Newsletter July 2023

Hello dear members and friends! The summer is here, and there are plenty of matters to tell you about since our last newsletter in April. In this issue, we will cover some important legislative updates from Brussels, such as the final agreement for the Data Act, the priorities for the second half of the year under the Spanish presidency of the European Council that started on July 1st and other relevant news affecting our industry.

We will be sending you the next newsletter at the end of the summer, so in the meantime, have a great holiday and charge your batteries for an intense Autumn!

1

Table of contents:

- Highlights
- FIGIEFA's Activities & Automotive News
 - Focus: Access to Data
 - Focus: Competition
 - Focus: Environment
 - Focus: European Aftermarket
- Other FIGIEFA News
 - Team activities
 - Members activities

HIGHLIGHTS



Internal Market Commissioner Thierry Breton (3rd from left) with the main negotiators from the Council presidency and the European Parliament, including Rapporteur Pilar del Castillo (4th from the left)

Final Agreement on the Data Act between European Parliament and Council!

Last Tuesday, June 27th, the European Council and the European Parliament representatives reached a provisional agreement on the Data Act over the course of the last political negotiation (trialogue).

The Data Act is the first European legislation to set up a framework for all connected devices and establishes the rights for the user to access the data produced by those devices while being used.

The final text agreed upon is not yet officially available; therefore, we will provide you with our final FIGIEFA analysis as soon as possible.

Next steps

The political agreement reached by the European Parliament and the Council is now subject to formal approval by the two co-legislators following legal-linguistic revision.

From the Council's side, the upcoming Spanish presidency of the European Council took over the as of the 1st of July and will take care of submitting the text for adoption by member states' representatives. Once adopted, the Data Act will only become applicable 20 months after its official publication (entry into force).

Read here the Council's press release



FAAS Plenary in Amsterdam

The Forum on Automotive Aftermarket Sustainability had its second plenary meeting on June 29 at the Rematec exhibition in Amsterdam. This project was initially launched by CLEPA and FIGIEFA, launched last September during Automechanika in Frankfurt. It is a collaborative initiative aiming at creating a platform where all participants in the Aftermarket can work together on sustainable practices in our sector.

The FAAS is open to all players in the automotive Aftermarket and mobility services sector. It is moving forward with very interesting projects and reported the progress of its current four working groups.

Read more



FIGIEFA's General Assembly met in Person in Brussels and Members Visited European Parliament

On May 10 & 11, we hosted our first General Assembly of 2023. It was the first time all of our members met in person since last June, and we really enjoyed sharing a couple of days with you, discussing important issues affecting the independent aftermarket across Europe, and sharing experiences from the different markets.

We also had the opportunity to visit the European Parliament's site in Brussels and had an interesting presentation about the EU legislative process. Additionally, Mark Nicklas from the European Commission gave a fantastic overview of relevant EU legislation affecting our industry, for which we deeply thank him.

Finally, we said 'hasta la vista' and thanked Marita Kloster from our German member association GVA for years of outstanding commitment to our association and the interests of the aftermarket both in Germany and Europe.

We look forward to seeing you all soon, and thank you very much for your participation and contribution to a very fruitful meeting!



SERMI Comes into Place in First EU Markets

SERMI is the authentication procedure that facilitates independent operators in the automotive aftermarket enabling standardised access to the specific part of the website of the vehicle manufacturer that contains the securityrelated information of a vehicle. It will be implemented in a gradual manner throughout Europe. This standardised procedure will replace all brandspecific proprietary protocols for access to security-related Repair & Maintenance Information (RMI).

According to EU Commission Delegated Regulation (EU) 2021/1244, SERMI should have come into force in all EU member states from 1 August 2023. However, as not all Member States have an accredited Conformity Assessment Body available in time, the SERMI Operations Group, in cooperation with the European Commission, decided to:

- Implement the SERMI scheme in those EU Member States that are ready, via a staged implementation

- Continue using current vehicle manufacturers' proprietary identification systems in other countries

The United Kingdom intends to use SERMI on a voluntary basis. The staged implementation dates are as follows:

Date	Countries
1 October 2023	Sweden
1 December 2023	To be defined
1 February 2024	To be defined
1 April 2024	To be defined
1 June 2024	To be defined
1 August 2024	To be defined

This schedule will be updated every two months on the SERMI website: www.vehiclesermi.eu



FOCUS: ACCESS TO DATA



Status of the Sector-Specific Legislation on Access to In-Vehicle Data, Functions and Resources

As you were informed earlier this month, Internal Market Commissioner Thierry Breton informed us that his department was now continuing the work on this sector-specific data access legislation. The Impact Assessment has been submitted to the Regulatory Scrutiny Board (RSB), who asked some questions and clarifications on specific points.

The Commission Services do not disclose at present any kind of information

about the timeline of the legislative process in order to avoid rumours. However, according to some of our informal talks and some media articles, it would seem that the dossier is moving in the right direction but causing delays again: the Commission proposal is now assessed for autumn this year (September or October).

We will continue working to ensure a legislative proposal is ready to be sent to the European Parliament and Council as soon as possible this year.

FOCUS: COMPETITION



United Kingdom: CMA Guidance on New Motor Vehicle Agreements

Following Brexit, the MVBER regime was set to expire in the United Kingdom in 2023 as well, and it was up to national authorities to decide, independently from the European Union, on any potential framework.

Following contributions from activities by the independent aftermarket, pledging for maintaining and modernising the existing framework, the British Competition on Market Authority (CMA) has adopted a new Motor Vehicle Block Exemption Order (MVBEO), which entered into force on the 1st of June 2023, in parallel to the renewed MVBER in the European Union. This MVBEO, like in the EU again, is accompanied by Guidelines that provide further details to clarify how the MVBEO should be interpreted. Historically very supportive of effective competition, the CMA expanded the framework to echo new business and technology developments.

On repair and maintenance information: According to the CMA, information on Advanced Driver Assistance Systems and Battery Management Systems should also be communicated, securing the possibility for the independent aftermarket to continue servicing the most recent vehicles. It also crossreferenced European Union's Type Approval Regulation 2018/858, setting the requirements for access to repair and maintenance information.

On spare parts: The CMA noted that vehicle manufacturers and their networks may not agree to prevent independent wholesalers from accessing the so-called OEM "captive parts", whose number and value are rapidly growing. The CMA also included "software" into the definition of spare parts.

On data: The CMA added vehicle-generated data and information required for interpreting this data into the MVBEO. Moreover, it considers prognostic data, which is required for preventive maintenance, as "essential input" to be made available.

This essential piece of legislation and its Guidelines will help secure that the independent, multi-brand aftermarket will still be able to compete with vehicle manufacturers until the 31st of May, 2029.

Read more on our member IAAF's site

FOCUS: ENVIROMENT





AUTO-MOTIVES

The Forum on Automotive Aftermarket Sustainability: A chat with Louise Wohrne

Episode 4

New Auto-Motives Podcast Episode on the Forum on Automotive Aftermarket Sustainability

This time, Álvaro de la Cruz hosted Louise Wohrne, Director of Sustainability at MEKO to discuss the current status and progress of the various FAAS Working Groups, its objectives, and specific areas of action such as re-manufacturing, reduction of packaging, or supply chain optimisation and digitalisation.

Listen to it!



News on the European Battery Regulation

On June 14th, the European Parliament approved new rules for the design, production, and waste management of all types of batteries sold in the EU.

The new law takes into account technological developments and future challenges in the sector and will cover the entire battery life cycle, from design to end-of-life.

Key measures foreseen by the regulation:

- A compulsory carbon footprint declaration and label for electric vehicles (EV) batteries, light means of transport (LMT) batteries (e.g. for electric scooters and bikes), and rechargeable industrial batteries with a capacity above 2kWh;
- Designing portable batteries in appliances in such a way that consumers can themselves **easily remove and replace** them;
- A **digital battery passport** for LMT batteries, industrial batteries with a capacity above 2 kWh, and EV batteries;
- A due diligence policy for all economic operators, except for SMEs;
- Stricter waste collection targets: for portable batteries 45% by 2023, 63% by 2027 and 73% by 2030; for LMT batteries 51% by 2028 and 61% by 2031;
- **Minimum levels of materials recovered** from waste batteries: lithium 50% by 2027 and 80% by 2031; cobalt, copper, lead and nickel 90% by 2027 and 95% by 2031;
- Minimum levels of recycled content from manufacturing and consumer waste for use in new batteries: eight years after the entry into force of the regulation 16% for cobalt, 85% for lead, 6% for lithium and 6% for nickel; 13 years after the entry into force: 26% for cobalt, 85% for lead, 12% for lithium and 15% for nickel.

Read more

FOCUS: European Aftermarket



Talents4AA Already Celebrated its First Year

FIGIEFA is one of the founding members of the Talents4AA (Talents for the Automotive Aftermarket) association, officially created in Paris in March last year. It has the aim of attracting and retaining talents of all ages and origins, in all professions, in our sector.

Undeniably, the Automotive Aftermarket is a multifaceted fascinating sector offering a tremendous choice and range of career opportunities at all levels, from the workshop to top management. However, all the participants - from parts manufacturers, distributors, and repairers - are facing the very same challenge: to make the sector widely recognized and to attract and retain talent.

As studies confirm, the Automotive Aftermarket is most often unknown to young potentials and, moreover, is not considered attractive enough. To face this challenge, several International Trading Groups, distributors, federations, and suppliers decided in January 2020 to launch the common collaborative initiative called Talents4AA. In March 2022, Talents4AA took the legal form of a registered association, with 11 founding partners joining forces to make the Automotive Aftermarket take the market position it deserves and make it a desirable place for all talents to be.

Discover more about the initiative!



Right to Repair: Concerning News Coming from the Other Side of the Atlantic

Last June 12, the federal court in Massachusetts, USA, was copied on a letter from the National Highway Transportation Safety Administration (NHTSA) to the automakers stating the Massachusetts Data Access Law conflicts with and is therefore preempted by the National Safety Act. This letter arrived after repeated attempts by Judge Woodlock to engage NHTSA some two years ago during the initial trial for their position on the law and after the window for submissions to the court was over. The Auto Care Association, CARE (Coalition for Auto Repair Equality) along with the Massachusetts Right to Repair Coalition have been working closely together to craft a response to that letter and to develop a plan to refute NHTSA's misunderstandings over the interpretation of the law and to demonstrate the viability of their solution to securely grant access to vehicle generated repair and maintenance data by approved agents of the vehicle owner. They will continue to work with elected officials at both the federal and state levels to educate them on the necessity of the Right to Repair and urge them to support the existing law in Massachusetts, the ballot initiative in Maine, and the federal REPAIR Act.

As you can see, our American counterpart clarified the potential issues of the Data Access Law. Nevertheless, we can see the challenges they also face in order to secure access to in-vehicle data and open competition in the automotive aftermarket, similar to what happens here in Europe. All the more reason to stay united and push together for an effective 'Right to Repair'.

OTHER FIGIEFA NEWS



ANCERA's president, Nines García (in the middle), Secretary-General, Carlos Martín (right), and FIGIEFA's Head of Communications Álvaro de la Cruz (left)

FIGIEFA at the 35th National Congress of ANCERA

Congratulations to our Spanish member ANCERA for their 35th Annual Congress! Great gathering with +300 Spanish aftermarket distributors and where our Head of Communication, Álvaro de la Cruz, had the chance to explain the latest developments in EU legislation affecting the industry as well as FIGIEFA's work and activities defending the interests of European wholesalers and distributors.

Find out more about their congress



FIGIEFA at Grands Prix de la Rechange in Paris

We were very honoured to join le Le Journal de la Rechange et de la Réparation and our French member Feda for their 17th Grands Prix de la Rechange in Paris.

The aftermarket is a very vibrant industry in France, and we loved meeting some of their best representatives. Also, our Head of Communications, Álvaro

de la Cruz, had the opportunity to present the main legislative developments in the EU affecting the sector and FIGIEFA's activities. He also had some enlightening conversations with some of the awarded.

See you next year!

Watch their recapitulative video!



FIGIEFA Presentation at SMMT Aftermarket Committee Meeting on June 14, 2023

Our Chief Executive, Sylvia Gotzen, and our Technical Director, Ronan McDonagh, had the opportunity to present the most important developments in European legislation and trends affecting the automotive aftermarket and their implications for British independent parts distributors and independent operators and what FIGIEFA has been doing to preserve their interests as best as possible.

We look forward to meeting you in person too after the summer!



Insurance Europe's 'Moving Mobility Forward' Event, June 20

Our Technical Director, Ronan McDonagh (second from the left), participated recently in the panel dedicated to vehicle data at Insurance Europe's 'Moving Mobility Forward' event in Brussels. "Access to in-vehicle data is critical for granting the free choice of repairing for European consumers," he stated.

"Our core ask is to be able to compete in a levelled playing field with the vehicle manufacturers, and for that, we need access to the same data, functions, and resources they can access. Also, we would like to be able to innovate to offer new services to consumers that currently vehicle manufacturers are not providing. For that, we need access to the data, he continued."