Volkswagen says it expects to take charges of about 2.5 billion euros ($2.9 billion) in the third quarter to cover the costs of buying back and retrofitting diesel cars in North America.

The German automaker said Friday that it is increasing provisions for a buyback and retrofitting program for 2-liter TDI vehicles that was part of settlements over its diesel emissions scandal. It said that the program "is proving to be far more technically complex and time consuming."

The company has been under a cloud since 2015 over its equipping of diesel cars with illegal software that enabled cheating on U.S. emissions tests. Volkswagen has agreed to more than $20 billion in fines and civil settlements over the scandal, and it may have additional problems on the horizon in the U.S.

German weekly Der Spiegel reported Friday that VW could face further scrutiny because it failed to properly inform U.S. regulators about changes to emissions control software in nearly one-half million cars with gas engines.

Citing an internal VW investigation, Der Spiegel reported that the software was changed in about one in five gas cars registered from 2009 to 2017. The report notes that the software wasn't used to illegally alter emission levels in tests.

Both the U.S. Environmental Protection Agency and VW's top executive
in the U.S. confirmed the inquiry on Friday.

VW of America CEO Hinrich Woebcken said the company is cooperating with agencies involved. Asked if the software is another "defeat device," which could thwart emissions tests, Woebcken replied: "Not of my knowledge." He declined further comment at an event in suburban Detroit to announce a new longer warranty for VW vehicles.

The EPA said it couldn't comment due to "ongoing investigation work" and said the seriousness and outcome is not known at present.

The omission could further dent VW's image. The company is to release third-quarter earnings on Oct. 27.

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