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A. Introduction

1. What is CARA

In the summer of 2015, CARA, the Car Remarketing Association Europe, was founded. CARA was established as a non-profit organization to support the market for used cars. Our members each have a large footprint within the European market and are mainly active in sectors such as car manufacturing, fleet management, leasing, car auctions, car service providers and car data management. Of course, European dealers of used cars are also very welcome within our association. In addition, we have support partners who are very interested in our activities but who are not included in the foregoing support category.

We come forward as an independent source within the European Car Remarketing world. In other words, a common voice towards the market, partners and suppliers. We support the industry standards and harmonize processes, without interfering with the policies of companies.

2. The purpose of the Association

The Car Remarketing Association has set various goals. Some of these are:

- Representing the interests of the car marketing industry vis-à-vis European Union institutions and international institutions (such as the European Commission, the European Parliament, the Council of the European Union, tax authorities, etc.)
- Inform members about European or international developments that may affect the remarketing industry
- Coordinate the views of the members in order to create common positions and a common voice
- Promote the car remarketing market at European and international level
- Organize events on current topics and / or for a specific audience
- Provide a platform for members to share views and best practices and to network

3. Car Remarketing Association Europe Objectives

Our objectives cover all aspects and procedures related to the Car Remarketing industry.

Some of our main objectives include:

- Certification of the end of lease process (Fair Wear & Tear recommendation)
- European Transport Solutions
- Correct Mileages reading
- And many more

Our objective is to cover and present all aspects and procedures related to the Car Remarketing industry.

B. Standpoint mileage fraud prevention in the EU

1. Disclaimer

This document is a legally non-binding expression of the opinion and its resulting recommendation of the non-for-profit organization CARA Europe, based on the consideration of its members, executed through a workgroup. It shall not establish a legally binding document for CARA Europe, any of its members and any recipient. CARA Europe and its member shall not have any obligations or liabilities resulting from this document. As the document is public, no recipient of the document can establish any rights, claims or damage compensation against CARA Europa and any of its members. The document does not constitute in any form a legal consultancy or comparable services under local member state or EU legislation.

2. Engagement

CARA Europe represents the interests of the vehicle remarketing industry with regards to the setup of a legislation for a correct mileage system.

CARA members have reviewed their standpoint regarding:

- How should a mileage recording database be setup
- What data should be gathered to comply with EU GDPR
- Which entities should be allowed or requested to provide data and under what prerequisites these data shall be stored into the system
- How the data should be made public and how the competitive model shall look like
- What requirements would have data processors from data providers to transfer and process the data, and vice versa

3. Recommendations recording processes and systems

CARA recommendations for correct mileage recording processes and systems:

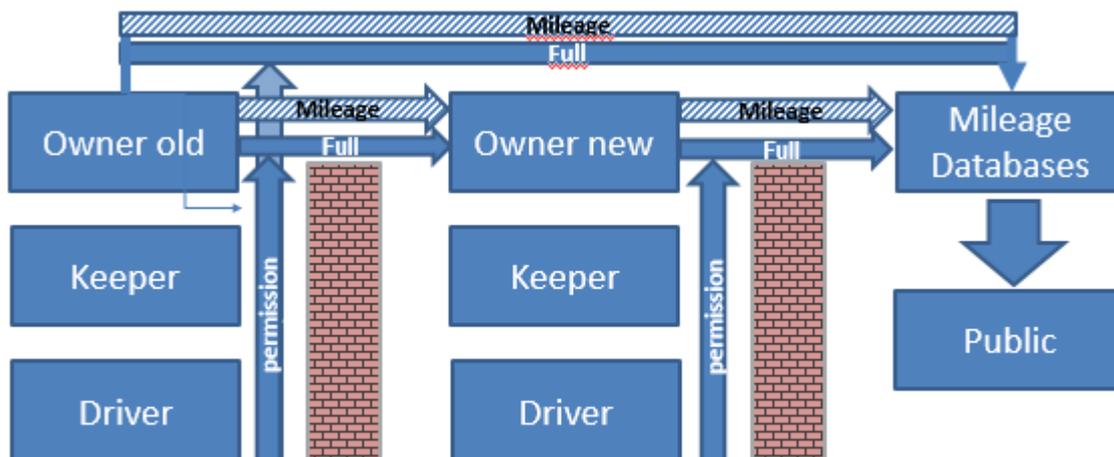
- CARA offers to be partner for legislators to discuss upcoming legislation with a unique voice of the remarketing community
- Ensure a minimum direct cost approach to the remarketing industry
- Minimize consequential cost of data provision due to data protection / privacy legislation and legacy process adaptations
- Create an equal level playing field that enables competition for data processors and distributors to ensure low cost and fast penetration of a correct mileage reading information
- For fleet company remarketing their own cars, retain the competitive advantage of data they have from their cars beyond mileage relevant information.

B. Regulation of motor vehicles mileage database in the EU

1. Standpoint covers



2. Data ownership and transfer relations



- Only the owner can assign mileage data ownership to the next owner
- Only the owner can share mileage data with mileage database
- Owner might need permission by the keeper and driver to share full data
- Exception to fulfill legal or statutory requirements

3. Goals towards EU legislation process

Goals of CARA correct mileage reading initiative towards the EU legislative process:

- Create a positive impact of the upcoming car mileage labels to add value for compliant and honest car owners and sellers
- Ensure data privacy conformity and data owners' rights to use data
- Communicate one voice of the remarketing industry towards the legislative process
- Ensure an open, competitive approach for databases
- Enable owners, keepers and drivers to define the use of their data
- Minimize administrative impact to all involved
- Maximize usability of the data for an asset with multiple ownership changes throughout its entire lifecycle

4. Proposed mileage dataset

- Vehicle Identification Number - VIN
- Actual km /miles value
- Km or Miles indicator
- Date of collection of mileage
- Event category*
- Type of source**

(*/**) will be explained later in this document

5. Transferability of data requirements

- Car owners can irrevocably transfer mileage data to new owners or data processing companies (legitimate interest)
- Car owners can gather consent to gather and utilize complete car data (GDPR)
- Keepers and drivers can request (to the owner they consented into the collection) the data deletion or transfer (in accordance with individuals rights from GDPR)
- Once a vehicle is sold to a new owner, full data should become owned by the new owner, while previous owner, keeper and driver should lose all rights to the data (required exception to GDPR due to legitimate interest)

6. Event Categories

- Registration / renewal / decommissioning (public authorities)
- Periodical technical inspection (PTI accredited companies)
- Service Event (Workshops)
- Other Public/ Official mileage registration (e.g. police)
- Insurance (start/ claim/ damage appraisal)
- Vehicle appraisal (Off lease, damage, value)
- Sales event (used car; by selling dealer)
- Other

7. Type of source

- Vehicle Dealers (will require certification)
- Workshops (will require certification)
- Periodical technical inspection (PTI)
- Insurances
- Public authorities
- Large Fleet owners (with more than 500 vehicles in fleet)
- Independent Inspection companies (might require certification)

8. Vehicle status

- In use
- Suspended
- Total loss damage
- Stolen
- Out of use/ scrapped
- Exported (within EU)
- Exported (ex-EU)

9. Authorities duties

- Define EU wide accreditation scheme of databases
- Provide mileage information created by themselves to the database of the owners choice
 - Owners can assign the right to request the data to a company
- Ensure stakeholders inputs when setting up administrative processes

10. Rights of data processors

- Can acquire data from owners (free or for pay) and the right to further use them
- Can sell data they own to interested 3rd parties
- Can wholesale access rights to data
- Can interface with bulk data delivery and user parties
- Can use data for analysis, benchmarking and sell results

11. Requirements for data processors

- Secure inputs from certified sources through IT interfaces
 - Official databases (authorities)
 - Periodical Technical Inspection databases
 - Dealer Management Systems
 - Insurance Systems
 - Certification Body system
- Transfer only B2B or via independent inspection for C2C
- Ensure data source is trustworthy (e.g. by audit or 3rd party certification)
- Highest IT security standards with minimum ISO 27001 IT Security certification
- Extract, Transform and Load processes with business rules to validate inputs.
- Ensure data owner rights
- 24/7/365 available output database

12. Duties and rights of owners, keepers and drivers

- Drivers have to provide mileage data to accredited database providers (defined by the owner)
- Keepers have to allow and enable mileage data collection of vehicles by database providers (defined by the owner)
- Owners have to ensure that car data are recorded at a mileage database of their choice
- Owners can transfer data from one database to another
- Drivers and keepers may consent to share additional / all vehicles data with 3rd parties

13. Outputs/Mileage pass models

- Competitive system at choice of car owners with data transfer rights
- Outputs are usually at pay, and once paid for, also transferable ("Certificate")
- Certificates have an expiry date to ensure up to date data (6 months)
- Any interested user can check the database(s) by VIN or scan of QR code
- 3 output levels
 - Basic Check: Vehicle mileage in database (might become obsolete once regulation is in effect)
 - Basic Check plus: Mileage is either valid, has low accuracy or no data/rollback (Red yellow green)
 - Detailed mileage data
 - Detailed vehicle data (beyond mileage data set)
- Output models
 - End user pay
 - Dealer pay
 - Seller / previous owner pay

14. Contact

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