

Peugeot to be prosecuted in France over 'dieselgate'

June 10 2021



French car-maker Peugeot is under investigation on allegations of consumer fraud in connection with the sale of Euro 5 diesel vehicles in France between 2009 and 2015.

French car maker Peugeot is facing prosecution in France over the

"dieselgate" emissions cheating scandal, its parent company Stellantis said Wednesday, after similar charges were announced against Renault and Volkswagen.

"Two other subsidiaries of Stellantis, Automobiles Citroen S.A. and FCA Italy S.p.A, have been summoned to appear before the Judicial Court of Paris, on June 10 and in July, respectively, as part of the same investigation," Stellantis said in a statement.

The US-European auto giant said Peugeot was under investigation "on allegations of consumer fraud in connection with the sale of Euro 5 diesel vehicles in France between 2009 and 2015".

Stellantis said Peugeot will have to guarantee 30 million euros (\$37 million) "for the potential compensation for losses", as well as pay bail of 10 million euros (\$12.2 million), comprising 8 million euros (\$9.7 million) for potential damages and 2 million euros (\$2.2 million) for court representation.

"The companies firmly believe that their emission control systems met all applicable requirements at the relevant times and continue to do so and look forward to the opportunity to demonstrate that," Stellantis added.

The announcement came a day after German automaker Volkswagen said it was facing charges over the scandal, and two days after Renault said the same.

"Dieselgate" erupted in 2015 when VW admitted that it had equipped around 11 million vehicles with devices capable of producing fake carbon dioxide emission readings during tests, even though actual emissions could be up to 40 times higher.

A legal source said the charges against Peugeot concerned allegations of "fraud endangering the health of a human or animal".

France's DGCCRF anti-fraud agency had in February 2017 filed a report with the French justice system alleging that there was a "global strategy aimed at fabricating fraudulent motors and then commercialising them".

Investigators allege that some 1.9 million Euro 5 diesel cars, "whose motors functioned using the fraudulent strategy", were sold by Peugeot-Citroen in France between September 2009 and September 2015.

The DGCCRF estimate the maximum fine over the allegations could cost the company 5 billion euros (\$6.1 billion).

The revelations that Volkswagen had installed devices in 11 million [diesel vehicles](#) worldwide to dupe pollution tests plunged the company into a deep crisis.

It has so far cost the German car giant more than 30 billion euros in fines, legal costs and compensation.

Stellantis was created in January 2021 after the merger of France's PSA and US-Italian rival Fiat Chrysler became official.

The long-awaited 50/50 tie-up, which was delayed by the Covid-19 pandemic, formed the world's fourth-biggest automaker by volume and brought together producers such as Peugeot, Citroen, Fiat, Chrysler, Jeep, Alfa Romeo and Maserati, each of which continued under their own brand names.

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