



European Commission

INCEPTION IMPACT ASSESSMENT

Inception Impact Assessments aim to inform citizens and stakeholders about the Commission's plans in order to allow them to provide feedback on the intended initiative and to participate effectively in future consultation activities. Citizens and stakeholders are in particular invited to provide views on the Commission's understanding of the problem and possible solutions and to make available any relevant information that they may have, including on possible impacts of the different options.

TITLE OF THE INITIATIVE	Revision of the Directive on driving licences
LEAD DG (RESPONSIBLE UNIT)	DG MOVE Unit C2
LIKELY TYPE OF INITIATIVE	Legislative proposal (Directive of the European Parliament and of the Council)
INDICATIVE PLANNING	Q4 2022
ADDITIONAL INFORMATION	https://ec.europa.eu/transport/road_safety/topics/driving-licence_en

The Inception Impact Assessment is provided for information purposes only. It does not prejudge the final decision of the Commission on whether this initiative will be pursued or on its final content. All elements of the initiative described by the Inception impact assessment, including its timing, are subject to change.

A. Context, Problem definition and Subsidiarity Check

Context

The <u>Sustainable and Smart Mobility Strategy</u>, adopted on 9 December 2020, confirms the full commitment of the Commission to deliver on the ambitious goals on road safety for the Union established in the policy framework of 2018. The revision of the Directive on driving licences is included in its <u>action plan</u> as one of the key actions in this area (item #72).

With an average of 51 road deaths per 1 million inhabitants in 2019, Europe remains by far the safest region in the world when it comes to road safety. However, much more needs to be done in order to achieve the EU's ambitious objectives. Nowadays, around 60% of the population of the European Union hold a valid driving licence, representing more than 270 million citizens. Many holders of European driving licences make cross-border trips within the Union for private or professional purposes or change their country of residence.

In order to improve road safety and to facilitate the free movement of people, EU rules on driving licences were progressively set up through three Directives in <u>1980</u>, <u>1991</u> and <u>2006</u>.

The Directive 2006/126/EC on driving licences has been amended eleven times since its adoption, mainly to improve the harmonisation of common standards and requirements as well as to adapt the rules to the scientific and technical progress.

A <u>study</u> on the implementation of the Directive has been conducted in 2017 and the <u>evaluation</u> of the Directive, started in 2020, is expected to be concluded in the first half of 2021. Both the study and the evaluation's preliminary findings confirm that the Directive contributes to road safety and free movement, but they have also identified certain shortcomings as well as the need for evolutions in accordance with the societal and technological developments since 2006 and also in view of the green transition.

Problem the initiative aims to tackle

Since the adoption of the Directive, the Union's objectives on road safety became significantly more ambitious. Indeed, the <u>2011 White Paper for Transport</u> sets the goals to reach by 2050 "close to zero fatalities in road transport" and to halve road casualties by 2020. In 2017, the <u>Valletta Declaration</u> on road safety of the EU Transport Ministers called to reduce the number of road deaths and serious injuries by 50% between 2020 and 2030. These objectives have been recalled in the Commission Communication¹ introducing the <u>2018 EU road safety policy framework</u>.

On the basis of the findings emerging from the evaluation of the Directive, the new initiative will aim to tackle five key problems that are preliminary identified and will be updated during the impact assessment process:

1. Excessive number of road crashes with fatalities and serious injuries in which dangerous behaviour plays

a role

The Union's more ambitious objectives may require to update the current rules and procedures on drivers' testing and training, in particular for what concerns experience and risk-awareness.

In addition, the consequences of road safety offenses are limited when committed by non-residents and fail to change the behaviour of the concerned drivers.

2. Excessive number of road crashes with fatalities and serious injuries in which insufficient skills, knowledge and/or medical fitness plays a role

The more ambitious Union's objectives and the societal and technological evolutions require to update the current rules and procedures on drivers' testing and training (including medical fitness) when further results on road safety can be efficiently obtained.

3. Lack of recognition of digital or virtual driving licences outside the territory of the issuing Member State.

The current Directive is a barrier to digital transformation in the field of road transport because digital or virtual driving licences are only valid on the territory of their issuing State in the absence of their mutual recognition in the Union.

4. Remaining barriers for the citizens to obtain a driving licence or to maintain their driving rights when exchanging/renewing driving licences

In certain cases, drivers may see the exchange or renewal of their driving licence prevented or restricted, especially when establishing their normal residence in another Member State. In addition, the provisions of the current Directive can prevent applicants from obtaining a driving licence if they don't speak one of the languages available for the examination in their state of residence.

5. Possible sub-optimal use of new technologies and mobility concepts for what concerns environmental performance

Insufficient skills and knowledge in relation to new vehicle technologies (e.g., alternative fueled vehicles, autonomous driving) and mobility concepts (e.g. eco-driving or car-sharing) may limit the impact of current and future drivers on the reduction of the direct and indirect gas emissions of the road sector

The primary objective of the new initiative will be to improve road safety in the European Union, with a set of measures that will, among others, develop risk awareness and improve the behaviour of drivers who have committed road safety offenses. The initiative will also aim to contribute to improving the free movement of people, in particular building on technological innovation to introduce digital driving licences. Finally, the actions taken in the frame of the initiative will also aim at contributing to the reduction of gas emissions.

Basis for EU intervention (legal basis and subsidiarity check)

The legal basis for the EU to put into place a new initiative on driving licences lies in Article 91 TFEU, which sets out the Common Transport Policy.

Matters relating to driving licences include trans-national aspects that cannot be fully covered by Member States only, for example to enable the mutual recognition between all Member States.

Each policy measure will be assessed to determine the most efficient approach in term of subsidiarity.

B. Objectives and Policy options

Objectives:

While contributing to sustainable road transport and to its digital transformation, the general policy objectives of the new initiative are twofold: 1) to improve road safety and 2) to facilitate the free movement of persons in the European Union.

The specific objectives are to:

- 1. Increase safety on the Union's roads by reducing dangerous behavior
- 2. Increase safety on the Union's roads by improving driving skills as well as by increasing risk awareness and knowledge on road safety
- 3. Increase safety on the Union's roads by ensuring that medically fitness of drivers is adequately assessed in a consistent manner in the entire Union
- 4. Remove remaining barriers on free movement resulting from the scope of and the implementation of existing rules to issue, exchange and renew driving licences
- 5. Enable the recognition of digital driving licences among Member States of the European Union

Policy options :

Directive 2006/126/EC on driving licences partially contributes to these specific objectives as found by the evaluation. In the baseline scenario (first policy option), this Directive remains in force and the Commission will not take any action to adopt amendments or a new initiative

This impact assessment will analyse different policy options against the baseline scenario. They will demonstrate different degrees of policy ambition and, potentially, different regulatory instruments. The Impact Assessment will further scope and analyse the relevance, costs and benefits of a wide set of potential measures under these options, including:

- Concerning specific objective 1: to establish rules for the application and mutual recognition of driving disqualifications and for rehabilitation scheme for disqualified drivers, also taking into account demerit/penalty points schemes,
- Concerning specific objective 2: to establish rules on training and to introduce a framework for accompanied driving, to extend the existing graduated access scheme to other vehicle categories, to review the vehicle categories (eg. minimum age or maximum vehicle weight), to introduce a "back-toroad" action for low-mileage drivers, to introduce actions to improve risk-awareness in training, examination and driving, to facilitate knowledge sharing between examiners and drivers, to support lifelong training, in particular in relation with new technologies, to strengthen the requirements on applicants and examiners and to introduce minimum standards for the exchange of driving licences issued by third countries,
- Concerning specific objective 3: to review the standards on medical/mental fitness, to improve the medical screening,
- Concerning specific objective 4: to clarify how to determine the State of the issuing authority, in particular
 when changing normal residence, to clarify possible rules when an applicant does not speak the
 languages available for the driving tests, to establish rules on the exchange of licences issued by a third
 state previously obtained in exchange of Union driving licences, to strengthen the cooperation and the
 exchange of information between Member states and to harmonize further when needed for ensuring
 same rules and rights among Member States (eg. minimum ages for professional drivers), to put in place
 procedures to extend the administrative validity of licences in case of a global crisis.
- Concerning specific objective 5: to establish a framework for digital driving licences, from interoperability requirements to a common solution, including potential links to the national registries, to update the security features for physical licences.

The policy measures listed above are preliminary and without prejudice to the evidence-based findings of the impact assessment process..

C. Preliminary Assessment of Expected Impacts

Likely economic impacts

The following preliminary impacts are identified, without prejudice to the evidence-based findings of the impact assessment.

Positive impact resulting from the expected decrease of fatalities and serious injuries, considering the yearly external cost of road crashes of 236 B€ on the economy of the EU MS (Handbook on the external costs of transport, 2019).

Positive impacts on the driving school sector in case of certain measures taken to improve road safety (e.g. new categories or increased training) or in case of indirect increase of the use of certain vehicle types resulting from further harmonisation.

Possible positive impacts for the private sector, particularly road transport services and businesses relying on them, resulting from the removal of remaining barriers on free movement of people, in particular for what concerns the employment of drivers and opportunities to increase the geographical area covered by businesses in the Union.

Negative impacts on producers of driving licences as the physical model may be replaced by the digital driving licences. However it will create a new market and opportunities for developers and operators of mobile solutions but also new risks related to the protection of personal data.

No impacts are envisaged on trade and investments in the EU. The initiative is not expected to have any adverse effect on the international competitiveness of the EU economy in the road transport sector.

The impact on households linked to the cost for obtaining a driving licence will be carefully assessed, with the objective to minimise any cost increase.

Likely social impacts

Substantial positive impact resulting from the expected decrease of fatalities and serious injuries,

The impact on lower income groups or residents of remote areas will be carefully assessed, with the objective to minimise any cost increase.

Indirect positive impact on employment for professional drivers expected from further harmonisation of vehicle

categories and removal of barriers when changing the place of residence in the Union

Likely environmental impacts

Small but positive environmental impact: a better knowledge of vehicle technologies would help drivers reduce their environmental impact (e.g. by emphasizing eco-driving or best practices in recharging or refueling behaviour, or vehicle maintenance routines that are both beneficial for safety and the environment). Indeed, while the emission savings for each vehicle is likely small, the considerable number of vehicles will have a multiplier effect.

Digital transformation will also have a positive environmental impact by removing paper work.

Likely impacts on fundamental rights

Positive welfare impact on society from strengthening Fundamental Rights: The initiative should have a positive impact on the application of the EU Charter of Fundamental Rights, namely on security, protection of personal data, free movement and good administration

Likely impacts on simplification and/or administrative burden

Important investment to deploy new solutions (eg. digital driving licences) and to adapt existing procedures.

Significant decrease of the running costs resulting from the simplification of the administrative procedures, digital transformation and an expected decrease of disputes.

These aspects of digital transformation will also include the main investment to support and therefore improve the application and mutual recognition of driving disqualifications, for instance for Member State administrations and police. The impact assessment will look at ways to keep this cost increase to a minimum.

The initiative also intends to define appropriate monitoring indicators to evaluate the effectiveness and efficiency of the new measures, while taking into account the cost/benefit analysis when acquiring the additional data.

D. Evidence Base, Data collection and Better Regulation Instruments

Impact assessment

An impact assessment will be carried out for this initiative. The impact assessment will be supported by a contracted study and consultation activities, which will start in Q2 2021.

Evidence base and data collection

In 2017, the Commission has conducted two studies in relation with the Directive on driving licences, one on the implementation of Directive 2006/126/EC on driving licences and one on driver training, testing and medical fitness.

In 2019, the Commission has initiated an <u>ex-post evaluation</u> of the Directive 2006/126/EC. The Commission is also preparing a report to the Council and the Parliament on the implementation of the Directive, including its impact on road safety, in accordance with its Article 14. The report and evaluation findings are expected to be finalised in June 2021.

The Commission will take into account results of infringement cases related to the Directive as well as preliminary rulings of the Court of Justice of the European Union in this context. In addition, publications and statistics by Eurostat will be considered.

In order to collect the evidence needed for this initiative, a support study for the impact assessment will be contracted to gather and analyse additional data and information, through desk and field research activities, including comprehensive stakeholder consultation activities. Data available from insurance companies will be used to better quantify the contributions of root causes to the problems.

Consultation of citizens and stakeholders

The consultation activities have the following two main objectives:

- to provide the concerned stakeholders and the wider public an opportunity to express their views and opinions regarding the key elements of the initiative and the impact assessment.
- to gather specialised inputs (data and factual information, expert views, ...) from key stakeholders, in particular on the various problems, policy measures and options considered under the initiative, as well as their expected impact.

The planned consultation activities will follow the Better Regulation Guidelines and principles. They will include:

- A public consultation on an inception impact assessment, that will run for a period of 4 weeks and will be made accessible via the Commission's central <u>public consultations page</u> (Have your say portal)
- A public consultation, based on a questionnaire available in all 24 official EU language, that will run for a minimum period of 12 weeks and will be made accessible via the Commission's central <u>public consultations</u> <u>page</u> (Have your say portal)
- Targeted consultation (surveys and/or interviews) of stakeholders as part of the support study, such as national driving licences authorities, driving school associations, cyclist organisations, road safety NGO's, cyclists and pedestrians' federations (ECF), automobile clubs, automotive and motorcycle federations (FIA and FIM) and vehicle manufacturer associations (ACEA, ACEM).

- A stakeholder workshop (potentially in the frame of the High Level Group on road safety) to which key public and private actors will be invited with the aim to validate (1) the set-up of the support study and (2) its findings, including the policy options considered

The Commission will also exchange views with representatives of the Member States in the frame of the Committee on driving licences and/or of the High Level Group on road safety, using various formats such as questionnaires or discussions

Consultation activities will be communicated through the DG MOVE website and a synopsis report summarizing all consultation activities will be annexed to the impact assessment.

Will an Implementation plan be established?

Should guidance be required for certain new or updated provisions (for example for provisions related to digital driving licences), an implementation plan will be prepared.