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Consultation Document

“Internet consultation relating on Periodic Technical Inspections (PTI) for motor vehicles and their trailers”

Response from:

LEASEUROPE

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I. Introduction

Leaseurope brings together 45 member associations representing the leasing, long term and/or short term automotive rental industries in the 32 European countries in which they are present. The scope of products covered by Leaseurope members' ranges from hire purchase and finance leases to operating leases of all asset categories (automotive, equipment and real estate) . It also includes the short term rental of cars, vans and trucks.

It is estimated that Leaseurope represents approximately 96% of the total European leasing market and the firms represented via its member associations granted new leasing volumes of €220 billion in 2009. At the year's end, Leaseurope members financed a fleet of 14.1 million cars.

The Federation's mission is to represent the European leasing and automotive rental industry, ensuring the sector's voice is heard by European and international policy makers.

II. Internet consultation relating to Periodic Technical Inspections (PTI) for motor vehicles and their trailers

Leaseurope welcomes the opportunity to provide comments to the European Commission on its online consultation seeking views on potential policy options to improve the common framework for PTI across Europe. With close to 40% of the European passenger car fleet on the road today being financed by leasing companies, Leaseurope's members attach great importance to the quality of national vehicle testing schemes, which can play a vital in improving road safety while at the same time mitigate the environmental footprint of vehicle fleets.

Leaseurope agrees with the Commission's view that at the moment there is no fully harmonised testing system throughout Europe. This has led to obstacles to the Internal Market, as outlined below.

1. Mutual recognition of inspections

At present there is no system in place which enables mutual recognition of inspections. In fact, in some Member States different PTI regimes exist within national borders, with the criteria being set by regional governments. The lack of coherence in this area complicates leasing and rental vehicle movements in between Member States. The ability to allocate, utilise and ultimately sell vehicles across borders can lead to significant efficiency gains, beneficial to both drivers as well as the industry.

2. A standard EU wide system

In many Member States the leasing industry, drivers and regulators each appear to be content with the PTI system they have put in place. Depending on the topography, average age of the vehicle fleet and road networks, Member States have diversified their approaches. Due to these factors, it may not be feasible to opt for a highest common denominator approach.

At the same time, Leaseurope recognises that the potential negative impact of older vehicles on both the environment as well as road safety would justify the strictest of measures to be employed for this particular class.

III. Preferred policy option

Leaseurope emphasises the importance of mutual recognition of PTIs, which should be combined with exchanges of best practices among countries. Regarding the further development of a standard EU-wide PTI system, Leaseurope argues for a two tier approach.

For aging vehicles, the rigorous standard in the EU should apply. For new and relatively new vehicles (Euro 4 and 5), it would be more appropriate to seek a medium standard, which will still allow Member States to fine tune PTI schemes according to local conditions and needs.

The standard should cover the frequency of inspections as well as the test standard and the two tier approach should be applicable for both.