

Permanent Representation to the EU

B - Brussels

The Consumer Voice in Europe

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RE: Urgent need to tackle emissions scandal – Council Meeting June 7

Dear Ambassador,

On behalf of BEUC, The European Consumer Organisation, I am writing with regard to the June 7 Council meeting where we expect a discussion on the subject matter of 'NOx emissions by diesel cars'. I am writing to emphasise our disappointment with the actions applied across Europe by Member States thus far with regard to the ongoing emissions scandal and related recalls that have caused such concern for EU consumers.

Volkswagen Group emissions scandal

It is now almost 9 months since the Volkswagen Group admitted using a defeat device to optimise NOx emissions during official laboratory testing. Despite Volkswagen agreeing to recall all 8.5 million affected vehicles in Europe, only a small fraction of these cars have been recalled thus far. The uncertainty that has surrounded the recall has put consumers in a difficult, if not impossible situation.

For example:

- Volkswagen cannot guarantee that the performance of the recalled vehicles will be the same after repair work is complete;
- It is not clear whether some models will ever be fixed;
- It is not clear whether an owner's legal guarantee rights are maintained;
- Owners considering selling vehicles either before or after a recall are concerned about resale values.

In order to restate consumers' trust in Volkswagen's actions and the car sector in general we call on Member States:

- To ensure that independently verified tests on vehicles of the VW Group and other brands are carried out, both before and after repair work, so as to investigate the impacts of repair work on affected vehicles.
- We call on Member States to clarify whether or not the recall for VW Group vehicles is mandatory or not in their own territories (and if not why not?) and whether consumers are obliged to participate?
- We call on Member States to inform the public about the measures they are taking against Volkswagen Group for the forbidden use of a defeat device and thereby deliberately misleading consumers.

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We are also stunned by the lack of action by Member States against Volkswagen Group. Notably because German authorities indicated in October last year that a mandatory recall of affected vehicles was necessary because of Volkswagen Group's violation of EU regulation 715/2007 which forbids the use of defeat devices.

We also believe owners of affected vehicles deserve compensation and we expect public authorities to put pressure on Volkswagen Group to act accordingly. European consumers feel unfairly treated considering that Volkswagen has openly said it will not compensate consumers in Europe whilst in the US, owners of affected cars are expected to receive thousands of dollars in compensation.

Wider car maker emissions scandal

We are also deeply concerned about the actions taken by other car makers to reduce emissions in the laboratory but which do not allow for such reductions under most conditions in the real world. Consumers were never explained about emissions control systems not working under certain conditions that every woman and man would consider as being normal. We don't expect seat belts to switch off at 10°C, and neither do we expect emissions control systems to do so. Some of the actions taken by car makers appears as blatant misleading advertising.

Those car makers who have implemented technologies that switch off emissions control devices when used in the real world and cannot provide robust evidence that validates the necessity of using such technologies, nor explains why alternative technologies could not have been utilised instead, should expect to face suitable penalties and to compensate affected consumers.

There is an urgent need to clarify EU legislation concerning the use of defeat devices¹ but this must not be the basis for Member States to refrain from issuing penalties if it is deemed that a manufacturer has breached existing EU law.

Finally, I would like to highlight with you that the issue of vehicle air pollution is not just about society wide health concerns but that it is the motorist who stands to suffer the most from road pollution due to the concentrating effect of pollutants captured in the vehicle cabin. Consumers therefor must not be the victims for the actions taken by car makers to circumvent EU legislation either at the national or European level. They deserve to be sold products that match up to the promises made by manufacturers and what is required under EU law.

We expect EU Transport Ministers to act on June 7 to restore consumer trust in the automotive sector and to hold Volkswagen Group and other car makers accountable for their actions.

Yours sincerely,

Monique Goyens Director General

See the new BEUC position paper (2016): <u>Urgent need to for better oversight of cars: A consumer view on the Commission Proposal on type approval and market surveillance</u>