

Germany okays class-action suits before diesel deadline

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The change will make it easier for German VW owners to seek compensation

The German government on Wednesday approved a draft law allowing US-style class action lawsuits, opening the door for drivers to seek compensation over Volkswagen's diesel emissions cheating scam before the case expires.



Justice Minister Katarina Barley said she expected the law, which still needs to be approved by parliament, to take effect on November 1—just ahead of the year-end statute of limitations for claims against German car giant VW.

"There are estimates that some two million diesel owners could benefit from this," Barley said.

Very common in the United States, <u>class action</u> lawsuits allow large numbers of plaintiffs with a similar complaint to sue a defending party together, sparing them the time and cost of arguing their cases individually.

In one of the largest class-action settlements to date, Volkswagen in 2016 agreed to pay out some \$10 billion in buybacks and compensation to 475,000 US car owners after it admitted to equipping millions of vehicles worldwide with software designed to dupe pollution tests.

The massive payout angered <u>drivers</u> in Europe where far more cars were rigged but who have so far only been offered software updates.

German driver Beate Berger, whose VW Tiguan has had engine problems since the software fix, said she wanted justice.

"We want to join a class action suit and hope that we finally get at least some compensation for the problems we've had with this car," she told public broadcaster ZDF's morning talk show.

The head of Germany's VZBV Federation of Consumer Organisations, Klaus Mueller, called the government's draft law "a milestone for consumer protection", arguing that it wasn't feasible for each driver to take on VW alone.



The German version of a <u>class-action suit</u> comes with several hurdles however.

Under the draft law, claims may only be filed by established consumer protection groups representing a minimum of 50 plaintiffs.

If the case is deemed admissable, a judge would rule on whether damages should be awarded, without determining the amount.

It would then fall to each plaintiff individually to agree on a compensation figure with the defendant, a step critics say still makes the process too complicated.

Almost three years after the "dieselgate" scandal erupted, the Volkswagen group remains mired in legal woes around the world.

Over 50,000 British drivers started a collective lawsuit against the car giant in March, while a <u>class action lawsuit</u> is also under way in Australia.

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