

Odometer manipulation in motor vehicles: revision of the EU legal framework

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The European Parliament adopted by 577 votes to 32, with 19 abstentions, a resolution containing with recommendations to the Commission on odometer manipulation in motor vehicles: revision of the EU legal framework.

Members recalled that odometer tampering, i.e. the malpractice of deliberate and unauthorised altering of the real mileage of a vehicle shown on its odometer, is a serious and widespread problem throughout the whole European Union especially in cross-border trade and harms third countries, which import second-hand cars from the European Union.

Studies estimate the share of tampered vehicles between 5 % and 12 % of used cars in national sales and between 30 % and 50 % in cross-border sales, accumulating to a total economic damage between EUR 5.6 and 9.6 billion in the whole Union.

Tackling odometer fraud by swiftly establishing uniform rules to prevent manipulation will fundamentally enhance security and certainty in the cross-border purchases of vehicles hence reducing the scale of unfair practices and also bringing substantial benefits to millions of Europeans consumers.

Odometer manipulation is prohibited in 26 Member States, only ten of them have additional measures to verify the mileage available to customers and only six recognise odometer manipulation as criminal offence.

In this context, Parliament asked the Commission to submit, on the basis of Article 91(1) and Article 114 of the Treaty on the Functioning of the European Union (TFEU), a legislative framework that requires Member States to create legal, technical and operational barriers in order to make odometer manipulations impossible within a timeframe of twelve months after the adoption by Parliament of this resolution.

Parliament recommended that the proposal be structured around the following aspects:

Fostering technical solutions and type approval: in order to make the manipulation of odometer readings more difficult, a higher level of invehicle security for odometer data should be established. This is to be achieved by including the following in the proposal:

- monitoring of the implementation of point (f) of Article 5 (3) of [Regulation \(EU\) 2017/1151](#) and submit a report with the results to Parliament as soon as possible;
- establishing clear requirements for securing odometer readings against manipulation ;
- introducing a test method or apply the Common Criteria for Information Technology Security Evaluation for the preventive solutions provided for in Regulation (EU) 2017/1151 regarding odometer fraud.

Database systems: an EU-wide solution is essential as isolated national initiatives are not able to prevent odometer fraud in cross-border trading of second-hand vehicles. Therefore, the proposed act should contain the following measures:

- the mandatory odometer reading recordings provided for in [Directive 2014/45/EU](#) should be made available for cross-border exchange and on request also to customers;
- create a legal framework for setting up comparable mileage recording databases in the Member States, ensuring international exchange and access to information, based on existing best practice that provides frequent and reliable mileage data recording;
- existing odometer reading databases on Member States level should be interconnected, compatible and interoperable on EU-level and allow for international data exchange while existing infrastructure like Eucaris should be used for a cost-effective and timely implementation;
- data protection rules should be respected;
- buyers of second-hand vehicles should be provided with a means to verify, before the purchase, the accuracy of the odometer reading of the car, based on the collected mileage data from that vehicle regardless of the Member State in which it was previously registered.

Block chain operation: blockchain technology can ultimately provide a reliable tool by which to secure data in a network and to help prevent manipulation of data entries. Parliament proposes:

to assess the potential costs and benefits of establishing a European blockchain network for odometer readings and to create the necessary legal and regulatory framework in case of a positive assessment;

to make it compulsory to record mileage readings during the periodical technical inspection (PTI) and makes these recordings available for the subsequent PTIs, but only addresses mileage recordings during roadworthiness tests from the first roadworthiness inspection onwards.

Lastly, the measures should provide that odometer fraud should be regarded as an offence committed both by the person who orders the meter reading to be changed (the car owner) and by the person who changes the meter reading, and should be punishable by effective, proportionate, dissuasive and non-discriminatory penalties that follow a highly comparable standard in the whole Union.