

A vast majority of the legislative and regulatory framework for automotive aftermarket businesses is decided at European Union's or even at the United Nations' levels. As such, they have a direct business impact for you. A single (incorrect) word or sentence in a piece of legislation could immediately prevent independent workshops or parts wholesalers from remaining competitive or even drive them out of business. To avoid that risk, a strong political representation at EU's and UN's level is therefore needed.

FIGIEFA represents independent automotive parts distributors amongst European and international legislators. It monitors their legislative proposals and is in constant contact with them, with the aim to secure legislative framework conditions that allow you to operate your business in a market open by free competition and a fair level playing field.

FIGIEFA is working for you on

the Motor Vehicle Block Exemption Regulation

at European Union's level



What is the issue?

For more than 10 years, the Motor Vehicle Block Exemption Regulation (MV-BER) sets the legal frame which allows our parts distribution and repair companies to provide competitive aftermarket services, in direct competition with the vehicle manufacturers' network. However, this crucial legislation is due to expire in May 2023. The European Commission is questioning the renewal of this sector specific legislation and is currently assessing the achievements of the MV-BER legislation and its potential future.

There is therefore a major risk that the MV-BER could simply disappear. Alternatively, it could be extended as such, maintaining the status quo. Last, it could be updated, with two different sub-scenarios: it could be watered down, eliminating some safeguard measures for the independent aftermarket's competitiveness or, on the contrary, it could be upgraded to take into consideration new developments.



How could it impact your business?

The end or a downgrading of the MV-BER could put your companies in a relationship of reinforced dependency with vehicle manufacturers, as numerous safeguards covering a wide range of aftermarket services would be abandoned. The MV-

BER guarantees, among others, three main sets of measures to ensure your ability to be competitive:

- Vehicle manufacturers may not hinder their original equipment suppliers from also supplying their products (components) as spare parts to

independent distributors. Independent repairers are free to purchase and to use any parts or equipment for the repair and maintenance of vehicles, and authorised repairers can source “original parts” and “parts of matching quality” from parts suppliers and independent parts distributors;

- Vehicle manufacturers may not make the warranties conditional on the repair and servicing of a vehicle within their network or on the use of their own branded spare parts, and consumers have the right to use any repair shop for non-warranty work, during both the statutory and the extended warranty periods;

- Vehicle manufacturers may not withhold technical information; access to it should be given without undue delay, in a usable form, at a price which should not discourage the access, and vehicle manufacturers have to give independent operators access to technical information at the same time as to their authorised repairers.

On the contrary, an upgrade of MV-BER could allow your companies to benefit from fairer conditions to compete with vehicle manufacturers on new services resulting from the increased digitalisation of the vehicle and of the aftermarket services.



What is FIGIEFA doing?

FIGIEFA, who had been pivotal in establishing the current version of the MV-BER, is advocating towards the European Commission to extend and upgrade the existing MV-BER. In particular, it is participating actively in the consultation process initiated by the European Commission and meeting regularly with officials, in particular within the Directorate General for Competition, which is in charge of the legislation.

To this end, FIGIEFA cooperates closely with its members associations in the different European countries to demonstrate the vital dimension of this legislation, as well as with fellow associations representing other sectors of the independent automotive aftermarket, such as repairers and repair information data publishers, and also with organisations representing SMEs and consumers.

FIGIEFA is planning ahead and prepares for the Commission’s continuous consultation process in the

next year; we involve our Members investigating the positive impact that the MV-BER has had on competition in the automotive aftermarket over the years, but also where it fails. New forms of hindrances should be taken into account, such as the introduction of burdensome and ‘dynamically priced’ coding requirements (“software as a product”) which make the repair with independent spare parts uncompetitive.

FIGIEFA is also in contact with fellow associations around the globe to exchange best practices. Indeed, other regions in the world don’t have yet a similar legislation, but there was in some countries a development towards a government-led or competition authority monitored agreement or scheme. These are the first steps towards a complete, binding and true regulatory solution.

The outcome of the political discussions on this will have a decisive impact on our sector. We will keep defending your interests in the upcoming months to make sure that your companies don’t get hampered from conducting legitimate business operations. We will need your support to convince political decision-makers of the importance of taking into consideration your needs. Stay tuned!

