

# 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 [asked Volkswagen to make additional efforts](#). Today's report gives an overview of the results of the actions undertaken by Volkswagen following this request.

The EU [Consumer Protection Cooperation \(CPC\) Regulation](#) 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 [Unfair Commercial Practices Directive](#), the [Consumer Rights Directive](#) or the [Sales and Guarantee Directive](#). 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 [progress overview on the level of recalls](#) related to NOx emissions. It is following Member States' enforcement of these rules very closely and has opened a number of [infringements](#), 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 per non-compliant car.

#### **For More Information**

[Conclusions on the Volkswagen case](#)

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## **[EU-Japan Summit: a landmark moment for trade and cooperation](#)**

Jean-Claude **Juncker**, President of the European Commission and Donald Tusk,

President of the European Council, represented the European Union at the Summit. Japan was represented by its Prime Minister, Shinzo Abe. The European Commission Vice-President for Jobs, Growth, Investment and Competitiveness, Jyrki **Katainen** also participated. EU Leaders offered their condolences to the people of Japan following the floods and landslides in Western Japan, and offered their support to Prime Minister to help in any way.

*“Today is a historic moment in our enduring partnership”, said President Jean-Claude **Juncker**. “Today’s signature of the EU-Japan Economic Partnership Agreement is a landmark moment for global trade, and I am also delighted that we have signed the first ever Strategic Partnership Agreement, which takes our cooperation to the next level. The impact of the Economic Partnership Agreement goes far beyond our shores. Together, we are making a statement about the future of free and fair trade. We are showing that we are stronger and better off when we work together and we are leading by example, showing that trade is about more than tariffs and barriers. It is about values, principles and finding win-win solutions for all. As far as we are concerned, there is no protection in protectionism – and there cannot be unity where there is unilateralism.”*

The full remarks of President **Juncker** at the press conference following the Summit are available [online](#). The European Union and Japan have issued a [Joint Summit Statement](#).

### **For open, fair and win-win trade**

The **Economic Partnership Agreement** between the EU and Japan is the biggest ever negotiated by the European Union. It creates an open trade zone covering over 600 million people and nearly a third of global GDP. It will remove the vast majority of the €1 billion of duties paid annually by EU companies exporting to Japan, and has led to the removal of a number of long-standing regulatory barriers, for example on cars. It will also open up the Japanese market of 127 million consumers to key EU agricultural exports and will increase EU export opportunities in a range of other sectors. The Agreement follows the highest standards of labour, environmental and consumer protection and has a dedicated chapter on sustainable development. It is the first trade agreement negotiated by the European Union to include a specific commitment to the Paris climate agreement.

Commissioner for Trade Cecilia **Malmström** said: *“We are sending a strong signal to the world that two of its biggest economies still believe in open trade, opposing both unilateralism and protectionism. The economic benefits of this agreement are clear. By removing billions of euros of duties, simplifying customs procedures and tackling behind-the-border barriers to trade, it will offer opportunities for companies on both sides to boost their exports and expand their business.”*

Concerning **data protection**, the EU and Japan [concluded the negotiations on reciprocal adequacy](#) on 17 July, which will complement the Economic Partnership Agreement. They agreed to recognise each other’s data protection systems as ‘equivalent’, which will allow data to flow safely between the EU and Japan, creating the world’s largest area of safe data flows.

Věra **Jourová**, Commissioner for Justice, Consumers and Gender Equality said: *“Japan and EU are already strategic partners. Data is the fuel of global economy and this agreement will allow for data to travel safely between us to the benefit of both our citizens and our economies. At the same time we reaffirm our commitment to shared values concerning the protection of personal data. This is why I am fully confident that by working together, we can shape the global standards for data protection and show common leadership in this important area.”*

A [full press release](#) on the signing of the Economic Partnership Agreement and a [factsheet](#) on the Agreement is also available. The [full statement](#) of Commissioner Jourová and Haruhi Kumazawa, Commissioner of the Personal Information Protection Commission of Japan on the mutual adequacy arrangement is available online, as is a [dedicated press release](#) and a [detailed memo](#).

### **A Strategic Partnership Agreement fit for truly Strategic Partners**

The European Union and Japan are like-minded partners, working together both bilaterally as well as in multilateral fora, such as the United Nations and the G7. The Strategic Partnership Agreement, signed today by President **Juncker**, President Tusk and Prime Minister Abe, will deepen and strengthen EU-Japan relations by providing an overarching and binding framework for enhanced cooperation.

*“In today’s world, no country can think of tackling the global challenges that we are faced with on its own”,* said the High Representative/Vice-President Federica **Mogherini** ahead of the Summit. *“Japan is a country that we already work so closely with, on many files, from peace-building to denuclearisation, from counter-terrorism to effective multilateralism. The Strategic Partnership Agreement will allow us to strengthen this cooperation across a wide range of sectors, but also open up the possibility for cooperation in new areas, from science, technology and innovation, environment and energy, to climate change and security.”*

A [factsheet](#) on the Strategic Partnership Agreement is available online as is information on support to its implementation under the [Partnership Instrument](#).

At the Summit, the Leaders addressed **regional and foreign policy issues** including the situation on the Korean Peninsula, the conflict in eastern Ukraine and the illegal annexation of Crimea and Sevastopol, the commitment to preserving the Joint Comprehensive Plan of Action – the Iran nuclear deal, among others. As the Strategic Partnership Agreement foresees, Leaders also discussed the shared commitment to strengthen cooperation on global issues and confirmed the EU and Japan’s joint vision and support to the rules-based international order with multilateralism, democracy, non-proliferation of weapons of mass destruction, open markets and a global trading system with the World Trade Organisation at its core.

The Leaders also discussed other bilateral issues, including possibilities to strengthen the EU-Japan security partnership, strengthened cooperation in the fields of development policy and education, culture and sports.

## Further Information

[EU-Japan Summit website](#)

[EU-Japan relations factsheet](#)

[Joint Statement following the 25<sup>th</sup> EU-Japan Summit](#)

[Remarks of President Jean-Claude Juncker at the press conference following the 25<sup>th</sup> EU-Japan Summit](#)

[Strategic Partnership Agreement factsheet](#)

[Press Release: EU and Japan sign Economic Partnership Agreement](#)

[Economic Partnership Agreement factsheet](#)

[Economic Partnership Agreement website](#)

[Joint Statement by Haruhi Kumazawa, Commissioner of the Personal Information Protection Commission of Japan and Věra Jourová, Commissioner for Justice, Consumers and Gender Equality of the European Commission](#)

[Press Release: The European Union and Japan agreed to create the world's largest area of safe data flows](#)

[Memo: Questions and Answers on the Japan Adequacy Decision](#)

[Support to the implementation of the Economic and Strategic Partnership Agreements under the Partnership Instrument](#)

[Delegation of the European Union to Japan website](#)

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## **ESMA IS SEEKING SECONDARY MARKET EXPERTS TO JOIN ITS CONSULTATIVE WORKING GROUP**

The CWG is mainly expected to advise and assist the SMSC on technical standards to be submitted to the European Commission; guidelines, Q&As and other relevant guidance under ESMA's supervisory convergence mandate in relation to relevant legislative provisions within the area of competence of the SMSC; any issues in the context of the implementation and application of secondary markets relevant legislation; and assessing the potential impact of any measures contemplated by the SMSC.

The SMSC itself undertakes ESMA's work relating to the structure,

transparency and efficiency of secondary markets for financial instruments, including trading venues and OTC markets. In terms of policy, among others it has the responsibility for elaborating technical standards, guidelines, opinions, Q&As and other guidance as well as providing advice to the European Commission relating to pre-trade and post-trade transparency requirements for equity, equity-like and non-equity instruments, provisions governing access to CCPs, trading venues and benchmarks, market structures and microstructures, organisational requirements for investment firms, requirements applying to data services providers and the trading obligations for derivatives and shares. It also provides a forum for national competent authorities to exchange experiences on MiFID II/MiFIR implementation and related supervisory issues.

Members of the CWG are selected for a term of two years and are renewable. Interested experts are asked to send their [application](#) to ESMA by 28 August 2018.

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## **Summary of Conclusions Management Board meeting 23 May 2018**

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