Analysis of the European Commission's 'Roadmap towards clean vehicles'

Analyses the roadmap to be presented by the Commission at the Automotive Industry Forum in Craiova on 18 March 2019

March 2019

Summary

On Monday 18 March 2019, the European Commission will present and discuss with Member States, industry and civil society a "Roadmap towards clean vehicles". **This document is the first-ever EU strategy to tackle polluting diesels on the road.** It is the first proposal for an integrated EU strategy to tackle the legacy of Dieselgate currently on Europe's roads. The document has been shared with governments beforehand. T&E's has obtained a copy of the final draft and puts in context, analyses and comments the roadmap in this briefing.

T&E's main policy demands are: Issue mandatory recalls for dirty diesels across the EU and not only in a few Member States; stop imports of polluting cars unless it can be demonstrated that they have been cleaned up; make sure consumers are compensated regardless of the Member States they live in.

1. Background

Even if the Dieselgate scandal was revealed in the US, it originally resulted from a failure of national regulators in the EU to enforce vehicle emissions regulations. This became a truly **European problem**, as cars that are type-approved in one Member State can be sold everywhere in the EU Single Market. Some of the most important regulatory weaknesses have since been addressed by new European legislation. Yet, these measures almost exclusively concern future sales of <u>new</u> cars, while the dangerous legacy of Dieselgate - more than **43 million grossly polluting diesels currently on Europe's roads** according to T&E's most recent calculations - remains almost untackled three and a half years later. Cities have been left alone in addressing air pollution, often having no choice but to ban dirty cars (there are more than 250 EU cities taking such measures).

The European Commission now starts a new attempt to push for a **coordinated European solution** for grossly polluting cars and, for the first time, proposes a "roadmap" with a list of possible measures. The discussion in Craiova comes after the first **'European Diesel Summit'** on 6 November 2018 in Brussels where cities, health advocates and green groups presented 'fast routes to clean air'. EU Industry **Commissioner Bienkowska** delivered a keynote speech at the event, calling upon national ministers to meet and discuss solutions for the fleet of polluting cars. Some ministers, namely German Transport Minister Scheuer, did not confirm their participation and the ministerial meeting was eventually downgraded to a technical one.

2. Overall assessment by Transport & Environment

Jens Müller, air quality manager with green group Transport & Environment, said: "We have already lost more than three years in tackling the toxic legacy of Dieselgate on Europe's roads, which now amounts to more than 43 million grossly polluting diesels. It is laudable that the European Commission does not let governments off the hook. Some of Europe's leading car countries, above all Germany, would like us to forget about the

unresolved problems and simply push consumers to buy their newer, somewhat cleaner diesel cars. But the public health crisis does not go away, and many of the dirty diesels are simply being exported to poorer parts of Europe.

"There are solutions: Dirty cars must be recalled across the EU, not just in a few countries. Imports of dirty diesel cars should be banned across the whole single market unless the cars have effectively been cleaned up. And carmakers must contribute to a 'Clean Air Fund' that helps cities across the EU deal with the consequences of Dieselgate."

3. Detailed assessment of the proposals contained in the draft roadmap

[Commission's proposed action]

Overall objectives:

- Clean vehicles in the EU.
- Quick delivery on the recalls related to the diesel emissions scandal.
- Vehicles routinely to comply with all legal requirements.
- Vehicle manufacturers and enforcement authorities to act quickly and effectively to remedy any defects at no cost to the owner.

[T&E assessment]

T&E agrees with these overall objectives but believes they should have been attained long ago, as Euro 6 standards were adopted more than 10 years ago. Mere compliance with laws is not sufficient, serious efforts to repair the damage done are needed.

[Commission's proposed action]

Action 1: Delivering the recall of the VW EA189 engine

- Reach an EU-wide recall rate of at least 90% by the end of 2019.
- MS should aim to have a recall rate of at least 80% by the end of 2019.

[T&E assessment]

The original Dieselgate defeat device revelation was mainly about this engine and more than three and a half years later it is shocking to see that even these vehicles have not been fully recalled in the EU. According to the European Commission's document, based on information sent by national authorities, only 6 Member States have a mandatory recall for engines used on the 4 different brands of the VW group (AT, DK, FR, DE, NL, PT), while 2 countries have mandatory recalls for only 2 brands of the 4 concerned brands (FI, SI). For the other 20 other countries, the recall is only voluntary. Worse, Ireland did not send any information to the Commission, Estonia does not recall any Volkswagen vehicles at all.

This highlights two main weaknesses: First, despite recent guidance provided by the European Commission, there is still no uniform understanding and approach when it comes to detecting and removing 'defeat devices'. Second, vehicle recalls are opaque and vary from country to country, although they are all part of the Single Market. Recalls have to be Europe-wide, and they should not be voluntary but mandatory when cars are found to emit more than allowed.

[Commission's proposed action]

Action 2: Ensuring consistent implementation and enforcement of recalls

- MS: Consider the use of mandatory recalls.
- MS: Request proof of update at, for example:
 - periodical technical inspection (PTI);
 - o registration of vehicle (2nd hand vehicles);
 - o renewal of insurance or renewal of registration.

COM: Prepare (together with MS) and publish a Best Practice quidance on recalls.

[T&E assessment]

Mandatory recalls are absolutely necessary and the updates to the recalled vehicles have to improve emissions during real world driving. Cheap software updates are in most cases not enough, as testing by the EU's Joint Research Centre (JRC) and T&E member organisation DUH shows, for many vehicles hardware retrofits are also necessary. The current system of only national recalls is completely opaque and it is not clear why recalls for the same vehicle are mandatory in some Member States but not in others. The European Commission should coordinate recalls to ensure that all diesel vehicles across all member states are fixed. It should define minimum standards and not simply 'Best Practice Guidance'. A proof of updates has to be required and their effectiveness has to be checked through independent testing. National authorities must refuse to register imported polluting diesel cars unless they have been cleaned up. Air pollution must not be shifted to other parts of Europe.

[Commission's proposed action]

Action 3: Ensuring the transparency of recall actions

- OEMs/MS: Improved information to COM of all remedial measures.
- MS: Monthly input to the Recall Information Platform.
- COM: Publication of periodic reports on the recalls progress.

[T&E assessment]

It is currently impossible to get the complete picture on recalls across the EU. According to the available information, 11 million diesel vehicles in the EU are concerned by a recall (including almost 8 million with the VW's EA189 diesel engine). This is only a small fraction of the total of 43 million grossly polluting diesels on EU roads. The EU 'Recall Information Platform' must be turned into a complete and up-to-date inventory of all recalls. Recalls must then be carried out across the whole of the EU. Secondly, the information surrounding the recalls is currently very limited. Most of the time there are no details about the reasons for a recall, the vehicles concerned and the required action.

Furthermore, there in no consensus on how recall actions are verified by type-approval authorities in order to ensure they are fit for purpose and deliver lower emissions during real world driving. Before a fix is approved by the type approval authority the OEM should demonstrate that the fix delivers better emissions during real world driving. This should include RDE testing of a selection of vehicles before and after the fix. The emissions measured during RDE testing should not exceed the legal limit under which the vehicle was originally type approved.

[Commission's proposed action]

Action 4: Inform consumers (vehicle-owners)

- OEMs: Enhance driver incentives, such as trust-building measures, free oil change, free servicing, free pick-up and delivery, providing a replacement vehicle.
- MS: Improve communication to consumers, e.g. on the consequences if cars are not updated.
- COM/MS/NGOs: raising awareness of consumers' rights and their enforcement.
- COM: Facilitate cooperation using the CPC-network.

[T&E assessment]

Informing consumers is essential but the responsibility for cleaning up dirty diesels lies with manufacturers that manipulated emissions from cars. Consumers do not want ad hoc arrangements to appease them but a technical solution for their cars and compensation for the damage done. The ongoing review of EU consumer rights ('A new deal for consumers') must be used to provide access to collective redress procedures in Europe in the future.

[Commission's proposed action]

Action 5: Ensuring a cleaner fleet

- OEMs/MS: Encourage hardware retrofits.
- COM: Investigate the feasibility of harmonising rules on retrofitting.
- OEMs/MS: Support fleet renewal (scrapping schemes).
- COM/MS: Enhance provisions for periodical technical inspection and roadworthiness testing, e.g. to detect manipulation.

[T&E assessment]

Hardware retrofits are indeed needed in many cases to effectively clean up the cars, as testing by the EU's Joint Research Centre (JRC) and T&E member organisation DUH shows. Rules and independent verification must be coordinated at EU level - and the Commission has already had three years to do so. Cleaning up the existing fleet is more important than fleet renewal, as this would allow car makers to get away with replacing dirty diesels with slightly cleaner ones. A review of periodical technical inspections and roadworthiness testing is urgently needed to detect dirty cars (e.g. through 'remote sensing', see below) and ensure that no vehicles are able to evade a mandatory recall. In service conformity testing should be introduced for fixed vehicles in order to ensure that the fix provided is permanent and not only a temporary measure.

[Commission's proposed action]

Action 6: Ensuring a Dieselgate-free future

- COM/MS: Efficient implementation of the New Type Approval Regulation, in particular provisions on market surveillance, i.e.:
 - o Capacity building on Real Driving Emission testing;
 - Encourage independent third party testing;
 - o Cooperation between MS/JRC on the use of independent testing facilities;
 - o Coordination of actions through the Forum, e.g. regarding the assessment of auxiliary emissions strategies (AES).
- Research on monitoring methods, e.g. remote sensing.

[T&E assessment]

Important progress has been made to avoid future emission scandals, not least thanks to the initiatives taken by the European Commission. Correct implementation of the new type-approval laws (entry into force in September 2020) is crucial in order to ensure that only clean vehicles are put on the Single market. This includes strict in-service conformity checks and market surveillance by the European Commission and Member States, going beyond the required minimum.

T&E agrees that independent third party testing is important to dissuade companies from cheating and the European Commission should facilitate such testing and help investigate relevant findings. New monitoring methods like 'remote sensing' are needed to measure real-world emissions and apply targeted city bans for polluting cars. Cities such as London already successfully use these technologies, and T&E is a partner in this project.

Further information

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Endnotes

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