regulation (EU) No 2019/2144**²⁶: the proposed amendment is to exempt N2 e-vans with a maximum permissible mass exceeding 3.5 tonnes and below 4.25 from the obligation to be equipped with speed limitation devices, thereby putting them on equal footing with their fossil fuel equivalent, N1 diesel vans.

The main expected impact for the proposed measure is a reduced cost for companies, in particular SMEs that are the primary users/buyers of such vans. The cost saving will not only derive from the non-incurred costs related to the installation of the speed limiting device, but also from the increased operational flexibility deriving from the possibility to drive these vehicles at slightly higher speed when on the highway. In addition, levelling the playing field between N1 diesel vans and N2 e-vans through reduced prices for the latter will help stimulate the uptake of such e-vans. Finally, it is important to highlight that this exemption will not

²⁵ Judgment - 02/03/2023 – Åklagarmyndigheten - Case C-666/21, EU:C:2023:149

²⁶ Regulation (EU) 2019/2144 of the European Parliament and of the Council of 27 November 2019 on type-approval requirements for motor vehicles and their trailers, and systems, components and separate technical units intended for such vehicles, as regards their general safety and the protection of vehicle occupants and vulnerable road users, amending Regulation (EU) 2018/858 of the European Parliament and of the Council and repealing Regulations (EC) No 78/2009, (EC) No 79/2009 and (EC) No 661/2009 of the European Parliament and of the Council and Commission Regulations (EC) No 631/2009, (EU) No 406/2010, (EU) No 672/2010, (EU) No 1003/2010, (EU) No 1005/2010, (EU) No 1008/2010, (EU) No 1009/2010, (EU) No 19/2011, (EU) No 109/2011, (EU) No 458/2011, (EU) No 65/2012, (EU) No 130/2012, (EU) No 347/2012, (EU) No 351/2012, (EU) No 1230/2012 and (EU) 2015/166 (OJ L 325, 16.12.2019, pp. 1–40 - <https://eur-lex.europa.eu/eli/reg/2019/2144/oj/eng>)

produce any negative effect on the environmental or safety performance of the vehicles affected.

Proposed amendments to **Regulation (EC) No 2024/1257**²⁷: The temperature conditions of the 'laboratory test of low temperature for emissions' referred to in Table 1 and 2 of Annex V are covered by the 'gaseous pollutant and PN in road testing RDE' test in the same tables. Demonstrating emission compliance at low temperature conditions (at -7 °C) is covered by having to comply to the Real Driving Emissions (RDE) requirements (from -7 °C to 38 °C) and, therefore, it is deemed justified to eliminate the dedicated low temperature laboratory (Type 6) test.

The effects to be expected from the proposed measure primarily centre around preserving the intent of the co-legislators to stick to Euro 6 rules (including having limits for CO and HC), reducing regulatory burden without creating compliance challenges, and providing legal certainty.

Another proposed measure consists of referring to “vehicle categories” rather than “vehicle types” for Euro 7 engine (Separate Technical Unit) type-approval, i.e., “Required demonstration tests for all fuels for which the type-approval is granted per vehicle type category and a declaration of compliance for all fuels, all payloads and all applicable vehicle categories in respectively tables 3, 4, 7 and 8 of Annex V to Regulation (EU) 2024/1257”.

The proposed measure is expected to lead to a substantial reduction of regulatory burden, both administrative and testing, without compromising environmental standards. It avoids repetitive testing of engines in different vehicle types that use identical technology and cuts costs associated with multiple type-approvals and testing processes. It supports market stability and can potentially lead to lower vehicle prices, benefiting operators and consumers.

With another proposed measure, the Commission will be tasked and empowered to develop measures, in cooperation with Member States when necessary, to ensure that on-board monitoring (OBM) and on-board fuel consumption monitoring (OBFCM) data are received, compiled, processed and stored effectively in a harmonised manner to monitor real-world performance of Euro 7 vehicle types.

A harmonised EU-level OBM/OBFCM data infrastructure could generate substantial cost savings compared with each Member State developing and maintaining its own systems. The savings arise from economies of scale, reduced duplication, and harmonised compliance processes. Instead of interacting with multiple national systems, vehicle manufacturers will be able to transmit standardised data once, reducing software-integration and certification expenses.

Regulation (EC) No 540/2014²⁸: It is proposed to repeal Regulation (EU) No 540/2014 with effect from the date of application of the Omnibus Regulation. Moreover, in accordance with

²⁷ Regulation (EU) 2024/1257 of the European Parliament and of the Council of 24 April 2024 on type-approval of motor vehicles and engines and of systems, components and separate technical units intended for such vehicles, with respect to their emissions and battery durability (Euro 7), amending Regulation (EU) 2018/858 of the European Parliament and of the Council and repealing Regulations (EC) No 715/2007 and (EC) No 595/2009 of the European Parliament and of the Council, Commission Regulation (EU) No 582/2011, Commission Regulation (EU) 2017/1151, Commission Regulation (EU) 2017/2400 and Commission Implementing Regulation (EU) 2022/1362 (OJ L, 2024/1257, 8.5.2024 <https://eur-lex.europa.eu/eli/reg/2024/1257/oj/eng>)

²⁸ Regulation (EU) No 540/2014 of the European Parliament and of the Council of 16 April 2014 on the sound level of motor vehicles and of replacement silencing systems, and amending Directive 2007/46/EC and repealing Directive 70/157/EEC (OJ L 158, 27.5.2014, pp. 131–195 <https://eur-lex.europa.eu/eli/reg/2014/540/oj/eng>)

Art. 14 of Regulation 540/2014, the Council Directive 70/157/EEC is repealed from 1 July 2027. To avoid any possible legal uncertainty, the present proposal confirms the repeal with the same date of entry into effect.

In addition, an amendment to Annex II to **Regulation (EU) 2018/858** is proposed to replace the reference to the repealed Regulation by reference to the noise-related UN Regulations: UN Regulations 51 on noise of M and N categories of vehicles; UN Regulation 59 on replacement silencing systems and UN Regulation 138 on quiet road transport vehicles or AVAS.

The proposed amendments would create a level playing field for EU car manufacturers when selling their cars globally by preventing them from having to follow two sets of regulations on noise. The proposed changes would also remove any potential loopholes and result in a simpler/more consistent framework for the automotive industry, type-approval authorities, and market surveillance authorities alike. In addition, society and the environment would benefit from the enhanced scope that restricts noise from backfire, sound actuators, and sound enhancement systems.

Proposed amendment to **Regulation (EU) 2018/858**²⁹: the first proposed measure amending this Regulation consists of the introduction in Annex I, Part A, point 2 of Regulation (EU) 2018/858 of a new point 2.4 defining a sub-category for small electric vehicle.

The proposed amendment will allow EU legislation to target regulatory measures to this specific sub-category, with a view of incentivising production and uptake of small European electric vehicles. For instance, when deciding on application dates of future motor vehicle regulations, the Commission will take into account the proportionally higher impact on development costs that new requirements can have on small electric vehicles as compared to heavier and more expensive ones. Moreover, a targeted incentive mechanism is introduced [add reference to CO2 review proposal] in the context of the CO2 vehicle emission standards in the form of a super-credit. This will allow vehicle manufacturers to benefit from the contribution of small electric vehicles in the achievement of the overall fleet-wide CO2 emission target, resulting in a strong incentive for vehicle manufacturers to produce and commercialise higher volumes of small electric vehicles. Furthermore, the new vehicle sub-category will simplify the work of Member States when setting up fiscal (i.e. purchase subsidies, taxes, road-toll exemption) and non-fiscal (i.e. size-based parking fees, discounted charging, privileged access to lanes or parking) national schemes aimed at promoting the adoption of small affordable electric vehicles. Being able to refer to a unique EU legal definition, Member States will avoid having to define it at national level. In addition, having this legal definition in the type-approval regulation will make the qualification of a vehicle as a small electric vehicle visible in the certificate of conformity, and this will simplify the verification and enforcement of these national fiscal and non-fiscal measures by Member States' authorities. Furthermore, as announced in the Industrial Action Plan for the EU automotive sector, the Commission will issue a Commission Recommendation with options for incentive schemes that have proven effective in promoting the uptake of zero-emission vehicles. The important role of small electric vehicles, as defined in the new sub-category, should be reflected in that context.

The expected benefits of this amendment should be perceived by EU citizens in terms of larger advantages when purchasing or owning a small European electric car, but this is subject to the implementation of these policies at national level.

²⁹ Regulation (EU) 2018/858 of the European Parliament and of the Council of 30 May 2018 on the approval and market surveillance of motor vehicles and their trailers, and of systems, components and separate technical units intended for such vehicles, amending Regulations (EC) No 715/2007 and (EC) No 595/2009 and repealing Directive 2007/46/EC (OJ L 151 14.6.2018, p. 1 <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02018R0858-20240701>)

Another proposed amendment to Regulation (EU) 2018/858 is introducing a new paragraph 4 to Article 5.

With this measure the Commission is empowered to adopt delegated acts aimed at setting out technical requirements for pure electric vehicles (PEV) and off-vehicle charging hybrid electric vehicles (OVC-HEV), as regards their communication and physical connection of those vehicles with the recharging infrastructure, the electricity grid and the stationary power systems capable of supporting smart and bidirectional charging functionalities.

While electric vehicle technology rapidly advances and the interaction between vehicles, charging infrastructure, and the electricity grid is being increasingly regulated by non-sector specific legislation (DDC 2.0 - Regulation (EU) 2016/1388 and RfG 2.0 Regulation (EU) 2016/631), having a harmonised approach to vehicle related technical requirements in this field becomes crucial to avoid fragmentation and unnecessary administrative burden and costs.

In the future, a unified approach to interoperability will be essential for accelerating the development of emerging services like vehicle-to-grid (V2G) capabilities. These services can support grid stability, smooth out peak demand, lower energy costs for EV owners, and enable wider adoption of renewable energy.

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Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

amending and supplementing Regulations (EC) No 561/2006, (EU) 2018/858, (EU) 2019/2144 and (EU) 2024/1257 as regards the simplification of technical requirements and testing procedures for motor vehicles and repealing Council Directive 70/157/EEC and Regulation No 540/2014

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 Articles 91 and 114 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 Committee³⁰,
Having regard to the opinion of the Committee of the Regions³¹,
Acting in accordance with the ordinary legislative procedure,
Whereas:

- (1) High safety and environmental performance requirements for motor vehicles on the Single Market ensure the achievement of Union policy objectives in the fields of road safety, air quality and noise exposure. The quality performance requirements for motor vehicles in the Union can create an advantage for Union companies.
- (2) The findings of the Draghi report on EU competitiveness indicated that the increasing number and complexity of rules risks limiting room for manoeuvre for Union businesses and preventing them from remaining competitive. The automotive industry needs to comply with a large number of regulatory requirements, and avoiding undue burden and costs on industry should be reduced to improve competitiveness.
- (3) The Industrial Action Plan for the EU automotive sector called for a regulatory simplification package for the automotive industry, by improving coherence and consistency between different regulatory requirements.
- (4) [Article 1 – Tachograph] In order to contribute to the working conditions of drivers, road safety and fair competition, Regulation (EC) No 561/2006 and Regulation (EU) No 165/2014 require the installation of a tachograph in vehicles with a weight above 3.5 tonnes.
- (5) [Article 1 (1a) – Tachograph] Due to the weight of the battery, battery-electric light commercial vehicles might exceed a weight of 3.5 tonnes and are subject to the Tachograph Regulation (Regulation (EC) No 561/2006) although they have the same payload and use case as light commercial vehicles with an internal combustion engine that are outside the scope of the Regulation. Compliance with Regulation (EC) No

³⁰ OJ C , , p. .

³¹ OJ C , , p. .

561/2006 represents a significant effort for vehicle operators and drivers and hampers the uptake of battery-electric light commercial vehicles.

- (6) [Article 1 (1a) – Tachograph] Removing the requirement of tachograph installation for battery-electric light commercial vehicles with a weight below 4.25 tonnes would reduce unnecessary costs for vehicle manufacturers and operators, many of them being small and medium-sized companies.
- (7) [Article 1 (1a) – Tachograph] The exemption should however only apply to electric light commercial vehicles engaged exclusively in domestic transport. Light commercial vehicles engaged in international road transport or cabotage will remain subject to the tachograph requirements under Regulations (EC) No 561/2006 and (EU) No 165/2014 as from 1 July 2026, as per the agreement found between the co-legislators in 2020 (Regulation (EU) 2020/1054, so-called ‘Mobility Package 1’).
- (8) [Article 1 (1(b) – Tachograph in motor caravans] Following the judgment of the Court of Justice of the European Union in Case C-666/21, differences have been observed in the interpretation and application of the judgment across Member States. In certain cases, the installation and use of the tachograph is being required in large private-use motorhomes. Given the burden which the installation and use of a tachograph requires for non-professional drivers driving large motor caravans for non-commercial purposes, national authorities should be able to exempt such vehicles and operations from driving and rest time rules and the use of the tachograph provided that road safety is not jeopardised.
- (9) [Articles 2 and 5 – Noise requirements] Regulation (EU) 2018/858 currently allows the type-approval of motor vehicles as regards sound level and acoustic vehicle alerting systems through the requirements of Regulation (EC) No 540/2014 or by adhering to the more rigorous and internationally recognized standards established by UN Regulations, including UN R138, UN R51, and UN R59. This parallel system risks causing market fragmentation. Therefore, to ensure a coherent framework and full alignment with UN regulations, Regulation (EC) No 540/2014 should be repealed and Annex II to Regulation (EU) 2018/858 should be amended and refer only to the updated UN Regulations.
- (10) [Article 5 – Noise requirements] Article 14 of Regulation (EC) No 540/2014 provides for the repeal of Council Directive 70/157/EEC from 1 July 2027. In order to ensure legal clarity following the repeal of Regulation (EC) 540/2014, it is necessary to provide for the repeal of the Council Directive and to refer to its date of effect in this Regulation.
- (11) [Article 2 – Electric vehicle to grid interoperability] As battery electric vehicle’s technology is evolving at a fast pace and the penetration of electric vehicles on the market is increasing, interoperability between vehicles, the charging infrastructure and the electricity grid is becoming increasingly critical. A harmonised approach to interoperability - at EU level – is essential to avoid fragmentation of certain technical requirements which are currently being developed outside of the vehicle type-approval framework, notably as regards the implementation of the revised Network Codes ((DDC 2.0 - Regulation (EU) 2016/1388 and RfG 2.0 Regulation (EU) 2016/631). In the context of the current type-approval framework, there is no empowerment for the Commission to provide new requirements in this field. Therefore, a new empowerment to the Commission should be established within the Regulation (EU) 2018/858. In the future, a harmonised approach to interoperability will also be important to support a faster development of new services such as vehicle-to-grid (V2G) functionalities which can

contribute to stabilizing electricity supply and balancing peak demand, lower energy costs for vehicle owners and support greater integration of renewable energy.

- (12) [Article 2 – M1E – small European electric vehicle - sub-category] At present, the transition towards a more sustainable road transport has been characterised by high growth of sales of premium electric vehicle models to high-income customers. However, to ensure the continuity of this transition, it is necessary to make electric vehicles available to mid- and lower-income households. The attribution of targeted regulatory measures (longer transitional period for new requirements, targeted incentives in the CO₂ vehicle emission standards), fiscal (such as subsidy schemes) and non-fiscal (such as reserved parking space) benefits to small electric vehicles has been identified as a possible way to lower the cost of production and hence foster profitability and affordability of such electric vehicles. However, a legal definition of a small electric vehicle is currently not present in the type-approval framework. Therefore, Annex II to Regulation (EU) 2018/858 should be amended to provide for a new sub-category under the existing M1 category.
- (13) [Article 2 – M1E – small European electric vehicle - sub-category] When deciding on application dates of future motor vehicle requirements affecting this new small electric vehicle sub-category, the Commission will take into account the proportionally higher impact on development costs that new requirements can have on these vehicles as compared to heavier and more expensive ones.
- (14) [Article 2 – M1E – small European electric vehicle - sub-category] Moreover, a targeted incentive mechanism is introduced [add reference to CO₂ review] in the context of the CO₂ vehicle emission standards in the form of a super-credit. This will allow vehicle manufacturers to over-estimate the contribution of small electric vehicles in the achievement of the overall fleet-wide CO₂ emission target, resulting in a strong incentive for vehicle manufacturers to produce and commercialise higher volumes of small electric vehicles.
- (15) [Article 2 – M1E – small European electric vehicle - sub-category] There are many fiscal (i.e. purchase subsidies, tax, road-toll exemption) and non-fiscal (i.e. size-based parking incentives, dedicated charging infrastructure, etc.) measures to incentivise demand for small electric vehicles. In terms of incentives, Member States have chosen different approaches, from which lessons have been learnt regarding their effectiveness. As announced in the Industrial Action Plan for the EU automotive sector, the Commission will issue a Commission Recommendation with options for incentive schemes that have proven effective in promoting the uptake of zero-emission vehicles. The new sub-category will be useful to reflect the role of small electric vehicles in that context.
- (16) [Article 3 – Speed Limiting Device] Directive 2002/85/ECC on the installation and use of speed limitation devices requires the installation and use of speed limitation devices in vehicles with a weight above 3.5 tonnes. This requirement has been integrated into motor vehicle type-approval with the Regulation (EU) 2019/2144 (General Safety Regulation).
- (17) [Article 3 – Speed Limiting Device] Due to the weight of the battery, battery-electric light commercial vehicles might exceed a weight of 3.5 tonnes and are subject to this requirement although they have the same payload and use case as light commercial vehicles with an internal combustion engine that are outside the scope of the Regulation. This requirement imposes unnecessary costs on vehicle manufacturers and enterprises

purchasing such vehicles, hampering the uptake of zero-emission light commercial vehicles.

- (18) [Article 3 – Speed Limiting Device] In combination with the new safety requirements like advanced driver assistance systems (ADAS) that offer significant safety benefits, removing the speed limiter would create equal access to competition between lightweight (with maximum permissible mass between 3.5 tonnes and 4.25 tonnes) electric N2 vehicles and conventional N1 vehicles, supporting the ramp-up of electric commercial vans without compromising safety, while providing an equivalent payload capability.
- (19) [Article 4 – Euro 7] Regulation (EU) 2024/1257 sets out the emission type-approval requirements for motor vehicles. According to Art. 14(7) of that Regulation, the methods of measuring exhaust emissions shall remain the same as in Euro 6e. Annex V of Regulation (EU) 2024/1257 includes the requirement for a low-temperature emissions laboratory test without specifying any specific emission limits for that test, leading to an unnecessarily high test burden for vehicle manufacturers. Therefore, the deletion of the low-temperature emissions laboratory test from the Euro 7 regulation is deemed appropriate. This change will streamline the regulatory process without compromising the environmental benefits, thereby fostering innovation and competitiveness in the automotive industry while maintaining high standards of air quality and public health protection.
- (20) [Article 4 – Euro 7] Annex V to Regulation (EU) 2024/1257 requires for the engine testing of heavy-duty vehicles demonstration tests for all applicable fuels within each vehicle type, leading to redundant testing, unnecessary costs as well as administrative burden and complexities. It is deemed appropriate to go back to the established methods of engine tests per vehicle category, significantly reducing the administrative costs without compromising environmental standards.
- (21) [Article 4 – Euro 7] Regulation (EU) 2024/1257 introduces on-board monitoring (OBM) systems which are aimed at simplifying the rollout of Euro 7 regulations by facilitating real-time compliance checks, harmonisation efforts, lifecycle oversight, reduced testing expenses, and streamlined enforcement measures. It is critical to ensure an effective roll out of such simplification and a streamlined monitoring of real-world vehicle performance under Euro 7 with the establishment of an EU-wide, efficient OBM data management system. In order to efficiently receive, compile, process, and store OBM and OBFCM data across Member States it is necessary to develop measures to ensure a cohesive and cost-effective approach to OBM implementation across the EU, thereby minimizing administrative burdens.

HAVE ADOPTED THIS REGULATION:

Article 1

Amendments to Regulation (EC) No 561/2006

Regulation (EC) No 561/2006 is amended as follows:

- (1) Article 13(1) is amended as follows:
 - (a) the following point (fa) is inserted:

‘(fa) vehicles used for the carriage of goods and propelled by means of electricity, the maximum permissible mass of which, including the mass of a trailer or semi-trailer, exceeding 3,5 tonnes but not exceeding 4,25 tonnes;’;

- (b) the following point is added:
- ‘(s) motor caravans, as defined in Part A, point 5.1, of Annex I to Regulation (EU) 2018/858, used exclusively for non-commercial carriage.’.

Article 2

Amendments to Regulation (EU) 2018/858

Regulation (EU) 2018/858 is amended as follows:

- (1) Article 5 is amended as follows:
- (a) the following paragraph 4 is inserted:
- ‘4. The Commission is empowered to adopt delegated acts in accordance with Article 82 amending and supplementing this Regulation to set out technical requirements for pure electric vehicles (PEV) and off-vehicle charging hybrid electric vehicles (OVC-HEV), as regards their communication and physical connection of those vehicles with the recharging infrastructure, the electricity grid and the stationary power systems capable of supporting smart and bidirectional charging functionalities’
- (2) Annexes I and II are amended in accordance with Annex II to this Regulation.

Article 3

Amendment to Regulation (EC) 2019/2144

In Article 7 of Regulation (EC) No 2019/2144, the following paragraph 5a is inserted:

‘5a. Zero-emission vehicles of category N₂ with maximum technically permissible laden mass between 3,5 and 4,25 tonnes shall not be required to be equipped with speed limitation devices in accordance with UN Regulation No 89.’.

Article 4

Amendments to Regulation (EU) 2024/1257

Regulation (EU) 2024/1257 is amended as follows:

- (1) the following Article 13a is inserted in Chapter IV:
- ‘Article 13a
- OBM and OBFCM data infrastructure
- The Commission shall take measures, in cooperation with Member States when necessary, to ensure that OBM and OBFCM data are received, processed and stored effectively in a harmonised manner.’;
- (2) Article 14(4), point (j), is replaced by the following:
- (j) the methods, measures, requirements and tests, including compliance thresholds, to ensure performance of OBFCM devices, OBD and OBM systems and the sensors of such devices and systems, as well as off-board communication of data recorded by such devices and systems;
- Annex V is amended in accordance with Annex I to this Regulation.

Article 5

Repeals

- (1) Regulation (EU) No 540/2014 is repealed.
- (2) Council Directive 70/157/EEC is repealed with effect from 1 July 2027.

Article 6

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

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

Agence Europe

LEGISLATIVE FINANCIAL AND DIGITAL STATEMENT

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1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

1.1. Title of the proposal/initiative

[...]

[...]

1.2. Policy area(s) concerned

[...]

[...]

1.3. Objective(s)

1.3.1. General objective(s)

[...]

Guidance

Please limit the number of general objectives to 1-2.

The general objective(s) should explain how the programme contributes to the achievement of the policy.

The general objectives should be specific, measurable, attainable, relevant and time-bound.

Please follow the better regulation guidelines in drafting the general objectives.

1.3.2. Specific objective(s)

Specific objective No

[...]

Please limit the number of specific objective(s) to 2-3.

The specific objective(s) should be linked to the general one(s) and translate in specific terms how the general objective(s) will be pursued.

The specific objectives should be specific, measurable, attainable, relevant and time-bound.

Please follow the better regulation guidelines in drafting the specific objectives.

1.3.3. Expected result(s) and impact

Specify the effects which the proposal/initiative should have on the beneficiaries/groups targeted.

[...]

[...]

[...]

1.3.4. Indicators of performance

Specify the indicators for monitoring progress and achievements.

[...]

Guidance

A limited core set of indicators (i.e. one per objective) should be clearly defined and should generate information on implementation and performance in a continuous and systematic way.

The indicators should be relevant, accepted, credible, easy and robust.

Over time, the indicators should be comparable and consistent in terms of concepts, definitions and methods.

DGs should ensure the quality of indicators, the relevant aspects being:

- (a) effectiveness and timeliness: indicators should make it possible to monitor performance by providing information on progress on a regular basis and on achievements throughout the programming period;
- (b) efficiency: processes should be optimised for collection and processing of data, avoiding unnecessary or duplicative requests for information;
- (c) relevance of the indicators and the need to limit the associated administrative burden; and
- (d) clarity: indicators should be delivered in a clear and understandable form, with supporting metadata and facilitating proper interpretation and meaningful communication.

Each indicator should be accompanied by targets and a baseline.

1.4. The proposal/initiative relates to:

- a new action
- a new action following a pilot project / preparatory action³²
- the extension of an existing action
- a merger or redirection of one or more actions towards another/a new action

1.5. Grounds for the proposal/initiative

1.5.1. Requirement(s) to be met in the short or long term including a detailed timeline for roll-out of the implementation of the initiative

[...]

[...]

1.5.2. Added value of EU involvement (it may result from different factors, e.g. coordination gains, legal certainty, greater effectiveness or complementarities). For the purposes of this section 'added value of EU involvement' is the value resulting from EU action, that is additional to the value that would have been otherwise created by Member States alone.

Reasons for action at EU level (ex-ante) [...]

Expected generated EU added value (ex-post) [...]

1.5.3. Lessons learned from similar experiences in the past

[...]

[...]

³² As referred to in Article 58(2), point (a) or (b) of the Financial Regulation.

1.5.4. *Compatibility with the multiannual financial framework and possible synergies with other appropriate instruments*

[...]

[...]

1.5.5. *Assessment of the different available financing options, including scope for redeployment*

[...]

[...]

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1.6. Duration of the proposal/initiative and of its financial impact

limited duration

- in effect from [DD/MM]YYYY to [DD/MM]YYYY
- financial impact from YYYY to YYYY for commitment appropriations and from YYYY to YYYY for payment appropriations.

unlimited duration

- Implementation with a start-up period from YYYY to YYYY,
- followed by full-scale operation.

1.7. Method(s) of budget implementation planned [Details of budget implementation methods and references to the Financial Regulation may be found on the BUDGpedia site: <https://myintracomm.ec.europa.eu/corp/budget/financial-rules/budget-implementation/Pages/implementation-methods.aspx>]

Direct management by the Commission

- by its departments, including by its staff in the Union delegations;
- by the executive agencies

Shared management with the Member States

Indirect management by entrusting budget implementation tasks to:

- third countries or the bodies they have designated
- international organisations and their agencies (to be specified)
- the European Investment Bank and the European Investment Fund
- bodies referred to in Articles 70 and 71 of the Financial Regulation
- public law bodies
- bodies governed by private law with a public service mission to the extent that they are provided with adequate financial guarantees
- bodies governed by the private law of a Member State that are entrusted with the implementation of a public-private partnership and that are provided with adequate financial guarantees
- bodies or persons entrusted with the implementation of specific actions in the common foreign and security policy pursuant to Title V of the Treaty on European Union, and identified in the relevant basic act
- bodies established in a Member State, governed by the private law of a Member State or Union law and eligible to be entrusted, in accordance with sector-specific rules, with the implementation of Union funds or budgetary guarantees, to the extent that such bodies are controlled by public law bodies or by bodies governed by private law with a public service mission, and are provided with adequate financial guarantees in the form of joint and several liability by the controlling bodies or equivalent financial guarantees and which may be, for each action, limited to the maximum amount of the Union support.

If more than one budget implementation method is indicated, please provide details in the 'Comments' section.

Comments

[...]

[...]

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2. MANAGEMENT MEASURES

2.1. Monitoring and reporting rules

Specify frequency and conditions.

[...]

[...]

2.2. Management and control system(s)

2.2.1. *Justification of the budget implementation method(s), the funding implementation mechanism(s), the payment modalities and the control strategy proposed*

[...]

[...]

Guidance

DGs are to explain why the budget implementation method(s), funding implementation mechanism(s), payment modalities, and control strategy proposed are considered to be the most appropriate solutions in this case – not only in terms of the policy/programme objectives but also in terms of balancing the internal control objectives (control effectiveness, efficiency and economy; i.e. low errors, fast contracting/paying and low control costs) – knowing that complexity of programmes can impact the error rates and (together with the volumes of transactions to be processed) the costs of controls.

Remark: this explanation is especially crucial if the programme is split into segments, with a deviating delivery set-up for some of them.

2.2.2. *Information concerning the risks identified and the internal control system(s) set up to mitigate them*

[...]

[...]

Guidance

This includes explaining how the root causes of high error rates in the previous programme(s) are being addressed now, e.g. by simplifying previously complex modalities that were prone to error and/or by intensifying the (ex-ante and/or ex-post) controls for inherently high-risk activities.

2.2.3. *Estimation and justification of the cost-effectiveness of the controls (ratio between the control costs and the value of the related funds managed), and assessment of the expected levels of risk of error (at payment & at closure)*

[...]

[...]

Guidance

The costs of controls are to be estimated at Commission level and, for shared and indirect management, also (separately) at the level of Member States or entrusted entities. Also the source of the information (related to the cost of controls at the level

of Member States or entrusted entities) and how the costs were estimated should be presented.

If for the whole or part of the programme the estimated total costs of controls (i.e. those of the Commission plus, if applicable, those of the Member States or the entrusted entities) are relatively high, then this should be explained by referring to possible cost drivers such as the specific risk profile, the (dis)economies of scale in terms of number and size of the DG's typical transactions processed, the complexity of delivery mechanisms, etc.

Remark: this explanation is especially crucial if the programme is split into segments, with a deviating delivery set-up for some of them.

In terms of expected error rate(s), at the stage of the legislative proposals the aim is to maintain the error rate below the threshold of 2%. A different materiality threshold can only be discussed on a case-by-case basis in the light of the legislative debate, in particular if the legislative authority would not (fully) endorse the proposed programme simplifications and/or would cap the controls, which would have consequences on the expected error rate. This would then require a coordinated approach.

2.3. Measures to prevent fraud and irregularities

Specify existing or envisaged prevention and protection measures, e.g. from the anti-fraud strategy.

[...]

[...]

3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

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

Please note that an Excel tool is available on the BUDGpedia page on the Legislative Financial and Digital Statement to help you with the calculations. You are strongly advised to use it to facilitate filling in this template.

Please insert as many budget lines as needed in the two tables below.

- Existing budget lines

In order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number	Diff./Non-diff. ³³	from EFTA countries ³⁴	from candidate countries and potential candidates ³⁵	From other third countries	other assigned revenue
	[XX.YY.YY.YY]	Diff./Non-diff.	YES/NO	YES/NO	YES/NO	YES/NO
	[XX.YY.YY.YY]	Diff./Non-diff.	YES/NO	YES/NO	YES/NO	YES/NO
	[XX.YY.YY.YY]	Diff./Non-diff.	YES/NO	YES/NO	YES/NO	YES/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	Diff./Non-diff.	from EFTA countries	from candidate countries and potential candidates	from other third countries	other assigned revenue
	[XX.YY.YY.YY]	Diff./Non-diff.	YES/NO	YES/NO	YES/NO	YES/NO
	[XX.YY.YY.YY]	Diff./Non-diff.	YES/NO	YES/NO	YES/NO	YES/NO

³³ Diff. = Differentiated appropriations / Non-diff. = Non-differentiated appropriations.

³⁴ EFTA: European Free Trade Association.

³⁵ Candidate countries and, where applicable, potential candidates from the Western Balkans.

	[XX.YY.YY.YY]	Diff./Non -diff.	YES/NO	YES/NO	YES/NO	YES/NO
--	---------------	---------------------	--------	--------	--------	--------

Agence Europe

3.2. Estimated financial impact of the proposal on appropriations

3.2.1. Summary of estimated impact on operational appropriations

- The proposal/initiative does not require the use of operational appropriations
- The proposal/initiative requires the use of operational appropriations, as explained below

3.2.1.1. Appropriations from voted budget

EUR million (to three decimal places)

Heading of multiannual financial framework		Number					
DG: <.....>			Year	Year	Year	Year	TOTAL MFF
			2024	2025	2026	2027	2021-2027
Operational appropriations							
Budget line	Commitments	(1a)					0.000
	Payments	(2a)					0.000
Budget line	Commitments	(1b)					0.000
	Payments	(2b)					0.000
Appropriations of an administrative nature financed from the envelope of specific programmes [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.]							
Budget line		(3)					0.000
TOTAL appropriations for DG <.....>	Commitments	=1a+1b+3	0.000	0.000	0.000	0.000	0.000
	Payments	=2a+2b+3	0.000	0.000	0.000	0.000	0.000

Optional: if more than one DG is involved in the proposal, please fill in the below tables; if not, please delete them.

DG: <.....>			Year	Year	Year	Year	TOTAL MFF
			2024	2025	2026	2027	2021-2027
Operational appropriations							

Budget line	Commitments	(1a)					0.000
	Payments	(2a)					0.000
Budget line	Commitments	(1b)					0.000
	Payments	(2b)					0.000
Appropriations of an administrative nature financed from the envelope of specific programmes [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.]							
Budget line		(3)					0.000
TOTAL appropriations for DG <.....>	Commitments	=1a+1b+3	0.000	0.000	0.000	0.000	0.000
	Payments	=2a+2b+3	0.000	0.000	0.000	0.000	0.000

Mandatory table

			Year	Year	Year	Year	TOTAL MFF 2021-2027
			2024	2025	2026	2027	
TOTAL operational appropriations	Commitments	(4)	0.000	0.000	0.000	0.000	0.000
	Payments	(5)	0.000	0.000	0.000	0.000	0.000
TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)	0.000	0.000	0.000	0.000	0.000
TOTAL appropriations under HEADING <....> of the multiannual financial framework	Commitments	=4+6	0.000	0.000	0.000	0.000	0.000
	Payments	=5+6	0.000	0.000	0.000	0.000	0.000

Optional: if more than one operational heading is affected by the proposal / initiative, fill in the below tables.

Heading of multiannual financial framework	Number				
--	--------	--	--	--	--

DG: <.....>			Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021-2027
Operational appropriations							
Budget line	Commitments	(1a)					0.000
	Payments	(2a)					0.000
Budget line	Commitments	(1b)					0.000
	Payments	(2b)					0.000
Appropriations of an administrative nature financed from the envelope of specific programmes [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.]							
Budget line		(3)					0.000
TOTAL appropriations for DG <.....>	Commitments	=1a+1b +3	0.000	0.000	0.000	0.000	0.000
	Payments	=2a+2b+3	0.000	0.000	0.000	0.000	0.000

DG: <.....>			Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021-2027
Operational appropriations							
Budget line	Commitments	(1a)					0.000
	Payments	(2a)					0.000
Budget line	Commitments	(1b)					0.000
	Payments	(2b)					0.000
Appropriations of an administrative nature financed from the envelope of specific programmes [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.]							
Budget line		(3)					0.000
TOTAL appropriations	Commitments	=1a+1b +3	0.000	0.000	0.000	0.000	0.000

for DG <.....>	Payments	=2a+2b+3	0.000	0.000	0.000	0.000	0.000
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			Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021-2027
TOTAL operational appropriations	Commitments	(4)	0.000	0.000	0.000	0.000	0.000
	Payments	(5)	0.000	0.000	0.000	0.000	0.000
TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)	0.000	0.000	0.000	0.000	0.000
TOTAL appropriations under HEADING <....> of the multiannual financial framework	Commitments	=4+6	0.000	0.000	0.000	0.000	0.000
	Payments	=5+6	0.000	0.000	0.000	0.000	0.000

			Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021-2027
• TOTAL operational appropriations (all operational headings)	Commitments	(4)	0.000	0.000	0.000	0.000	0.000
	Payments	(5)	0.000	0.000	0.000	0.000	0.000
• TOTAL appropriations of an administrative nature financed from the envelope for specific programmes (all operational headings)		(6)	0.000	0.000	0.000	0.000	0.000
TOTAL appropriations Under Heading 1 to 6 of the multiannual financial framework (Reference amount)	Commitments	=4+6	0.000	0.000	0.000	0.000	0.000
	Payments	=5+6	0.000	0.000	0.000	0.000	0.000

Heading of multiannual financial framework	7	'Administrative expenditure' [The necessary appropriations should be determined using the annual average cost figures available on the appropriate BUDGpedia webpage.]
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This section should be filled in using the 'budget data of an administrative nature' to be firstly inserted in the Annex to the Legislative Financial and Digital Statement [Annex 5 to the Commission Decision on the internal rules for the implementation of the Commission section of the general budget of the European Union(if you report the use of appropriations under Heading 7, completing Annex 5 is a compulsory requirement)], which is uploaded to DECIDE for interservice consultation purposes.

DG: <.....>	Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021- 2027
ÿ Human resources	0.000	0.000	0.000	0.000	0.000
ÿ Other administrative expenditure	0.000	0.000	0.000	0.000	0.000
TOTAL DG <.....>	0.000	0.000	0.000	0.000	0.000
Appropriations					

DG: <.....>	Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021- 2027
ÿ Human resources	0.000	0.000	0.000	0.000	0.000
ÿ Other administrative expenditure	0.000	0.000	0.000	0.000	0.000
TOTAL DG <.....>	0.000	0.000	0.000	0.000	0.000
Appropriations					

TOTAL appropriations under HEADING 7 of the multiannual financial framework	(Total commitments = Total payments)	0.000	0.000	0.000	0.000	0.000
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EUR million (to three decimal places)

	Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021-2027
TOTAL appropriations under HEADINGS 1 to 7	0.000	0.000	0.000	0.000	0.000
Commitments					

of the multiannual financial framework	Payments	0.000	0.000	0.000	0.000	0.000
--	----------	-------	-------	-------	-------	-------

Optional: if the proposal is partly or fully financed from external assigned revenues, fill in the table in Section 3.2.1.2. If not, please delete the whole section.

3.2.1.2. Appropriations from external assigned revenues

EUR million (to three decimal places)

Heading of multiannual financial framework	Number					
--	--------	--	--	--	--	--

DG: <.....>			Year	Year	Year	Year	TOTAL MFF 2021-2027
			2024	2025	2026	2027	
Operational appropriations							
Budget line	Commitments	(1a)					0.000
	Payments	(2a)					0.000
Budget line	Commitments	(1b)					0.000
	Payments	(2b)					0.000
Appropriations of an administrative nature financed from the envelope of specific programmes [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.]							
Budget line		(3)					0.000
TOTAL appropriations for DG <.....>	Commitments	=1a+1b+3	0.000	0.000	0.000	0.000	0.000
	Payments	=2a+2b+3	0.000	0.000	0.000	0.000	0.000

Optional: if more than one DG is involved in the proposal, please fill in the below tables; if not, please delete them.

DG: <.....>			Year	Year	Year	Year	TOTAL MFF 2021-2027
			2024	2025	2026	2027	

Operational appropriations							
Budget line	Commitments	(1a)					0.000
	Payments	(2a)					0.000
Budget line	Commitments	(1b)					0.000
	Payments	(2b)					0.000
Appropriations of an administrative nature financed from the envelope of specific programmes [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.]							
Budget line		(3)					0.000
TOTAL appropriations for DG <.....>	Commitments	=1a+1b+3	0.000	0.000	0.000	0.000	0.000
	Payments	=2a+2b+3	0.000	0.000	0.000	0.000	0.000

Mandatory table:

			Year	Year	Year	Year	TOTAL MFF 2021-2027
			2024	2025	2026	2027	
TOTAL operational appropriations	Commitments	(4)	0.000	0.000	0.000	0.000	0.000
	Payments	(5)	0.000	0.000	0.000	0.000	0.000
TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)	0.000	0.000	0.000	0.000	0.000
TOTAL appropriations under HEADING <....> of the multiannual financial framework	Commitments	=4+6	0.000	0.000	0.000	0.000	0.000
	Payments	=5+6	0.000	0.000	0.000	0.000	0.000

Optional: if more than one operational heading is affected by the proposal / initiative, fill in the below tables.

Heading of multiannual financial framework	Number

DG: <.....>			Year	Year	Year	Year	TOTAL MFF 2021-2027
			2024	2025	2026	2027	
Operational appropriations							
Budget line	Commitments	(1a)					0.000
	Payments	(2a)					0.000
Budget line	Commitments	(1b)					0.000
	Payments	(2b)					0.000
Appropriations of an administrative nature financed from the envelope of specific programmes [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.]							
Budget line		(3)					0.000
TOTAL appropriations for DG <.....>	Commitments	=1a+1b+3	0.000	0.000	0.000	0.000	0.000
	Payments	=2a+2b+3	0.000	0.000	0.000	0.000	0.000

Optional: if more than one DG is involved in the proposal, please fill in the below tables; if not, please delete them.

DG: <.....>			Year	Year	Year	Year	TOTAL MFF 2021-2027
			2024	2025	2026	2027	
Operational appropriations							
Budget line	Commitments	(1a)					0.000
	Payments	(2a)					0.000
Budget line	Commitments	(1b)					0.000
	Payments	(2b)					0.000
Appropriations of an administrative nature financed from the envelope of specific programmes [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.]							
Budget line		(3)					0.000
TOTAL appropriations for DG <.....>	Commitments	=1a+1b+3	0.000	0.000	0.000	0.000	0.000
	Payments	=2a+2b+3	0.000	0.000	0.000	0.000	0.000

Mandatory table

			Year	Year	Year	Year	TOTAL MFF 2021-2027
			2024	2025	2026	2027	
TOTAL operational appropriations	Commitments	(4)	0.000	0.000	0.000	0.000	0.000
	Payments	(5)	0.000	0.000	0.000	0.000	0.000
TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)	0.000	0.000	0.000	0.000	0.000
TOTAL appropriations under HEADING <....> of the multiannual financial framework	Commitments	=4+6	0.000	0.000	0.000	0.000	0.000
	Payments	=5+6	0.000	0.000	0.000	0.000	0.000

			Year	Year	Year	Year	TOTAL MFF 2021-2027
			2024	2025	2026	2027	
• TOTAL operational appropriations (all operational headings)	Commitments	(4)	0.000	0.000	0.000	0.000	0.000
	Payments	(5)	0.000	0.000	0.000	0.000	0.000
• TOTAL appropriations of an administrative nature financed from the envelope for specific programmes (all operational headings)		(6)	0.000	0.000	0.000	0.000	0.000
TOTAL appropriations under Headings 1 to 6 of the multiannual financial framework (Reference amount)	Commitments	=4+6	0.000	0.000	0.000	0.000	0.000
	Payments	=5+6	0.000	0.000	0.000	0.000	0.000

Heading of multiannual financial framework	7	'Administrative expenditure' [The necessary appropriations should be determined using the annual average cost figures available on the appropriate BUDGpedia webpage.]
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This section should be filled in using the 'budget data of an administrative nature' to be firstly inserted in the Annex to the Legislative Financial and Digital Statement [Annex 5 to the Commission Decision on the internal rules for the implementation of the Commission section of the general budget of the European Union (If you report the use of appropriations under Heading 7, completing Annex 5 is a compulsory requirement)], which is uploaded to DECIDE for interservice consultation purposes.

EUR million (to three decimal places)

DG: <.....>	Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021- 2027
ÿ Human resources	0.000	0.000	0.000	0.000	0.000
ÿ Other administrative expenditure	0.000	0.000	0.000	0.000	0.000
TOTAL DG <.....>	0.000	0.000	0.000	0.000	0.000
Appropriations					

DG: <.....>	Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021- 2027
ÿ Human resources	0.000	0.000	0.000	0.000	0.000
ÿ Other administrative expenditure	0.000	0.000	0.000	0.000	0.000
TOTAL DG <.....>	0.000	0.000	0.000	0.000	0.000
Appropriations					

TOTAL appropriations under HEADING 7 of the multiannual financial framework	(Total commitments = Total payments)	0.000	0.000	0.000	0.000	0.000
--	--------------------------------------	--------------	--------------	--------------	--------------	--------------

EUR million (to three decimal places)

	Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021-2027

TOTAL appropriations under HEADINGS 1 to 7	Commitments	0.000	0.000	0.000	0.000	0.000
of the multiannual financial framework	Payments	0.000	0.000	0.000	0.000	0.000

3.2.2. *Estimated output funded from operational appropriations (not to be completed for decentralised agencies)*

Commitment appropriations in EUR million (to three decimal places)

Indicate objectives and outputs ↓			Year 2024	Year 2025	Year 2026	Year 2027	Enter as many years as necessary to show the duration of the impact (see Section 1.6)										TOTAL			
	OUTPUTS																			
	Type ³⁶	Average cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	Total No	Total cost
SPECIFIC OBJECTIVE No 1 ³⁷ ...																				
- Output																				
- Output																				
- Output																				
Subtotal for specific objective No 1																				
SPECIFIC OBJECTIVE No 2 ...																				
- Output																				
Subtotal for specific objective No 2																				
TOTALS																				

³⁶ Outputs are products and services to be supplied (e.g. number of student exchanges financed, number of km of roads built, etc.).

³⁷ As described in Section 1.3.2. 'Specific objective(s)'

3.2.3. Summary of estimated impact on administrative appropriations

- The proposal/initiative does not require the use of appropriations of an administrative nature
- The proposal/initiative requires the use of appropriations of an administrative nature, as explained below

3.2.3.1. Appropriations from voted budget

VOTED APPROPRIATIONS	Year	Year	Year	Year	TOTAL 2021 - 2027
	2024	2025	2026	2027	
HEADING 7					
Human resources	0.000	0.000	0.000	0.000	0.000
Other administrative expenditure	0.000	0.000	0.000	0.000	0.000
Subtotal HEADING 7	0.000	0.000	0.000	0.000	0.000
Outside HEADING 7					
Human resources	0.000	0.000	0.000	0.000	0.000
Other expenditure of an administrative nature	0.000	0.000	0.000	0.000	0.000
Subtotal outside HEADING 7	0.000	0.000	0.000	0.000	0.000
TOTAL	0.000	0.000	0.000	0.000	0.000

Optional: if the proposal is partly or fully financed from external assigned revenues, fill in the tables in Sections 3.2.3.2. and 3.2.3.3. If not, please delete both sections.

3.2.3.2. Appropriations from external assigned revenues

EXTERNAL ASSIGNED REVENUES	Year	Year	Year	Year	TOTAL 2021 - 2027
	2024	2025	2026	2027	
HEADING 7					
Human resources	0.000	0.000	0.000	0.000	0.000
Other administrative expenditure	0.000	0.000	0.000	0.000	0.000
Subtotal HEADING 7	0.000	0.000	0.000	0.000	0.000
Outside HEADING 7					
Human resources	0.000	0.000	0.000	0.000	0.000
Other expenditure of an administrative nature	0.000	0.000	0.000	0.000	0.000
Subtotal outside HEADING 7	0.000	0.000	0.000	0.000	0.000
TOTAL	0.000	0.000	0.000	0.000	0.000

3.2.3.3. Total appropriations

TOTAL VOTED APPROPRIATIONS + EXTERNAL ASSIGNED REVENUES	Year	Year	Year	Year	TOTAL 2021 - 2027
	2024	2025	2026	2027	
HEADING 7					
Human resources	0.000	0.000	0.000	0.000	0.000
Other administrative expenditure	0.000	0.000	0.000	0.000	0.000

Subtotal HEADING 7	0.000	0.000	0.000	0.000	0.000
Outside HEADING 7					
Human resources	0.000	0.000	0.000	0.000	0.000
Other expenditure of an administrative nature	0.000	0.000	0.000	0.000	0.000
Subtotal outside HEADING 7	0.000	0.000	0.000	0.000	0.000
TOTAL					
	0.000	0.000	0.000	0.000	0.000

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.

3.2.4. Estimated requirements of human resources

- The proposal/initiative does not require the use of human resources
- The proposal/initiative requires the use of human resources, as explained below

3.2.4.1. Financed from voted budget

Estimate to be expressed in full-time equivalent units (FTEs)

[Please specify below the table how many FTEs within the number indicated are already assigned to the management of the action and/or can be redeployed within your DG and what are your net needs.]

VOTED APPROPRIATIONS		Year 2024	Year 2025	Year 2026	Year 2027
Y Establishment plan posts (officials and temporary staff)					
20 01 02 01 (Headquarters and Commission's Representation Offices)		0	0	0	0
20 01 02 03 (EU Delegations)		0	0	0	0
01 01 01 01 (Indirect research)		0	0	0	0
01 01 01 11 (Direct research)		0	0	0	0
Other budget lines (specify)		0	0	0	0
• External staff (inFTEs)					
20 02 01 (AC, END from the 'global envelope')		0	0	0	0
20 02 03 (AC, AL, END and JPD in the EU Delegations)		0	0	0	0
Admin. Support line [XX.01.YY.YY]	- at Headquarters	0	0	0	0
	- in EU Delegations	0	0	0	0
01 01 01 02 (AC, END - Indirect research)		0	0	0	0
01 01 01 12 (AC, END - Direct research)		0	0	0	0
Other budget lines (specify) - Heading 7		0	0	0	0
Other budget lines (specify) - Outside Heading 7		0	0	0	0
TOTAL		0	0	0	0

Optional: if the proposal is partly or fully financed from external assigned revenues, fill in the tables in Sections 3.2.4.2. and 3.2.4.3. If not, please delete both sections.

3.2.4.2. Financed from external assigned revenues

EXTERNAL ASSIGNED REVENUES	Year	Year	Year	Year
	2024	2025	2026	2027
Ÿ Establishment plan posts (officials and temporary staff)				
20 01 02 01 (Headquarters and Commission's Representation Offices)	0	0	0	0
20 01 02 03 (EU Delegations)	0	0	0	0
01 01 01 01 (Indirect research)	0	0	0	0
01 01 01 11 (Direct research)	0	0	0	0
Other budget lines (specify)	0	0	0	0
• External staff (in full time equivalent units)				
20 02 01 (AC, END from the 'global envelope')	0	0	0	0
20 02 03 (AC, AL, END and JPD in the EU Delegations)	0	0	0	0
Admin. Support line [XX.01.YY.YY]	- at Headquarters	0	0	0
	- in EU Delegations	0	0	0
01 01 01 02 (AC, END - Indirect research)	0	0	0	0
01 01 01 12 (AC, END - Direct research)	0	0	0	0
Other budget lines (specify) - Heading 7	0	0	0	0
Other budget lines (specify) - Outside Heading 7	0	0	0	0
TOTAL	0	0	0	0

3.2.4.3. Total requirements of human resources

TOTAL VOTED APPROPRIATIONS + EXTERNAL ASSIGNED REVENUES	Year	Year	Year	Year
	2024	2025	2026	2027
Ÿ Establishment plan posts (officials and temporary staff)				
20 01 02 01 (Headquarters and Commission's Representation Offices)	0	0	0	0
20 01 02 03 (EU Delegations)	0	0	0	0
01 01 01 01 (Indirect research)	0	0	0	0
01 01 01 11 (Direct research)	0	0	0	0
Other budget lines (specify)	0	0	0	0
• External staff (in full time equivalent units)				
20 02 01 (AC, END from the 'global envelope')	0	0	0	0
20 02 03 (AC, AL, END and JPD in the EU Delegations)	0	0	0	0
Admin. Support line [XX.01.YY.YY]	- at Headquarters	0	0	0
	- in EU Delegations	0	0	0
01 01 01 02 (AC, END - Indirect research)	0	0	0	0
01 01 01 12 (AC, END - Direct research)	0	0	0	0
Other budget lines (specify) - Heading 7	0	0	0	0
Other budget lines (specify) - Outside Heading 7	0	0	0	0
TOTAL	0	0	0	0

Based on the detailed description in Annex V to the LFDS (For the purpose of estimating workload and staff needs, you may use the guidance on workload assessment prepared by DG HR) the above tables should be accompanied by either of the below clarifications, depending on the option.

Option 1: The additional human resources required for this proposal are fully covered by redeployments within the DG/service or exceptionally, from redeployments from the limited Commission redeployment pool, following the internal process applicable to that end. The duly justified clarification shall accompany the tables above and below. [Please refer to the Annex to the LFDS to identify redeployments within the DGs as clearly as possible]. If this option is applicable, the following comment should be included:

[Considering the overall strained situation in Heading 7, in terms of both staffing and the level of appropriations, the human resources required will be met by staff from the DG who are already assigned to the management of the action and/or have been redeployed within the DG or other Commission services.]

Option 2: Exceptionally, if internal redeployments within the implementing DGs appear for duly substantiated reasons impossible or insufficient, the proposal may require additional human resources. The latter will be paid as appropriate (Please note that such exception needs to be agreed with central services before the launch of the ISC) from an administrative support line of the programme/initiative or by a fee as external assigned revenue.

In this case, please specify the type of staff by filling in the below table.

Please specify how many of the staff requested for the initiative are already in place in the DG/service (current staff) and how many additional staff are requested (in the column corresponding to the type of budget from which they are to be financed).

Please fill in the table to illustrate this for staff at ‘cruising speed’ level.

The staff required to implement the proposal (in FTEs):

	To be covered by current staff available in the Commission services	Exceptional additional staff*		
		To be financed under Heading 7 or Research	To be financed from BA line	To be financed from fees
Establishment plan posts			N/A	
External staff (CA, SNEs, INT)				

*Please explain briefly below why the tasks included in the proposal at stake cannot be covered fully by existing HR resources and internal redeployments within the DG already implementing the action or within the Commission services.

Description of tasks to be carried out by:

Officials and temporary staff	
External staff	

3.2.5. Overview of estimated impact on digital technology-related investments

Compulsory: the best estimate of the digital technology-related investments entailed by the proposal/initiative should be included in the table below.

Exceptionally, when required for the implementation of the proposal/initiative, the appropriations under Heading 7 should be presented in the designated line.

The appropriations under Headings 1-6 should be reflected as “Policy IT expenditure on operational programmes”. This expenditure refers to the operational budget to be used to re-use/ buy/ develop IT platforms/ tools directly linked to the implementation of the initiative and their associated investments (e.g. licences, studies, data storage etc). The information provided in this table should be consistent with details presented under Section 4 “Digital dimensions”.

TOTAL Digital and IT appropriations	Year	Year	Year	Year	TOTAL MFF 2021 - 2027
	2024	2025	2026	2027	
HEADING 7					
IT expenditure (corporate)	0.000	0.000	0.000	0.000	0.000
Subtotal HEADING 7	0.000	0.000	0.000	0.000	0.000
Outside HEADING 7					
Policy IT expenditure on operational programmes	0.000	0.000	0.000	0.000	0.000
Subtotal outside HEADING 7	0.000	0.000	0.000	0.000	0.000
TOTAL	0.000	0.000	0.000	0.000	0.000

3.2.6. Compatibility with the current multiannual financial framework

The proposal/initiative:

- can be fully financed through redeployment within the relevant heading of the multiannual financial framework (MFF)

Explain what reprogramming is required, specifying the budget lines concerned and the corresponding amounts. Please provide an excel table in the case of major reprogramming.

- requires use of the unallocated margin under the relevant heading of the MFF and/or use of the special instruments as defined in the MFF Regulation

Explain what is required, specifying the headings and budget lines concerned, the corresponding amounts, and the instruments proposed to be used.

- requires a revision of the MFF

Explain what is required, specifying the headings and budget lines concerned and the corresponding amounts.

3.2.7. Third-party contributions

The proposal/initiative:

- does not provide for co-financing by third parties

- provides for the co-financing by third parties estimated below:

Appropriations in EUR million (to three decimal places)

	Year 2024	Year 2025	Year 2026	Year 2027	Total
Specify the co-financing body					
TOTAL appropriations co-financed					

3.3. Estimated impact on revenue

- The proposal/initiative has no financial impact on revenue.
- The proposal/initiative has the following financial impact:
 - on own resources
 - on other revenue
 - please indicate, if the revenue is assigned to expenditure lines

EUR million (to three decimal places)

Budget revenue line:	Appropriations available for the current financial year	Impact of the proposal/initiative ³⁸			
		Year 2024	Year 2025	Year 2026	Year 2027
Article					

For assigned revenue, specify the budget expenditure line(s) affected.

[...]

Other remarks (e.g. method/formula used for calculating the impact on revenue or any other information).

[...]

4. DIGITAL DIMENSIONS

4.1. Requirements of digital relevance

Reference to the requirement	Requirement description	Actors affected or concerned by the requirement	High-level Processes	Categories
Article 2(1)	The Commission is empowered to adopt delegated acts in accordance with Article 82	European Commission	Data exchange	Data

³⁸ As regards traditional own resources (customs duties, sugar levies), the amounts indicated must be net amounts, i.e. gross amounts after deduction of 20% for collection costs.

	amending and supplementing this Regulation to set out technical requirements for pure electric vehicles (PEV) and off-vehicle charging hybrid electric vehicles (OVC-HEV), as regards their communication and physical connection of those vehicles with the recharging infrastructure, the electricity grid and the stationary power systems capable of supporting smart and bidirectional charging functionalities	National Authorities Economic Operators		
Article 4(1)	The Commission shall take measures, in cooperation with Member States when necessary, to ensure that OBM and OBFCM data are received, processed and stored effectively in a harmonised manner.	European Commission National Authorities Economic Operators	Data exchange	Data
Article 4(2)	the methods, measures, requirements and tests, including compliance thresholds, to ensure performance of OBFCM devices, OBD and OBM systems and the sensors of such devices and systems, as well as off-board communication of data recorded by such devices and systems	European Commission National Authorities Economic Operators		Data

4.2. Data

Type of data	Reference to the requirement(s)	Standard and/or specification (if applicable)
Data related to the communication of pure electric vehicles (PEV) and off-vehicle charging hybrid electric	Article 2	The Commission shall take measures establishing the technical specifications.

vehicles (OVC-HEV) with the recharging infrastructure, the electricity grid and the stationary power systems capable of supporting smart and bidirectional charging functionalities		
OBM and OBFCM data	Article 4	The Commission shall take measures establishing the technical specifications.

Alignment with the European Data Strategy

Explanation of how the requirement(s) are aligned with the European Data Strategy

The Commission shall take measures establishing alignment with the European Data Strategy

Alignment with the once-only principle

Explanation of how the once-only principle has been considered and how the possibility to reuse existing data has been explored

The once-only principle will be considered in the delegated acts.

Explanation of how newly created data is findable, accessible, interoperable and reusable, and meets high-quality standards

All details will be described in the future delegated acts.

Data flows

High-level description of the data flows

Type of data	Reference(s) to the requirement(s)	Actors who provide the data	Actors who receive the data	Trigger for the data exchange	Frequency (if applicable)
Data related to the communication of pure electric vehicles (PEV) and off-vehicle charging hybrid electric vehicles (OVC-HEV) with the recharging infrastructure, the electricity	Article 2	Vehicle Manufacturers Grid Operators Other economic operators	Vehicle Manufacturers Grid Operators Other economic operators	//	//

grid and the stationary power systems capable of supporting smart and bidirectional charging functionalities					
OBM and OBFCM data	Article 4	Vehicle Manufacturers	European Commission Member States	//	//

4.3. Digital solutions

Digital solution	Reference(s) to the requirement(s)	Main mandated functionalities	Responsible body	How is accessibility catered for?	How is reusability considered?	Use of technology (if applicable)
Harmonised EU-level OBM/OBFCM data infrastructure	Article 4	The Commission shall take measures establishing the functionalities.	European Commission	The accessibility requirements will be considered in the measures.	The reusability requirements will be considered in the measures.	//

Digital solution #1

Digital and/or sectorial policy (when these are applicable)	Explanation on how it aligns
<i>AI Act</i>	//
<i>EU Cybersecurity framework</i>	Shall be considered in the measures.
<i>eIDAS</i>	Shall be considered in the measures.
<i>Single Digital Gateway and IMI</i>	Shall be considered in the measures.
<i>Others</i>	//

4.4. Interoperability assessment

Digital public service or category of digital	Description	Reference(s) to the requirement(s)	Interoperable Europe Solution(s)	Other interoperability solution(s)

public services			(NOT APPLICABLE)	
Streamlined monitoring of real-world vehicle performance under Euro 7	Streamlined monitoring of real-world vehicle performance under Euro 7	Article 4	//	

Digital public service #1

Assessment	Measure(s)	Potential remaining barriers (if applicable)
Alignment with existing digital and sectorial policies		•
Organisational measures for a smooth cross-border digital public services delivery	<ul style="list-style-type: none"> • Shall be established in the measures. 	•
Measures taken to ensure a shared understanding of the data	<ul style="list-style-type: none"> • Shall be established in the measures. 	•
Use of commonly agreed open technical specifications and standards	<ul style="list-style-type: none"> • Shall be established in the measures. 	•

4.5. Measures to support digital implementation

Description of the measure	Reference(s) to the requirement(s)	Commission role (if applicable)	Actors to be involved (if applicable)	Expected timeline (if applicable)

The Commission shall take measures establishing the common technical specifications.	Article 2 Article 4	The Commission shall adopt such acts	Member States Economic Operators	//
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