



House of Commons
Transport Committee

**Volkswagen emissions
scandal and vehicle
type approval:
Government response
to the Committee's
Third Report of Session
2016–17**

**Fourth Special Report of Session
2016–17**

*Ordered by the House of Commons to be printed
10 October 2016*

Transport Committee

The Transport Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Department for Transport and its associated public bodies.

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Committee staff

The current staff of the Committee are Gordon Clarke (Committee Clerk), Nehal Bradley-Depani (Second Clerk), James Clarke (Committee Specialist), Andrew Haylen (Committee Specialist), Daniel Moeller (Senior Committee Assistant), Michelle Owens (Committee Assistant) and Estelle Currie (Media Officer).

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Fourth Special Report

The Transport Committee published its Third Report of Session 2016–17, *Volkswagen emissions scandal and vehicle type approval* (HC 69), on 15 July 2016. The Government's response was received on 14 September 2016 and is appended to this report.

In the Government response, the Committee's recommendations appear in **bold text** and the Government's responses are in plain text.

Appendix: Government Response

Introduction

The Government welcomes this opportunity to respond to the Transport Select Committee's recommendations regarding the Volkswagen Group emissions scandal and vehicle type approval.

Recommendation 1. It is not credible for Volkswagen Group to apologise for its conduct only to then deny that it had done anything wrong. Volkswagen deceived both regulators and their own customers on a global scale and it has shown a cynical disregard for emissions limits which exist to protect human health from dangerous pollutants. VW's conduct has severely undermined confidence in vehicle standards that are relied upon by consumers and it has not only brought its own integrity into disrepute but also that of the auto sector. (Paragraph 23)

The Government strongly agrees with the Committee that the actions of Volkswagen were completely unacceptable and is also concerned by Volkswagen's more recent statements that underplay the severity of its cheating. Since September 2015 when the scandal emerged, we have been committed to assessing the scale of the issue, investigating what went wrong and pressing Volkswagen to apply technical solutions to their vehicles as soon as possible for UK consumers.

The Committee is aware of the Vehicle Emissions Testing Programme that the Department for Transport carried out. Volkswagen's actions cast doubt on the integrity of the industry and led us to undertake this programme to seek reassurance for UK consumers, the public and the Government that the issue was not industry-wide. We were the first European country to publish a comprehensive report with our results from testing. We found no evidence that other manufacturers we tested were using a cycle recognition device like Volkswagen. For reference, the Vehicle Emissions Testing Programme Report can be found at the following link:

<https://www.gov.uk/government/publications/vehicle-emissions-testing-programme-conclusions>

Recommendation 2. It is not credible for VW to say that it does not know the exact contribution that the defeat device made to meeting EU emissions limits. We are concerned by the Department for Transport's ambivalence towards assessing the legality of Volkswagen's use of defeat device software despite its condemnation of Volkswagen's actions to us and in the media. The Department for Transport was too slow to assess the use of its powers under the Road Vehicles (Approval) Regulations 2009

to prosecute Volkswagen for its deception. It took five months before the DfT took even preliminary legal advice on a prosecution. It is deeply concerning that the Department is relying on the European Commission to act even though the Commission does not hold the necessary evidence or have powers to prosecute. We are also concerned that regulators have shown little interest in establishing whether Volkswagen Group has broken any laws. *The Vehicle Certification Agency has evidence that defeat devices were installed in vehicles that it type approved but it has not attempted to conduct any tests to prove that type approval was contingent on the use of the defeat device software. The VCA must measure the exact contribution that the software made to meeting Euro 5 emissions standards. That would facilitate investigations and court actions in the UK and across Europe.* (Paragraph 30)

Following the announcement that Volkswagen had used software to manipulate its emissions results, the Government took swift action to assess the scale of the issue and to determine whether any other manufacturers had been involved in a similar practice to Volkswagen. This is why our resources, including those of the VCA, were initially focussed on undertaking the Vehicle Emissions Testing Programme.

The scandal emerged in late September 2015 and Criminal Counsel was instructed in January 2016. During these first few months, the Government was gathering evidence and information to provide to Counsel to optimise the quality and value of the advice. This includes the testing that the Committee refer to, that identified the presence of the defeat device software. Counsel gave further advice in June in light of more recent events, including the publication of DfT's Vehicle Emissions Testing Report in April 2016. The Government does not intend to disclose the advice of Counsel at this stage due to the potential that it could prejudice ongoing investigations (both in this country and elsewhere) as well as ongoing discussions with Volkswagen regarding the remedial action it should be taking.

Prosecuting authorities from across Europe have met to discuss and coordinate their investigations. DfT officials have been part of those coordinating efforts and continue to monitor the progress of those investigations. This is a complex area as the wrongdoing by the multinational Volkswagen Group is likely to have taken place in various jurisdictions. We understand that investigations in Germany (where the Volkswagen Group is based and the relevant engines were developed) require the review and assessment of vast amounts of material. The Government wants to ensure that the Volkswagen Group faces appropriate legal consequences for its manipulation of emissions tests and is continuing to consider how best to do this. We have not ruled out opening our own investigation.

The Competition and Markets Authority (CMA) has also been independently examining the matter under its consumer protection powers. Having carefully considered all of the issues, and following liaison with other relevant UK and international authorities, it has informed us that it will not be opening a formal investigation at this time. We understand that the CMA has taken into account a number of considerations, including the fact that new powers enabling it to secure compensation for consumers only came into effect on 1 October 2015, which is after the affected vehicles were sold. As regards a criminal investigation, we have been advised that an important consideration was that the alleged misconduct at the root of this issue appears to have taken place outside the UK, notably in Germany, and is the subject of a criminal investigation by the German authorities. In view of this, the CMA has had regard to the general presumption that a prosecution

should take place in the jurisdiction where the majority of the more serious criminality occurred. The CMA has told us that they will continue to monitor developments. Should new information be brought to its attention, or if Volkswagen Group's future conduct leads to consumer detriment, it will re-assess the options available.

The Government shares the Committee's frustration that we are unaware of how Volkswagen's vehicles would have performed on the official laboratory test without the cheat device. However, it is not possible to simply remove the offending line of code in the vehicle emissions control software and re-test the vehicle to measure the difference. The approval authority does not have access to an original emissions controller that does not contain the cheat device so a direct comparison is not possible. The approval authority has been presented with a revised emission controller that has had the cheat device removed, however to ensure that the vehicles are in compliance, a number of aspects of the emissions control strategy have been revised which makes a direct comparison difficult.

The Government calls on the Volkswagen Group to ensure that their internal investigation provides a full and frank explanation of the impact of the cheat devices and the decisions taken around their use. This must be published in its entirety as quickly as possible.

Recommendation 3. Volkswagen's treatment of customers in Europe compared to its treatment of customers in the US is deeply unfair. Volkswagen said it was justified in providing goodwill payments to US customers, but not European customers, on the grounds that US customers would face delays to fixing their vehicles. The delay to fixing vehicles in Europe is now creating a great deal of uncertainty over whether cars will be fixed, their residual values and their compliance with regulations. We do not accept Volkswagen's justification of its policy on payments and see nothing to justify their refusal to offer comparable payments to customers in Europe. Volkswagen must provide goodwill payments to European vehicle owners equal to offers that have been made to US vehicle owners. The Sale of Goods Act 1979 might also offer owners some recourse for compensation. (Paragraph 36)

The Government strongly agrees with the Committee that the treatment of UK consumers has not been acceptable and that vehicle owners should be compensated for the inconvenience, uncertainty and worry caused by Volkswagen's cheating as well as for any loss in the value of affected vehicles which may become apparent. We also find it unacceptable that Volkswagen have avoided this issue for so long and have failed to adequately engage with their customers on this matter and respond to their valid concerns. Ministers have summoned Volkswagen UK to a further meeting in order to reiterate these views and remind Volkswagen that they expect the company to treat UK consumers fairly.

The Government recognises the frustration Volkswagen Group customers are experiencing waiting for their "fix" to be made available. European Type Approval Authorities' tests on the proposed technical solutions are ongoing to check they are suitable to be made available for customer's vehicles. The Department for Transport has monthly progress meetings with Volkswagen to ensure progress with implementing their fixes, and how they are helping vehicle owners to take up the technical measure.

Communications with Volkswagen customers has suggested that many are seeking their own, independent legal advice on the matter in order to press for compensation. The Government notes the Committee's comments regarding the Sale of Goods Act 1979

and agrees that vehicle owners may have recourse under the Act. The Government is not privy to the content of contracts between vehicle owners and the relevant dealerships and so is unable to comment further. However the Government would make clear that the Department of Transport has engaged, and will continue to engage, with consumer groups and legal firms and stands ready to provide any reasonable assistance to consumers who seek compensation directly from Volkswagen.

Recommendation 4. *We welcome the work that approval authorities have done to ensure that there is no adverse impact on fuel economy and other aspects of vehicle performance. For consumers to have confidence in any technical solution, approval authorities must be mindful that component reliability and durability are not impaired either, as that could lead to high repair costs for owners. The VCA must ensure that owners are not out of pocket in any way as a result of Volkswagen's technical solution; Volkswagen must meet those costs.* (Paragraph 37)

The Government agrees that vehicle owners must not be out of pocket and that Volkswagen must meet the full costs of implementing the technical fixes, including any future costs if it is found that reliability or durability has been impaired.

When assessing whether the proposed technical solutions for Skoda vehicles are acceptable, the VCA is using standard regulatory tests to check that CO₂ emissions are at least the same or better than before the 'fix', maximum rated engine power and vehicle noise are within tolerance, and other vehicle emissions remain below the relevant Euro 5 limits.

It is for a manufacturer to ensure that their vehicles remain compliant with emissions durability requirements. The type approval requirements for all Euro 5 and 6 cars and vans require that they must comply with emissions for the first 100,000 km or five years, and that pollution control devices must be durable for 160,000 km or five years (whichever occurs first). These requirements will continue to apply to all relevant VW group vehicles where a 'fix' for the emissions issue has been applied. The Department has pressed Volkswagen UK for reassurance on this point and to ensure that the fix is robust.

The Department and VCA will publish the results of testing the vehicles so that consumers can understand the comprehensive measures we have taken to test the technical solutions and the effect that they will have on their vehicles.

Recommendation 5. *We are concerned by the overlap of so many roles in designated technical services and vehicle testing and certification businesses. It is now recognised that more independence and a great many more checks and balances are required to restore confidence and competence in the type-approval process. The automotive sector has failed to acknowledge this problem. The Department for Transport must act to create a clear separation of functions for designated technical services to eliminate any possibility of conflicts of interest. At the very least, designated technical services must not be allowed to offer consultancy services to manufacturers while also conducting and witnessing certification tests. Failure to make this change would perpetuate a conflict of interest.* (Paragraph 47)

The Government agrees that the EU type approval system needs strengthening, and is fully engaged in the refresh of the current EU legislation that is seeking to do this. The European Commission presented a proposal in February which aims to ensure that vehicle type approval and market surveillance systems achieve effectively the policy

objectives of single market integration, the safety and health of citizens and the protection of the environment. The proposal includes specific measures relating to technical services and the relationship with manufacturers. The Government shares the overall objective of raising the standards of all type approval authorities, and is considering the policy implications of the proposal with other Member States.

To improve emissions testing, the Government pressed hard for action at an EU-level and we have secured a tough new Real Driving Emissions test. From next year, new vehicle types will have to meet emissions limits in real driving conditions across a wide range of typical operating conditions.

Additionally, the UK's new Market Surveillance Unit will test vehicles and components to check that standards are complied with 'in-life' and that UK consumers have a product which meets the specifications they were sold.

Recommendation 6. The Vehicle Certification Agency is both an industry partner and industry tester. That is inappropriate and has harmed the integrity of the type-approval system. The motor industry requires a robust regulator and the VCA must make scrutinising manufacturers and their engineering practices its first priority given the recent revelations that manufacturers misled regulators or exploited loopholes in regulations on a substantial scale. (Paragraph 53)

The VCA is the Department for Transport's appointed UK Type Approval Authority and validates testing in accordance with the relevant legislation. The Agency has more than 30 years' experience in testing and certifying vehicles, their systems and components for the UK Government. The Government recognises the need for the Agency's continuous improvement and the need to clearly demonstrate high levels of independence.

The VCA acts as the technical service for approximately 85% of the approvals that it issues. As a combined technical service and approval authority, it does not offer any engineering consultancy advice and strictly adheres to the Civil Service code of integrity, honesty, objectivity and impartiality. Where the VCA appoints third party laboratories to act as technical service, the licence agreement between the laboratory and the approval authority specifically forbids the individuals concerned with the testing from being involved with any related product design or development activity. The VCA is undertaking an end-to-end review of the technical service appointment process. In addition, the VCA has recently increased the independent peer review of all technical reports that it issues.

To increase confidence in the processes used by the VCA, and to further demonstrate it is a robust regulator, the VCA has applied to United Kingdom Accreditation Service (UKAS) for third party certification to ISO17025 with the intention to add ISO17020 in the near future. This will require that the Agency is independently assured and audited by an experienced, external body.

To further strengthen its emissions testing capability, the VCA is providing emissions engineers with an increased level of training and has reviewed and strengthened the requirements regarding the information that manufacturers must provide about their emissions control strategy when seeking type approval.

Recommendation 7. We welcome the Government's most recent commitment to conducting in-service surveillance. The in-service surveillance work that the VCA conducted before 2011 was inadequate and underfunded, and even when it revealed questionable practices by manufacturers its results were not followed up. *The Government's most recent in-service surveillance work was considerably better and we recommend that the VCA publish an annual report of its in-service surveillance results in the style of the Emissions Testing Programme report. That future work should be improved by combining it with a commitment to make its results and underpinning data publicly available for further scrutiny. We believe this can be done within the budget that has been set. We acknowledge concerns about commercial confidentiality and believe that can be managed. The Department for Transport must consult on what would constitute a robust in-service surveillance system and what data it should release and how it should do so. The VCA must make it easier for stakeholders to bring questionable practices to its attention so that it can investigate further.* (Paragraph 54)

The Department is establishing a Market Surveillance Unit in the Driver and Vehicle Standards Agency (DVSA). It will work closely with the Vehicle Certification Agency to deliver the reassurances needed that products in the UK market comply with the relevant legal obligations. The results of the testing undertaken by this unit will be published. We are considering the best way to do this, with full transparency for the British public.

Resources will initially be focused on ensuring that new vehicles entering the UK market comply with exhaust emissions and emissions related legislation (e.g. catalytic converters, silencers, etc). In future years we expect to expand the role to a wider selection of vehicle types (motorcycles and tractors) and components such as tyres, bulbs and child seats.

Recommendation 8. The agreed conformity factors are a step in the right direction. Remaining RDE test measures are still to be agreed but once RDE testing is implemented it should result in lower real-world NO_x emissions. We were disappointed that the Department for Transport did not strive for stricter conformity factors given scientific evidence that shows NO_x could have been cut much faster. *We call on the Department to influence negotiations in favour of a conformity factor of 1.2 or 1.3 at the next available opportunity and to bring the conformity factor down to 1 as soon as possible.* (Paragraph 66)

The government is committed to delivering our wider air quality and climate objectives.

Currently available Euro 6 diesel cars which were tested by the Department for Transport had an average of six times the lab test limit when tested under Real Driving Emissions (RDE) conditions. The new regulation will require manufacturers to ensure real-world emissions are maintained below 2.1 times the lab-testing limit from 2017 and are at or below the limit from 2020 (with a margin for measurement uncertainty).

This will make type approval requirements for diesel vehicles significantly more stringent. The introduction of the RDE test will require manufacturers to make major changes in testing and developing new vehicles. Many of the design parameters for vehicles currently being developed, to be brought to market in 2017 will already have been fixed. As a result, a two-step date framework was agreed in order to allow manufacturers time to make very

significant changes to future vehicles (e.g. the re-design of engines, new exhaust after-treatment designs, and fundamental changes to the vehicle platforms to accommodate new equipment – which could require re-approval of safety systems e.g. for crashworthiness).

The intention of the first ‘transition’ step in 2017 is that the agreed conformity factor (2.1 – including measurement uncertainty) can be reached through software and calibration changes alone. The second and final step in 2020 brings the conformity factor down to 1.0 (i.e. parity with the laboratory test) plus an allowance of 0.5 for measurement uncertainty. The legislation requires that this margin is reviewed annually to take into account improvements in measuring equipment, with the first review expected to take place next year, once the complete package for RDE testing is implemented.

Recommendation 9. We welcome the Department’s efforts to implement the Worldwide Light-vehicle Test Procedure. We recognise that global test and certification standards bring savings to vehicle design and development which should in theory reduce prices for consumers. We recommend that the Department assess the viability of introducing a real-world element to CO2 testing. (Paragraph 69)

It is possible to measure CO2 emissions during an RDE test, however the results could not easily be used to provide a definitive ‘real world’ CO2 emissions figure, or to compare the CO2 emissions of different vehicles. This is because the RDE test will, by its nature, not provide consistent, and repeatable results. The RDE test procedure only defines boundary conditions for certain parameters within which a valid RDE test must remain. Due to variation in driving styles, terrain, traffic and weather conditions, etc., two RDE tests performed on the same vehicle may yield substantially different CO2 emissions. For this reason, CO2 emissions will continue to be assessed using a controlled laboratory test. However the current NEDC test will be replaced by the new World harmonised Light-duty Test Procedure (WLTP) which will significantly reduce the ‘gap’ between published CO2 and fuel economy figures and those typically achieved in real world use.

Nevertheless, the Department continues to look at ways to improve the measurement of exhaust emissions and is considering new research to develop ideas for the real world testing of CO2 along with the wider group of harmful pollutants.

Recommendation 10. The transition to WLTP will have a number of consequences which must be addressed carefully if they are not to lead to confusion amongst consumers. In particular the Department for Transport and HM Treasury need to assess the impact that the introduction of the WLTP will have on cars’ CO2 emissions and the related VED bands. That information must be provided to motorists as soon as possible and we call upon the Government to publish that information. Motorists must not be financially penalised as a result of an improved testing and certification regime. The Department for Transport should consider publishing information on gov.uk to explain how vehicles tested under WLTP compare with those tested under the NEDC by including a ‘conversion factor’ allowing motorists to compare emissions standards and performance. (Paragraph 73)

A new regulatory test procedure for measuring CO2 emissions from new cars—the World Harmonised Light-duty vehicles Test Procedure (‘WLTP’)—is due to enter into force in 2017. The new test procedure will significantly reduce the ‘gap’ between published CO2 and fuel economy figures and those achieved in real world use. VED was reformed at

Budget 2015 for cars registered from 01 April 2017. Only first year rates of VED will vary according to the CO2 emissions of the vehicle, with a flat rate applicable in all subsequent years. The new VED system will be reviewed as necessary to ensure that it continues to incentivise the cleanest cars and doesn't penalise motorists simply because of improved testing. All cars registered before 1 April 2017 will remain in the current VED system, which will not change. The Government publishes information for the public on fuel consumption, CO2 emissions, and tax bands for new and used cars at <https://www.gov.uk/co2-and-vehicle-tax-tools> and this will be updated to reflect the changes in the test cycle.

Recommendation 11. *The Department for Transport should examine ways of standardising and optimising the format of vehicle labelling to ensure consumers are provided with information that is intuitive and user-friendly allowing for simple and accurate comparisons between cars. The DfT must take examples of best practice from other jurisdictions. During the period of transition to the WLTP and RDE car labelling will require additional information so that consumers can compare standards on a like for like basis between newer and older vehicles.* (Paragraph 74)

The Government agrees with the Committee that it is essential for UK consumers to have clear and accurate information to inform their vehicle purchasing decisions.

The Department recognises that there will need to be changes to the existing vehicle labelling during the transition to WLTP and RDE. We must ensure that consumer understanding of the fuel consumption and CO2 emissions produced by vehicles is not adversely affected by the transition, and we are optimistic that the transition will contribute to consumers buying cars which have a lower fuel consumption and, as such, produce less CO2. To achieve this, officials are working with representatives of the motor industry and other stakeholders to ensure that information on fuel efficiency remains clear and comparable during the transition phase and beyond. The exact arrangements and timescales are yet to be finalised.

The UK's new car fuel efficiency labelling currently exceeds the EU requirements and the customer-friendly energy traffic light system was added through a voluntary agreement with the UK motor industry. A comparison of car efficiency labelling presented to an International Energy Agency workshop in May of this year showed that the UK fared well when compared with other nations.

We appreciate the recommendations made by the Committee on this important issue and have noted these.

Recommendation 12. *We disagree with the European Commission and the Department for Transport on the contention that the regulations for prohibiting defeat devices is adequate. It has led to an unacceptable dispute over the legality of VW's actions in Europe as well as the emissions control strategies of a wide-range of other manufacturers; we believe some of those strategies are defeat devices by another name. We welcome the DfT's support for plans to introduce requirements for manufacturers to disclose their emissions control strategies which will go some way to reduce the flaws in the prohibition but we have not seen evidence that the European Commission's plans go far enough. We recommend that the DfT work with the Commission to ensure that the prohibition on defeat devices is strengthened with guidance for approval authorities on*

how to evaluate claims that emissions control strategies constitute a viable exemption to the prohibitions on defeat devices, introduce a consistent, method to approve or reject claims for exemptions and to introduce a requirement on manufacturers to prove to approval authorities that alternative emission control strategies are necessary and that no viable alternative exists. (Paragraph 79)

The Government agrees that further changes are required to the EU legislation around defeat devices. It was clear from our investigations during the Vehicle Emissions Testing Programme that this is needed to help avoid any uncertainty in how emissions control systems are allowed to operate in the future. The Government has written to the European Commission pressing for further improvements so as to provide the clarity needed for regulators and manufacturers, while also ensuring the highest levels of environmental performance from vehicles.

The European legislation relating to emissions control strategies was updated recently. In future this will require manufacturers presenting a vehicle for type approval to declare the presence of any aspect of the emissions control system (for example the EGR control strategy) which might reduce its effectiveness during real world use. This is an important first step but the Government is pressing for further action to improve the EU regulations and their interpretation.

Recommendation 13. We welcome the Department for Transport’s Vehicle Emissions Testing Programme report. We were disappointed that the DfT did not publish the underpinning data in May 2016. *The DfT must make all the underpinning data it holds available for independent scrutiny at the earliest opportunity. The DfT must ensure that the larger data sets are easy to request and the mechanism for doing so is well signposted on gov.uk. The DfT must publish records of its discussions with manufacturers on their temperature-dependent EGR strategies including the reasons provided by each manufacturer for high emissions in ambient temperatures with reference to the manufacturers’ descriptions of the influence of temperature on the emission control strategy and the temperature below which the EGR is switched off or reduced for each vehicle.* (Paragraph 81)

The public are able to access the full data sets directly from www.gov.uk:

<https://www.gov.uk/government/publications/vehicle-emissions-testing-programme-conclusions>

Those who are unable to access the data directly from www.gov.uk should click on the link ‘Request an accessible format’.

The Government has noted the Committee’s recommendation on publishing the records of its discussions with manufacturers on their temperature-dependent EGR strategies.

Conclusions

Recommendation 14. The Volkswagen emissions scandal has brought the integrity of the auto sector into disrepute. VW’s conduct since the scandal has only served to further damage its reputation. It has communicated poorly with customers which has led to confusion over when and how affected vehicles will be fixed. Furthermore, VW has not been open about the nature of the defeat device software that it installed in

millions of vehicles worldwide. Instead of answering many of our questions directly, VW asked us to await the results of an internal investigation by Jones Day. We do not believe that the internal investigation will provide the answers that are needed urgently. VW has used the investigative process to make announcements that only served to exonerate senior management. Approval authorities and regulators cannot depend on VW to co-operate and in this report we have called upon the Department for Transport to use its powers and resources to properly investigate VW which we believe it has failed to do, so far.

The Government takes the unacceptable actions of the Volkswagen Group extremely seriously. Prosecuting authorities from across Europe are liaising and coordinating their investigations. The Department is engaged in this process and is considering all possible options to reach a resolution on this issue. It would be premature and potentially damaging to any prospective legal action, to comment further at this point.

The Government will continue to fight for compensation for UK consumers and continue our work to ensure that Volkswagen's serious action of cheating type approval tests is met with the appropriate consequences. The Government has also made clear in its most recent engagement with VW that in relation to costs incurred by the taxpayer and proposed fixes for affected vehicles, respectively, financial reimbursement and warranties are matters of high and urgent priority.

Recommendation 15. The type-approval framework requires a great deal of improvement before it can be considered fit for purpose. We welcomed the introduction of Real Driving Emissions Testing and the implementation of the Worldwide Light-vehicle Test procedure. Standards agreed globally are worth pursuing. It is important that the negotiations are transparent and open and that the genuine concerns of motor manufacturers are balanced against the importance of safety and environmental policy goals of a global testing system. We are concerned the EU's method of policy making has not had that level of transparency and the motor industry has had too much influence over how emissions limits are set and the timescales for implementation.

Recommendation 16. The fine detail of the new emissions tests is still to be agreed and the Department for Transport must do everything in its power to ensure that they are implemented with sufficient stringency. Little was done to address the emissions gap before the Volkswagen Group emissions scandal drew public attention to the deficiencies in current tests. The emissions gap was the result of a failure to keep pace with vehicle technology. The only way to overcome that problem in future is through rigorous scrutiny by approval authorities operating in a system of consistent standards that has opportunities to share information and report the impact of new vehicle technologies on the effectiveness of existing regulation. A failure to do that will only result in the stringency of the new reforms becoming obsolete in years to come.

Recommendation 17. The Volkswagen emissions scandal would not have been revealed by any of the approval authorities or technical services under the current framework. It is apparent that the potential for manufacturers to use defeat device software or other dubious emission control strategies were known for many years. Since the VW scandal broke other questionable practices by a range of manufacturers have come to light. Testing can only ever be a sampling approach and it is vital that there is a system of effective in-service surveillance that will detect where tested vehicles are not

performing as they should in real-world conditions. As vehicle technology becomes increasingly complex in-service surveillance must become a far greater priority for approval authorities. Had approval authorities made greater efforts to be seen to be looking for cheats, the current regulatory crisis could have been avoided or at least significantly reduced.

The Government agrees that the type approval system and emissions testing need to be strengthened. We pressed hard for the introduction of RDE testing, the new WLTP laboratory test and the requirements in the Euro 6 legislation for manufacturers to declare the use of alternative emissions strategies. These are all important improvements individually and collectively and they will create a step-change in the effectiveness of emissions testing. Consumers and the public should be reassured by the impact that these measures will have. We are fully engaged in the EU process to strengthen the type approval system and are considering carefully the appropriate system for the UK following our exit from the European Union.

The Government is committed to taking action on vehicle emissions testing that restores consumer confidence and delivers our wider air quality and climate objectives. We are liaising with vehicle manufacturers to discuss their emissions control strategies and are considering what can be done in future to reduce emissions from road vehicles.