

Opinion of the European Economic and Social Committee on the 'Proposal for a Directive of the European Parliament and of the Council amending Directive 2000/25/EC as regards the provisions for tractors placed on the market under the flexibility scheme'

COM(2010) 607 final — 2010/0301 (COD)

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On 10 November and 24 November 2010 respectively, the European Parliament and the Council decided to consult the European Economic and Social Committee, under Article 114 of the Treaty on the Functioning of the European Union, on the:

Proposal for a directive of the European Parliament and of the Council amending Directive 2000/25/EC as regards the provisions for tractors placed on the market under the flexibility scheme

COM(2010) 607 final — 2010/0301 (COD).

The Section for the Single Market, Production and Consumption, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 1 February 2011.

At its 469th plenary session, held on 16 and 17 February 2011 (meeting of 16 February), the European Economic and Social Committee adopted the following opinion by 144 votes, with 5 abstentions.

1. Conclusions and recommendations

1.1 The European Economic and Social Committee (EESC) believes strongly that reducing harmful emissions of carbon monoxide, nitrogen oxides, hydrocarbons and particulates from engines intended for agricultural and forestry tractors is a vital step towards achieving the EU's air quality targets.

1.2 The EESC also believes that, particularly in a time of global crisis, the European agricultural and forestry tractor manufacturing sector must be accorded the flexibility needed in the financial, economic and employment spheres to develop new tractors without excessive economic burdens which would be untenable in the current economic climate.

1.3 The EESC therefore supports the Commission proposal to raise the flexibility margin from the initial 20 % to 50 %, with a proportionate increase in the numbers allotted to small and medium sized enterprises.

1.4 The EESC believes that the environmental impact of the increase in flexibility is not determined by the scheme's duration, but advocates setting an expiry date for stages which do not yet have one. It therefore believes that a fixed duration should be established for all power categories for Stage III B and future stages, equal to three years or the duration of the stage itself, whichever is the shorter.

1.5 The EESC believes that the compliance provisions and the transition period allowed between successive stages are

particularly burdensome and demanding for SMEs, given that the costs involved in redesigning agricultural and forestry tractors to accommodate new engines, and particularly for RTD and conformity assessment, would naturally be significantly more onerous for a smaller company than for a major industrial group.

1.6 Consequently, the EESC supports the proposal to set aside a set number of exempted engines exclusively for SMEs.

1.7 The EESC believes that it is essential to encourage joint European and international endeavours to draw up clear, universally accepted technical standards to promote global trade in this sector, with the aim of increasingly reconciling EU emission limits and those applied or planned in third countries.

1.8 The EESC believes that the United Nations Economic Commission for Europe is the ideal forum to pursue harmonisation, particularly in the context of the 1998 Global Agreement.

1.9 The EESC highlights the need to monitor emissions generated by agricultural and forestry tractors under real operating conditions rather than relying on theory-based laboratory testing, and calls on the European Commission to present proposals for in-service conformity plans as soon as possible.

1.10 The EESC believes that electronic systems play a key role in monitoring the functioning of the engine and the after-treatment systems required to meet environmental targets.

1.11 The EESC therefore proposes that the European Commission should adopt provisions to prevent tampering with monitoring software and to require the adoption of systems which limit the performance of agricultural tractors if the after-treatment systems are not properly maintained.

2. Introduction

2.1 Directive 2000/25/EC deals with compression ignition engines ranging from 18kW to 560kW for use in agricultural and forestry tractors. It sets limits for emissions of carbon monoxide, nitrogen oxides, hydrocarbons and particulates. The Directive sets increasingly stringent limits for the various stages, with corresponding compliance dates for the maximum levels of exhaust gases and particulates. The next stages set are III B (beginning 1 January 2011) and IV (beginning 1 January 2014). No requirements have been set for Stage IV as regards 37kW to 56kW engines, and there is as yet no stage subsequent to IV for larger engines. As the duration of a stage is considered to run from the date on which compliance is compulsory to the date on which compliance with the following stage is compulsory, some stages (relating to specific power categories) may currently be deemed open-ended.

2.2 The standards on exhaust emissions from agricultural and forestry tractors were amended in 2005. This amendment introduced the flexibility schemes whereby very ambitious emission limits could be adopted and introduced rapidly in line with the limits set in the United States; however, it also established, at least partially and in a simplified manner, flexibility mechanisms comparable to the legislation limiting the burden on producers' human and economic resources. The legislation for this sector in China, India and Brazil for instance does not include these mechanisms; instead it has much less stringent timeframes for application.

2.3 The system adopted in the EU allows an agricultural and forestry tractor manufacturer to acquire, during a given stage and from his own engine suppliers, a limited number of engines which comply with the previous stage. The number of engines is set on the basis of a one-off decision when the request is made, using two criteria:

- a percentage of the (average) number of tractors sold over the previous five years;
- a fixed number which, being low, is intended for SMEs.

The number of engines admitted to the flexibility scheme is thus unaffected by the scheme's duration.

2.4 Finally, Commission Directive 2010/26/EU of 31 March 2010, amending Directive 97/68/EC on emissions from engines intended for non-road mobile machinery, streamlined the administrative procedure for requests and checks under the flexibility scheme, in line with the drive towards legislative simplification.

2.5 The present Commission proposal notes the exceptional burden placed on manufacturers by Stage III B, which firstly requires all manufacturers to adopt exhaust gas after-treatment systems. Although these technologies are already known and applied in the heavy transport sector, they must be completely redesigned to allow for the harsh operating conditions of agricultural and forestry tractors. The tractors themselves must then be completely redesigned in order to accommodate the after-treatment systems.

2.6 Furthermore since 2009, the European agricultural and forestry tractor manufacturing industry has been severely affected by the impact of the global economic and financial crisis. Despite preliminary signs of recovery in statistical terms, the crisis is still weighing heavily on society and especially on jobs.

2.7 The proposal to increase flexibility is limited to Stage III B which coincides with the most difficult period of the global crisis.

2.8 The Commission proposal establishes a single expiry date for Stage III B flexibility schemes, contrary to the principle of staggering the introduction of stages by engine power category.

2.9 Although setting an expiry date for the flexibility scheme is reasonable as regards open-ended power categories (see point 2.1) which thus have no end date, there is no reason why the duration for the other power categories should vary from three to just one year. Such a choice is usually justified on the grounds of reducing the environmental impact; in actual fact, the total number of engines admitted to a flexibility scheme is set at the beginning of the scheme, in terms of a percentage of the average number of sales by a manufacturer in the years preceding his request, or a fixed number which does not fluctuate in line with changes in the scheme's duration. A manufacturer will usually request this number, thereby making it possible to assess the measure's environmental impact. Therefore the duration of the flexibility scheme has no ulterior impact on the environment since the number of exempted engines is established in advance.

2.10 In order to avoid unjustified disparities between power categories, a uniform duration should be established for flexibility schemes for all engine power categories and, amending the Commission proposal, this approach should be extended to all stages which do not yet have a set expiry date, such as Stage IV.

2.11 In order to safeguard both the development of the industry and environmental protection:

- the competitiveness of the European agricultural and forestry tractor industry should be preserved, alleviating the immediate pressure of the economic crisis;
- during Stage III B, the industry should be able to continue to fund RTD activities concerning all kinds of products, particularly those intended to meet niche demands;
- emissions by vehicles currently in use should be restricted, thus providing an incentive to exchange obsolete agricultural and forestry tractors for ones with a low environmental impact and better levels of safety for operators. Retrofitting emissions devices is of limited value in terms of reducing harmful emissions and of no value at all in terms of improving safety.

3. The proposed amendment to the Directive

3.1 The proposal would make the following changes to Directive 2000/25/EC.

3.2 During Stage III B, an increase is authorised in the number of engines to be installed in agricultural and forestry tractors placed on the market under the flexibility scheme, in every power category. This will entail raising the number exempted from 20 % to 50 % of previous annual sales of tractors, or alternatively a proportionate increase in the fixed number of engines which may be placed on the market under the flexibility scheme.

The measures will expire on 31 December 2013.

3.3 The option proposed would therefore reinforce the existing flexibility scheme. This solution is considered to be the most appropriate in terms of a balance between environmental impact and economic benefits as it reduces the costs of bringing the market into line with the new emission limits. It

should be pointed out that Article 4(8) of Directive 2000/25/EC already offered the possibility of extending flexibility.

4. General comments

4.1 The EESC supports the Commission's approach of introducing greater flexibility into the various stages of applying the limits permitted for engines to be installed in agricultural and forestry tractors, in terms of emissions of carbon monoxide, nitrogen oxides, hydrocarbons and particulates.

4.2 The EESC shares the Commission's concern to preserve competition and job levels in the European agricultural and forestry tractor industry from the impact of the international financial and economic crisis, while, at the same time, agreeing with the need to pursue high levels of environmental protection and well-being for the European public.

4.3 The EESC therefore supports the Commission proposal to bring the percentage of flexibility up to 50 % for sectors already covered by flexibility mechanisms under the 2000 Directive on exhaust emissions from agricultural and forestry tractors and subsequent amendments, for Stage III B only.

4.4 More generally, the EESC believes that it is essential to encourage joint European and international endeavours to draw up clear, universally accepted technical standards to promote global trade with the aim of increasingly reconciling EU emission limits and those applied or planned in third countries. The UN/ECE in Geneva is the ideal forum for this task.

4.5 The sector's SMEs warrant particular attention. The EESC feels that the flexible compliance mechanisms, the implementation deadlines and the timeframes laid down for transition between the various stages are particularly burdensome given the costs of bringing machinery and engines into line, which are clearly much more onerous for small businesses than for large industrial groups. Hence the need to give SMEs the option of a fixed number of exempted engines.

4.6 The EESC points out that if the targets are to be met, stringent limits must be set and procedures identified to assess emissions produced under real operating conditions, by means of plans to monitor engine emissions conducted by engine manufacturers or the competent authorities under in-service conformity systems.

4.7 The EESC is aware that more ambitious emission reduction targets will entail the adoption of after-treatment systems. It is therefore crucial that these systems be protected against tampering and that operators maintain them properly in order to ensure that they are effective throughout the tractors' lifetime. Otherwise, the engines will produce more pollutants than engines complying with obsolete stages. The Directive currently lays down minimum rules on maintenance and

nothing to prevent tampering with the systems and in particular the operating software. The EESC recommends that the European Commission should adopt measures that block the use of agricultural and forestry tractors if the after-treatment systems are not properly maintained and moreover preventing access by third parties, who are not explicitly authorised by the manufacturers, to the software systems which ensure that the vehicle functions correctly and which monitor emissions.

Brussels, 16 February 2011.

The President
of the European Economic and Social Committee
Staffan NILSSON
