

The Consumer Voice in Europe

FIVE YEARS OF DIESELGATE: A BITTER ANNIVERSARY

2015-2020: A long and bumpy road towards compensation for European consumers



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About this report

Five years ago, revelations about the Volkswagen Dieselgate scandal profoundly shocked European consumers and policymakers. Since then, evidence of fraudulent behaviour has multiplied, and the German Federal Court has made it very clear that the purchase of a car equipped with a defeat device constitutes a damage in itself justifying compensation for consumers. However, to date, only a small percentage of affected European car owners have been compensated. For five years, Volkswagen has sought to exploit loopholes in the legislation and has been using "divide and rule" tactics to pick off consumer complaints and to avoid facing the consequences of its behaviour. This has triggered unjustified discrimination among EU consumers and brought to light several weaknesses and limitations in public and private enforcement. Since the scandal broke, BEUC and its member organisations have at both European and national levels sought to make the consumer voice heard and to get redress for affected car owners. This report is a follow up to our report published in 2019¹ and provides updates on these actions, many of which are still ongoing. Ultimately, BEUC and its members organisations remain committed to continue their efforts until all European consumers receive due compensation.

¹ <u>Volkswagen Dieselgate four years down the road – an overview of enforcement actions and policy work by BEUC and its members since the Dieselgate scandal</u>, 17 September 2019.



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1. Introduction

Exactly five years ago, on 18 September 2015, the US Environment Protection Agency, in collaboration with the California Air Resource Board, <u>revealed</u> that Volkswagen had been manipulating its vehicle emission testing by using software for the purpose of masking their higher-than-allowed levels of nitrogen oxides (NOx) emissions. Few days later, Volkswagen admitted that devices used to cheat pollution tests had been installed in 11 million diesel vehicles sold worldwide. This, by far, has been the largest automotive scandal in the world. It profoundly shocked European consumers and policymakers. Its consequences on air pollution and public health are unsettling.

In a previous <u>report</u> published in 2019, BEUC detailed the actions carried out in this context and shed light on the numerous flaws and weaknesses plaguing the European public and private enforcement systems. As this '5th anniversary' report clearly shows, many of these observations have unfortunately been confirmed in practice, and in some cases, even aggravated.

Five years later, several landmark court decisions have made it very clear that, by using so-called 'defeat devices', Volkswagen has infringed EU law and that consumers are entitled to redress.² However, so far, Volkswagen has been continuously seeking ways to escape responsibility and most European consumers have still not been compensated. Worst, compensation has followed an unjustified two-speed process on both sides of the Atlantic: while relatively quick and straightforward in the United States³ (where approximately three million of defeat device-equipped vehicles were sold), the process has been very lengthy and cumbersome in Europe (where the vast majority of Dieselgate vehicles were sold).⁴ Back in 2018, former EU Justice Commissioner already described the absence of available compensation to European consumers as a "cold shower" for people in Europe.

Since the scandal came to light, BEUC and its member organisations have both at European and national levels sought to make the consumer voice heard and to ensure compensation for as many affected car owners as possible. Our member organisations tried to engage with Volkswagen, started legal actions and cooperated with public authorities. The objective was to use the available legal tools to claim compensation and to prevent Volkswagen (and any other rogue car manufacturer) from escaping responsibility.

² e.g. <u>decision</u> of the German Federal Court of Justice (*Bundesgerichtshof*), 25 May 2020.

³ In July 2020, Volkswagen and Porsche had paid out \$9.5 billion in compensation to defrauded U.S. car owners. The US Federal Trade Commission (FTC) noted that the "defendants successfully managed the settlement administration process despite the enormous claims volume" and that they "moved most claims along quickly and assisted consumers through the process in good faith" (FTC Volkswagen Final Status, July 2020).

⁴ <u>Volkswagen Dieselgate four years down the road – an overview of enforcement actions and policy work by BEUC and its members since the Dieselgate scandal, 17 September 2019.</u>



2. Dieselgate after five years: BEUC conclusions

2.1. Complex and lengthy legal actions, delayed compensation for European consumers, impact of COVID-19 pandemic

Our member organisations have used all the tools at their disposals to ensure that consumers would obtain redress. Given the limited availability of collective redress instruments at Member States levels, only four member organisations could launch collective redress actions to seek compensation on behalf of harmed consumers (Test Achats / Test Aankoop in Belgium, Altroconsumo in Italy, DECO in Portugal and OCU in Spain). Our German member organisation vzbv⁵ started a declaratory court action ("Musterfestellungsklage") with more than 430,000 registered consumers. In Austria, VKI⁶ launched 16 court actions representing the interests of 10,000 consumers. In the absence of proper tools, other members launched individual lawsuits (ULC⁷ in Luxembourg) or teamed up with legal service providers (ZPS⁸ in Slovenia, FRC⁹ in Switzerland). Below we mention the main developments between September 2019 and September 2020.

Most of these actions are still ongoing as the proceedings have been lengthy and complex. In several countries, Volkswagen has raised procedural barriers, tried to exploit loopholes in EU legislation and used differences in national rules and standards of proof to slow down the proceedings.

One of the key developments in the past year was that, despite Volkswagen continuously arguing that there was no material damage and that consumers had suffered no compensable injury because the vehicles were still usable, finally the German Federal Court (*Bundesgerichtshof*) made it very clear in a landmark <u>decision</u> issued in May 2020¹⁰, that the purchase of a car equipped with a defeat device constitutes a damage in itself and consumers are entitled to obtain compensation.

In Luxembourg where there is no collective redress instrument available, Volkswagen has tried to challenge the individual lawsuits brought by our member ULC by arguing that these actions were a disguised collective action. The court rejected Volkswagen's argument and upheld the admissibility of ULC's actions. This however led to <u>significant delays</u>.

In the context of the claims brought by our Austrian member VKI, Volkswagen challenged the competence of Austrian courts and argued that they were not entitled to handle the dispute as the car manufacturer is seated in Wolfsburg, Germany. Specifically, Volkswagen tried to take advantage of ambiguities in the existing EU private international law rules (in particular, the rules laid down in the Brussels I bis Regulation). This issue went all the way up to the European Court of Justice, which ultimately upheld the competence of Austrian courts. This decision was a major success for VKI and a positive step for our members suing Volkswagen

⁵ Verbraucherzentrale Bundesverband.

⁶ Verein für Konsumenteninformation.

⁷ Union Luxembourgeoise des Consommateurs.

⁸ Zveza Potrošnikov Slovenije.

⁹ Fédération Romande de Consommateurs.

¹⁰ Decision VI ZR 252/19, 25 May 2020.



Another point of contention triggering highly technical discussions was whether Volkswagen has used a 'defeat device' as defined under EU law. This issue, which is currently reviewed by the European Court of Justice but which already received a positive response from CJEU Advocate General Sharpston¹¹, led to a suspension of the proceedings in several countries (notably in France and in the Netherlands). It is noteworthy that several national courts and bodies have already taken the view that the software used by VW should indeed be considered as a defeat device.¹²

"As will become apparent, I am far from alone in this conclusion. The KBA [Kraftfahrt-Bundesamt], along with numerous courts and other bodies in various other jurisdictions, agree that the software function here is a defeat device".

High Court of London (Justice Waksman), 6 April 2020

Unfortunately, the COVID-19 outbreak, which hit Europe in March 2020, caused additional delays as national courts had to work in a lockdown mode for several months. Many of them have been accumulating delays and decisions had therefore to be postponed.

These delays – although understandable in the case of COVID-19 – are problematic for consumers as they reward the strategy that Volkswagen has been following since 2015 in Europe. Volkswagen has indeed sought to delay for as long as possible the decisions from higher courts on Dieselgate cases. Volkswagen benefits from maximizing the loss of value of the affected vehicles as consumers sometimes drove several thousands of kilometres with their cars. Ultimately, delays and long proceedings have contributed to reducing the pay-outs for harmed consumers.

2.2. 'Divide & Rule': Volkswagen compensation strategy based on discrimination among EU consumers

The Dieselgate scandal affected consumers worldwide and did not stop at national borders. Volkswagen operates worldwide and has continuously been presenting itself as "one of the leading automobile manufacturers and the largest carmakers in Europe". Vehicles equipped with illegal software were sold to millions of consumers worldwide, irrespective of their nationalities or country of residence.

The international dimension of the fraud has shown the different treatment of consumers across the globe. Yet it is appalling how Volkswagen has been able so far to unfairly discriminate amongst EU consumers.

In January 2020, our German member vzbv successfully managed to reach a settlement agreement with Volkswagen. This was a positive achievement for consumers resident in Germany. The agreement unfortunately left empty handed the rest of EU consumers.

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¹¹ Opinion of AG Sharpston on case C-693/18 (CLCV and Others), 30 April 2020 (ECLI:EU:C:2020:323).

¹² High Court of London, decision 2019 EWHC 783(QB), 6 April 2020.



In March 2020, in the wake of the settlement agreement between vzbv and Volkswagen, our Dutch member organisation Consumentenbond tried to start negotiations with Volkswagen but the car manufacturer did not react to the demand. Our members in Belgium, Portugal, Italy, and Spain sent a letter to EU Commission President Van der Leyen and Justice Commissioner Reynders requesting all EU consumers affected by the Dieselgate scandal to be treated equally and fairly.

2.3. A failure of public enforcement

With few exceptions, Dieselgate has been a failure of public enforcement. The responses of public authorities have been fragmented and often uncoordinated. They left many consumers at the side of the road. Our 2019 report highlighted the actions carried out by public authorities at the European and national levels,¹³ and noted that only few authorities had fined Volkswagen: the Italian Competition and Market Authority imposed a €5 million fine on Volkswagen AG and Volkswagen Italia in 2016 for unfair commercial practices. In November 2017, the Dutch Authority for Consumers and Markets also fined VW €450,000. Volkswagen appealed, and the case is currently reviewed by the Rotterdam Court. In December 2019, the Rotterdam Court decided to suspend the proceedings to wait for the CJEU decision in case C-693/18 seeking clarifications on the notion of 'defeat device'.

In January 2020, the Polish Office of Competition and Consumer Protection (UOKiK) imposed a € 27 million (PLN 120 million) fine against Volkswagen Poland for issuing false information in advertising materials.

A few exceptions aside and considering the magnitude of the fraud, the number of national consumer authorities sanctioning VW has remained very low.

3. Updates on our member organisations' enforcement actions

3.1. Altroconsumo (Italy)

Altroconsumo initiated a group action against Volkswagen at the beginning of April 2016. Approximately 76,000 consumers joined. The action was declared admissible in 2017. Since then, the proceedings have been ongoing, and several technical hearings have taken place. After the hearing of March 2020, the court ordered the appointment of an external expert to review the mandates of the individual claimants. This is because Volkswagen has argued that many consumers who are part of the group had submitted uncomplete or illegible complaints. The court-appointed expert will assess whether consumers properly sent the documents requested for joining the group (i.e. the application form, the car ownership certificate, the vehicle registration certificate), whether the car has indeed been affected by a defeat device, and whether there have been any duplicate registrations. The expert report is due on 31 October 2020. Next hearing will then take place on 9 December 2020.

¹³ <u>Volkswagen Dieselgate four years down the road – an overview of enforcement actions and policy work by BEUC and its members since the Dieselgate scandal</u>, 17 September 2019.

¹⁴ The Italian group action rules require consumers to actively opt in to be part of the procedure.



3.2. Consumentenbond (The Netherlands)

In 2016, <u>Consumentenbond</u> filed a complaint (enforcement request) to the Dutch Authority for Consumers and Markets (ACM) for unfair commercial practices. In 2018, the ACM investigations led to a (at that time) maximum fine of € 450,000 on the Volkswagen Group.

The car manufacturer appealed, and the case is currently reviewed by the Rotterdam Court. Consumentenbond has been actively involved in these procedures as an interested party.

In March 2020, together with the Volkswagen Group Diesel Efficiency Stichting (VGDES), Consumentenbond sent a <u>formal letter</u> to Volkswagen demanding the start of negotiations to compensate Dutch car owners. However, Volkswagen did not provide a positive response to this demand. Consumentenbond and VGDES are in the process of starting several individual lawsuits against Volkswagen.

3.3. DECO (Portugal)

On 29 October 2016, DECO started a <u>collective action</u> before the Lisbon civil Tribunal against VW Portugal and other VW Group members. Following Portuguese law, DECO automatically represents all affected Portuguese consumers (opt out system). The proceedings are ongoing, and the preliminary hearings have been scheduled on 21 October 2020.

3.4. Fédération Romande des Consommateurs - FRC (Switzerland)

Due to the absence of collective redress instruments in Switzerland, <u>FRC</u> encouraged all Swiss car owners to file an action in cooperation with the law firm Hausfeld and the online platform *myRights* before the Regional Court in Braunschweig, Germany. Approximately 2,000 Swiss car owners took part in the action.

In February 2020, the court took the view that, in accordance with the German Legal Services Act, Financial Right GmbH was not entitled to represent foreign claimants. The claimants have appealed the decision before the Higher Regional Court. A decision is expected for the end of 2020/beginning of 2021.

3.5. Organización de Consumidores y Usuarios - OCU (Spain)

After an unsuccessful attempt to find an agreement with the car manufacturer, OCU started an <u>action</u> against VW-Audi Spain Group in June 2017 on behalf of 7,500 car owner before the Mercantil Court in Madrid n°1. OCU claims approximately €22 million for damages.

Hearings took place in February 2020. The court's decision, which was initially expected to be issued during the Summer 2020, had to be delayed because of the COVID-19 outbreak.



3.6. Spoločnosť ochrany spotrebiteľov - SOS Poprad (Slovakia)

In the absence of collective redress mechanism available in Slovakia, SOS examined a possible cooperation with professional legal services providers. SOS launched a public campaign to reach out to consumers, but the launch of a court action was finally abandoned due to a lack of resources.

In 2020, SOS has been looking for other options and has decided to bring actions against Volkswagen in collaboration with individual consumers. The first one will be lodged by the end of 2020. Partial results are expected by the end of 2021. In case of success, the decision may assist other consumers when claiming compensation against Volkswagen.

3.7. Test Achats / Test Aankoop (Belgium)

Test Achats / Test Aankoop launched a <u>collective action</u> against VW Group Belgium and the VW Group in June 2016. The action only covers claims of consumers who purchased their cars after 1 September 2014. This is because the Belgian group action legislation can only apply for damage occurred from September 2014 onwards.

In December 2017, the Brussels Court of first instance declared the action admissible and decided that the procedure should be based on an opt-out procedure. This means that Test Achats/ Test Aankoop represents the interests of all affected Belgian car owners. Individual car owners may decide to actively opt out of the procedure if they do not want to be bound by the final court decision. The <u>mandatory mediation</u> period was unsuccessful and ended in 2019.

In parallel, Test Achats/ Test Aankoop started additional actions for consumers who bought their cars before 1 September 2014 and were thus excluded from the collective action.

Hearings on the merits for both the collective action and the individual cases are scheduled only (!) in February 2022.

3.8. UFC-Que Choisir & CLCV (France)

<u>UFC-Que Choisir</u> was appointed as a member of the national independent testing <u>commission</u> set up to investigate the Dieselgate scandal. The Commission published its <u>report</u> in July 2016 confirming the systematic use of defeat devices in the automotive industry. However, the report left it to the court to determine whether the use of these devices was legal.

In December 2018, UFC-Que Choisir <u>invited</u> French consumers to join the action launched by our German member organisation vzbv. However, as further explained below, the settlement agreement reached between vzbv and Volkswagen in February 2020 excluded consumers who were not German resident at the time of the purchase of their cars. UFC-Que Choisir did not start a group action. This is because consumer group actions under French law are only permissible to claim compensation for material damage. Hence, the admissibility of a group action could have been debatable in this context.



Four criminal cases for aggravated deception were filed in 2016 against Volkswagen, Renault, Fiat, Peugeot-Citroen. UFC-Que Choisir and CLCV have joined these cases as private parties. In October 2018, the Paris high court of first instance made a request for a preliminary ruling to the European Court of Justice seeking, inter alia, clarifications on the notion of 'defeat device' (case C-693/18, CLCV and others). In her Opinion issued on 30 April 2020, Advocate General Sharpston took the view that a device that adjusts upwards the operation of the emission control system of diesel vehicles during the approval testing should be considered as a 'defeat device' prohibited under EU law. The European Court of Justice is now expected to issue its final decision in the coming months. Proceedings will then resume before the Paris court.

"A device that adjusts upwards the operation of the emission control system of diesel engine vehicles during the approval testing of those vehicles is a 'defeat device."

AG Sharpston in C-693/18, CLCV & others

3.9. Union Luxembourgeoise des Consommateurs – ULC (Luxembourg)

As there was no collective redress instrument available in Luxembourg at that time, ULC selected four individual cases from ULC members as test cases. The complaints were lodged before the court in Luxembourg City against the car seller, the Luxembourg importer as well as VW and AUDI as car manufacturers. They requested a partial reimbursement of the purchased price. In 2019, the Luxembourg court took the view that the complaints were admissible. Proceedings are ongoing. The procedural calendar has been impacted by the COVID-19 outbreak and no trial date has been scheduled yet.

3.10. Verbraucherzentrale Bundesverband – vzbv (Germany)

In November 2018, vzbv started a declaratory court action ("Musterfestellungsklage") against Volkswagen before the Higher Regional Court in Braunschweig, Germany. The action was based on the new German legislation for declaratory model judgements. From November to September 2019, approximately 430,000 car owners registered to join the action, making it the largest-ever collective 'opt in' court action in Europe. Several hearings took place in 2019.

As the court strongly pushed the parties towards settlement, in February 2020, vzbv and Volkswagen reached an agreement to settle the dispute. Albeit beneficial for consumers based in Germany, the <u>agreement</u> had several important limitations as it excluded car owners who joined vzbv's <u>action</u> but were either not living in Germany at the time they bought their cars (approximately 30.000 consumers who were part of the group were foreign car owners) or bought their car later than 2015. Although nothing hindered Volkswagen from accepting claims from foreign consumers, Volkswagen declined to add residents from other countries because it was not definitive as to whether German law would be applicable to those foreign cases and whether foreign claimants would ultimately be accepted by the court, if it had come to a court decision. In the context of difficult and tense negotiations with Volkswagen, this result was the maximum that vzbv could achieve.



Considering these exclusions, approximately 260,000 consumers in Germany had the possibility to receive between $\[\in \]$ 1,350 and $\[\in \]$ 6,257 euros, depending on the car model and age. Those wishing to take up the offer had to confirm their decision by April 2020. The criteria for obtaining compensation and potential disagreements were supervised by a third-party.

Ultimately, about 240,000 consumers settled their claims via the Musterfestellungsklage corresponding to a total pay-out of approximately €750 million. Car owners who were not covered under the settlement agreement and those who rejected the terms of the settlement agreements could launch separate lawsuits. Ultimately, the decision of the German Federal Court issued on 25 May provided a strong support to these individual lawsuits.

3.11. Verein für Konsumenteninformation - VKI (Austria)

As of September 2018, VKI had brought 16 group actions in front of 16 courts representing a total of 10,000 consumers. One of the main preliminary issues regarded the competence of Austrian courts. Volkswagen, whose registered office is in Wolfsburg (Germany), argued that Austrian courts were not internationally competent for the dispute between VW and the Austrian car holders represented by VKI. The regional courts answered the question of international jurisdiction in different ways. Some courts confirmed their competence while other denied.

On 27 March 2019, the Landesgericht Klagenfurt made a reference for a preliminary ruling to the Court of Justice of the European Union to seek clarification in relation to the competence of Austrian courts for extracontractual lawsuits against VW.

In July 2020, the Court confirmed the jurisdiction of Austrian courts (case C-343/19, VKI v. Volkswagen). The court took the view that "where a manufacturer in a Member State (Germany) has unlawfully equipped its vehicles with software that manipulates data relating to exhaust gas emissions before those vehicles are purchased from a third party in another Member State (Austria), the place where the damage occurs is in that latter Member State (Austria)".

"A motor vehicle manufacturer which is established in one Member State and engages in unlawful tampering with vehicles sold in other Member States may reasonably expect to be sued in the courts of those States".

CJEU, case C-343/19, VKI v. Volkswagen



3.12. Zveza Potrošnikov Slovenije – ZPS (Slovenia)

Since no collective action mechanism existed in Slovenia in 2017, <u>ZPS</u> decided to collaborate with the law firm Hausfeld and the online claims platform *myRight*. In March 2018, they launched a collective action gathering 6,024 claims from Slovenian car owners before the Regional Court of Braunschweig, Germany. Proceedings are ongoing.

4. No more Dieselgate: our expectations for the future

4.1. Promises of the Representative Action Directive must be kept

The Dieselgate scandal was an impetus for the European Commission to finally propose a binding legislation on collective redress in the EU. The proposal for a directive on representative actions for consumers, which was made in the context of the 'New Deal for Consumers' package, came after many years of controversial discussions and strong opposition from the industry. After difficult negotiations, the EU negotiators finally reached a political agreement in June 2020. The directive is now expected to be formally adopted by the EU institutions by the end of this year. It foresees an obligation for all EU countries to put in place collective redress procedures for both domestic and for cross-border mass claims. In the future, it might thus become easier to tackle mass infringements, such as Dieselgate.

Although this is obviously a key achievement, the success of this new directive will now depend on how effective those procedures are in practice, and what decisions Member States will take when transposing the directive into their national systems. We hope that Member States will be ambitious and consumer friendly in this task.

The agreement on the Representative Actions Directive has been a landmark achievement. Now, it is up to Member States to implement procedures that truly work for consumers and ensure their access to justice in mass harm situations.



4.2. EU private international instrument should be reviewed to facilitate the resolution of cross-boder mass claims and to ensure fair treatment for all EU consumers.

The new directive on representative actions for consumers includes a provision facilitating the bringing of cross-border representative actions by Qualified Entities. In particular, Member States will have to ensure that cross-border representative actions can be brought before their courts or administrative authorities by one or several Qualified Entities from different Member States. ¹⁵ However, the directive does not make changes to the existing EU private international law instruments to facilitate the resolution of cross-border mass claims. ¹⁶

Several reports¹⁷ and court decisions¹⁸ have however stressed loopholes and problems with the application of the existing EU private international law instruments (i.e. the Brussels 1 bis Regulation, the Rome 1 and 2 Regulations) in the context of cross-border mass claims. This is because the existing rules were drafted with the traditional individual litigation model in mind and are not geared towards the effective resolution of collective litigation.

There is a need to upgrade the existing EU private international law instruments to cope with the specificities of cross-border mass claims. In 2013, in its communication on collective redress, the European Commission highlighted that "(...) in the light of further experience involving cross-border cases, the report foreseen on the application of the Brussels I Regulation should include the subject of effective enforcement in cross-border collective actions". ¹⁹ This report is now expected in January 2022.

4.3. The Commission and national authorities must take full advantage of the new CPC Regulation

In January 2020, the new rules of the amended CPC Regulation came into force. They give stronger powers to national authorities and list the minimum investigating and enforcement powers that national authorities must have. The final text of the CPC Regulation did not keep the <u>initial proposition</u> of the European Commission which also included, as part of the minimum powers that CPC authorities should have, the possibility to order traders to compensate harmed consumers. Instead, the representative action directive should now be implemented quickly and allow for better access to collective redress across the EU. The new CPC rules have also introduced an external alert system to identify more rapidly emerging threats and have given more coordination powers to the European Commission in case of widespread infringement with an EU dimension.

4.4. The Commission must carefully supervise type-approval

The EU has amended the legislation on type-approval, which now includes a new system of European oversight. As from September 2020, the EU Commission is given new enforcement powers and, among others, will have the possibility to suspend or withdraw

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¹⁵ Art.4b of Directive on representative actions for consumers.

¹⁶ See recital 9 of Directive on representative actions for consumers.

¹⁷ See e.g. report for the European Paliament 'Collective redress in the Member States of the European Union', 2018, pp.93 and seq.

⁽https://www.europarl.europa.eu/RegData/etudes/STUD/2018/608829/IPOL_STU(2018)608829_EN.pdf), BEUC Fixing consumer rights enforcement in Europe – the roles of consumer organisations (forthcoming, September 2020)

¹⁸ Seé CJEU, case C-498/16 *Maximilian Schrems v Facebook Ireland Ltd*, 25 January 2018 (ECLI:EU:C:2018:37) and Opinion of AG Bobek, 14 November 2017 (ECLI:EU:C:2017:863).

¹⁹ COM/2013/0401 final (at pp.13-14).



vehicle type-approvals, launch EU-wide recalls of non-compliant vehicles and apply penalties on manufacturers and technical services infringing the law. Car manufacturers breaching the rules may be fined up to $\le 30,000$ per car.

In parallel, since 2017, the EU has also introduced a <u>new laboratory test</u> (the so-called "Worldwide Harmonized Light Vehicle Test Procedure" or WLTP) to tackle the large gap between CO2 emission levels as measured in the laboratory and on the road.

5. BEUC and its member organisations committed to continue the fight

Because of the complexity of the legal systems and Volkswagen's delaying tactics, the legal actions brought by our member organisations across Europe have made slow progresses in five years. But we remain committed to continue our fight until Volkswagen compensates all affected EU consumers.

In parallel, BEUC continues to **call for additional measures to step up and strengthen public and private enforcement systems in Europe**. The European Commission has pointed out that, "since 1987, the EU has had the strictest rules on consumer protection in the world, with a comprehensive set of consumer rights in place today". However, **law remains as strong as its enforcement system**. The public and private enforcement of consumer law rules has been the Achilles heel of the EU for too many years. As BEUC has repeated continuously, a new European enforcement system and culture need to be put in place. In this view, BEUC and its member organisations have published a report accompanied by **recommendations** for strengthening the public and private enforcement of consumer law in Europe and to ensure that consumers can effectively be compensated when large-scale damage occur.²⁰

Other relevant BEUC materials:

- <u>Volkswagen Dieselgate four years down the road an overview of enforcement actions and policy work by BEUC and its members since the Dieselgate scandal</u>, 17 September 2019.
- "German highest civil court ruling underlines consumers must be compensated for Dieselgate scandal", BEUC press release 25 May 2020.
- BEUC dedicated webpage on Dieselgate.
- Fixing consumer rights enforcement in Europe the roles of consumer organisations (and the accompanying recommendations) (forthcoming, September 2020)

²⁰ Fixing consumer rights enforcement in Europe – the roles of consumer organisations (forthcoming, September 2020)





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