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STATUTORY INSTRUMENTS

2025 No. 678

CLIMATE CHANGE

ROAD TRAFFIC

**The Vehicle Emissions Trading Schemes (Amendment) Order
2025**

<i>Made - - - -</i>	<i>11th June 2025</i>
<i>Laid before Parliament</i>	<i>18th June 2025</i>
<i>Laid before the Northern Ireland Assembly</i>	<i>18th June 2025</i>
<i>Laid before the Scottish Parliament</i>	<i>18th June 2025</i>
<i>Laid before Senedd Cymru</i>	<i>18th June 2025</i>
<i>Coming into force - -</i>	<i>2nd October 2025</i>

At the Court at Buckingham Palace, the 11th day of June 2025

Present,

The King's most excellent Majesty in Council

This Order is made in exercise of the powers conferred by sections 44, 54 and 90(3) of, and paragraph 9 of Schedule 3 to, the Climate Change Act 2008(a).

In accordance with paragraph 10 of Schedule 3 to that Act, before the recommendation to His Majesty in Council to make this Order was made—

- (a) the advice of the Committee on Climate Change was obtained and taken into account; and
- (b) such persons likely to be affected by the Order as the Secretary of State, Department for Infrastructure, the Scottish Ministers and the Welsh Ministers considered appropriate were consulted.

Accordingly, His Majesty, by and with the advice of His Privy Council, makes the following Order:

(a) 2008 c. 27.

Citation, commencement and extent

1.—(1) This Order may be cited as the Vehicle Emissions Trading Schemes (Amendment) Order 2025 and comes into force on 2nd October 2025.

(2) This Order extends to England and Wales, Scotland and Northern Ireland.

Amendment of the Vehicle Emissions Trading Schemes Order 2023

2.—(1) The Vehicle Emissions Trading Schemes Order 2023^(a) is amended as follows.

(2) In article 116(1)—

(a) before the definition of “old scheme year”, insert—

““amendments” means the amendments made by articles 110 and 113;

“EU target” means a manufacturer’s specific emissions target calculated using vehicles of the manufacturer first registered in the European Union in the calculations in points 1 to 3 of Part A or B of Annex I to Regulation (EU) 2019/631 in accordance with article 116(4);”;

(b) after the definition of “specific emissions obligation”, insert—

““UK target” means a manufacturer’s specific emissions target calculated using vehicles of the manufacturer first registered in the United Kingdom in the calculations in points 1 to 3 of Part A or B of Annex I to Regulation (EU) 2019/631 in accordance with article 116(4);”.

(3) In article 116(2)—

(a) before “revocations”, in both places it occurs, insert “amendments and”;

(b) in sub-paragraph (b), before “revoked”, insert “amended or”.

(4) In article 116(3), before “revocations”, insert “amendments and”.

(5) After article 116(3) insert—

“(4) For the purposes of paragraphs (2) and (3), when calculating the specific emissions target in Annex I of Regulation (EU) 2019/631—

(a) in points 1 and 2 of Part A, any reference to “new passenger car” must be read as if it means “motor vehicle of category M1 as defined in Article 4 of Regulation (EU) 2018/858, as it has effect in domestic law (in respect of vehicles with GB type-approval) or, where relevant, Article 4 of Regulation (EU) 2018/858 as it has effect in EU law as amended from time to time and by virtue of the Northern Ireland Protocol (in respect of vehicles with UK (NI) type-approval or EU type-approval), which is registered in the United Kingdom or European Union for the first time and which has not previously been registered outside the United Kingdom or European Union”;

(b) in point 3 of Part A, any reference to “average specific emissions of CO₂” must be read as if it means “in relation to a manufacturer, the average specific CO₂ emissions of motor vehicles of category M1 as defined in Article 4 of Regulation (EU) 2018/858, as it has effect in domestic law (in respect of vehicles with GB type-approval) or, where relevant, Article 4 of Regulation (EU) 2018/858 as it has effect in EU law as amended from time to time and by virtue of the Northern Ireland Protocol (in respect of vehicles with UK (NI) type-approval or EU type-approval), which are registered in the United Kingdom or European Union

(a) S.I. 2023/1394, amended by S.I. 2024/1130.

for the first time and which have not previously been registered outside the United Kingdom or European Union, of which it is the manufacturer”;

- (c) in points 1 and 2 of Part B, any reference to “new light commercial vehicle” must be read as if it means “motor vehicle of category N1 as defined in Article 4 of Regulation (EU) 2018/858, as it has effect in domestic law (in respect of vehicles with GB type-approval), or, where relevant, Article 4 of Regulation (EU) 2018/858 as it has effect in EU law as amended from time to time and by virtue of the Northern Ireland Protocol (in respect of vehicles with UK (NI) type-approval or EU type-approval), with a reference mass not exceeding 2 610 kg, and vehicles of category N1 to which type-approval is extended in accordance with Article 2(2) of Regulation (EC) No 715/2007, as it has effect in domestic law (in respect of vehicles with GB type-approval) or, where relevant, as that Regulation has effect in EU law as amended from time to time and by virtue of the Northern Ireland Protocol (in respect of vehicles with UK (NI) type-approval or EU type-approval), which is registered in the United Kingdom or European Union for the first time and which has not previously been registered outside the United Kingdom or European Union”; and
- (d) in point 3 of Part B, any reference to “average specific emissions of CO₂” must be read as if it means “in relation to a manufacturer, the average specific CO₂ emissions of motor vehicles of category N1 as defined in Article 4 of Regulation (EU) 2018/858, as it has effect in domestic law (in respect of vehicles with GB type-approval), or, where relevant, Article 4 of Regulation (EU) 2018/858 as it has effect in EU law as amended from time to time and by virtue of the Northern Ireland Protocol (in respect of vehicles with UK (NI) type-approval or EU type-approval), with a reference mass not exceeding 2 610 kg, and vehicles of category N1 to which type-approval is extended in accordance with Article 2(2) of Regulation (EC) No 715/2007, as it has effect in domestic law (in respect of vehicles with GB type-approval) or, where relevant, as that Regulation has effect in EU law as amended from time to time and by virtue of the Northern Ireland Protocol (in respect of vehicles with UK (NI) type-approval or EU type-approval), which are registered in the United Kingdom or European Union for the first time and which have not previously been registered outside the United Kingdom or European Union, of which it is the manufacturer”.

(5) When determining the specific emissions target in Annex I, the Secretary of State must calculate a UK target and an EU target.

(6) A manufacturer’s specific emissions target is the higher of the UK target or the EU target, unless the manufacturer notifies the Secretary of State otherwise within 30 days of receipt by the manufacturer of their specific emissions target.”.

Amendment of the Vehicle Emissions Trading Schemes (Amendment) Order 2024

3.—(1) The Vehicle Emissions Trading Schemes (Amendment) Order 2024(a) is amended as follows.

(2) In article 25(1)—

(a) before the definition of “old scheme year”, insert—

““EU target” means a manufacturer’s specific emissions target calculated using vehicles of the manufacturer first registered in the European Union in the calculations

(a) S.I. 2024/1130.

in points 1 to 3 of Part A or B of Annex I to Regulation (EU) 2019/631 in accordance with article 25(4);”;

(b) after the definition of “specific emissions obligation”, insert—

““UK target” means a manufacturer’s specific emissions target calculated using vehicles of the manufacturer first registered in the United Kingdom in the calculations in points 1 to 3 of Part A or B of Annex I to Regulation (EU) 2019/631 in accordance with article 25(4);”.

(3) After article 25(3) insert—

“(4) For the purposes of paragraphs (2) and (3), when calculating the specific emissions target in Annex I of Regulation (EU) 2019/631—

- (a) in points 1 and 2 of Part A, any reference to “new passenger car” must be read as if it means “motor vehicle of category M1 as defined in Article 4 of Regulation (EU) 2018/858, as it has effect in domestic law (in respect of vehicles with GB type-approval) or, where relevant, Article 4 of Regulation (EU) 2018/858 as it has effect in EU law as amended from time to time and by virtue of the Northern Ireland Protocol (in respect of vehicles with UK (NI) type-approval or EU type-approval), which is registered in the United Kingdom or European Union for the first time and which has not previously been registered outside the United Kingdom or European Union”;
- (b) in point 3 of Part A, any reference to “average specific emissions of CO₂” must be read as if it means “in relation to a manufacturer, the average specific CO₂ emissions of passenger cars of category M1 as defined in Article 4 of Regulation (EU) 2018/858, as it has effect in domestic law (in respect of vehicles with GB type-approval) or, where relevant, Article 4 of Regulation (EU) 2018/858 as it has effect in EU law as amended from time to time and by virtue of the Northern Ireland Protocol (in respect of vehicles with UK (NI) type-approval or EU type-approval), which are registered in the United Kingdom or European Union for the first time and which have not previously been registered outside the United Kingdom or European Union, of which it is the manufacturer”;
- (c) in points 1 and 2 of Part B, any reference to “new light commercial vehicle” must be read as if it means “motor vehicle of category N1 as defined in Article 4 of Regulation (EU) 2018/858, as it has effect in domestic law (in respect of vehicles with GB type-approval), or, where relevant, Article 4 of Regulation (EU) 2018/858 as it has effect in EU law as amended from time to time and by virtue of the Northern Ireland Protocol (in respect of vehicles with UK (NI) type-approval or EU type-approval), with a reference mass not exceeding 2 610 kg, and vehicles of category N1 to which type-approval is extended in accordance with Article 2(2) of Regulation (EC) No 715/2007, as it has effect in domestic law (in respect of vehicles with GB type-approval) or, where relevant, as that Regulation has effect in EU law as amended from time to time and by virtue of the Northern Ireland Protocol (in respect of vehicles with UK (NI) type-approval or EU type-approval), which is registered in the United Kingdom or European Union for the first time and which has not previously been registered outside the United Kingdom or European Union”; and
- (d) in point 3 of Part B, any reference to “average specific emissions of CO₂” must be read as if it means “in relation to a manufacturer, the average specific CO₂ emissions of light commercial vehicles of category N1 as defined in Article 4 of Regulation (EU) 2018/858, as it has effect in domestic law (in respect of vehicles with GB type-approval), or, where relevant, Article 4 of Regulation (EU) 2018/858

as it has effect in EU law as amended from time to time and by virtue of the Northern Ireland Protocol (in respect of vehicles with UK (NI) type-approval or EU type-approval), with a reference mass not exceeding 2 610 kg, and vehicles of category N1 to which type-approval is extended in accordance with Article 2(2) of Regulation (EC) No 715/2007, as it has effect in domestic law (in respect of vehicles with GB type-approval) or, where relevant, as that Regulation has effect in EU law as amended from time to time and by virtue of the Northern Ireland Protocol (in respect of vehicles with UK (NI) type-approval or EU type-approval), which are registered in the United Kingdom or European Union for the first time and which have not previously been registered outside the United Kingdom or European Union, of which it is the manufacturer”.

(5) When determining the specific emissions target in Annex I, the Secretary of State must calculate a UK target and an EU target.

(6) A manufacturer’s specific emissions target is the higher of the UK target or the EU target, unless the manufacturer notifies the Secretary of State otherwise within 30 days of receipt by the manufacturer of their specific emissions target.”.

Richard Tilbrook
Clerk of the Privy Council

EXPLANATORY NOTE

(This note is not part of the Order in Council)

This Order amends the Vehicle Emissions Trading Schemes Order 2023 (“the 2023 Order”) and the Vehicle Emissions Trading Schemes (Amendment) Order 2024 (“the 2024 Order”).

The 2023 Order and 2024 Order revoked and saved provisions of Regulation (EU) 2019/631 of the European Parliament and of the Council of 17 April 2019 setting CO₂ emission performance standards for new passenger cars and for new light commercial vehicles, and repealing Regulations (EC) No 443/2009 and (EU) No 510/2011. Provisions of that regulation may still be exercised for monitoring and compliance purposes. The amendments specify that vehicles first registered in the UK or the EU may be used when exercising provisions saved by the 2023 Order and 2024 Order, and calculating specific emissions targets under that regulation.

A full impact assessment has not been produced for this instrument as no, or no significant, impact on the private, voluntary or public sector is foreseen. A copy of this instrument together with the Explanatory Memorandum is available on the UK legislation website www.legislation.gov.uk.