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Commitments by Japanese and Korean Car Manufacturers to reduce CO2 emissions comply with EC Competition rules

The Associations of Japanese and Korean Automobile Manufacturers have made voluntary commitments to reduce carbon dioxide (CO2) emissions from new passenger cars sold in the EU. The commitments correspond to those made in 1998 by the Association of European Automobile Manufacturers (ACEA). The European Commission takes the view that these commitments comply with EC Competition rules.

The Association of Japanese Automobile Manufacturers (JAMA) and the Association of Korean Automobile Manufacturers (KAMA) commit to achieve an average target of 140g CO2/km for their fleet of new passenger cars sold in the EU by the year 2009. The commitments will be jointly monitored by the Commission and JAMA and KAMA. The Commission has announced that it will consider introducing binding legislation in the case the target is not met.

The commitments do not impose a target on the individual manufacturers, but only an average target for all JAMA and KAMA members. Individual JAMA and KAMA members are thus free to apply more stringent as well as less stringent levels of CO2 emissions provided the average target is met. The car manufacturers are free to develop and introduce new CO2-efficient technologies independently and in competition with each other. The monitoring reports will not refer to the individual companies' achievements in order not to distort competition between the members.

Like in the case of ACEA the European Commission takes a positive view of the commitments made by JAMA and KAMA to voluntarily reduce CO2 emissions. They do not, in the Commission's view, restrict competition under Article 81(1) which refers to agreements between companies. The Commission has therefore sent administrative letters to JAMA and KAMA informing them that it will not take any further action.