## The European Commission and EU consumer authorities publish final assessment of dialogue with Volkswagen

The VW Group's effort to build trust in the recalls and the significant improvement in the information provided to consumers, are welcomed. The rate of repair is now reaching 80% and the Group committed to continue the free-of-charge update and the related de facto guarantee to solve problems that arise after the update until the end of 2020. However, the Commission and the consumer authorities regret that the company could not give a full and clear guarantee in case of problems after the repair.

Vera **Jourová**, Commissioner for Justice, Consumers and Gender Equality, commented: "We have worked hard to make VW more proactive with EU consumers affected by the dieselgate scandal. VW fulfilled the action plan they promised to me, but that was all. This is again a reminder of the need for stronger rules on individual redress in the EU, including collective actions."

In their conclusions, the European Commission and consumer authorities agree that the actions undertaken by Volkswagen have so far resulted in positive developments regarding the online information available, with extensive questions and answers and video clips, on the reason for the update and how to obtain it and on the Trust Building Measure. On the other hand, Volkswagen has not provided a full and clear guarantee that the update is not affecting the cars' performance and has refused to simplify the conditions giving access to the Trust Building Measure. The VW Group has committed to responding to all complaints that consumers may have after the repair. Concerned consumers are encouraged to contact their local dealers if they have any problems related to the update. In case they are denied assistance, they should lodge a formal complaint with the Volkswagen national contact points for the recall and can inform their national consumer organisation.

## **Next steps**

The conclusion of this coordinated EU-level action does not exclude further actions by enforcement authorities at national level, according to their local circumstances.

## **Background**

Following the Dieselgate scandal, Commissioner **Jourová** obtained from Volkswagen in September 2016 an EU wide action plan to ensure that the cars affected in the Union are repaired, that consumers are properly informed and that they do not suffer inconveniences from this process. In June 2017, as the repair process was still slow, Volkswagen provided in addition the so-called Trust Building Measure, with which Volkswagen promised to solve problems that arise after the repair until end 2018. The de facto guarantee

related to the Trust Building Measure is limited to 11 parts of the engine.

In September 2017, national consumer protection authorities, under the leadership of the Dutch authority (ACM) and the European Commission <u>asked Volkswagen to make additional efforts</u>. Today's report gives an overview of the results of the actions undertaken by Volkswagen following this request.

The EU <u>Consumer Protection Cooperation (CPC) Regulation</u> links national consumer authorities in a pan-European enforcement network. Thanks to this framework, a national authority in one EU country can call on their counterpart in another EU country to ask them to intervene in case of a cross-border infringement of EU consumer rules.

The cooperation is applicable to consumer rules covering various areas, such as the <u>Unfair Commercial Practices Directive</u>, the <u>Consumer Rights Directive</u> or the <u>Sales and Guarantee Directive</u>. Under the CPC framework, authorities regularly review issues of common concern for consumer protection in the Single Market and coordinate their market surveillance and eventual enforcement actions. The Commission facilitates the exchange of information among authorities and their coordination.

More generally, when a car manufacturer breaks EU rules on type approval, the Member State that has approved the car type needs to do two things: order remedial measures such as recalls to ensure that all cars concerned are brought into conformity with the law; and apply effective, proportionate and dissuasive penalties against the car manufacturer.

The Commission regularly publishes a <u>progress overview on the level of recalls</u> related to NOx emissions. It is following Member States' enforcement of these rules very closely and has opened a number of <u>infringements</u>, including against Germany, Luxembourg, Spain and the United Kingdom with regard to Volkswagen Group.

The Commission also prompted a fundamental overhaul of EU type approval rules. As a result, from September 2020, the Commission will be able to order EU-wide recalls and impose administrative penalties on manufacturers or technical services of up to  $\{30,000 \text{ per non-compliant car.}\}$ 

## For More Information

Conclusions on the Volkswagen case