

Subject: Follow-up clean and smart mobility roundtable of 2 October 2019: the consumer perspective.

Dear Commissioner Vestager,

On behalf of BEUC, I would like to thank you again for inviting BEUC to participate to the mobility roundtable of last October 2nd and for having made it possible for us to express the consumer perspective on this important discussion. Please allow me to provide you here with the main elements of our oral interventions, in a nutshell.

As to sustainable mobility

Transport accounts for 1/4 of total EU emissions and more than 1 trillion Euros of negative externalities and is the only sector which has increased its emissions in the past decades. We therefore agree with you that reducing the CO2 emissions and the broader environmental impact from the transport sector should be a priority of the Commission's agenda.

The recent climate strikes all around Europe show that consumers' awareness about the climate crisis has significantly increased over the past couple of months. It is high time to support consumers in translating these new attitudes into more sustainable behaviours. BEUC strongly believes in the central role of EU regulation to continue pushing for a transition which will benefit consumers and the whole society more broadly. Several initiatives are to be taken in this context:

- To reduce emissions from road transport, the Commission should start by making use of the existing tools and seriously **enforce the 2020 and 2021 CO2 reduction targets** for cars and vans.
- The **directive on car labelling should urgently be revised** to provide consumers with better information about the environmental performance of vehicles ahead of the purchasing decision.
- With the market offer of **battery electric cars** expected to significantly expand in the next two years, consumer needs and expectations must be addressed with urgency on issues such as range anxiety, easy charging and battery durability. Charging tariffs should be easy to understand and be based on a uniform price/kWh scheme and consumers should be able to pay at publicly accessible charging stations via debit card or even cash. We are pleased that the Commission is considering revising the **2014 directive on alternative fuels infrastructure** which is the right legislative tool to tackle these issues.
- Finally, the 2023 review of the CO2 targets for cars and vans should be an opportunity to increase our ambition. The Commission should for instance **remove the counterproductive "utility parameter"** (or mass parameter) which artificially promotes the sales of heavy vehicles such as SUVs. Besides being more polluting and occupying more public space, and contrary to what has been claimed by the representatives of the car industry at the roundtable SUVs are less safe than regular cars, both for those inside and those outside the vehicle. Their higher center of gravity makes them more likely to roll in case of an accident and in the case of a collision with a pedestrian or a cyclist, they inflict much more severe injuries¹.

¹ <https://www.theguardian.com/cities/2019/oct/07/a-deadly-problem-should-we-ban-suvs-from-our-cities>

However, the transition goes well beyond individual cars. Today, many Europeans have no other choice than to use their individual car to fulfill their mobility needs. In order to make our mobility more sustainable and efficient, people should be able to rely on a much more **multimodal transport system**. Alternatives to private car ownership have been insufficiently developed. Investments in public transport and multimodal transport solutions should be increased, and more efforts should be made to improve convenience for consumers (such as single ticketing and improved consumer rights for train and multimodal journeys).

As to smart mobility

Digitalisation can help achieving this objective of a “smarter” and more efficient mobility system. The potential benefits for consumers of connected and later of automated cars are wide ranging. The data generated by the car already is and will increasingly be absolutely key, especially for the after-market services and for a wide range of new services in complementary markets (like navigation, on-board entertainment, distance assistance, etc.) which might arise from greater connectivity.

That is why it is essential to ensure access to in-vehicle data is non-discriminatory and fair to all service providers and enables a true competition while ensuring full respect of data protection law and the principles of privacy by design and by default enshrined in the General Data Protection Regulation. Data will be the basis for every service, every operation to be carried out by a wide range of service providers, not only repair centres. Thus, the competition concerns are even bigger because it will affect many mobility-related markets.

ACEA’s extended-vehicle model raises serious concerns from a competition and a consumer point of view: as a single entry point for service providers in after-sales markets, we are concerned that it can be used to discriminate access to data or impose costs that will be transferred to the consumers in the form of higher prices, less choice and ultimately less innovation.

There are no incentives for car manufacturers to voluntarily allow third parties to access data that will be used to compete against them at service level. Access to in-vehicle data is such a key component of smart mobility that it cannot be left solely to a business-to-business agreements under the terms of car manufacturers: there are serious risks of foreclosure, discrimination and monopoly prices. That is exactly why the European legislator had to intervene regarding spare parts and in the Type Approval Regulation about information related to repair and maintenance information².

Further to this, we would like to reiterate that there should be no trade-off between competition and security and privacy protection. Quite the contrary, other more appropriate solutions both at regulatory and technical levels should be explored to ensure that consumers remain in control of the data generated by the vehicles whilst creating a safe and competitive ecosystem for mobility services.

Given this evidence and the growing concerns expressed by a number of players, we **call upon the European Commission to**

- scrutinize ACEA’s extended vehicle model from an EU competition law compliance perspective and,
- consider launching a sector inquiry into automobile data to better understand the market dynamics surrounding the use of in-vehicle data for after-sale services and related-mobility services.

² Article 61 of Regulation (EU) 2018/858 of 30 May 2018.

By using its powers to gather this important market information, the Commission will be able to identify potential anti-competitive conducts and agreements and take the appropriate measures, including specific investigation or, where appropriate, inform the need to adopt legislation on data access to guaranteeing fair and equal market access for independent automotive service providers rather than leaving this decision to the car manufacturers.

We look forward to continuing our dialogue with you and the car industry to ensure that consumers will benefit from a more sustainable, competitive and affordable mobility ecosystems.

For your information, I have sent this letter also to Commissioner Bulc and shared it with ACEA.

Your sincerely,

Monique Goyens
Director General