



Department  
for Transport

# Road Fuel Labelling

## Government response

**Moving Britain Ahead**



February 2019

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# 1. Executive summary

- 1.1 The range of fuels available to motorists is increasing. This reflects ongoing efforts to reduce carbon dioxide emissions and improve air quality<sup>1</sup>. Fuels such as hydrogen and higher blends of biofuels are becoming available in addition to regular petrol and diesel. At the same time we are also seeing a growth in flexible car usage, such as car clubs, where individuals are less likely to be the owner of the vehicles they drive. All this means a greater need for clarity for motorists as they refuel vehicles.
- 1.2 To help consumers identify the right fuel for their vehicle, the Government has proposed to introduce new fuel labels. These will allow motorists to match the fuels offered at forecourts to the fuels compatible with their vehicle, simply by checking a set of standard labels. The labels are based on a British standard developed in partnership with other European countries, and are being introduced across Europe. Even as we are leaving the EU, the benefits of these provisions to UK consumers are clear and as such Government proposes to transpose these fully into UK legislation.
- 1.3 Our proposals will ensure that each new vehicle sold in the UK will have labels near the filler cap and in the manual. This will help motorists to identify the fuels compatible with their vehicle. Similarly, every filling station will need to apply the same labels to their fuel dispensers. The labels will cover petrol and diesel grades as well as other alternative fuels such as liquefied petroleum gas (LPG) and hydrogen.
- 1.4 The labels will highlight the maximum biofuel share of petrol and diesel for the first time. Biofuels have been blended into road fuels for many years and help to reduce carbon dioxide emissions from the cars, motorbikes and goods vehicles that use them every day. However, many motorists may not be aware of this fact. Standard petrol in the UK currently contains up to 5% bioethanol and is therefore also known as "E5". Regular diesel contains up to 7% biodiesel and is known as "B7". Higher concentrations such as B10, B100 or E10 and E85 are possible though not common in the UK at the moment. By using terms such as E5 and B7, the new labels will advertise the biofuel content of each petrol and diesel blend.
- 1.5 This document is the first part of our response to our July 2018 consultation on fuel labelling and E10 petrol in the UK. We are still looking closely at whether and how the UK could introduce E10 petrol. E10 contains up to 10% bioethanol and could help further reduce the carbon dioxide emissions of petrol vehicles. If and when it is introduced, consistent fuel labelling will help consumers to distinguish between E5 and E10. We will publish further details on our plans in relation to E10 later in 2019.
- 1.6 To aid the introduction of the fuel labels we will be working with forecourt operators, fuel suppliers and other stakeholders to ensure guidance is made available to the public. Subject to parliamentary approval, the regulations will be made in March 2019 with labels appearing at forecourts and in new vehicles in the months after.

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<sup>1</sup> The Government's Road to Zero strategy sets out the next steps towards cleaner road transport, while the Clean Air Strategy, published earlier in 2019, details the actions taken to reduce emissions from all modes of transport. These can be accessed at <https://www.gov.uk/government/publications/reducing-emissions-from-road-transport-road-to-zero-strategy> and <https://www.gov.uk/government/publications/clean-air-strategy-2019>.

## 2. Introduction

### The consultation

- 2.1 In July 2018, Government published a consultation and call for evidence covering two issues related to the supply and sale of biofuel in the UK:
- Part 1 covered a call for evidence requesting information on whether and how best to introduce E10 petrol, and how to ensure consumers were protected were this to happen.
  - Part 2 was split into two sections. Part 2A was a consultation on fuel labelling as required by the 2014 Alternative Fuel Infrastructure Directive. The Directive requires EU Member States to implement standardised fuel labels at filling stations, on new motor vehicles and at vehicle dealerships. The consultation asked how this would be best achieved in the UK. Part 2B sought views on the wording of the consumer message that must accompany the sale of E10 petrol at filling stations.

The original consultation is available here:

<https://www.gov.uk/government/consultations/e10-petrol-consumer-protection-and-fuel-pump-labelling>

- 2.2 This Government response only relates to Part 2A - Fuel Labelling. Our response and next steps in relation to whether and how to introduce E10 and the continued supply of E5 (Part 1), and any amendments to the E10 consumer message (Part 2B), will be published later in 2019.

### Who responded

- 2.3 A total of 43 responses to Part 2A of the consultation were received. Of those, 28 were from industry stakeholders, representing a variety of organisations. The remainder were from individual members of the public. Government is grateful for the considered evidence and opinions submitted in response to this consultation.

### Exiting the European Union

- 2.4 While the UK has voted to leave the EU, the UK currently remains a full member and all the rights and obligations of EU membership remain in force. As a result we are still required to negotiate, implement and apply EU legislation. The outcome of these negotiations will determine what arrangements apply in relation to EU legislation in the future once the UK has left the EU.
- 2.5 Even as we are leaving the EU, the benefits of these fuel labelling provisions to UK consumers are clear and as such Government proposes to transpose these fully into UK legislation.

## Government decision

- 2.6 All responses to the consultation have been recorded and analysed, with common issues and themes identified. These have been used to produce the final Government decision.
- 2.7 This document comprises a summary of the responses received and sets out Government's decisions on how to proceed.
- 2.8 The general approach outlined in the original consultation document will remain the same. However, as a result of the responses received, we have made amendments to how the fuel labelling will be implemented. The key changes are:
  - Aligning the definition of a "motor vehicle" so that it is consistent with the Road Traffic Act (1988). This ensures the labelling regulations will only apply to vehicles intended for use on the road.
  - Extending the time for implementation of the labels to avoid unnecessary costs for obligated parties. Infrastructure operators will have five months to comply with the regulations relating to fuel labels at filling stations, while vehicle manufacturers and dealers will have 12 months before relevant regulations come into force.

## Next steps

- 2.9 We intend to lay the implementing regulations in Parliament in March 2019.

### 3. Fuel pump and vehicle labelling: Summary of responses and decisions

#### Overview of consultation

- 3.1 In Part 2A of the July 2018 consultation, Government set out a number of proposals to implement outstanding elements of EU Directive 2014/94/EU on the deployment of alternative fuels (the Alternative Fuels Infrastructure Directive - AFID).
- 3.2 Specifically, Government proposed to introduce legislation to adopt standardised fuel labelling. These fuel labels would be required on public fuel dispensers for petrol, diesel and other fuels. New vehicles would also be required to include these labels near the filler cap and in the manual, showing which fuels can be regularly used in a vehicle. Information must also be available at vehicle dealerships.
- 3.3 Government sought views on who the new labelling obligations and requirements to provide information should apply to, whether the proposals on labelling were clear, the timing of the introduction of the new requirements, and proposals to enforce the new labelling requirements.
- 3.4 As set out in the table below, a total of 43 respondents provided answers to all or some of the questions in Part 2A of the consultation.

Type of organisation	Number of respondents
All Party Parliamentary Group	1
Biofuel Supplier	3
Fossil Fuel Supplier/Distributor	5
Hydrogen Fuel Supplier	1
Motoring Organisation	7
Private Individual	15
Public Private Partnership	1
Trade Association/ Representative Body	10

#### Alternative Fuels Infrastructure Directive (AFID) - Background

- 3.5 EU Directive 2014/94/EU on the deployment of alternative fuels introduces requirements on the provision, accessibility and design standards of infrastructure related to the deployment of alternative fuels.

- 3.6 Some of the AFID requirements have already been transposed into UK law via the Alternative Fuels Infrastructure Regulations 2017 (AFIR<sup>2</sup>). The consultation set out measures to transpose outstanding elements from Article 7 of the AFID, in particular requirements on Member States to adopt standardised fuel labelling.
- 3.7 Following agreement of the AFID, the European Committee for Standardisation (CEN) developed the standard EN16942 'Fuels - Identification of vehicle compatibility - General expression for consumer information', published on 12 October 2016. The British Standards Institute (BSI) subsequently published the UK-specific standard, BS EN 16942. The standard sets out harmonised labelling requirements for marketing liquid and gaseous fuels. It requires fuel identifiers to be placed on fuel nozzles at filling stations, on new vehicles and in motor vehicle manuals as well as in motor vehicle dealerships.
- 3.8 The standard also includes larger labels, incorporating the identifier and extra information to describe the fuel grade that should be placed on the fuel dispenser at filling stations. It prescribes a format and scale of graphical identifiers for the three classes of transport fuel.
- 3.9 Rather than amend the existing AFIR legislation, we propose to introduce separate secondary legislation to implement the fuel labelling requirement of the AFID. Where possible, the new legislation mirrors the definitions and enforcement principles of the AFIR.

## Obligated parties - Infrastructure Operators

- 3.10 In applying requirements to label fuel dispensers and nozzles, the consultation proposed to define "infrastructure operator" as "the person responsible for operating a recharging point or refuelling point, whether as owner or on behalf of a third party" and to define the "refuelling point" as "a refuelling facility for motor vehicles which is accessible to the public for the provision of any alternative fuel, through a fixed or mobile installation".

**Question 14. Do you agree with our proposal to use the definition of Infrastructure Operator derived from the AFIR?**

Total responses	Yes	No	Other
25	21	4	0

- 3.11 A broad majority agreed with the proposal. Among these respondents, there was a general consensus, in particular amongst fuel suppliers that we should ensure consistency with the definitions already used in AFIR.
- 3.12 Responses not agreeing with the proposals came from private individuals with general concerns over the blending of ethanol into petrol (and therefore the labelling provisions) rather than specific concerns over the definition. Comments included suggestions to introduce colour coding for the labels and have a stronger warning message around the use of ethanol in petrol.
- 3.13 One trade association qualified their support, suggesting that a clarification on what is meant by "on behalf of a third party" should be provided in the definition of "infrastructure operator". This would ensure clarity as to whether the definition

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<sup>2</sup> Alternative Fuels Infrastructure Regulations (2017) - [www.legislation.gov.uk/uksi/2017/897](http://www.legislation.gov.uk/uksi/2017/897)

includes commission operators who register their own business but partner with fuel retail groups to operate a forecourt convenience store on their premises.

### Government response

- 3.14 Based on the responses received, we will proceed as proposed by using wording mirroring the AFIR to define the parties obligated to label fuel dispensers and nozzles. We believe the definition provides flexibility, indicating that the owner of the infrastructure is not automatically obligated. The definition is clear that it is whoever is responsible for the ongoing operation of the infrastructure that must ensure it is correctly labelled, whether they be the owner or a third party.
- 3.15 Colour coding was considered when the fuel labelling standard was developed at a European level, but not taken forward. The main disadvantage is that different countries use different colours for fuels and as such could even lead to increased mis-fuelling, in particular by visitors to the UK and UK residents driving aboard. Any colour coding would also need to carefully consider visual impairments and colour blindness. By keeping the proposed black and white labelling provisions, we ensure clarity for all consumers and consistency across Europe. The labelling does not prevent fuel retailers from using commonly understood colours in the marketing of their fuels.

## Obligated parties - Motor Vehicle Manufacturers

- 3.16 No definition is provided in the AFID to identify who is to be obligated to label the vehicle and vehicle manual. Government therefore proposed that these obligations be placed upon motor vehicle manufacturers and motor vehicle dealers (for motor vehicle dealers see next sub-section).
- 3.17 Government proposed to define a "motor vehicle" as a "transport modality that can be fuelled with a marketed fuel at a refuelling point" and "motor vehicle manufacturer" as a "the manufacturer of a motor vehicle".

### Question 15. Do you agree with our proposal to use the definition of motor vehicle from the standard<sup>3</sup>?

Total responses	Yes	No	Other
30	23	7	0

### Question 16. Do you agree with the definitions of a motor vehicle manufacturer and that this is where that obligation should fall?

Total responses	Yes	No	Other
31	24	7	0

- 3.18 The majority of respondents agreed with the proposed definitions, with three quarters of respondents expressing their support. These included fuel suppliers, biofuel suppliers, private individuals, trade associations and motoring organisations. Respondents supporting the proposed definition highlighted that the definition offered consistency.

<sup>3</sup> BS EN 16942 'Fuels - Identification of vehicle compatibility - General expression for consumer information'

- 3.19 Respondents who did not agree with the proposed definitions included private individuals, a trade association for light aircraft and specialised motoring organisations. Concerns were raised that the definition was not wide enough and should cover other machinery ranging from lawnmowers to light aircrafts. At the same time, a respondent representing vehicle manufacturers was concerned that the definition was too broad and could potentially include off-road vehicles and competition-only machines which would normally use a marketed fuel. Some respondents also considered the use of the term "transport modality" imprecise.
- 3.20 A number of alternate definitions were suggested. These included using the definition of vehicles in the Road Traffic Act 1988<sup>4</sup>, Vehicle Excise and Registration Act 1994<sup>5</sup> and the European Whole Vehicle Type Approval Regulations<sup>6</sup>. These suggestions were all aimed at focusing on vehicles intended for use on public roads.
- 3.21 Similar concerns were raised in respect of clarity of the scope covered by the definition of "motor vehicle manufacturer". It was noted by one respondent that this definition is not wide enough to account for situations where the vehicle manufacturer is no longer in business.

### **Government response**

- 3.22 Government is grateful for the alternative suggestions offered for the definitions of "motor vehicles" and "motor vehicle manufacturers" and we have reviewed the proposed definition to ensure the scope is clearer.
- 3.23 We therefore intend to define a "motor vehicle", in line with the definition from the Road Traffic Act 1988, as:
- "a mechanically propelled vehicle, intended or adapted for use on roads".*
- 3.24 A motor vehicle will also need to meet the following characteristics in order to fall within the scope of the labelling requirement. A motor vehicle must be:
- manufactured on or after the date on which the regulation comes into force;
  - able to be fuelled with an alternative fuel<sup>7</sup> at a refuelling point; and
  - placed on the market in the United Kingdom.
- 3.25 The obligation to label these vehicles and their manuals will therefore fall on the manufacturers of motor vehicles.
- 3.26 The standard was developed to simplify the purchase of road fuels and help prevent mis-fuelling of road vehicles. Other products, machinery and types of vehicle may also be compatible with grades of fuel not covered by this fuel labelling standard. As a result, there is no plan to extend these regulations to further products. However, we would encourage the manufacturers of other products that use road fuels to ensure

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<sup>4</sup> A motor vehicle is defined in Article 185 1 (c) as "subject to section 20 of the Chronically Sick and Disabled Persons Act 1970 (which makes special provision about invalid carriages, within the meaning of that Act), a mechanically propelled vehicle intended or adapted for use on roads" - <https://www.legislation.gov.uk/ukpga/1988/52/section/185>

<sup>5</sup> A vehicle is defined in article 1 "(a) a mechanically propelled vehicle, or (b) any thing (whether or not it is a vehicle) that has been, but has ceased to be, a mechanically propelled vehicle". - <https://www.legislation.gov.uk/ukpga/1994/22/section/1>

<sup>6</sup> A motor vehicle is defined in Article 3, para 11 as "any power-driven vehicle which is moved by its own means, having at least four wheels, being complete, completed or incomplete, with a maximum design speed exceeding 25 km/h" - <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:32007L0046>

<sup>7</sup> Alternative fuel is defined in AFIR as meaning a "fuel or power sources which serve, at least partly, as a substitute for fossil oil sources in the energy supply to transport and which have the potential to contribute to its decarbonisation and enhance the environmental performance of the transport sector and includes: electricity, hydrogen, liquid or gaseous biofuels derived from biomass, synthetic and paraffinic fuels, natural gas including biomethane in gaseous form and liquefied form and liquefied petroleum gas". As petrol and diesel can be blended with biofuels, they are included in the definition of an "alternative fuel".

clear guidance is provided to consumers about the fuels that are compatible with their products, in line with existing trading standards rules and other legislation.

- 3.27 The labelling requirements will only apply to vehicles that are manufactured after the regulations come into force. This means manufacturers can put in place systems at the point of manufacture to ensure accurate labelling and will not be required to re-label existing stock.
- 3.28 While the regulations do not forbid the use of the labels beyond the scope of the regulations, (e.g. should vehicle manufacturers wish to label existing stock). However, any party using the fuel labels will need to ensure that any labelling is still accurate in relation to compatibility. Failure to do so could have implications in terms of trading standards and product safety regulations.

## Obligated parties - Motor Vehicles Dealers

- 3.29 In line with the requirements in the AFID, Government also proposed that the obligation should apply to "motor vehicle dealers". The consultation proposed to define a motor vehicle dealer as "the retailer or other person who displays or offers for sale or lease new motor vehicles to end users".

**Question 17. Do you agree with the definitions of motor vehicle dealer and that this where that obligation should fall?**

Total responses	Yes	No	Other
28	24	4	0

- 3.30 A majority of responses agreed with the proposed definition. These included fuel suppliers, biofuel suppliers and private individuals. They argued that it was right for the obligation to apply to the dealer as it applied at the point of sale. They also highlighted that whilst vehicle ownership models have changed over recent years, the definition included in the consultation document appeared to be robust.

- 3.31 Respondents who did not agree with the proposed definition of motor vehicle dealer included private individuals and one specialised motoring organisation. While the majority provided no further explanation, one respondent argued for "new" to be removed from the definition in order to ensure that motor vehicle dealers placing on sale pre-registered or second hand vehicles would not be excluded from the definition.

### Government response

- 3.32 Government will implement the definition of a motor vehicle dealer as proposed in the consultation, with a minor amendment replacing the word "end user" with "ultimate consumer" to ensure consistency in the legal language used in the regulations.
- 3.33 We understand concerns that the requirements do not apply to second-hand or existing unsold vehicles. However, the retrospective labelling of vehicles is a significantly more challenging proposition and is beyond the scope of the current regulations and the AFID. Over time, the labelling of new vehicles will ensure that the majority of vehicle fleet is labelled, as old vehicles are scrapped and new ones bought. The same principle as set out in 3.28 for vehicle manufacturers applies.
- 3.34 We acknowledge that if new fuels such as E10 petrol are introduced it will be important for motorists to have access to clear information on the compatibility of

their vehicle. We are therefore committed to working with industry to ensure this information is made widely and easily available should new fuels or higher biofuel blends such as E10 be introduced in the UK. For E10, information on car compatibility can already be accessed via the European Automobile Manufacturers Association (ACEA)<sup>8</sup> who maintain a compatibility list for most car manufacturers. For motorcycles a similar list is maintained by the European Association of Motorcycle Manufacturers (ACEM)<sup>9</sup>.

## Requirements on obligated parties

- 3.35 The consultation set out how the new requirements would obligate infrastructure operators, motor vehicle manufacturers and motor vehicle dealers to apply labelling to refuelling infrastructure, motor vehicles, manuals and at dealerships.

**Question 18. Do you understand what the requirements are, for instance if you are an obligated party and what you need to do to comply?**

Total responses	Yes	No	Other
19	15	4	0

- 3.36 A majority of respondents confirmed that they understood the obligation. This included fuel suppliers and distributors, trade associations, private individuals and a motoring organisation.
- 3.37 Of these responses, some asked Government to ensure that only the mandatory parts of the standard BS EN 16942 are included in UK law. Others pointed out that some refuelling infrastructure is owned and operated by the dealer groups which carry a separate company's branding.
- 3.38 Of the respondents that indicated that the obligations were not clear to them, none suggested that they would be obligated under the proposals. These respondents also provided little additional information. One motoring organisation explained that it was unclear whether the UK law will require the use of EN16942 or whether Government had taken into account the impact on SMEs when considering the obligations on motor vehicle dealers. The association also suggested that ethanol-free petrol should be labelled so that consumers can identify it.

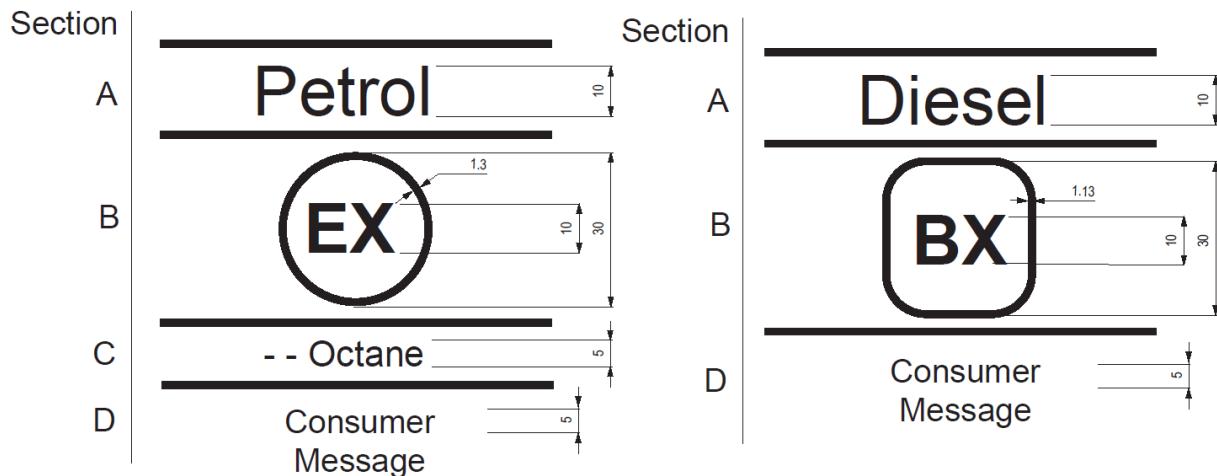
### Government response

- 3.39 Government is content that the labelling requirements set out in the consultation have been well understood by those that will need to comply. We will proceed with implementing the mandatory elements of the BS EN 16942 standard set out in the consultation.
- 3.40 The labelling of vehicles will require the identifier to be placed near the fuel filler and in the manual. Vehicle dealers will also need to ensure the information is available at dealerships. The identifier must be placed on the fuel nozzle. On the dispensers, a larger label will be required which includes the following mandatory elements from the fuel standard:
- The product name at the top of the label (Petrol/Diesel) - Section A.

<sup>8</sup> ACEA E10 car compatibility list: <https://www.acea.be/publications/article/e10-petrol-fuel-vehicle-compatibility-list>

<sup>9</sup> ACEM E10 motorcycle compatibility list: <https://www.acem.eu/component/content/article/2-non-categorise/33-e10>

- The relevant fuel identifier in the centre (E5, E10, B7 etc.) - Section B.
- For petrol fuels, the octane of the fuel, beneath the identifier - Section C.
- For relevant fuels<sup>10</sup>, the consumer message from the Biofuels (Labelling) Regulations (2004) at the base of the label - Section D.



**Figure 1. Template fuel dispenser labels for Petrol and Diesel. These labels set out the minimum required information as described in the bullet points from paragraph 3.40 (scale - mm).**

- 3.41 While the example labels above determine the minimum information that should be included on fuel dispensers, infrastructure operators may include the additional information as set out in the BS EN 16942 standard and still be deemed compliant with the new regulations. We would not expect additional information beyond what is provided in the labelling standard to be included on the dispenser label.
- 3.42 Government understands the concerns of users of older vehicles not compatible with ethanol in petrol. The proposals in the consultation do not prevent suppliers from placing ethanol-free petrol on sale nor from advertising that fact. However, as "E0" is not a recognised fuel standard for either suppliers or vehicle manufacturers, we are not proposing that fuel retailers or vehicle manufacturers should be under a statutory obligation to include such labels.
- 3.43 To ensure the introduction of the labelling requirement has the minimum impact on small and medium sized enterprises (SMEs), we have arranged to license the necessary sections of the standard from the BSI. This means there will be no need for obligated parties to purchase the standard, or pay a license to reproduce the labels. The information required to reproduce compliant labelling will be available to all via the Statutory Instrument that will create the fuel labelling regulations. This will be accessible through the standard channels<sup>11</sup>. A full impact assessment in respect of fuel labelling has been published alongside this government response.

<sup>10</sup> The Biofuel (Labelling) Regulations (as amended) define the fuels to which the consumer message applies. Broadly these are petrol fuels containing more than 5% ethanol and diesel fuels containing more than 7% biodiesel.

<sup>11</sup> The legislation will be available to view on [www.legislation.gov.uk](http://www.legislation.gov.uk) once laid in Parliament. You can also contact Low Carbon Fuels, Department for Transport, Great Minster, House, 33 Horseferry Road, London SW1P 4DR for details.

## Implementation and compliance timetable

- 3.44 In order to provide industry with sufficient time to prepare while ensuring the requirements of the Directive are transposed as soon as possible, Government proposed that the labelling requirements would come into force not less than three months after publishing the Government response.

**Question 19. Do you anticipate any operational issues with complying provided you have not less than 3 months' notice upon the publication of government response, and for possible alternatives?**

Total responses	Yes	No	Other
17	11	6	0

- 3.45 Two thirds of respondents stated that they anticipate operational issues if given a minimum of three months' notice to comply with the new obligations. These included fuel suppliers and distributors, their trading associations and private individuals.
- 3.46 Of the responses from the fuel supply and distribution sector, nine responses suggested more time was needed for implementation. Four of these suggested that the implementation period should be set from the point at which the legislation comes into force (rather than linked to the Government response) and were split evenly as to whether this should be three or four months. Two other responses suggested alternate time periods from being notified by Government (twelve months and six months).
- 3.47 In support of a longer implementation period it was suggested this would facilitate the issuing of information and guidance. Larger retailers could have up to 15,000 nozzles to re-label and the work would need to be carried out by trained personnel. As industry may use the same contractors, there may be a shortage of contractors and additional time needed to train staff.
- 3.48 It was also suggested that a shorter time for implementation could add to costs which were expected to be at the upper end of the high scenarios set out in the impact assessment. They also argued that the impact assessment should include the costs of running campaigns to inform motorists of the changes.
- 3.49 Of those respondents who agreed that 3 months' notice should be sufficient, two caveated that they believed more time would be helpful to allow for a more professional way of labelling nozzles and to allow manuals in stock for vehicles to be updated. The other respondents answering "no" with no further comment were made up of private individuals and motoring organisations that would not be obligated.

### Government response

- 3.50 Government is grateful for the information provided by suppliers on costs which will be considered in revisions to the impact assessment.
- 3.51 In response to the feedback from stakeholders, Government will increase the time period for compliance with the labelling regulations. The compliance implementation periods will be at least:

- For infrastructure operators and the labelling of refuelling points, five months from the coming into force date of the statutory instrument; and
- For motor vehicle manufacturers and dealers, 12 months from the coming into force date of the statutory instrument.

During these implementation periods, obligated parties will be able to build up to full compliance before the regulations come into full effect.

- 3.52 The different timelines reflect the different challenges to obligated parties in complying with the requirement, and the different audiences that will be interacting with that labelling.
- 3.53 For infrastructure operators, compliance is achieved by the labelling of all refuelling points at filling stations. This will be fuel consumers' main interaction with the new labels. As a result, a relatively rapid roll out will aid consumers in understanding and recognising the new labels. It will also complement the communications plans that will be delivered by government and fuel retailers during this time. The five month period should provide infrastructure operators with sufficient time to label their refuelling points fully whilst ensuring all filling stations have the required consistent labelling as soon as possible.
- 3.54 For vehicle manufacturers and dealers, a longer implementation period is provided. This is to allow time for print runs of vehicle manuals and changes at manufacturing facilities to be implemented. To begin with, vehicle labelling will only account for a tiny percentage of vehicles in use in the UK, as it only applies to new vehicles. As a result, a faster implementation would not achieve significantly more consumer interaction with the labelling. We are also aware that many manufacturers have already begun labelling vehicles as these requirements have been introduced in other countries across the EU. As a result, we expect most manufacturers will be compliant well before the 12 months has passed, but that the regulations allow for flexibility should that be difficult for certain manufacturers.

## Enforcement framework

- 3.55 Government proposed that where a motor vehicle manufacturer, dealer, or infrastructure operator fails to comply with the new requirements on labelling, they may be subject to a civil penalty. It was proposed to mirror the enforcement provisions in the Alternative Fuels Infrastructure Regulations 2017 (AFIR).
- 3.56 The key elements of the proposed framework are that a compliance notice will be issued in each instance where the requirements are not met. The compliance notice will require the breach be rectified within a specified time period. A civil penalty payable within 28 days may be levied when such a breach is not rectified as required. The relevant obligated party will be re-audited and if still found non-compliant liable to further enforcement action. Those in receipt of a civil penalty notice would be able to object to the enforcement authority and would have a separate right of appeal.

### **Question 20. Are the enforcement proposals for fuel labelling clear and understandable? If not, which parts are not and why?**

Total responses	Yes	No	Other
21	13	8	0

- 3.57 The majority of respondents considered the enforcement proposals clear. This included fuel suppliers and distributors, biofuels suppliers, a motoring organisation and a trade association representing fuel suppliers and private individuals. Most respondents did not provide further information.
- 3.58 Seven respondents felt the proposals were unclear: this included private individuals, fuel suppliers and distributors and their trade association. Substantive responses with further information on the position taken were only provided by the latter. They suggested that the notice period for achieving compliance or rectifying a breach should be at least 30 days from the date the enforcement notice is issued.

#### **Government response**

- 3.59 Government will work with the enforcement authority to ensure more detailed guidance is issued on how compliance is assessed and enforced, but does not agree that it is necessary for compliance notices to allow at least 30 days to rectify breaches.
- 3.60 In line with the provisions in AFIR, the regulations will leave it to the enforcement authority to determine the date by which remedial action must be completed. Government believes that what is a reasonable period for compliance following notification of non-compliance is best determined by that body. Government will ensure that the guidance accompanying the enforcement of the new requirements will emphasise encouraging compliance over resorting to civil penalties.

### **Point of compliance for new vehicle requirements**

- 3.61 The consultation proposed that for requirements on labelling new vehicles, compliance will need to be assessed between the point of manufacture and the point of sale, with the motor vehicle manufacturer liable for cases of non-compliance and vehicle dealers also required to demonstrate compliance.

**Question 21. In respect of vehicle labelling, do vehicle manufacturers agree that compliance should be assessed between the point of manufacture and point of sale? Do you have views on how and where best this assessment be carried out?**

Total responses	Yes	No	Other
10	6	4	0

- 3.62 Ten respondents provided an answer to this question. These included trade associations, biofuel suppliers and private individuals. Opinions on this question were split, but with a majority agreeing with the proposed approach.
- 3.63 Those in agreement included private individuals and trade associations. They suggested that it was important to ensure that vehicles were labelled at the point of sale to ensure consumers were aware of the vehicle's compatibility with fuel types, particularly E5 and E10.
- 3.64 Of those four respondents who did not agree with the proposed points for assessing compliance, two had alternative suggestions. A trade association suggested that the labelling requirements should only apply at the point of sale as in certain cases the final market of the vehicle might not be known. Another alternative suggestion, submitted by a private individual, recommended the point of compliance should be at the vehicle type approval stage.

## Government response

- 3.65 Based on the responses, we are content that compliance should be assessed at the point of sale only. This is due to the potential uncertainty over the eventual destination of a vehicle during manufacture and that the need for clear labelling only arises at the point of sale and not earlier. That said, the requirement to label vehicles will still be placed on vehicle manufacturers. We would expect manufacturers to label vehicles at the point of manufacture, however for those that do not, the regulations will make clear that a vehicle manufacturer will be required to ensure the labels are in place at the point of sale.
- 3.66 We will also ensure that vehicle dealers have an obligation to maintain the labelling while the vehicle is offered for sale. This is to prevent the removal of labelling making manufacturers liable.

## Civil penalty amounts

- 3.67 Where an obligated party is in breach of the new requirements the consultation proposed the following civil penalty amounts:
- Per non-compliant fuel dispenser or nozzle - up to £500;
  - Per non-compliant vehicle filler cap or manual - up to £100;
  - Per non-compliant vehicle dealership - up to £100.

### Question 22. Do you agree with the penalty amounts proposed? If not, why and what levels would you propose?

Total responses	Yes	No	Other
24	14	10	0

- 3.68 More than half of the respondents agreed with the penalty amounts proposed. Those in agreement with the proposed level of penalty included trade associations, private individuals, biofuel suppliers, motoring organisations and a hydrogen fuel supplier. Four of these respondents, whilst considering that the proposals on penalties were proportionate, qualified their support. They suggested that the size of a dealership or refuelling site, and number of infractions or repeated infractions and non-compliance should be taken into account in considering whether the penalty levels were a sufficient deterrent.
- 3.69 They also proposed that the Department should commit to review the level of penalties in this respect and set out the approach in guidance to ensure that retailers have clear information on the enforcement powers. They argued that consideration should be given to allowing 45 days for the payment of any penalty rather than 28 days. A suggestion was also made for data on compliance and enforcement to be provided to industry to allow trade associations to monitor and assist with achieving full compliance.
- 3.70 Those that did not agree with the proposed penalties, and considered the levels inconsistent, included fuel suppliers and distributors, their trade association and private individuals. They suggested that the level of penalty should also be up to

£100 per non-compliant fuel dispenser or nozzle. At the same time, one fuel supplier was of the view that there should be a maximum penalty cap per site.

### **Government response**

- 3.71 Government does not agree that the level of penalties, which are a maximum amount, is inconsistent and will proceed with the penalty levels set out in the consultation paper. The higher penalty levels for non-compliant nozzles and dispensers is deemed appropriate due to the number of consumers that will interact with that infrastructure, and therefore could be misled by inaccurate or absent labelling. The accurate and consistent labelling of fuel dispensers is essential, particularly if new fuel grades, such as E10 petrol, are introduced. The penalties issued can, but do not need to, be up to the maximum specified levels. Within the specified levels it is left to the enforcement agency's discretion to determine proportionate penalties, taking into account the particular circumstances in each case.
- 3.72 Government will monitor and review the legislation in line with principles on better regulation and is committed to working with the enforcement authority to ensure that the guidance accompanying the enforcement of the new requirements emphasises the need to encourage compliance over applying penalties. Government is respectful of the fact that respondents see the operation of the enforcement framework in that spirit and would share data on enforcement with trade associations as part of its review of the legislation.
- 3.73 Government is not minded to extend the period in which a civil penalty should be paid to 45 days, given that a 28 day period is consistent with similar enforcement regimes, including AFIR.

## 4. What will happen next?

- 4.1 The Government thanks stakeholders for their responses to this consultation, as well as for their engagement during the development of it. The evidence provided during this consultation has been beneficial in helping us to finalise our policy proposals.
- 4.2 We intend to lay the implementing regulations in Parliament in March 2019.
- 4.3 We will continue to engage with key fuel retail and motoring stakeholders to ensure public communications explaining the new fuel labels are clear and consistent.

## 5. List of abbreviations

<b>Abbreviation</b>	<b>Explanation</b>
AFID	EU Alternative Fuel Infrastructure Directive (2014/94/EU)
AFIR	UK Alternative Fuels Infrastructure Regulations (2017)
BSI	British Standards Institute
B7/10/100	Diesel containing no more than 7% / 10% / 100% biodiesel
CEN	European Committee for Standardization
EU	European Union
E5/10/85	Petrol containing no more than 5% / 10% / 85% ethanol