

TYPE APPROVAL

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Background

Type approval exists to ensure that motor vehicles, trailers and their systems, components and separate technical units meet the necessary technical, safety and environmental standards in their respective markets. The European Union's type approval framework is governed by EU Directive 2007/46/EC. Manufacturers who comply with this framework are eligible to sell their product anywhere within the EU single market without restriction. Their eligibility is determined by the outcome of tests, carried out by technical services and witnessed and approved by an approval authority. In the UK, the recognised approval authority is the Vehicle Certification Agency (VCA).

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Whole vehicle approval requires hundreds of tests, (outlined by the United Nations Economic Commission for Europe Regulations and European Directives), to be fulfilled and witnessed by an approval authority. Only then can an approval authority issue a whole vehicle approval. The approval process for a whole vehicle is complex and has to be carried out under a strict schedule to meet the manufacturer's timeframe. It normally takes between 6 to 18 months for manufacturers to obtain a whole vehicle approval for a passenger car and can cost between £350,000 and

£500,000, not taking into account indirect costs.

Understanding Type Approval Terms

Technical Service - A technical service is an organisation or a body designated by the national approval authority as a: testing laboratory to carry out tests; or as a conformity assessment body to carry out the initial assessment and other tests or inspections on behalf of the approval authority.

UNECE - vehicle regulations are set by European Union law, and in many cases refer to Regulations developed by the United Nations Economic Commission for Europe (UNECE) Working Party 29, under the '1958 Agreement'.

Whole Vehicle - A 'whole vehicle' is made up of large numbers of components and systems, each of which must conform to corresponding requirements. Vehicle manufacturers and suppliers of relevant parts to automobile manufacturers must ensure that their products meet those requirements.

Whole Vehicle Type Approval (WVTA) - Once all components and systems have been approved, a manufacturer can request approval of the Whole Vehicle Type. Upon submission of the relevant manufacturer's information document, including reference to the separate type approvals of all systems and components, a European WVTA Certificate will be issued by a type approval authority.

Due to the nature of the type approval process manufacturers prefer to use a single approval authority for all of their tests. Using a local approval authority reduces logistical barriers due to the frequency of visits required and the use of a common language helps to build a working relationship which assists in the efficiency of the process. The vast majority of manufacturers in the UK use the VCA to obtain their European type approvals and have a long, established working relationship with the VCA which help produce efficiencies in the approval process.

The EU Type Approval Framework is currently being revised with the new framework due to be implemented within the next 18 months. This revision will impose significant changes, such as a more stringent market surveillance regime and stricter separation of the duties of testing facilities and approval authorities. These changes will be fully applicable to UK automotive manufacturers who wish to sell vehicles or components within the EU.

Impact of the UK's withdrawal from the EU

The prospect of the UK withdrawing from the EU is already having a tangible impact on the type approval process. Uncertainty around the VCA's status means many manufacturers are now seeking approvals in other Member States to mitigate the risk that VCA European approvals will be deemed invalid in the future. Manufacturers are, therefore, already incurring additional type approval costs as a result of the referendum outcome.

More damaging than the current uncertainty would be a decision to invalidate existing VCA European approvals when the UK leaves the EU. Were this to happen, manufacturers would have to replicate their whole vehicle type approval with an approval authority based in another EU Member State. This would result in significant cost, negatively impact manufacturers future plans and undermine manufacturers technology implementation timetables as gaining new approvals automatically make a vehicle a new type and therefore subject to the most recent legislation and implementation dates. It is also unclear whether or not other approval authorities would have the capacity to validate all the vehicles previously validated by the VCA.

Finally, as automotive investment decisions, particularly those related to R&D, include an analysis of the location of available testing facilities and approval authorities, the UK's attractiveness as a location for inward automotive investment will be negatively impacted should the VCA not be able to issue or extend European approvals following the UK's withdrawal from the EU.

UK Automotive Priorities

- Reach agreement with the EU that all European approvals issued by the VCA while the UK is a member of the EU will remain valid after the UK leaves the EU.
- Maintaining the VCA's right to issue European approvals after the UK has withdrawn from the EU.
- Full engagement from the UK Government in negotiations relating to the revision of the Type Approval Framework so as to ensure that UK automotive interests are fully represented.

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