


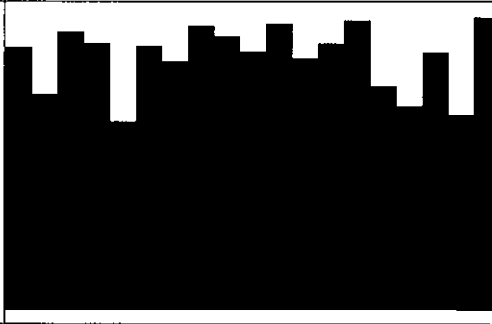
MERCEDES-BENZ SOUTH AFRICA LIMITED (MBSA)

Draft Code of Conduct for Competition in the South African Automotive Industry

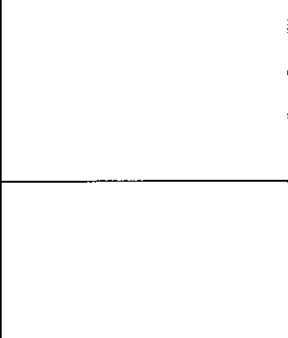


Submission by MBSA on 3 November 2017 in response to the call for submissions by the Competition Commission South Africa dated 22 September 2017



(Note this document does not identify minor changes such as failure to capitalize definitions or minor misuse of terminology)

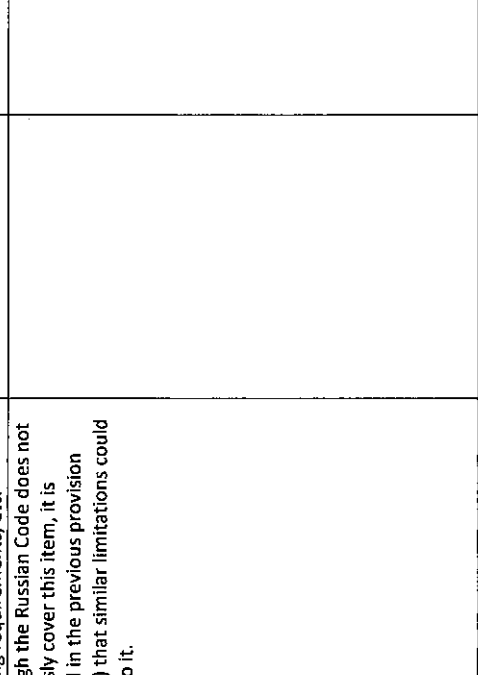
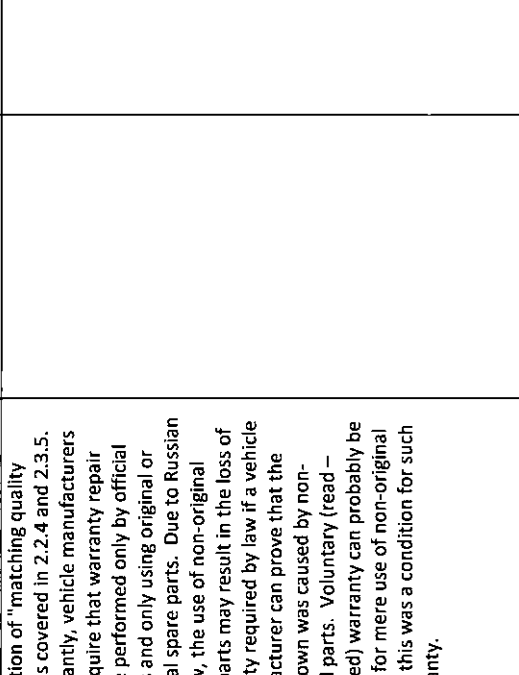

Code of Conduct	Legal / Economic Effects	Proposed Amendment	Russia	EU	China
1.1 This is a voluntary Code of Conduct ("Code") aimed at promoting competition in the South African automotive industry. This Code has been drafted by the Competition Commission of South Africa, in consultation with industry stakeholders.			Also voluntary but the aim is much narrower – to fill the perceived regulatory gaps governing the conduct of vehicle manufacturers or, rather, their trading arms in Russia (hereinafter – vehicle manufacturers) vis-à-vis (a) official dealers and (b) independent service stations.		
1.2 The signatories to this Code are Original Equipment Manufacturers ("OEMs") and other participants in the automotive industry including dealers, repair and maintenance service providers, distributors of spare parts, and insurers of motor vehicles. Various government departments and regulators, who are additional signatories, are in support of this Code.			Currently, signatories are only vehicle manufacturers. However, discussions are being held to effectively extend the current Code by adding a so-called sectoral agreement, which is intended to be signed by vehicle manufacturers as well as official dealers. It is unclear at this point whether the Russian anti-trust authority will also become a signatory, but this seems to be irrelevant for the practical purposes as they have to "bless" the agreement just as they did with respect to the original Code.		
1.3 The signatories commit to the advancement of the following objectives of Competition Act no. 89 of 1998, as amended:			The Russian Code is very general – "to establish good business practices in the automotive sector".		
1.3.1 To promote the efficiency, adaptability and development of the economy;					
1.3.2 To provide consumers with competitive prices and product choices;					
1.3.3 To promote employment and advance the social and economic welfare of South Africans;					


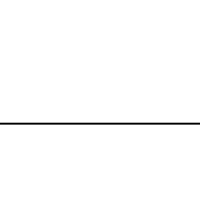
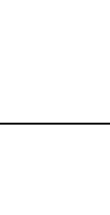

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1.3.4 To expand opportunities for South African participation in world markets and recognise the role of foreign competition in the Republic;					
1.3.5 To ensure that small and medium-sized enterprises have an equitable opportunity to participate in the economy; and					
1.3.6 To promote a greater spread of ownership, in particular to increase the ownership stakes of historically disadvantaged individuals.					
2. PURPOSE AND OBJECTIVES OF THE CODE OF CONDUCT			Similar to item 1.3 with the following comments:		
2.1. The Code of Conduct is intended to address competition concerns arising from agreements between OEM's and dealers, insurers, and repair and maintenance service providers, which have the effect of substantially lessening or preventing competition and which have created barriers to entry in the automotive industry.		Therefore better: "The Code is intended to promote competition in the automotive industry"	Agreements between vehicle manufacturers and insurers are not covered.		
2.2. The objectives of the Code are:					
2.2.1. For independent service providers to undertake in-warranty mechanical (maintenance and service) work;		Therefore better: "To allow for Independent Service Providers to undertake maintenance and repair work which is not covered by a Warranty, Extended Warranty, Maintenance Plan or Service Plan;"	The Russian Code expressly provides that warranty repairs and other repairs paid by vehicle manufacturers should be conducted only by official dealers, and that vehicles manufacturers may require the use of only original and/or identical spare parts for warranty repairs and other repairs paid by vehicle manufacturers.		

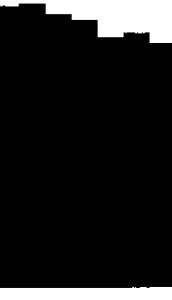
Code of Conduct	Legal / Economic Effects	Proposed Amendment	Russia	EU	China
	<p>[REDACTED]</p>				
<p>2.2.2. For more service providers to participate in the OEM networks, particularly firms owned and operated by historically disadvantaged persons;</p>	<p>[REDACTED]</p>	<p>Therefore better: " The facilitation of Broad-Based Black Economic Empowerment, including (i) for more Service Providers to participate in the OEM Networks, particularly firms owned and operated by Historically Disadvantaged Individuals; and (ii) an increase in the number of Dealerships owned by Historically Disadvantaged Individuals,"</p>	<p>No equivalent</p>		
<p>2.2.3. For an increase in the number of dealerships owned by historically disadvantaged persons;</p>	<p>[REDACTED]</p>	<p>Therefore better to delete as incorporated in 2.2.2 above.</p>	<p>No equivalent</p>		
<p>2.2.4. For increased choice of service providers for consumers for the service, maintenance and repairs of their vehicles;</p>			<p>For non-warranty repairs and maintenance, the Russian Code provides that vehicles manufacturers should ensure availability of original spare parts to independent service stations, except for those spare parts which are "linked to the vehicle</p>		

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			<p>Russia security (sic. – safety) systems. "Vehicle safety systems" are defined as "alarm and tracking systems, immobilisers, locking and entry systems, electronic control units, airbags, safety belts and similar (hereinafter jointly referred to as "vehicle security systems")."</p> <p>The Russian Code provides that official dealers should not be prohibited from using identical parts and also matching quality parts but only for non-Warranty repairs and only if the dealer or third party manufacturer proves that they are indeed matching quality. No procedure is prescribed to prove this.</p>		
2.2.5. For increased product choice and competitive prices for consumers for services and spare parts;			<p>Therefore better: "For greater consumer awareness of Policies and Plans sold with a Motor Vehicle."</p>		
2.2.6. For greater consumer awareness of the costs in the sale of a vehicle, including the costs of maintenance and service plans.			<p>if official dealers use matching quality parts, they may be required to (1) provide sufficient proof that these parts were officially imported and cleared with customs and (2) offer such parts only as alternatives to the original parts.</p>		
2.3. The Code seeks to achieve these market changes through inter alia:		<p>Therefore better: "The Code seeks to achieve these objectives through <i>inter alia</i>"</p>			
2.3.1. The removal of restrictions on the provision of maintenance and service work of vehicles whilst under warranty;		<p>Therefore better: "the removal of restrictions on the provision of non-Warranty work while a Motor Vehicle is under Warranty or Extended Warranty (provided the Motor Vehicle is not subject to a Maintenance Plan or Service Plan)"</p>	<p>The Russian Code is clear that vehicles manufacturers may require all warranty repairs and other works ultimately paid for by vehicles manufacturers to be performed only by official dealers.</p>		
2.3.2. The removal of restrictions on the number of independent repairers, dealers and independent parts and other service providers within designated geographic areas;			<p>No equivalent</p>		

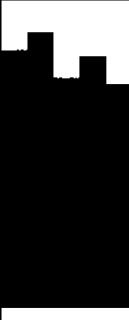

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<p>2.3.3. Promoting the ownership of dealerships by HDI's, by reducing onerous requirements related to the facilities of dealerships; allowing for use of alternative suppliers for marketing and corporate identity-related elements of dealerships;</p>		<p>Therefore better: "Facilitating Broad-Based Black Economic Empowerment, including Dealerships by Historically Disadvantaged Individuals;"</p>	<p>No equivalent</p>		
<p>2.3.4. For dealerships who sell new vehicle and products of competing OEMs to ensure that price-setting is not co-ordinated;</p>			<p>No equivalent but "coordination" is expressly prohibited by Russian law.</p>		
<p>2.3.5. Enabling access to the safety and technical specifications of OEM-parts to enable independent service providers to effect repairs;</p>		<p>Therefore better: "Providing access to technical specifications of OEM-parts on reasonable terms and conditions;"</p>	<p>The Russian Code allows vehicles manufacturers to deny independent service stations those original spare parts which "are linked to the vehicle safety systems". The Russian Code similarly provides that vehicles manufacturers may limit access of independent service stations to those databases, spare parts catalogues and repair technologies only to that information which contains no data on vehicle safety systems. Further, access of independent service stations access to databases, spare parts catalogues and repair technologies may be denied if "similar solutions" are available on the market. Finally, access of independent service stations access to databases, spare parts catalogues and repair technologies may be conditioned on assuming certain obligations that would level the playing field with the official dealers, such as payment of royalties, use of special software,</p>		

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2.3.6. Enabling access by independent service providers to OEM tools through leasing and renting options;		Therefore better: "Providing access by Independent Service Providers to OEM tools on reasonable terms and conditions;"	Russia reporting requirements, etc. Although the Russian Code does not expressly cover this item, it is implied in the previous provision (above) that similar limitations could apply to it.		
2.3.7. Recognition of "Equal Matching Parts"- which have been approved by SABS- for use or installation in repairs, without losing the OEM warranty;		Therefore better: "Providing for a process for "Spare Parts of Matching Quality" to be approved by SABS;	Regulation of "matching quality parts" is covered in 2.2.4 and 2.3.5. Importantly, vehicle manufacturers may require that warranty repair be performed only by official dealers and only using original or identical spare parts. Due to Russian civil law, the use of non-original spare parts may result in the loss of warranty required by law if a vehicle manufacturer can prove that the breakdown was caused by non-original parts. Voluntary (read – extended) warranty can probably be denied for mere use of non-original parts if this was a condition for such a warranty.		
2.3.8. For all Service Providers, whether independent or authorised, to be able to sell or distribute		Therefore better: For Independent Service Providers, to be able to sell Original Spare	Restrictions apply – see 2.2.4 and 2.3.5		


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Identical or Equal Matching parts without restrictions;		Parts and Identical Spare Parts;			
2.3.9. For OEMs to provide product and parts-fitment training to independent service providers, including the processes and mechanisms involved in effecting maintenance and repair work on OEM motor vehicles;		Therefore better: For OEMs to provide product and parts-fitment training to Independent Service Providers at a reasonable cost, including on the processes and mechanisms involved in effecting maintenance and repair work on OEM Motor Vehicles;	The Russian Code leaves it to the discretion of vehicles manufacturers whether to provide independent service stations with training. If the decision is to provide such training, a reasonable fee may be charged.		
2.3.10. For OEMs to separate the costs of a vehicle from the costs of Maintenance & Service Plans, at the point of sale of a vehicle.		Therefore better: "For OEMs to disclose information on Policies and Plans at the point of sale of a Motor Vehicle."	No equivalent		
3. DEFINITIONS The following definitions apply for the purposes of this Code:			No equivalent (except for definitions of "original parts", "identical parts" and "matching quality parts")		
3.1. "Agreement" includes any contract, arrangement or understanding, whether or not legally enforceable.					
3.2. "Approved service providers" means all firms (including persons, partnerships or trusts) who are currently appointed to a particular OEM's distribution network. This includes, but is not limited to, motor vehicle body repairers such as spray painters or panel beaters; mechanical repairers or firms that effect maintenance services on motor vehicles; distributors of spare parts for motor vehicles; and fitment centres. Approved service providers excludes Dealers, as defined herein.					



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3.3. "Commercially-sensitive information" means trade, business or industrial information which has a particular economic value to a firm and its business strategy and is generally not available or known by others.					
3.4. "Consumer Protection Act" means the Consumer Protection Act 68 of 2008.					
3.5. "Dealer" or "Dealership" means a business enterprise trading in the sale and resale of new and/or used functioning motor vehicles.					
3.6. "Historically disadvantaged Individual" means:		<p>This is addressed by way of the addition to the Code of a definition of B-BBEE as follows:</p> <p>"Broad-Based Black Economic Empowerment" means the viable economic empowerment of all black people, in particular women, workers, youth, people with disabilities and people living in rural areas, through diverse but integrated socio-economic strategies that include, but are not limited to—</p> <ul style="list-style-type: none"> (i) increasing the number of black people that manage, own and control enterprises and productive assets; (ii) facilitating ownership and management of enterprises and productive assets by communities, workers, co-operatives and other collective enterprises; (iii) human resource and skills development; (iv) achieving equitable representation in all occupational categories and levels in the workforce; (v) preferential procurement from enterprises that are owned or managed by black people; and 			

Code of Conduct	Legal / Economic Effects	Proposed Amendment (vi) investment in enterprises that are owned or managed by black people..	Russia	EU	China
3.6.1. one of a category of individuals who, before the Constitution of the Republic of South Africa, 1993 (Act No. 200 of 1993), came into operation, were disadvantageded by unfair discrimination on the basis of race;					
3.6.2. an association, a majority of whose members are individuals referred to in paragraph (a);					
3.6.3. a juristic person other than an association, and individuals referred to in paragraph (a) own and control a majority of its issued share capital or members' interest and are able to control a majority of its votes; or					
3.6.4. a juristic person or association, and persons referred to in paragraph (a), (b) or (c) own and control a majority of its issued share capital or members' interest and are able to control a majority of its votes.					
3.7. "Independent service providers" means all firms (including persons, partnerships or trusts) who are not in the appointment of an OEM's distribution network and who conduct business in compliance with the applicable laws of the Republic of South Africa. This includes, but is not limited to, motor vehicle body repairers such as spray painters or panel beaters; mechanical repairers or firms that effect maintenance services on motor vehicles; distributors of spare parts for motor vehicles; and fitment centres. Independent service providers excludes Dealers, as defined herein.					
3.8. "MIOISA" means the Motor Industry Ombudsman of South	[REDACTED]	Therefore better to delete.			

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Africa, being a non-statutory body established in terms of the Consumer Protection Act 68 of 2008.					
3.9. "Motor vehicle" means any vehicle designed or adapted for propulsion or haulage on a road by means of fuel, gas or electricity or any other means;			Although the Russian Code does not expressly provide for it, it is commonly understood, including by the Russian anti-trust authority, that this Code governs passenger cars only, excluding light commercial vehicles as well as trucks and buses.		
3.10. "NRCS" means the National Regulator for Compulsory Specifications, being a statutory body established in terms of the National Regulator for Compulsory Specifications Act 5 of 2008;					
3.11. "OEM" means Original Equipment Manufacturer as well as any firm over which it has direct or indirect control and includes a distributor, importer, manufacturer or dealer of motor vehicles.		Therefore better: "OEM" means Original Equipment Manufacturer and includes and importer of Motor Vehicles;			
3.12. "OEM network" refers to Approved Service Providers and/or OEM-authorised or approved Dealers.					
3.13. "Policies and Plans" refers to one or a combination of the following:					
3.13.1. "Maintenance Plan" refers to a financial product, covering the regular maintenance of a motor vehicle on components and parts that are subject to wear and tear. A Maintenance Plan is used at specified pre-determined times or stipulated mileage.					
3.13.2. "Service Plan" refers to a financial product covering the service of a motor vehicle components and parts of a motor					

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<p>vehicle that may need replacing when the motor vehicle is due for a service. The Service Plan does not cover components and parts which need replacing or servicing as a result of normal wear and tear. A Service Plan is used at specified pre-determined times or stipulated mileage.</p>	<p>[REDACTED]</p>	<p>Therefore better: ""Warranty" is an obligation by the OEM to replace or repair certain components or parts of a Motor Vehicle that need replacement or repair due to a manufacturing or factory defect or malfunction;"</p>	<p>There is a minimum statutory warranty (for design and manufacturing defects), which is to be distinguished from voluntary warranty (commonly called extended warranty). The terms of either warranty are not covered by the Russian Code.</p>		
<p>3.13.3. "Warranty" is an undertaking by the OEM that should certain components or parts of a motor vehicle need replacement or repair due to a manufacturing or factory defect or malfunction, which is not the fault of the driver, the OEM will replace or repair such component or part. The Warranty is only valid within a stipulated timeframe or mileage limit, as determined by the OEM.</p>	<p>[REDACTED]</p>		<p>See above</p>		
<p>3.13.4. "Extended Warranty" is an optional and additional warranty that a consumer is able to purchase to extend the application of the Warranty.</p>					
<p>3.14. "Repair work" refers to all work to the vehicle's body (such as panel beating and spray painting) and all mechanical repairs to a motor vehicle's mechanical parts;</p>					
<p>3.15. "SABS" means the South African Bureau of Standards, being a statutory body established in terms of the Standards Act 24 of 1945, continuing to exist in terms of Section 3 of the Standards Act, No. 8 of 2008;</p>	<p>[REDACTED]</p>				
<p>3.16. "SAMAS" means the South African National Accreditation System, the body responsible for carrying out accreditations in respect of conformity assessment, as mandated through the Accreditation for Conformity Assessment;</p>	<p>[REDACTED]</p>				

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Calibration and Good Laboratory Practice Act (Act 19 of 2006).					
3.17. "Service Provider" includes both independent and approved service providers;					
3.18. "Spare parts" means products and accessories which are to be installed in or on a motor vehicle, which replace worn or damaged components of that vehicle. Spare parts additionally are to be understood to encompass products such as lubricants that are necessary for the use of a motor vehicle, however excludes fuel that is required to operate the vehicle. There are different categories of Spare Parts and they are each defined as follows:					
3.18.1. "Original spare parts" are spare parts produced by the OEM or for the OEM under its instruction/order by a manufacturer and in accordance with specifications and production standards provided by the OEM, as well as those distributed by the OEM/importer or any other authorised distributors of the OEM/importer and marked with the trademark of the OEM;			The Russian Code's definition: "Original spare parts" – spare parts produced by the OEM or for the OEM under its instruction/order by an original spare parts manufacturer, as well as those distributed by the Members or any other official distributors of the original vehicle manufacturer and marked with the trademark of the original vehicle manufacturer.		
3.18.2. "Identical spare parts" are parts produced by the OEM or for the OEM under its instruction/order by a manufacturer, fully equivalent to the specifications and standards of the original spare parts, but not marked with the trademark of the OEM, as well as those spare parts distributed by the OEM/importer or any other authorised distributors of the OEM;		Therefore better: "Identical Spare Parts" are parts produced by an original Spare Parts manufacturer for the OEM under its instruction/order, fully equivalent to the specifications and standards of the original Spare Parts, but not marked with the trademark of the OEM;"	The Russian Code's definition: "Identical spare parts" – parts produced by the original vehicle manufacturer or for the original vehicle manufacturer under its instruction/order by an original spare parts manufacturer, fully equivalent to the original spare parts, but not marked with the trademark of the original vehicle manufacturer, as well as those distributed by the Members or any other official distributors of the original vehicle manufacturer.		

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<p>3.18.3. "Spare parts of matching quality" are spare parts that are of the same quality as original or identical parts and which carry legitimate Warranty from its manufacturer, but are not distributed by the OEM/Importer or the official distributor of the OEM/Importer, and are not marked with the OEM's trademark. Spare parts are deemed to be of matching quality where they have been certified as such by the South African Bureau of Standards or by a testing process through a SANAS-accredited laboratory.</p>		<p>Therefore better: "Spare Parts of Matching Quality" are Spare Parts that are of the same quality as Original or Identical Spare Parts and which carry a legitimate Warranty from the manufacturer, but are not distributed by the OEM or by the official distributor of the OEM, and are not marked with the OEM's trademark. Spare Parts are deemed to be of matching quality where they have been certified as such by the South African Bureau of Standards or by a testing process through a SANAS-accredited laboratory. This does not include counterfeit Spare Parts, being Spare Parts, whether of matching quality or not, that are produced without the OEM's knowledge and/or approval but carry the unauthorised trademark of the OEM.</p>	<p>The Russian Code's definition: "Spare parts of matching quality" – spare parts which are of the same quality as original spare parts but not distributed by the Members or any other official distributors of the original vehicle manufacturer, not marked with its trademark and produced either by the manufacturer of original spare parts or by any other manufacturer according to the standards of the original vehicle manufacturer, as well as those for which documents confirming their approval for use by the respective original vehicle manufacturer are available. The obligation to prove the matching quality of such spare parts should lie with the respective spare parts supplier or the dealer.</p>	<p>No certification by a standardization body mandatory in the EU.</p>	<p>Under MOFCOM Auto Sales Measures ("Measures"), spare parts of matching quality are the parts whose function and quality achieves the requirement of relevant technical standards of original parts. NDRC Guidelines ("Guidelines") state that spare parts of matching quality shall obtain relevant certification, but it is unclear who should determine whether the quality matches the original ones.</p>
<p>4. SALE OF MOTOR VEHICLES</p>					
<p>4.1. Dealers Who Sell Competing Vehicles & Products</p> <p>4.1.1. Dealers who sell new vehicles and products of competing OEMs shall ensure that they do not engage in price co-ordination. Specifically, the prices of competing vehicles and products shall be determined by different individuals within the Dealership. Persons setting prices for new vehicles and products of competing OEMs shall do so independently.</p>			<p>No equivalent</p>		
<p>4.1.2. Dealers who sell new vehicles and products of competing OEMs shall ensure that no commercially-sensitive information is provided or shared with competing OEMs.</p>			<p>No equivalent</p>		
<p>4.2. Selection of Dealer's</p>					
<p>4.2.1. OEMs shall establish fair and</p>		<p>Therefore better: "OEMs shall</p>	<p>The decision whether to</p>		

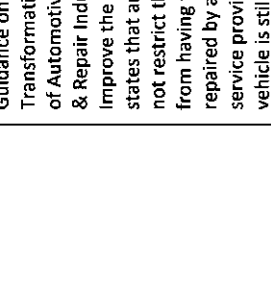
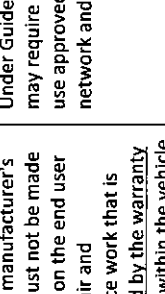

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transparent processes for the selection of dealers who meet the OEM's respective compliance requirements.	[REDACTED]	establish fair and transparent processes for the selection of Dealers who meet the specific OEM's requirements."	appoint/authorize a dealer is within the vehicles manufacturer's discretion (provided the fairness and transparency requirements are met).		
4.2.2. OEMs shall not appoint Dealers exclusively as the sole Dealer within designated geographic areas. Dealers shall be selected based on a realistic evaluation of the market potential for Dealers in a designated geographic area.	[REDACTED]	Therefore better: "OEMs shall not appoint exclusive Dealers within designated geographic areas. Dealers shall be selected based on a realistic evaluation of the market potential for Dealers in a designated geographic area."	The Russian Code does not contain an express prohibition against exclusive dealers. Territorial restrictions are not expressly covered by the Russian Code.	Quantitative selective distribution does not require "a realistic evaluation of the market potential for Dealers in a designated geographic area."	Guidelines allow an OEM without significant market power (below 25-30%) to appoint a sole dealer in the designated geographic area.
4.2.3. OEMs shall give preference to historically disadvantaged persons in appointing dealers to the OEM's network. OEMs shall implement specific measures to give effect to this.	[REDACTED]	Therefore better: "OEMs shall facilitate Broad-Based Black Economic Empowerment, including by giving preference to Historically Disadvantaged Individuals that meet the OEM's specific requirements, in appointing Dealers to the OEM Network."	No equivalent		
4.2.4. OEMs shall not engage in conduct that will prevent or impede a historically disadvantaged person's entry or expansion as a dealer.			No equivalent		
4.3. Facilities of Dealerships 4.3.1. The OEM's compliance requirements shall not impose onerous obligations on prospective Dealers. The requirements for facilities of dealerships should be reasonable and have an economic rationale, particularly in relation to the size of land, show-rooms, furniture, fitting and finishes of dealerships.	[REDACTED]	Therefore better: "The requirements for facilities of Dealerships should be reasonable and have an economic rationale, particularly in relation to the size of land, show-rooms, furniture, fitting and finishes of dealerships."	Similar to the Russian Code, except the latter does not stipulate that compliance requirements shall not be "onerous".	No specific "compliance requirements" (apart from selective distribution criteria).	Similar position in Measures and Guidelines.
4.3.2. OEM's shall not require authorised Dealers to make further investments within established facilities within 5 years from their commencement, if such investments are not objectively required for the continuation of the Dealer's normal business operations.	[REDACTED]	Therefore better: "OEM's shall not require Dealers to make further investments within established facilities within 5 years from their commencement, if such investments are not objectively required for the continuation of the Dealer's normal business"	Similar to the Russian Code.	No equivalent	No equivalent

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<p>4.3.3. OEM's shall approve and recommend multiple suppliers for required branding and corporate identity elements of dealerships, from which Dealers can procure. OEMs shall not forbid or penalise Dealers from purchasing the said goods from such approved alternative suppliers if they are of like kind and quality.</p>	<p>[REDACTED]</p>	<p>operations. New investment may be required within the 5 year period, for example, due to entry into new segments, changes in models of Motor Vehicles to be sold or technologies to be used by Dealers."</p> <p>Therefore better: "Whenever possible, OEM's shall approve and recommend multiple suppliers for required branding and corporate identity elements of Dealerships, from which Dealers can procure. OEMs shall not forbid or penalise Dealers from purchasing the said goods from such approved alternative suppliers if they are of like kind and quality."</p>	<p>The Russian Code contains a similar provision but only with respect to special equipment and tools, unless the letter "directly or indirectly allow interference with "safety systems", i.e. "anti-theft, active and passive security systems of a vehicle, specifically, alarm and tracking systems, immobilisers, locking and entry systems, electronic control units, airbags, safety belts and similar".</p> <p>No equivalent</p>		
<p>4.3.4. OEM's and Dealers shall support those businesses owned by historically disadvantaged persons in their procurement of goods.</p>	<p>[REDACTED]</p>	<p>Therefore better: "OEM's and Dealers shall facilitate Broad-Based Black Economic Empowerment, including by giving preference to Historically Disadvantaged Individuals (who meet the OEM's specific requirements), in their procurement of goods."</p>	<p>No equivalent</p>		
<p>4.4. Sale of Policies and Plans</p> <p>4.4.1. Policies and Plans sold or provided to Consumers at the sale of a motor vehicle shall not forbid a Consumer from using the services of independent service providers for repair, service or maintenance work whilst the motor vehicle is covered by the warranty period as well as after the expiration of the warranty period. Policies and Plans sold or provided to Consumers should explicitly indicate as much.</p>	<p>[REDACTED]</p>	<p>Therefore better: "Policies and Plans sold or provided to consumers at the sale of a Motor Vehicle shall not forbid a consumer from using the services of Independent Service Providers for repair, service or maintenance work that is not covered by a Warranty, Extended Warranty, Maintenance Plan or Service Plan."</p>	<p>No equivalent</p>	<p>if the consumer has his vehicle repaired or maintained by an independent repairer during the manufacturer's warranty period the warranty may be lost if the work carried out is faulty. However, a general obligation to have the car maintained or repaired only within the authorised network during such a period would deprive consumers of their right to choose to have their vehicle maintained or repaired by an</p>	<p>No equivalent</p>

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4.4.2. OEMs shall recognise and promote a consumer's choice to:					
4.4.2.1. purchase a new motor vehicle separately from a Maintenance Plan, a Service Plan and an Extended Warranty;	[REDACTED]	Therefore better to delete.	No equivalent	No equivalent	No equivalent
4.4.2.2. to select the duration of a Maintenance Plan, a Service Plan and an Extended Warranty on newly purchased vehicle;	[REDACTED]	Therefore better to delete.	No equivalent	No equivalent	No equivalent
4.4.2.3. use any repairer for non-warranty work (service, maintenance, repairs and replacement of parts not covered by a warranty) during both the warranty period and any extended warranty period. This will not have the effect of voiding or cancelling the OEM warranty. In these instances the OEM is not obliged to pay for the repair work;	[REDACTED]	Therefore better: " use any repairer for non-warranty work (service, maintenance, repairs and replacement of parts not covered by a Warranty, Extended Warranty, Maintenance Plan or Service Plan. This will not have the effect of voiding or cancelling the OEM Warranty. In these instances the OEM is not obliged to pay for the repair work."	No equivalent	See. 4.4.1.	Similar position in Guidelines.
4.4.2.4. use any independent service provider for Warranty work during the warranty period, provided that the independent service provider uses an Original or Identical Spare Part. In such instances the OEM and insurer shall not withhold payment to the independent service provider.	[REDACTED]	Therefore better to delete.	no equivalent	In the EU, an independent repairer has no right to remuneration from the supplier for repairs carried out under warranty.	Under Guidelines, for the warranty work during the warranty period, OEMs are usually allowed to require end-users to use approved repair network and original parts.
4.5. Consumers' Rights to Information			Consumers' rights are not regulated by the Russian Code, they are subject to consumer protection legislation, except for those instances where official dealers are allowed to use "matching quality parts" – then the dealers must		

Code of Conduct	Legal / Economic Effects	Proposed Amendment	Russia inform consumers.	EU	China
4.5.1. At the point of sale of a motor vehicle, Dealers shall provide the consumer with a complete disclosure of the following costs:	[REDACTED]	Therefore better: "At the point of sale of a Motor Vehicle, Dealers shall provide the consumer with disclosure of:"	No equivalent	EU antitrust rules n/a = law on consumer protection	Measures only require dealers to explicitly indicate the price of motor vehicles, spare parts and service fee, but not the costs including purchase price, policies and plans, dealer commissions, etc.
4.5.1.1. purchase price of the motor vehicle;			No equivalent	EU antitrust rules n/a = law on consumer protection	See above
4.5.1.2. Policies and Plans included in the purchase price of the vehicle;			No equivalent	EU antitrust rules n/a = law on consumer protection	See above
4.5.1.3. dealer commissions and other commissions, excluding internal commercial costs of the dealership;	[REDACTED]	Therefore better to delete.	No equivalent	EU antitrust rules n/a = law on consumer protection	See above
4.5.1.4. any other related cost and pricing information, as required by the Consumer Protection Act, Financial Services Board Act and any other applicable legislation.	[REDACTED]	Therefore better: "any other information, as required by the Consumer Protection Act, Financial Services Board Act and any other applicable legislation"	No equivalent	EU antitrust rules n/a = law on consumer protection	See above
4.5.2. Consumers are entitled to a full disclosure of information regarding the maintenance and repair of their motor vehicle, as well as the terms and conditions under which they are required and/or permitted to maintain and repair their motor vehicle.			No equivalent	EU antitrust rules n/a = law on consumer protection	Similar position in Measures.
4.5.3. At the point of sale of a motor vehicle, Dealers shall provide the consumer with details of all inclusions and exclusions included in the Policies and Plans, including the following information:	[REDACTED]	Therefore better: " At the point of sale of a Motor Vehicle, Dealers shall provide the consumer with details of all inclusions in and exclusions from the Policies and Plans."	No equivalent	EU antitrust rules n/a = law on consumer protection	No specific requirement for dealers to disclose the information listed.
4.5.3.1. the average costs (as they exist at the time of sale of the motor vehicle) for each service interval; and	[REDACTED]	Therefore better to delete.	No equivalent	EU antitrust rules n/a = law on consumer protection	See above




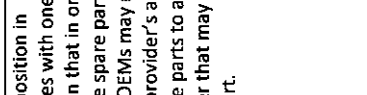
Code of Conduct	Legal / Economic Effects	Proposed Amendment	Russia	EU	China
4.5.3.2. the average cost of the parts covered by Policies and Plans which commonly require replacement at specific kilometre intervals or upon the motor vehicle attaining a specific age;	[REDACTED]	Therefore better to delete.	No equivalent	EU antitrust rules n/a = law on consumer protection	See above
4.5.3.3. the interest that a consumer will incur on the upfront payment of Policies and Plans.	[REDACTED]	Therefore better to delete.	No equivalent	EU antitrust rules n/a = law on consumer protection	See above
5. MAINTENANCE, SERVICE AND REPAIR WORK					
5.1. OEMs and Insurers shall not exclusively appoint a service provider for effecting repair and/or maintenance work on an OEM's motor vehicles within a designated geographic area.	[REDACTED]	Therefore better: "OEMs and Insurers shall not appoint an exclusive Service Provider for effecting repair and/or maintenance work on an OEM's Motor Vehicles within a designated geographic area."	No equivalent	Quantitative selective distribution or exclusive distribution for an OEM's network of authorised repairers may be permissible up to a market share of 30%.	Guidelines allow an OEM without significant market power (25-30%) to appoint a sole service provider in the designated geographic area.
5.2. OEMs and Insurers shall not appoint any service provider for an excessively long term, and shall not continuously renew the appointment of the same service provider, if such appointment or renewals are to the exclusion of the appointment of other service providers capable of effecting repair and/or maintenance work on an OEM's motor vehicles within a designated geographic area.	[REDACTED]	Therefore better to delete.	No equivalent	No such EU rule applicable. Long term agreements with service providers are widespread.	See above
5.3. Independent service providers shall be entitled to effect maintenance and repair work to a consumer's motor vehicle whilst it is still under Warranty or covered by a Maintenance Plan, Service Plan or Extended Warranty.	[REDACTED]	Therefore better: "Independent Service Providers shall be entitled to effect maintenance and repair work to a consumer's Motor Vehicle that is not covered by a Warranty, Extended Warranty, Maintenance Plan or Service Plan."	The Russian Code allows vehicles manufacturers to require that warranty repairs be done only by official dealers (and only using original spare parts).	Not explicitly regulated - see. 4.4.1.	Guidelines provide that for the Warranty work during the warranty period, OEMs are usually allowed to require end-users to use approved repair network and original parts, whilst

Code of Conduct	Legal / Economic Effects	Proposed Amendment	Russia	EU	China
5.4. Insurers shall not withhold payment to independent service provider who effect repair and maintenance work on a motor vehicle whilst the motor vehicle is under a Maintenance Plan, Service Plan, Warranty or Extended Warranty.		Therefore better: "Insurers shall recognise that independent Service Providers are entitled to effect maintenance and repair work to a consumer's Motor Vehicle that is not covered by a Warranty, Extended Warranty, Maintenance Plan or Service Plan."	No equivalent	The vehicle manufacturer's warranty must not be made conditional on the end user having repair and maintenance work that is <u>not covered by the warranty</u> carried out within the vehicle manufacturer's authorised repair networks AND an "extended" warranty bought by a consumer from an authorised repairer or from the vehicle supplier some years after the purchase of the vehicle may contain servicing and parts restrictions.	Guidance on Promoting the Transformation & Updating of Automotive Maintenance & Repair Industry to Improve the Service Quality states that an OEMs shall not restrict the consumer from having the vehicle repaired by an independent service provider whilst the vehicle is still under Warranty (but this is presumably in respect of non-warranty work). Under Guidelines, OEMs may require end-users to use approved repair network and original parts.
5.5. OEMs and Insurers shall give preference to historically disadvantaged persons in appointing service providers to the OEM's network. OEMs and Insurers shall implement specific measures to give effect to this.		Therefore better: "OEMs and Insurers shall facilitate Broad-Based Black Economic Empowerment, including by giving preference to Historically Disadvantaged Individuals (who meet the OEM or Insurer's specific requirements) in appointing Service Providers to the OEM or Insurer's network."	No equivalent	No equivalent	No equivalent
6. ACCESS TO TECHNICAL MAINTENANCE INFORMATION		Therefore better:	As stated above (see sec. 2.3.5),	In the EU, access has to be	Guidelines state that the
6.1. OEMs shall make available to					

Code of Conduct	Legal / Economic Effects	Proposed Amendment	Russia	EU	China
<p>independent service providers, at no cost, all technical maintenance information relating to its motor vehicles. Such information includes but is not limited to the following:</p>	<p>[REDACTED]</p>	<p>Proposed Amendment "6.1. OEMs shall make available to Independent Service Providers, at a reasonable cost, all technical maintenance information relating to its Motor Vehicles subject to reasonable conditions including the following: If an OEM discloses proprietary information or other intellectual property belonging to the OEM, it will be entitled to impose reasonable conditions including the requirement that the Independent Service Provider signs a confidentiality undertaking. OEMs shall not be obliged to make available information that permits interference in Motor Vehicle security systems and safety critical systems."</p>	<p>according to the Russian Code independent repairers may receive access to databases with spare parts catalogues and repair technologies, however not by default but subject to the fulfilment of conditions defined by the OEM. Such conditions could include obligations to conclude respective agreements, to pay fees and royalties, to use special IT soft and hardware, to provide certain documents etc. Also, the OEMs could require submission of adequate proof confirming that the independent repairer meets respective compliance and reputational requirements of the OEMs. The Members may refuse granting the mentioned access to independent repairers if there are other similar solutions available for the latter on the market (for instance, if other providers rendering similar services on similar conditions are available on the market) and/or if there is no permission of respective rightholders (in case the OEMs use these tools on the basis of licence agreements), of which the OEMs should notify independent repairers when contacted on this matter. The OEMs may limit the said access only to information that contains no data on vehicle security systems.</p>	<p>given in a non-discriminatory, prompt and proportionate way, which takes account of the needs of the independent operator in question. But, OEMs are allowed to charge for technical information, tools or training if the price is not higher than that charged to authorised repairers. Further exemptions can be granted for safety- and security-related parts.</p>	<p>China availability of technical maintenance information shall be maintained but does not list such specific technical information that needs to be disclosed by an OEM.</p>
6.1.1. unequivocal vehicle identification	[REDACTED]	Therefore better to delete.		See above	See above
6.1.2. service handbooks	[REDACTED]	Therefore better to delete.		See above	See above
6.1.3. technical manuals	[REDACTED]	Therefore better to delete.		See above	See above
6.1.4. component and diagnosis information	[REDACTED]	Therefore better to delete.		See above	See above
6.1.5. wiring diagrams	[REDACTED]	Therefore better to delete.		See above	See above
6.1.6. diagnostic trouble codes	[REDACTED]	Therefore better to delete.		See above	See above

Code of Conduct (including manufacturer specific codes)	Legal / Economic Effects	Proposed Amendment	Russia	EU	China
6.1.7. software calibration identification number applicable to a vehicle type	[REDACTED]	Therefore better to delete.		See above	See above
6.1.8. information provided concerning, and delivered by means of, proprietary tools and equipment	[REDACTED]	Therefore better to delete.		See above	See above
6.1.9. data record information and two-directional monitoring and test data	[REDACTED]	Therefore better to delete.		See above	See above
6.1.10. operational software	[REDACTED]	Therefore better to delete.		See above	See above
7. PARTS AND ACCESSORIES					
7.1. The Certification of Spare Parts					
7.1.1. Where no South African national standard exists for a spare part, or the said standard in unregulated by the NRCS or other regulatory body as the case may be, the OEM's must make the specifications of their motor vehicle parts publically available.	[REDACTED]	Therefore better to delete.	No equivalent	The general principle in the EU is that specifications and production standards are employed by the spare part manufacturer with the vehicle manufacturer's consent.	No equivalent
7.1.2. Spare parts of matching quality must be accredited by the SABS or through a SANAS-accredited laboratory, per the applicable laws and regulations of the Republic of South Africa.	[REDACTED]		No equivalent	Within the EU, certification by an independent body is not a requirement for parts to qualify as matching quality spare parts.	Guidelines state that spare parts of matching quality shall obtain relevant certification, but it is unclear who should determine whether the quality matches the original ones.
7.1.3. The obligation to prove that the spare parts are of matching quality shall lie with the manufacturer, supplier or importer of such spare parts.	[REDACTED]	Therefore better: "The obligation to prove that the Spare Parts are of matching quality shall lie with the manufacturer, supplier or importer of such spare parts and it will be the obligation of the Independent Service Provider to inform consumers in writing before using a Spare Part of Matching Quality in the consumer's Motor Vehicle.	According to the Russian Code, the obligation to prove the matching quality of such spare parts should lie with the respective spare parts supplier or the dealer.	In the EU it is deemed to be sufficient for a parts manufacturer to be able to certify at any moment that it matches the quality of the corresponding component of the motor vehicle in question	No equivalent
7.2. The Use of Spare Parts					
7.2.1. OEMs shall not forbid Consumers or Service Providers (whether independent or authorised), from using spare parts	[REDACTED]	Therefore better: "OEMs shall not forbid consumers from using Spare Parts of Matching Quality for Motor Vehicle Repair Work that is not	According to the Russian Code, the OEMs shall have the right to demand that official dealers use only original and/or identical spare parts for	"An obligation on an authorised repairer to use original spare parts supplied by the motor vehicle	Under Guidelines, for Warranty work during the warranty period, OEMs are usually allowed to require

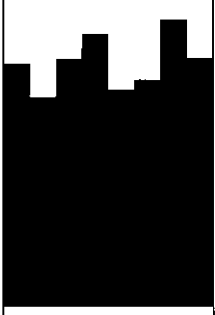



Code of Conduct	Legal / Economic Effects	Proposed Amendment	Russia	EU	China
<p>of matching quality whilst the motor vehicle is covered by the Warranty, provided that the spare parts of matching quality are accredited by the SABS or through a SANAS-accredited laboratory.</p>	<p>[REDACTED]</p>	<p>covered by a Warranty, Extended Warranty, Maintenance Plan or Service Plan."</p>	<p>maintenance and non-warranty repairs during the warranty period, if prices for such original and/or identical spare parts are at the market level) (compared with prices for spare parts of matching quality supplied by official distributors of manufacturers of such spare parts of respective quality in Russia and officially imported by those distributors into Russia).</p>	<p>manufacturer for repairs carried out under warranty, free servicing and motor vehicle recall work would not be considered to be a single-branding obligation, but rather an objectively justified requirement." (Supplementary Guidelines Motor Vehicle BER)</p>	<p>end-users to use the approved repair network and original parts.</p>
<p>7.2.2. OEMs shall not forbid Service Providers from using spare parts of matching quality for maintenance, service and non-warranty repairs after expiration of the Warranty period.</p>	<p>[REDACTED]</p>	<p>This is already covered by 7.2.1 above and this can therefore be deleted.</p>	<p>No equivalent</p>	<p>A single-branding obligation that obliges the authorized repairers to purchase spare parts only from the OEM may be agreed on for a specific time period if the relevant market shares do not exceed 30%.</p>	<p>Similar position in Guidelines.</p>
<p>7.2.3. Insurers shall not withhold payments to a Consumer or a Service Provider if the Service Provider, whether independent or authorised, uses spare parts of matching quality.</p>	<p>[REDACTED]</p>	<p>Therefore better: "Insurers shall not withhold payment to a consumer or a Service Provider if the Service Provider uses Spare Parts of Matching Quality after the expiration of the Warranty, Extended Warranty, Maintenance Plan and Service Plan."</p>	<p>No equivalent</p>	<p>No equivalent</p>	<p>Similar position in Guidelines.</p>
<p>7.2.4. In instances where spare parts of matching quality are used in the maintenance and/or repair of a motor vehicle, the relevant OEM will not be held liable for any defects or damage caused by a defect in the spare part of matching quality.</p>	<p>[REDACTED]</p>	<p>Therefore better: "In instances where Spare Parts of Matching Quality are used in the maintenance and/or repair of a Motor Vehicle, the consumer must be informed in writing that the relevant OEM will not be liable for any defects or damage caused by a defect in the Spare Part of Matching Quality."</p>	<p>No equivalent</p>	<p>The motor vehicle manufacturer may bring evidence that a given spare part does not meet the matching quality requirement.</p>	<p>Similar</p>
<p>7.3. The Distribution and Sale of Spare Parts</p>	<p>[REDACTED]</p>	<p>Therefore better to delete.</p>	<p>No equivalent</p>	<p>No equivalent</p>	<p>No equivalent.</p>
<p>7.3.1. The various associations active within the automotive industry shall</p>	<p>[REDACTED]</p>	<p>Therefore better to delete.</p>	<p>No equivalent</p>	<p>No equivalent</p>	<p>No equivalent.</p>

Code of Conduct	Legal / Economic Effects	Proposed Amendment	Russia	EU	China
<p>publish a list of parts of matching quality and shall maintain the list.</p> <p>7.3.2. OEMs shall not restrict Service Providers from accessing spare parts of matching quality or their ability to purchase original spare parts or identical spare parts from alternative channels (e.g. parallel imported spare parts).</p>		<p>Therefore better: "OEMs shall not restrict Independent Service Providers from accessing Original Spare Parts or Identical Spare Parts save as provided in 7.3.5 and 7.3.6 below. "</p>	<p>No such provision in the Russian Code, but parallel import is prohibited under Russian IP laws (subject to the resolution of the pending matter where the Russian anti-trust authority is attempting to characterize refusal to grant consent to a parallel importers as an act of unfair competition).</p>	<p>Comparable approach</p>	<p>Similar position in Guidelines.</p>
<p>7.3.3. OEMs shall not set minimum retail prices for spare parts and other services as well as related labour rates of service providers.</p>			<p>According to the Russian Code the vehicles manufacturers should not establish any fixed retail prices of automotive products as well as prices for labour hours for non-warranty repairs for official dealers, with an exception being made for the establishment of maximum prices.</p>	<p>Any form of resale price maintenance is strictly forbidden.</p>	<p>Similar position in Guidelines.</p>
<p>7.3.4. OEMs shall not enter into any agreements regarding components used for the initial assembly of motor vehicles and with the supplier of such components, which will restrain the supplier's ability to place its trade mark or logo effectively and in an easily visible manner on the components supplied or on spare parts.</p>			<p>No equivalent</p>	<p>Identical Cf. Article 5 lit. c Motor Vehicle BER</p>	<p>Similar position in Guidelines.</p>
<p>7.3.5. OEMs shall not restrict a service provider's ability to sell spare parts.</p>		<p>Therefore better: "OEMs may restrict their OEM Network from selling Spare Parts to resellers of those Spare Parts."</p>	<p>According to the Russian Code, the vehicles manufacturers should not prohibit their official dealers from selling original and/or identical spare parts to independent repairers for their maintenance and repair purposes. The vehicles manufacturers may prohibit selling original and/or identical spare parts, which are linked to the vehicle security systems, to independent repairers. The vehicles manufacturers should (each for itself) approve internal</p>	<p>Service providers belonging to an OEM's selective distribution network must avoid selling to resellers. A supplier can therefore require a service provider to verify that the purchaser in question is not an unauthorised reseller.</p>	<p>Similar position in Guidelines with one exception that in order to avoid the spare part being copied, OEMs may restrict a service provider's ability to sell spare parts to a customer that may copy the spare part.</p>

Code of Conduct	Legal / Economic Effects	Proposed Amendment	Russia	EU	China
7.3.6. OEMs shall not restrict the sales of spare parts for motor vehicles by members of the OEM's network to independent service providers, which use those parts for the repair and maintenance of a motor vehicle.	[REDACTED]	Therefore better: "OEMs shall not restrict the sale of Spare Parts for Motor Vehicles by members of the OEM Network to Independent Service Providers, which use those parts for the repair and maintenance of a Motor Vehicle, save that OEMs may impose restrictions on the sale to Independent Service Providers of Spare Parts which are linked to Motor Vehicle security systems and safety critical systems."	documents defining such spare parts.	Identical Cf. Article 5 lit. a Motor Vehicle BER	Similar position in Measures.
7.3.7. OEMs shall not enter into any agreements with suppliers of spare parts, repair tools or diagnostic or other equipment to restrict the supplier's ability to sell those goods to service providers or end users.	[REDACTED]	Therefore better: "OEMs shall not enter into any agreements with suppliers of Spare Parts, to restrict the supplier's ability to sell those goods to Independent Service Providers or consumers, save that OEMs may impose restrictions on the sale of Spare Parts which are linked to Motor Vehicle security systems and safety critical systems."	No equivalent	Identical Cf. Article 5 lit. b Motor Vehicle BER	Similar position in Guidelines.
8. AVAILING OF SPECIAL EQUIPMENT AND TOOLS TO DEALERS AND INDEPENDENT REPAIRERS	[REDACTED]	Therefore better to refer to "AVAILING OF SPECIAL EQUIPMENT AND TOOLS TO INDEPENDENT SERVICE PROVIDERS"			
8.1. OEMs and their Approved service providers shall make available to Independent service providers, at a reasonable cost, the special tools and equipment necessary for the provision of maintenance services and repair work of motor vehicles. This may be done through lending, leasing or hiring out of the special tools and equipment.	[REDACTED]	Therefore better: "OEMs shall make available to Independent Service Providers, at a reasonable cost, the special tools and equipment necessary for the provision of maintenance services and Repair Work of Motor Vehicles. If an OEM is required to provide proprietary information or other intellectual property belonging to the OEM to an Independent Service Provider, it will be entitled to	According to the Russian Code, independent repairers should have a possibility of purchasing/leasing special equipment and special tools, provided that they meet respective compliance and reputational requirements of the OEMs. The OEMs may refuse selling/leasing special equipment and special tools to independent repairers if there are other similar solutions available for the latter on the market (for instance, if other	In the EU, access to technical information and repair equipment should be given upon request and without undue delay, the information should be provided in a usable form, and the price charged should not discourage access to it by failing to take into account the extent to which the independent operator uses the information.	Similar position in Guidelines.

Code of Conduct	Legal / Economic Effects	Proposed Amendment	Russia	EU	China
	<p>[REDACTED]</p>	<p>impose reasonable conditions including requiring the signature of a confidentiality undertaking.</p> <p>OEMs shall not be obliged to make available information that permits interference in Motor Vehicle security systems and safety critical systems.</p> <p>All Service Providers who purchase the special tools and equipment must successfully complete the necessary training."</p>	<p>suppliers of such goods or analogous goods are available on the market), of which the vehicles manufacturers should notify independent repairers when contacted on this matter. The vehicles manufacturers may refuse selling/leasing (may prohibit their agents and partners, which are engaged in supply of their special equipment and special tools to sell/lease) to independent repairers of those special equipment and special tools which directly or indirectly allow interference in vehicle security systems.</p>		
<p>8.2. OEMs shall not forbid Approved service providers from lending, hiring out or leasing such special tools and equipment to Independent Service Providers nor restrict the sale or supply of such special tools and special equipment to Independent Service Providers,</p>	<p>[REDACTED]</p>	<p>Therefore better: "OEMs shall not restrict the sale of such special tools and special equipment to Independent Service Providers, save as provided in 8.1 above."</p>		<p>Independent service providers in the EU must have access to the same tools as authorised repairers. This includes hand and machine tools, software and hardware tools, diagnostic and other equipment required for repair and maintenance services. Where a supplier leases tools to authorised repairers, the same facility also has to be made available to independent operators.</p>	<p>Similar position in Guidelines.</p>
<p>8.3. Certain safety and security critical tools, equipment and parts may only be obtained from the OEM or suppliers authorised by the OEM. These safety and security critical tools, equipment and parts are those which directly or indirectly interfere with anti-theft, and the active and passive security systems of a vehicle, specifically, alarm and tracking systems, immobilisers, locking and entry systems, electronic control units, airbags, safety belts and similar products .</p>	<p>[REDACTED]</p>	<p>Therefore suggest deleting the first part of the paragraph so that it reads only: "The safety and security critical tools and equipment referred to above are those which directly or indirectly interfere with anti-theft, and the active and passive security systems of a vehicle, specifically, alarm and tracking systems, immobilisers, locking and entry systems, electronic control units, airbags, safety belts and similar products ."</p>		<p>In the EU, vehicle manufacturers are in principle required to release technical information, for which they are the only source, to independent operators. A failure to provide such information may be justified for safety or security reasons.</p>	<p>Similar position in Administrative Measures on the Disclosure of Automobile Maintenance Technical Information: OEMs are exempted from publicizing information relating to safety and security, such as anti-theft.</p>

Code of Conduct	Legal / Economic Effects	Proposed Amendment	Russia	EU	China
<p>8.4. OEMs shall not discriminate between Approved Service Providers and independent service providers in terms of the sale and supply of specialised equipment and tools.</p>	<p>[REDACTED]</p>	<p>Therefore better: "OEMs shall not discriminate between the OEM Network and Independent Service Providers in terms of the sale and supply of specialised equipment and tools (save as provided in 8.1 above)."</p>	<p>No equivalent</p>	<p>The Supplementary Guidelines also basically ensure that independent repairers have access to the brand specific repair tools on the same terms as members of the authorised networks. However, when considering whether withholding a particular item of information may lead the agreements at issue to be caught by Article 101 TFEU, a number of factors need to be considered which shows that an exemption may be possible.</p>	<p>No equivalent</p>
<p>9. TRAINING</p> <p>9.1. OEM's shall make available or alternatively, shall provide training to independent service providers who request parts or product-specific training, at a reasonable cost. Such training will encompass the methods used to effect motor vehicle body and mechanical repair, and fitment works on the motor vehicles that a particular OEM manufactures or supplies.</p>	<p>[REDACTED]</p>	<p>Therefore better: "OEM's shall make available training to employees of Independent Service Providers who request part- or product-specific training, at a reasonable cost. Such training will encompass the methods used to effect Motor Vehicle body and mechanical repair, and fitment works on the Motor Vehicles that a particular OEM manufactures or supplies."</p>	<p>According to the Russian Code, vehicles manufacturers should make independent decisions on providing training (especially, technical training) either to official dealers only or for other parties as well (specifically, for independent repairers).</p>	<p>In the EU, independent operators need to have access to the same technical training required for repair and maintenance services as authorised repairers. This includes both on-line training and training where the mechanic or technician has to be present in person.</p>	<p>Similar position in Measures without distinguishing approved service providers and independent service providers.</p>
<p>9.2. OEMs shall provide independent service providers with certification of such completed training. These certificates will effectively categorise the trained independent service provider as being as competent and having the knowledge to effect any maintenance, service or repair work on a particular OEM's motor vehicle.</p>	<p>[REDACTED]</p>	<p>Therefore better: "OEMs shall provide the relevant employees of the Independent Service Providers with certification of successfully completed training. These certificates will effectively categorise the trained employee of the Independent Service Provider as being competent and having the knowledge to effect the specific maintenance, service or repair work in respect of which the employee has successfully completed</p>	<p>No equivalent</p>	<p>No equivalent Divergent system of selective distribution.</p>	<p>No equivalent</p>

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9.3. Such certificates will enable independent service providers to be granted admission to the OEM's network and insurers alike, to effect maintenance and repair work on that particular OEM's motor vehicles.		Therefore better to delete.	No equivalent	No equivalent Divergent system of selective distribution.	No equivalent
10. STATUS OF THE CODE 10.1. The signatories to this Code voluntarily commit to adhere to the provisions herein.		Therefore better: The signatories will use reasonable endeavors to comply with this voluntary Code.	Same as in Russia		
10.2. The terms of this Code do not supersede any other obligations that bind the signatories, whether such obligations may be statutory, compulsory and/or voluntary in nature.			No equivalent		
11. IMPLEMENTATION 11.1. The Code shall take effect, in full, 12 months after its signing.		Therefore better: "The Code shall take effect, in full, 24 months after its signing."	Similar to the Russian Code (approx. 12-month lead time)		
11.2. Each signatory to this Code will be responsible to take steps to give effect to its terms in order to ensure the inclusion and participation of a greater number of service providers,		Therefore better: "Each signatory to this Code will be responsible to take steps to give effect to its terms."	No equivalent		

Code of Conduct	Legal / Economic Effects	Proposed Amendment	Russia	EU	China
<p>in particular those owned and operated by historically disadvantaged persons, within the automotive industry.</p>					
<p>12. MONITORING OF ADHERENCE TO THE CODE</p>					
<p>12.1. The signatories of this Code shall submit annual reports to the Competition Commission on the implementation and adherence to the principles set out.</p>			<p>No such requirement in the Russian Code, but the Russian anti-trust authority conducts periodic (usually annual) reviews by issuing requests for information.</p>		
<p>12.2. The Commission shall prescribe the elements which signatories must report on, which shall include the transformation initiatives effected pursuant to this Code.</p>	<p>[REDACTED]</p>	<p>Therefore better: "The signatories to this Code will agree on the elements which must be reported to the Commission."</p>	<p>No equivalent (see above)</p>		
<p>12.3. The Commission shall aggregate and publish the annual reports submitted by the Signatories.</p>	<p>[REDACTED]</p>	<p>Therefore better: "The Commission shall aggregate and publish the annual reports submitted by the signatories. The aggregation shall be sufficient to ensure that no Commercially Sensitive Information is identifiable from the document published by the Commission."</p>	<p>The Russian anti-trust authority does not make the results of its periodic reviews publically available.</p>		
<p>13. REVIEW OF CODE</p>					
<p>13.1. The Code shall remain valid until amended, replaced or withdrawn by the Competitor Commission, in consultation with the automotive industry participants.</p>	<p>[REDACTED]</p>	<p>Therefore better to delete.</p>			
<p>14. DISPUTE RESOLUTION</p>					
<p>14.1. Disputes arising from the application of this Code shall be referred to the MIOA for resolution.</p>	<p>[REDACTED]</p>	<p>Therefore better to delete.</p>	<p>No equivalent No equivalent</p>		
<p>14.2. All service providers shall register with MIOA, for the purposes of dispute resolution.</p>	<p>[REDACTED]</p>	<p>Therefore better to delete</p>	<p>No equivalent</p>		

