

- 1) Volkswagen is told to recall 482,000 cars in the US after it is caught deploying sophisticated software to cheat emissions tests and allow its cars to produce up to 40 times more pollution than allowed. The Environment Protection Agency claims VW installed defeat devices, meaning the cars only cut their nitrogen oxide (NOx) pollution during certification tests. Its investigation was prompted by research by the International Council on Clean Technology (ICCT), which had finally forced VW to admit its actions.

The EPA says: "We intend to hold Volkswagen responsible. We expected better from VW. Using a defeat device in cars to evade clean-air standards is illegal and a threat to public health." The agency warns that VW will be further investigated and could face other action for breaching the Clean Air Act, including a maximum fine of up to \$37,500 per vehicle, or \$18bn (£11.8bn).

- 2) The headache grows. Volkswagen now admits there are 11m cars worldwide fitted with its defeat devices. The numbers could mean that VW's diesels have pumped out as much as 900,000 tonnes of extra NOx emissions a year – about 25 times more than the UK's controversial Drax power station – with huge implications for public health.

- 3) VW said in a statement on Wednesday that it has voluntarily reported itself to state prosecutors, paving the way for a criminal investigation. It has also set up a special committee to lead its own inquiry into the scandal which is likely to lead to more senior departures.

The executive committee, which is made up of five board directors, said they expected "further personnel consequences in the next days".

It added: "The internal group investigations are continuing at a high tempo. All participants in these proceedings that have resulted in unmeasurable harm for Volkswagen will be subject to the full consequences."

- 4) However, the committee, which includes Wolfgang Porsche, a descendant of the company's founder, insisted that Winterkorn "had no knowledge of the manipulation of emissions data".

The committee said it had "tremendous respect for his willingness to nevertheless assume responsibility" and added that VW's global expansion would be "inextricably linked to his name".

- 5) As the carmaker seemed to be clearing the way to pin the scandal on workers below Winterkorn, Simon Walker, the director general of the Institute of Directors, criticized the company's response.

He wrote in the Guardian: “A company which has admitted to a flagrant violation of global rules and went to such extensive lengths to hoodwink officials has bigger questions to answer than just who takes the blame.

- 6) “For VW to get away with such an audacious con, proper oversight must have been lacking.

“Fitting 11m cars with a piece of software which artificially reduces vehicle emissions during regulators’ tests is not the work of a few rogue employees. That decision was taken and put into action by people of reasonable seniority.

“If the board members knew what was happening, that is clearly severe – and possibly criminal – malpractice. If they didn’t, then that is a dangerous failure of responsibility.”