Few things get up the noses of Euro-greens more than the American car. Huge, filthy, unsophisticated, gas-guzzling (18 kilometres to the gallon) mobile smog machines. Look at Los Angeles! You can hardly breathe the air. Not like here, with our small, efficient, clever little Eurohatches made by the likes of Volkswagen.

But it has probably escaped the attention of the Euro-greens that the only Western cities these days with a severe smog problem are on the eastern side of the Atlantic. On hot summer days Paris has to ban half the cars in the city from taking to the roads. Air pollution levels in London are off the scale and more than 7000 people in Britain die every year as a direct result. Americans, in contrast, stopped dying of smog a generation ago, when the smog laws swept the filthiest vehicles into the scrapyards.

The reason? Europe’s love affair with filthy diesel cars, buses and trucks. Now, thanks to the United States, Europe’s dirty little secret is out. This week, the US pollution watchdog, the Environmental Protection Agency, said that it had evidence, from a study by scientists at West Virginia University, suggesting that Volkswagen has been massaging the figures in order to pass the US’s tough anti-smog laws.

Computers in its TD1 badged diesel cars on sale in the US have, it is alleged, been programmed to detect when the car is being tested under laboratory conditions, and to alter the engine management software to reduce emissions. When the car is driven in normal use this device switches off, and emissions soar—by as much as 40 times for some pollutants, including nitrogen oxides.

If the EPA’s findings are proved, VW faces fines of $81 billion ($25 billion) and will have to recall 500,000 cars. It is not clear whether the same alleged fiddles have been used on VW diesels sold in Europe or elsewhere.

According to Cynthia Giles, assistant administrator of the EPA, “using a ‘defeat device’ in cars to evade clean-air standards is illegal and a threat to public health”. It is hard to imagine any Eurocrat coming out with plain speaking like that—not after the billions paid in subsidies to Europe’s car makers during the mad dash-for-diesel of the past few decades.

That it has taken the Americans, lovers of the gas-guzzler, to blow away the charade that is the European take on green driving is deeply ironic. And the reason this has happened is all down, in the end, to a bitter debate among environmentalists about what is more important: “the planet” or human lives.

When it came to road vehicles, Europe’s greens, and then its civil servants and politicians, decided 20 years ago that the lives of 23rd century polar bears were more important than the lungs of children walking our streets today. Laws were passed that determined a vehicle’s green credentials solely on the basis of carbon dioxide emissions. Carbon dioxide, though harmless in the concentrations emitted by any vehicle, is the gas that causes global warming.

In Europe, diesels do relatively well (although the gap between them and petrol engines has narrowed to a sliver). In the US, the decision was made to assess cars according to all the pollutants they emit, not just CO2. Diesel engines, which emit a foul cocktail of carcinogens and irritants, including benzene, soots, nitrogen oxides and tars, do very badly. Hence the temptation to, er, modify the engines—a bit so they pass. The US saw the light when it comes to diesel decades ago. The city of Los Angeles’ bus fleet, several thousand strong, is now entirely diesel-free. Compare this with London, the vast majority of whose 8600 buses are diesel-powered. In Europe, our filthy air is a direct result of the game played by the carmakers and the taxmen, whereby tax breaks are determined entirely by CO2 emissions. The bureaucrats set emissions and consumption targets, and the car makers, allegedly, cheat their way to meeting them.

Slow, dirty and not as frugal as claimed, that is the reality of diesel driving.

But it has taken the land of the Humvee and the Ford Mustang to prove the point.
Car maker pays price for deceit

Volkswagen, a company with a worldwide reputation for automotive reliability and technological fixes, has been caught in a fix of a different kind: cheating US government vehicle emissions standards via on-board sensors. The fix began in 2008, when the company installed engine management software in its diesel passenger vehicles that would fully switch on only when the car was being tested on a dynamometer, thereby enabling it to meet stringent Environmental Protection Agency emissions standards. When used in "real-world" conditions, however, the vehicles emitted 10 to 40 times more nitrogen oxides than was permissible under EPA rules.

Nearly 500,000 VW diesels fitted with the "defeat device" have been sold in the US since 2008, and 11 million cars worldwide may be similarly affected. The ruse came to light after the International Council on Clean Transportation and West Virginia University began researching the "real-world" emissions performance of several vehicles, including a VW Jetta and Passat in 2013 and 2014. Only after the results were published, however, did the EPA sit up and take notice. At that point, VW offered to voluntarily recall cars fitted with its TDI "clean diesel" engines and to recalibrate the systems used to capture NOx. But further independent testing by the California Air Resources Board confirmed the earlier test. When the EPA threatened legal action to halt the sale of new VWs from 2016, the company finally confessed its duplicity.

On Monday, the head of VW’s US division, Michael Horn, said, “Let’s be clear about this. Our company was dishonest. With the EPA, and the California Air Resources Board, and with all of you. And in my German words, we have totally screwed up.”

The company’s extraordinary mea culpa is unlikely to pacify the EPA, however. It looks set to fine VW $37,500 for each of the offending 482,000 vehicles, or $US18 billion. Recall costs, and a criminal investigation by the US Justice Department, could add billions of dollars more to the final bill. VW’s decision to persevere with a NOX trap for its TDI engine (rather than use selective catalytic reduction technology) seems to have come down to a question of judgment, time, money and convenience. It chose what it believed to be most promising technology at the time and engineered, at great expense, a motor capable of meeting European standards, which place greater store on lower carbon monoxide emissions than on reduced NOX emissions. Amortisation costs require that production of engines continue for some time before more efficient engines are rolled out.

But because it was in a hurry to establish a beachhead in a market where diesel cars have traditionally been overlooked by consumers, VW went for quick and dirty fix.

The company’s penitent attitude (and its ability to overcome other setbacks) suggests the damage may not be lasting.
Tighter emission limits urged

Sam Charlwood

Experts have called for a review of "lagging" Australian pollution standards in the wake of Volkswagen's emissions rigging scandal.

Following an admission from Volkswagen that up to 11 million vehicles had shown a "noticeable deviation" in emission levels between testing and road use, academics and health experts on Wednesday said the scandal brought to light Australia's ageing emission standards, which are well behind those of Europe and the US.

"We are lagging behind on that front, particularly when it comes to diesel engines," said Associate Professor Ben Mullins, a vehicle emissions expert at Curtin University.

The Asthma Foundation also backed calls for more stringent pollution measures in Australia, citing air quality as a key concern of its members.

At the same time, Volkswagen Australia faced mounting pressure from the Australian Competition and Consumer Commission, who warned it was monitoring the car maker's Australian operations following revelations that the company misled authorities overseas.

The federal government remained deep in discussions with Volkswagen to ascertain whether local four-cylinder diesel vehicles were affected.

"The ACCC is making inquiries to determine if consumers might have been exposed to misleading claims," a spokeswoman said. "The ACCC is also considering the rights of consumers under the Australian Consumer Law."

Australia enforces superseded fourth and fifth-generation European emissions requirements that lag behind the continent's stringent sixth-generation standards.

The former Labor government originally proposed the introduction of Euro 5 measures in 2012 and Euro 6 from 2016, but postponed both at the urging of the Australian car-making industry.

Research shows new cars in Australia emit nearly 40 per cent more CO₂ than their counterparts in Europe. Australia's current fleet average sits at 192g/km CO₂. This compares with the European Union's fleet average of closer to 130g/km CO₂.

Professor Mullins warned of widespread individual tampering of vehicle emission systems in Australia, outside of Volkswagen’s operations. He said the Volkswagen scandal highlights the issue of emissions testing, as NSW is the only state to enforce regular checks on used vehicles.

"This is what the good aftermarket tuning people do to engines anyway," he said.

"The emissions software and the computer that manages the car in modern vehicles is really just a map instructing it to behave in different ways in different conditions. The aftermarket tuning companies who hack into the software, they alter the tables to give it different values."

The growing Volkswagen scandal could spell the end of the diesel car engine, experts predicted, as fallout from the firm's rigging of emissions data spread around the world.

Analysts said the gulf between increasingly tough environmental standards and the real-world performance of diesel cars could prove too difficult to bridge.

The investment house Bernstein said the VW scandal "probably does" signal the end of diesel, after...
Australia demands answers from VW

Jared Lynch

The world’s largest car maker, Volkswagen, is yet to tell the Australian government if it cheated pollution tests for cars sold locally as it scrambles to minimise the fallout of the biggest scandal in its 78-year history.

The German car maker has admitted it used “defeat device” software to beat emission tests in labs. It is facing fines of up to US$18 billion ($25 billion) from the US Environmental Protection Agency, which alleges the affected diesel engines spewed as much as 40 times the legal limit of pollutants when they were on the road. Volkswagen says the false tests could have been used on about 11 million cars sold around the world, and the Australian Department of Infrastructure and Regional Development is demanding the company come clean on its local operations.

“The department is seeking urgent clarification from Volkswagen Group Australia as to whether vehicles supplied to the Australian market use similar software to that used in the US,” a government spokesman said.

Volkswagen’s Australian subsidiary was not able to confirm if the company had used the “defeat device” software for cars sold locally. “We are still seeking clarification on this topic from our head office in Germany, and we will be providing further information once we have more details,” the VW Australia spokesman said.

Senator Kim Carr, former industry and manufacturing minister in the Rudd and Gillard Labor governments, said “there was no excuse” for Volkswagen’s behaviour. “It’s a tragic, short-sighted management failure. German is engineering so good, they don’t need to cook the books in this way,” Senator Carr said.

But he said he was yet to see any evidence of wrongdoing at its Australian operations. “They obviously tried to cook the books in America, they have acknowledged that, but I’ve seen no evidence that they have done the same in Australia. “The fact is we have different regulatory environments (to the US).”

Australian petrol and diesel passenger vehicles must currently comply with the Euro 5 emission standard.

Australia adopted the standard in 2013 and it is due to be implemented in full in November 2016. European nations introduced the Euro 5 standard in 2009 and moved to more stringent Euro 6 rules in 2014. Australia will move to Euro 6 across 2017 and 2018.

The Australian government joins a growing list of countries seeking answers from VW. Volkswagen has insisted that all its new European cars comply with Euro 6 rules, but officials in the UK, Germany and Italy have nevertheless called for the company’s vehicles to be investigated by the EU.

Italy has asked the company to prove the cars sold there do not contain the defeat devices, while Switzerland said it would investigate Volkswagen’s diesel vehicle emissions tests.

In Asia, South Korea’s environment ministry said it would investigate 4000 to 5000 of Volkswagen’s Jetta, Golf and Audi A3 vehicles produced in 2014 and 2015, and it could expand its probe to all German diesel cars if it found problems.

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