



Northern Ireland
Assembly

Windsor Framework Democratic Scrutiny Committee

OFFICIAL REPORT (Hansard)

COM/2023/451 Proposal for a Regulation on Circularity Requirements for Vehicle Design and on Management of End-of-life Vehicles Amending Regulations (EU) 2018/858 and 2019/1020 and Repealing Directives 2000/53/EC and 2005/64/EC:
Department for Infrastructure; Department of Agriculture, Environment and Rural Affairs

15 May 2025

NORTHERN IRELAND ASSEMBLY

Windsor Framework Democratic Scrutiny Committee

COM/2023/451 Proposal for a Regulation on Circularity Requirements for Vehicle Design and on Management of End-of-life Vehicles Amending Regulations (EU) 2018/858 and 2019/1020 and Repealing Directives 2000/53/EC and 2005/64/EC:
Department for Infrastructure;
Department of Agriculture, Environment and Rural Affairs

15 May 2025

Members present for all or part of the proceedings:

Mrs Ciara Ferguson (Chairperson)
Mr David Brooks (Deputy Chairperson)
Dr Steve Aiken
Mr Jonathan Buckley
Mr Declan Kearney
Mr Peter Martin
Ms Emma Sheerin
Mr Eóin Tennyson

Witnesses:

Mr Adrian Borland	Department for Infrastructure
Ms Caroline Hobson	Department for Infrastructure
Mr Karl Beattie	Department of Agriculture, Environment and Rural Affairs
Mr Tommy McNamara	Department of Agriculture, Environment and Rural Affairs

The Chairperson (Ms Ferguson): I welcome Tommy McNamara, from the Department of Agriculture, Environment and Rural Affairs, and he is the policy lead on this; and Karl Beattie, deputy director, DAERA. We also have Adrian Borland, head of the Department for Infrastructure's legislation branch; and Caroline Hobson, head of the Department for Infrastructure's vehicle policy branch. I will hand over to you.

Ms Caroline Hobson (Department for Infrastructure): Thank you, Chair. I will give you a bit of background and then address the questions that have been submitted to us.

The Chairperson (Ms Ferguson): That is grand, thank you.

Ms Hobson: The proposal is for a regulation of the European Parliament under the Council on circularity requirements for vehicle design and on the management of end-of-life vehicles. The proposed regulation amends EU regulation 2018/858, which is a type approval framework regulation, and regulation 2019/1020, which is the market surveillance and compliance of products regulation. It also proposes to repeal the directive 2000/53/EC, which is the end-of-life vehicles (ELVs) directive, and the 2005/64/EC, which is the directive on type approval of motor vehicles for reusability, recyclability and recoverability, known as "the 3R type approval directive".

The end-of-life vehicle policy is a devolved matter, and responsibility sits with DAERA. The ELV directive is not currently within the scope of the Windsor framework. However, both the type approval framework regulation, which the proposed Act seeks to amend, and the 3R type approval directive, which the Act seeks to repeal, appear in annex 2 of the Windsor framework under protocol 2, heading 9. Type approval is a reserved policy matter, and, as such, the responsibility for the content and operation of the type approval scheme rests with the Department for Transport (DfT).

I will give some brief information on the background of the proposed changes that are being considered. The proposal is based on an evaluation of the current legislation and both the ELV directive and the 3R type approval directive. The proposal's aim is to facilitate the transition of the automotive sector to the circular economy at all stages of the vehicle from design to the final treatment of end-of-life vehicles. It aims to repeal the 3R type approval directive and the ELV directive and replace them with a single legal instrument to provide clarity to economic operators in the Administrations.

The proposed legislative requirements will extend the scope of the current framework and include additional measures. The additional measures include minimum requirements for reusability, recyclability and recoverability of vehicle types and specified rates to be achieved by each type. It will set a requirement for each vehicle type to contain at least 25% of plastic recycled from post-consumer plastic waste. It will restrict the use of substances of concern and prohibit others, such as lead and mercury. It establishes an obligation to prepare a circularity strategy for each new vehicle type to demonstrate how materials will be recovered. It establishes a digital circularity passport to provide information on how parts can be removed or replaced. The proposed regulation also extends the scope of the current framework, which applies only to cars and vans, to include buses, heavy-duty vehicles, trailers and motorcycles.

Again, as was alluded to, the Committee had asked for an initial assessment, which DfT provided to the Committee in April. The initial assessment advised that the EU had not notified the UK of its intentions for the application of the proposal to the Windsor framework. It is unclear which elements it will seek to apply. DfT advised that none of the measures and questions will affect the movement or sale of vehicles in Northern Ireland. A manufacturer will still be able to obtain a single UKNI approval for the whole of the UK. The UKNI approval will continue to be sufficient to sell both into the Northern Ireland and GB markets. Manufacturers that hold EU-type approval will also continue to be able to sell into the Northern Ireland market using that approval. DfT also advised that it does not appear likely that the application of the proposed replacement EU Act:

"would have a significant impact on the everyday life of communities in Northern Ireland in a way that is liable to persist".

Further to the initial assessment, the Committee requested an oral briefing. A response to a number of questions has been provided, and I will touch on the answers now. The Department for Infrastructure has engaged with DfT policy colleagues, and a response has been provided. I will address questions about regulatory alignment and engagement with the UK Government. Our DAERA colleagues will then address the queries about the engagement on the ELV stakeholder consultation group.

I will start with the regulatory alignment of the GB-NI movement. The Committee asked how the proposal, if applied in Northern Ireland, would affect regulatory divergences between the UKNI and the GB type approval regimes. In summary, DfT has advised that it is not currently possible to provide an assessment of the effect on divergence. DfT recognises that the proposal retains some of the current requirements already provided for in the GB scheme, including the requirement to produce vehicles that are 85% recyclable and contain 95% recoverable materials by total mass. DfT also acknowledges that our proposal includes new measures, some of which I mentioned in my introduction, such as setting a percentage for the use of recyclable materials and the production of the circularity strategy and the digital circularity passport. In addition, DfT acknowledges the plan to extend the scope of the application to include buses, heavy-duty vehicles, trailers and motorcycles. DfT continues to track the progress of the proposal and talk to industry and stakeholders to understand the potential impacts of the regulation.

The next question from the Committee was:

"is it likely that any manufacturers in GB would switch from UKNI to GB type approval as a result of this proposal being applied in NI?",

and, if so:

"how would you expect that to impact the availability of cars for sale in NI?"

DfT stated that manufacturers generally in GB producing only for the UK market will use small-series, multi-stage approval routes, which are exempt from the requirements and therefore will not be affected. Basically, if it is the same vehicles that will be produced, because the manufacturer is using a small-series approval route, it will be exempt. Therefore, it will not matter what scheme it type-approves under, be that UKNI or GB, and there will be no need to switch. DfT also expects that manufacturers that are currently dual-marking vehicles for sale in Northern Ireland and GB will continue to do so. As for the impact on the availability of cars, again, given the exemptions for the low volume for the small-series production and the ability of manufacturers to dual-mark vehicles, it does not expect that that will have any impact on the availability of cars for sale in Northern Ireland.

The Committee asked:

"Has UKG provided any further indication of whether, and how, it intends to align the GB type approval regime with the requirements in this proposal?"

In summary, they have not, as yet. The Government continue to monitor the developments of the proposal. It is currently going through the Joint Committee process in the EU. We understand that a substantial number of changes have been made to what was initially proposed. Once the policy position has been settled, the Government will consider it further. Any changes will be subject to a public consultation process.

Mr Tommy McNamara (Department of Agriculture, Environment and Rural Affairs): I will provide some basic background before I get to the questions. It is relevant that we have engaged with the Departmental Solicitor's Office. The relevant directive for end-of-life vehicles — 2000/53/EC — is not listed in the Windsor framework and never has been, which means that, once the proposed regulation comes into force, it will not apply in Northern Ireland; it will apply only in EU member states. On that basis, from our perspective, the application of the regulation will not:

"have a significant impact specific to everyday life of communities in Northern Ireland in a way that is liable to persist".

There will not be any impact.

Questions were asked about the ELV stakeholder consultation group that was set up by the UK Government. There were two meetings of that group in 2023 and 2024. The proposed regulation was discussed, with a view to looking at it in the context of what the difference would be between the current UK system and the proposed EU system. There was no meaningful discussion whatever on the potential for divergence, because of which there were no discussions on how that would be managed. The discussions were very high-level and were aimed at informing, potentially, the policy reform for the UK, but discussions on policy reform on end-of-life vehicles on a UK basis will not take place until next year, at the earliest.

The Committee asked:

"Which stakeholders have been consulted and what views have been expressed".

The ELV consultation group included all of the UK Governments, environmental regulators, the Office for Product Safety and Standards (OPSS), the Driver and Vehicle Licensing Agency (DVLA) and trade bodies, including the Society of Motor Manufacturers and Traders, British Motor Registration and Appraisal, the Vehicle Recyclers' Association and the British Vehicle Salvage Federation.

Generally, the EU's proposed approach to waste was discussed in order to seek an understanding of what the future international landscape would look at and to gain views, at a very early and high-level stage, on whether it would be good for the UK to look at what could be considered for UK reform. The UK Government do not have a position on regulatory consistency with the EU. Government intent on or alignment with regulatory consistency was not considered and is not something on which UK Government officials could comment.

The Committee asked about plans to reconvene the ELV stakeholder consultation group. There are no plans to reconvene the ELV stakeholder consultation group at present. There are plans to look at

policy reform next year, and each of those groups will be involved in that policy reform, but there are no specific plans to reconvene the group.

The Chairperson (Ms Ferguson): Thank you, Tommy and Caroline. I will open to members who wish to ask questions.

Mr Martin: Thank you for your evidence, folks. How do you get dual marking?

Mr Adrian Borland (Department for Infrastructure): Do you mean dual plating?

Mr Martin: Yes.

Mr Borland: Basically, you ask for it. It is available for manufacturers under the GB scheme. Part of the process is that they can have dual-plating as UKNI and GB. They do not have to have that, but DfT's approach is to recommend and encourage that.

Mr Martin: How do you get the UKNI marking?

Mr Borland: The UKNI marking mirrors the EU technical requirements. Assuming your vehicle matches those requirements, it can be UKNI-plated.

Mr Martin: You can apply to get UKNI, meaning that manufacturers in GB could sell their vehicles in Northern Ireland. Is that being fair so far?

Mr Borland: Yes. If it is a GB-only plate, it cannot be sold here. If it is a UKNI plate or if it is dual-plated, it can be sold here and anywhere in the UK.

Mr Martin: What does UKNI marking rely on? What are the requirements for a small manufacturer of car components somewhere in England, for example? What would it need to do in order to get UKNI certification? What steps would it have to take? What does getting that certification rely on?

Mr Borland: It goes through the Vehicle Certification Agency (VCA) in GB, which is the master of type approval, if you like. They would take their prototype or new model to VCA, and it would type-approve it, saying, "Yes, that matches the UKNI scheme requirements to mirror the EU stuff". Once that is done, if they were making more than one of that model, which would be normal, they could manufacture to that type-approval, and each vehicle that they manufactured would get a certificate of conformity to that type-approval document.

Mr Martin: If there is legislative divergence between Northern Ireland and GB, will that have an impact on manufacturers being able to get the UKNI certification?

Mr Borland: At the minute, DfT's approach is to align the GB and UKNI schemes, so the requirements are the same for both schemes. DfT's current intention is to ensure that that persists. When the EU makes a change to regulations, that is automatically applied to the UKNI, so it is dynamically aligned. There is a slight lag in timing with the GB scheme because DfT would have to consult on those changes before they are applied to the GB scheme. There is potentially a bit of lag there, but, essentially, the two schemes are currently the same. DfT's intention is that they would be the same so that the same vehicles can be sold anywhere.

Ms Hobson: I will just add to that. DfT has advised that it is working on measures to increase alignment between the schemes. It has said that announcements should come later in the year in respect of those additional measures. It also continues to look at ways to further streamline the regulatory process for updating the GB scheme to give manufacturers greater certainty when they make plans for the future.

Mr Martin: Thank you, Caroline and Adrian. The Committee has heard quite a few intentions around His Majesty's Government and where they might go, so you will have to forgive this slightly cynical Committee member, who may not believe all the intentions.

I will go back to what you shared there, Adrian, about intentions. You mentioned the lag in timing and DfT's intention to mirror the EU legislation that enables the UKNI scheme to operate. Let us say that

DfT decided not to do something that mirrored the EU: what impact would that have for possible car availability in Northern Ireland, if people wanted to buy cars from GB, yet it was significantly harder to get the UKNI certification because there was divergence due to DfT's decision to wait for a few years before considering merging into the EU rule? Would that be problematic?

Mr Borland: It cannot decide not to align with the UKNI one. Due to the nature and intention of the scheme, it is required to do it under the Windsor framework.

Mr Martin: It is. My point was that if the Government were to decide not to align with an EU measure —

Mr Borland: In respect of the GB plate?

Mr Martin: Yes.

Mr Borland: The UKNI one would still be there, so you could still get that plate and sell it anywhere in the UK. If it was decided not to align the GB scheme with the EU, that could be an issue. If manufacturers were only plating to a GB standard that was different or did not comply with the EU, that vehicle could not be sold in Northern Ireland, as I understand it anyway.

Mr Martin: That would affect the supply chain and car availability in Northern Ireland.

Mr Borland: Potentially, but it is hard to say how many would decide to do that.

Mr Martin: I understand that. It is a debate for a lot of large manufacturers. Anecdotally, I have seen it in the past few weeks when I have not been able to buy stuff from the mainland, from GB, for whatever reason. You might think that it is x or y, and it could be due to a range of reasons. My fear is that, when you look at the economics of simple supply and demand, if you restrict supply, the price goes up. That is one of the factors, unless demand is falling, and I suspect that it is not. If the demand is static and you squeeze supply, the price goes up.

I get that DfT has said that it is all fine — so far, so good — but, if we were to see divergence and were relying on the UKNI scheme in order for things to be sold in Northern Ireland, what might the future hold, particularly for this legislation? That is what I was driving towards. I do not expect any official to come before the Committee and say with absolute certainty that it will all be fine, but it is our job to scrutinise and point out that it may not be fine.

There is a road map here, in which case it could be significantly harder to buy a car in Northern Ireland, if certain things happen. If that occurs, it will be more expensive to buy a car in Northern Ireland because of possible impacts. Is that fair enough?

Mr Borland: I suppose, yes, potentially.

Mr Martin: Thank you very much for your time.

Mr Kearney: It does not fall within the remit or scope of this scrutiny Committee to indulge in hypotheses. To that extent, do you agree that, at this point, an orderly process is being followed, albeit that we are still absent some concrete detail and clarity about where things are going? On that basis, do you agree that, at this point, there is no reason to have concern about adverse effects on access to supply chains, choice and so on?

Ms Hobson: Yes, that is very much under consideration. When we know what the final proposal is, the plan is that DfT would provide an updated explanatory memorandum (EM). Only then will DfT be able to respond with a true assessment of the potential impact. As I mentioned, the legislation is going through the Joint Committee process in the EU, and, to date, over 200 amendments have been made. There are a lot of potential changes, so, until we have a final and settled policy position, it is difficult to understand what the implications could be.

Mr Kearney: Absolutely; thank you.

The Chairperson (Ms Ferguson): No other members have indicated — sorry, David.

Mr Brooks: I differ slightly from Declan on the question of hypotheses. Part of the Committee's role is that we are tasked with looking ahead, sometimes into a crystal ball and have to take a guess. We are tasked with looking ahead and not just at what might happen in the here and now. When it comes to divergence, we need to look at what might happen a week, a year or 10 years down the line. That is a massive concern, because, once it leaves the systems in this Building, whether here or in the Chamber, it is out in the wild, and we have no control over it. There is a key role for the Committee and the powers that we have in the Assembly to look into the future as best we can, although I am not always sure that we are furnished adequately to do that, and to protect the people of Northern Ireland from negative impacts.

There are elements of the proposal that would apply requirements on transferring ownership of a used vehicle from article 37 onwards. Has there been direct engagement with the Driver and Vehicle Agency (DVA) around that? For instance, how would it affect an end-of-life vehicle being sold from GB to NI?

Ms Hobson: We have had conversations with DVA on that. To be honest, however, it is aware of the matter, and we will continue those conversations when we have a bit more information.

Mr Brooks: That is fair enough. Most of my other questions have been covered, Chair.

The Chairperson (Ms Ferguson): Thank you very much, Caroline, Adrian, Tommy and Karl. We really appreciate your attendance today.