Basic information

2017/2064(INL) INL - Legislative initiative procedure	Procedure completed
Odometer manipulation in motor vehicles: revision of the EU legal framework **Subject** 3.40.03 Motor industry, cycle and motorcycle, commercial and agricultural vehicles	

Key players

European Parliament	**Committee responsible**	**Rapporteur**	**Appointed**
	TRAN Transport and Tourism	ERTUG Ismail (S&D)	18/04/2017
		Shadow rapporteur BACH Georges (PPE) DEMESMAEKER Mark (ECR) RIQUET Dominique (ALDE) KONEČNÁ Kateřina (GUE/NGL) CRAMER Michael (Verts/ALE) PAKSAS Rolandas (EFDD)	
European Commission	**Commission DG**	**Commissioner**	
	Mobility and Transport	BULC Violeta	

Key events

Date	Event	Reference	Summary
18/05/2017	Committee referral announced in Parliament		
25/04/2018	Vote in committee		
02/05/2018	Committee report tabled for plenary	A8-0155/2018	Summary
30/05/2018	Debate in Parliament		
31/05/2018	Decision by Parliament	T8-0235/2018	Summary

31/05/2018	Results of vote in Parliament		
31/05/2018	End of procedure in Parliament		

Technical information	
Procedure reference	2017/2064(INL)
Procedure type	INL - Legislative initiative procedure
Procedure subtype	Request for legislative proposal
Legal basis	Rules of Procedure EP 47
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	TRAN/8/09920

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE615.366	19/12/2017	
Amendments tabled in committee		PE616.846	08/02/2018	
Committee report tabled for plenary, single reading		A8-0155/2018	02/05/2018	Summary
Text adopted by Parliament, single reading		T8-0235/2018	31/05/2018	Summary

European Commission

Document type	Reference	Date	Summary
Commission response to text adopted in plenary	SP(2018)516	26/09/2018	

Additional information

Source	Document	Date
European Commission	EUR-Lex	

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

2017/2064(INL) - 02/05/2018 - Committee report tabled for plenary, single reading

The Committee on Transport and Tourism adopted the own-initiative report by Ismail ERTUG (S&D, DE) with recommendations to the Commission on odometer manipulation in motor vehicles: revision of the EU legal framework.

As a reminder, 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.

In the absence of a common, integrated system for exchange of information between Member States, there is an increased risk of legalising a mileage reading already manipulated before its initial verification in the country in which the car will ultimately be registered and where there are already measures to register the vehicle and verify its mileage.

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 offense. The hardware and software used for tampering with odometers are freely available in the Union and that is not classified as a criminal offence and whereas more Member States are on the way to criminalising activities connected with the illegal manipulation of meter readings.

Against this background, Members requested the Commission to:

- submit a **legislative framework** that requires Member States to create legal, technical and operational barriers in order to make odometer manipulations impossible, following the recommendations set out in this report and the Annex hereto within a timeframe of twelve months after the adoption of this report by the European Parliament;
- ensure that the same legal and technical barriers are also applied to **imports** from non-EU countries;
- **strengthen type approval** for in-car security, especially for the technical measures against odometer fraud but also in light of the increase of connected cars;
- establish clear criteria for effectively checking the safety of odometers, to adjust those requirements if necessary, within the shortest timeframe possible and to report to the Parliament about the effectiveness of the regulation;
- propose a legislative framework for Member States to set up comparable and mutually compatible **national data collection mechanisms**, based on existing best practices, that will provide frequent and reliable mileage data collection, starting at the time of a vehicle's first registration and allow for international exchange;
- proactively inform consumers and stakeholders about existing measures against odometer fraud and about ways to detect and prevent odometer manipulation;
- make participation in EUCARIS (the European Car and driving license Information System) mandatory and to implement it as a vehicle information platform thus facilitating mileage verification throughout the whole Union with a view to reducing the possibilities for odometer manipulation;
- provide for a legal framework enabling the Member States to register mandatory odometer readings from periodical technical inspections, from each inspection, service, maintenance operation and repair carried out, and from other garage visits, starting with the vehicle's first registration;
- conduct a cost-benefit-analysis for a blockchain based solution within twelve months after the adoption of this report by the European Parliament, including security, transparency and protection of data;
- submit a proposal for an act on measures tackling odometer manipulation;

Member States are called on to:

- create or amend legislation on odometer manipulation in order to make it a criminal offence – including the provision of hardware, software and the related services required for unauthorised manipulation – since tampering leads to incorrect assessment of vehicle roadworthiness and thus has a negative impact on road safety;
- provide sufficient human and financial resources for the effective, non-discriminatory and proportionate enforcement of this legislation.

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

2017/2064(INL) - 31/05/2018 - Text adopted by Parliament, single reading

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.