Newsletter December 2023

What a year, Merry Christmas!



Hello there, dear friends. 2023 is coming to an end, and we are happy to report to you on many issues from the last couple of months, which were quite prolific, as you know. Brussels witnessed an intense political cycle of parliamentary and council debates, voting of legislative proposals, and more. Also, our members across the Continent organised dozens of top-level events.

The holidays approach, and the flux of news and communication will progressively decrease, so stay tuned for more updates from FIGIEFA in early January. In the meantime, we wish you a fantastic Christmas and a prosperous 2024!

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HIGHLIGHTS



The end of the year is a crucial step for emission compliance and for the automotive aftermarket. In mid-December, the European Parliament, the Council of the European Union (bringing together national governments), and the

European Commission were still discussing a final compromise on the final Euro 7 legislation.

The regulation for the type-approval and market surveillance of motor vehicles (Euro 7) aims to support the transition towards clean mobility and keep the prices of private and commercial vehicles affordable for citizens and businesses. Vehicles will need to comply with the new standards for longer, ensuring they remain cleaner throughout their lifetime. It includes, among others, **updated limits for exhaust emissions, fewer particle emissions from tyres and brakes, increased battery durability, and better information to consumers.**

This draft legislation aims to secure the transmission of valid emissions data from the vehicles to public authorities and, to achieve it, also foresees the introduction of **anti-tampering measures** to ensure the integrity of such transmitted data. However, with the processes used for emission anti-tamper protection in Euro 7, a large margin of manoeuvre is left to vehicle manufacturers, which could, therefore, implement proprietary and more problematically exclusionary measures. For example, could prevent the development, installation and activation of any part or system related to the emissions (not only tailpipe but from brake pads tyres) of the vehicle. also and

FIGIEFA has advocated for the introduction of safeguard measures to mitigate this risk and avoid that Euro 7 anti-tampering measures, although supported as such, would create 'collateral damage' and result in an exclusion of independent aftermarket parts for emission-related repair operations. The European Parliament had unanimously supported a set of amendments in this direction. The European institutions, during their Trilogue negotiations earlier this week debated the issue to reach a compromise which should be adopted at some point in the first quarter of 2024. Once its content is known, FIGIEFA will analyse it and report it in the next Newsletter edition.





The European Repairs Clause under Design Protection to Finally Become a Reality

On December 6, the negotiators of the three EU institutions (i.e., European Commission, European Parliament, and European Council) had their last political "Trilogue" meeting on the Design Regulation and Design Directive and the introduction of an EU-wide "Freedom of Repair Clause" for visible must-match vehicle parts. The aim was to reach a compromise between their positions.

We are pleased to report to you the good news that, thanks to ECAR and FIGIEFA's solid information and argumentation, the three institutions agreed on the following:

- The confirmation of a Repairs Clause in both the Directive and the Regulation. This means that for all vehicle designs registered after the transposition of the Directive, the Repair Clause will apply immediately, thereby allowing aftermarket operators to produce, sell and use visible must-match spare parts. EU countries which do already have a Repairs Clause will keep their legal regime.
- Existing designs will still be protected for 8 years (and not 10 years as proposed by the Commission) as from the day of entry into force of the Directive.

• The initial requirement to indicate the "origin" of the product (on the product, or on the packaging or any other form) now refers to "commercial origin", i.e., the producer of the product. This is practically sound.

This political agreement still needs to be officially endorsed by both Council and EU Parliament.

After several years of information gathering and intense campaigning in the last year, it appears that the proposal for Sector-Specific Legislation on Access to in-Vehicle Data, Functions and Resources had successfully passed the stages of the internal European Commission evaluation process and the entire European aftermarket and mobility services ecosystem expected that it would be officially adopted this year; but it is still delayed, and now anticipated for early 2024.

Therefore, together with the European associations that represent the Independent Service Providers (ISP group), we wrote a new letter to President von der Leyen, calling for an end to these repeated delays and urgently getting the regulatory process of this sectoral legislation back on track. The formal adoption of the proposal by the Commission under this mandate would send an important signal to all relevant stakeholders and help avoid significant market disruption. We urge the Commission to prioritise competition, investment, and innovation by promptly adopting this crucial legislation. European consumers and businesses deserve timely access to smarter, safer, and more sustainable mobility.

Read the letter



Adoption of the common European Mobility Data Space (EMDS)

As noted in the Commission's Sustainable and Smart Mobility Strategy (SSMS), the EU needs to quickly advance towards a sustainable, smart and inclusive mobility and transport sector. Decarbonisation and digitalisation are the key drivers of this transition, establishing a truly efficient and interconnected multimodal transport system for both passengers and freight, thereby meeting the need to fully contribute to the transition to a climate-neutral economy as part of the European Green Deal and A Europe fit for the digital age goals.

In that sense, on November 29, the European Commission adopted the EMDS, which aims to facilitate data access, pooling and sharing for more efficient, safe, sustainable and resilient transport. It builds on initiatives and applications

related to transport data and will be supported by initiatives to boost interoperability, security, and the availability and provision of data and services.

The envisaged communication will describe the main features, objectives, governance, milestones, and supporting measures for the EMDS.



FOCUS: ENVIROMENT



First FAAS Sustainability Day and General Assembly - Bologna, Nov 16-17

The Forum on Automotive Aftermarket Sustainability (FAAS) concluded its General Assembly and hosted the first-ever FAAS Sustainability Day during the Futurmotive trade show in Bologna.

FAAS General Assembly Highlights

During their General Assembly meeting, Members of FAAS demonstrated their dedication to the cause and commitment to driving positive change in the automotive aftermarket by **voting in favour of the creation of an international non-profit association dedicated to advancing sustainability in the automotive aftermarket sector**.

The next steps in the development of FAAS will be to officially register it as an International Non-Profit Association under Belgian law in early 2024 and to elect the first Board of Directors.

FAAS opens its doors to new members

In the coming period, the FAAS Secretariat will be committed to actively expanding its membership base, reaching out to potential new members who share the association's mission to co-create the sustainable automotive aftermarket sector.

FAAS Sustainability Day Highlights

The event featured five substantive sessions. Over 20 experts took the stage to share insights, experiences, and strategies for fostering sustainability within the automotive aftermarket. The event garnered widespread acclaim, with attendees expressing their appreciation for the informative presentations and the valuable opportunities for networking and informal discussions.

FAAS Sustainability Day was deemed a resounding success, building the new association's position as a key player in driving sustainability initiatives within the automotive aftermarket.

More information of the FAAS association here.

Watch the short recap video!



EU Environment Ministers Reach Agreement on the Proposal for a Regulation on Packaging and Packaging Waste

On December 18, the Council achieved a consensus, referred to as a 'general approach,' regarding the Commission's proposal for a Regulation addressing packaging and packaging waste. The primary objective of the proposal is to confront the rising issue of packaging waste within the EU, while simultaneously harmonizing the internal market on packaging and promoting a circular economy.

The proposal takes into account the entire life cycle of packaging, introducing requirements to ensure the safety and sustainability of packaging. This involves mandating that all packaging be recyclable and minimizing the presence of substances of concern. The proposal seeks to reduce packaging waste by setting obligatory re-use targets, restricting specific types of single-use packaging, and compelling economic operators to minimize their use of packaging.

Key modifications endorsed by the Council maintain a delicate equilibrium between the proposal's ambition to decrease and prevent packaging waste generation and providing member states with adequate flexibility in implementing the regulation.

Of **specific interest for FIGIEFA** and its Members are the **provisions concerning transport packaging**:

- Empty space ratio: where the Commission proposed to ensure an empty space ratio of a maximum 40% (space filled by filling materials or empty should not exceed 40% of the total volume of packaged goods), the Council proposed to raise this threshold to a maximum 50%. Besides, the Council exempts economic operators using reusable packaging from this obligation.
- Reuse of transport packaging:
 - For the transport of goods between different commercial sites or to other economic operators within the same Member State: obligation to use only reusable transport packaging (e.g., pallets, boxes, containers, etc.).
 - For the transport of goods between different commercial sites or to other economy operators and between different Member

States: obligation to use at least 30% of reusable packaging as of 2030, and 90% as of 2040.

This 'general approach' will serve as the Council's mandate for negotiations with the European Parliament on the final shape of the legislation. The outcome of the negotiations will have to be formally adopted by the Council and the Parliament.

Stay tune for more information in 2024.

Read the latest proposal



FIGIEFA's Position and Recommendations to Improve Repairability and Competitive Independent Services on End-Of-Life Vehicles On 13 July 2023, the European Commission published a proposal on circularity requirements for vehicle design and management of end-of-life vehicles, amending Regulation (EU) 2018/858 and 2019/1020 and repealing Directives 2000/53/EC and 2005/64/EC.

The proposal aims to improve the circular design and end-of-life treatment of vehicles in view of increasing reusability, recyclability, and recoverability while reducing waste, thus "closing the loop" of the circular economy in the automotive sector.

As stated in its contribution to the related public Commission Consultation, FIGIEFA welcomes this proposal as it will have a positive impact on the environment. The proposal rightfully recognises the importance of the reuse, remanufacturing and refurbishment of spare parts as tools of a more circular economy and introduces new requirements for the mandatory removal of parts and their assessment for reuse, remanufacturing or refurbishment.

However, as highlighted in its paper, FIGIEFA believes that some points should be improved and addressed during the legislative process. Indeed, the current proposal does not cover critical aspects related to the vehicle's repairability, thereby ensuring that parts and components from end of life vehicles can be repaired, and it requires some improvements to ensure fair competition between vehicle manufacturers and independent operators for end-of-life services.

More information will follow during the course of the procedure.

Read FIGIEFA's paper

FOCUS: European & International Business Scene



Auto Care Association Applauds Maine Voters on Right to Repair

Our American sister organisation, Auto Care, secured another success in their campaign for a national Right to Repair last November 7.

"The result of the election in Maine proved another victory for the American consumer and the right to repair movement that is gaining support across the United States," said Bill Hanvey, president and CEO, Auto Care Association. "The right to repair is one of a few unifying issues our nation faces, and whether we achieve repair access chamber by chamber or state by state, I am confident that every American will soon have the fundamental right to repair what belongs to them. Right to repair isn't going away and this victory demonstrates that it's an issue that needs to be resolved."

Congrats and good luck for them!

Read more

FOCUS: Security

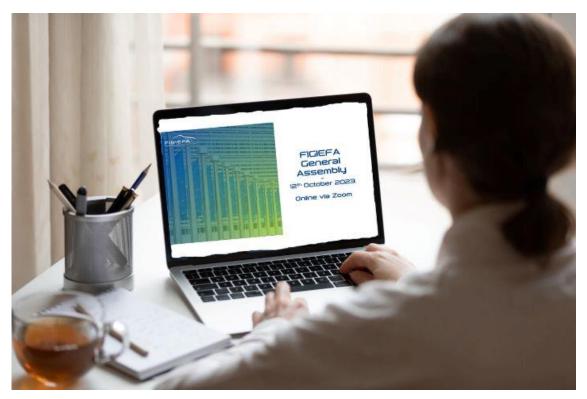


New Auto-Motives Podcast Episode on SERMI

This time, Álvaro de la Cruz had a chat with Jan-Willem van der Linden, Co-Chair on behalf of the Independent Operators within SERMI, and Digitalisation and Data Specialist of Bovag, on this European authorisation scheme, a real game-changer in car repair and maintenance across Europe.



OTHER FIGIEFA NEWS



Online General Assembly held on October 12

FIGIEFA's second General Assembly of the year was very productive and among the various issues covered, such as the status of the legislative dossiers (Euro 7, the Repairs Clause, Right to Repair, Data Act, Sector-Specific Legislation on Access to in-Vehicle Data...), FIGIEFA members approved two physical meetings in 2024.

First, members will all meet on May 21-23 in Istanbul, hosted by our Turkish member OSS and in conjunction with Automechanika Istanbul, opening on May 23!

Then, a second General Assembly will be held in Brussels on the 24th of October, after the FIGIEFA Conference, which will take place the day before.

We are very much looking forward to both occasions!



Great Success for the First-Ever Open DPAI/ACAP Aftermarket Forum

After a few editions in a smaller format for the Aftermarket Division (DPAI) members, our Portuguese member association ACAP celebrated its first open forum with all the relevant players in the national independent aftermarket on November 23rd in the Orient Museum of Lisbon.

Our colleague Álvaro de la Cruz gave a keynote on European legislation affecting our sector and what FIGIEFA does to defend our interests and preserve a competitive, fair, affordable and sustainable repair and maintenance.

Watch the event highlights



FIGIEFA at SDCM's Congress in Warsaw - November 23

Our Chief Executive, Sylvia Gotzen, spoke about 'The Automotive sector from the European perspective' in front of two hundred key players and stakeholders of the Polish aftermarket.

Congrats on another great event to our Polish member Stowarzyszenie Dystrybutorów i Producentów Części Motoryzacyjnych, and look forward to the 2024 edition!



Sylvia Gotzen at SAA's General Assembly in Baden - October 17

Our Chief Executive presented the latest news concerning EU legislation affecting the Aftermarket, as well as the big trends shaping the Automotive industry, especially the twin Digital-Sustainable transition.

We thank the Swiss Automotive Aftermarket association for involving us and congratulate them for a very successful meeting.



FIGIEFA at the Parts Aftermarket Congress in Rome Once Again

The entire Italian automotive aftermarket gathered in Rome on November 20-22nd once more under the Parts Web Congress to discuss the industry's evolution, forecast for the next years, technological trends, and much more.

Our Head of Communication was invited to present FIGIEFA's activities and achievements in Brussels for the sake of all IAM players in Europe. Our national association ADIRA was also there represented by Piergiorgio Beccari, who explained the state of play of SERMI's deployment in the Italian market.

We congratulate Parts Web for a very successful event and thank them for having us one more year.



RAI Aftermarket Conference and General Assembly, Den Bosch, December 13

Our Dutch association, RAI Vereniging, held last Wednesday their General Assembly and national Aftermarket Congress in Den Bosch in a fantastic historic venue, the 1931 Congrescentrum 's-Hertogenbosch.

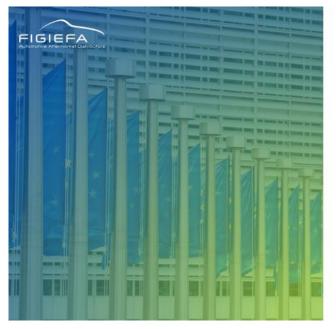
They gathered the most relevant players in the country's industry. FIGIEFA was represented by Álvaro de la Cruz, who presented the most significant legislative achievements and the current status of the negotiations in Brussels.

Congrats on a fantastic event, thank you for having us, and see you next year!



GVA's Congress 2023 Was a Big Success

Held in Hannover on the 7th and 8th of November, the annual conference of our member association, Gesamtverband Autoteile-Handel e.V., was a great gathering of the key players of the German distribution and independent aftermarket. Congratulations!





SVOK Members November 7 - Online

FIGIEFA Presentation Alvaro de la Cruz, Head of Communication

Online Meeting with Finish Distributors - SVOK Members

Our Head of Communication had a very fruitful virtual meeting with the members of our Finish association SVOK, during which they covered FIGIEFA's main activities during the past year and dedicated some time to our work in the field of Sustainability, with a special dedication to the new Forum on Automotive Aftermarket Sustainability (FAAS).

Thank you Eero for organising; we can't wait to meet with all of you in person in 2024!



The IAAF Annual Conference and Awards in Milton Keynes, December 7

Another edition of the Annual Conference and Awards of one of our two British members, IAAF, took place a few days ago, making a great success in terms of attendance, quality of the panels and keynotes, and awarded companies and individuals. Congratulations to all!



ATR IPAS FORUM 2023 took place in Berlin November 20

Around 230 ATR shareholders and IPAS suppliers held around 700 discussions during the forum in a 'speed dating' format, which is becoming more and more popular among business people.

ATR offered its shareholders and IPAS suppliers a platform to hold strategic, face-to-face meetings, strengthen existing relationships, identify further business potential and establish new business partnerships. The focus of the event was 43 meeting booths for 35-minute face-to-face meetings between the ATR shareholders and the International Preferred ATR Suppliers (**IPAS** suppliers).