

Car-Pass or how to be sure of a vehicle's mileage abroad

A good practice from our European neighbors to reinforce consumer confidence in the single market

January 2024

European
Consumer Centres
Network



Co-funded by
the European Union

The European problem of odometer manipulation

Certain used car vendors will not hesitate to manipulate the odometer in order to decrease the mileage shown by using tools freely available for sale online. The result: a significant increase in the vehicle's value.

Problems:

- It is not always technically possible to detect odometer manipulation, as maintenance books can be easily falsified.
- It is not possible to obtain information on the vehicle from competent organizations without already being the owner or without the vendor's consent for data protection reasons.
- Even when odometer manipulation is detected, frauds often remain unpunished.

A European Commission study¹ shows that dealers who sell used vehicles often fail to fulfill their information obligation and do not check mileage before the sale. For the consumer, it is therefore extremely difficult to obtain or to verify the mileage displayed on the meter. That is why certain German car experts are proposing a complete and thorough inspection for approximately 70 euros ("Gebrauchtwagenuntersuchung") on used vehicles to be sold.

A report² published in 2016 by the European Consumer Centres Network (ECC-Net) also revealed that even though odometer manipulation is prohibited in 26 European countries, only 9 of them + UK have proposed a solution to verify a vehicle's mileage **before its purchase**. Out of these 10 countries, 8³ propose that the buyer consults a national mileage registry of registered vehicles. Belgium and the Netherlands are the only two countries to suggest that a certificate be given to the buyer at the time of sale, specifying the vehicle's mileage.

Since 2019, France also initiated a public service allowing car owners to edit a report of the car's situation⁴. However, this system is not mandatory, not necessary well known and not connected with other systems in the EU such as the Car-Pass Belgium allows with some countries⁵.

Also the information available includes only the ones in the Car registration system SIV (*Système d'immatriculation des Véhicules*), which means that only the mandatory technical control results appear, not every single visit to an automotive professional, as it is the case in Belgium.

The European Parliament, in its CARS 2020 resolution⁶ (action plan for a strong automobile industry, competitive and lasting in Europe), "calls on the Commission to take measures, in cooperation

1. http://ec.europa.eu/consumers/consumer_evidence/market_studies/docs/2ndhandcarsreportpart1_synthesisreport_en.pdf

2. https://www.europe-consommateurs.eu/fileadmin/Media/PDF/publications/etudes_et_rapports/Etudes_EN/Cross_border_car_purchases_and_registration.pdf and <https://www.europe-consommateurs.eu/en/travelling-motor-vehicles/motor-vehicles/car-purchase-abroad.html>

3. United Kingdom, Sweden, Slovakia, Norway, Iceland, Hungary, Croatia, Poland

4. <https://histovec.interieur.gouv.fr/histovec/accueil>

5. <https://www.car-pass.be/fr/nouvelles/il-est-grand-temps-de-sechanger-les-relevés-kilométriques-au-sein-de-lue>

6. https://www.europarl.europa.eu/doceo/document/TA-7-2013-0547_EN.pdf?redirect

with the Member States, to ensure a high level of consumer protection, transparency and safety in the second-hand car market, and to work towards a gradual phasing-out of polluting and less safe vehicles; commends the Commission's recommendation in the roadworthiness testing regulation to require mileage recording at each test; considers that initiatives such as the 'Car Pass' scheme in Belgium could be encouraged by a European Standard; notes that re-registration procedures for vehicle transfers must also discourage cross-border mileage fraud;" Preventative measures like the Car-Pass reinforce transaction transparency in Europe and allow consumers to easily verify the actual mileage of the vehicle.

This was again reaffirmed on 24th January 2024 by Belgium's Secretary of State for the Budget and Consumer Protection as a priority of the Belgian Presidency of the Council of the EU⁷.

Consumer safety risks and economic damages

The manipulation of mileage meters is widespread for example in Germany where it affects more than 1 out of every 3 vehicles and causes 6 billion euros worth of damage per year⁸. This practice in Germany is especially harmful to the many foreign consumers who cross the borders to find the car of their dreams. The internet is also full of used vehicle offers at discounted prices.

Beyond the fraud on the price of the vehicle⁹, the mileage manipulation raises **safety concerns for consumers** on European roads. Without knowledge of the real condition of the vehicle, the consumer is less attentive to the wear of the brakes, tires, or any other technical or electronic equipment, resulting in a greater risk of a breakdown or accident.

Unequal punishment in Europe

While the manipulation of mileage meters is illegal in 26 European countries, the penalties vary considerably from one state to another. In France, if you prove that the actual mileage of the vehicle does not correspond to that announced in the sale's contract; you may claim cancellation of sale for hidden defect. The cancellation may be ordered by the court even if the seller was not aware of this problem. In Germany, such recourse is highly hypothetical; you must prove that the odometer was tampered with AND that the vendor had the intention of deceit. This is all the more difficult because, in practice, vendors include standard clauses such as "displayed mileage = estimated mileage, actual mileage not known" in sales' contracts.

7. <https://www.europarl.europa.eu/news/en/press-room/20240122IPR17038/belgium-presidency-debriefs-ep-com-mittees-on-priorities>

8. Tachomanipulation bei Gebrauchtwagen erkennen | ADAC and https://www.europarl.europa.eu/doceo/document/E-8-2016-009208_EN.html?redirect

9. 3,000 euro on average whose mileage has been tampered with according to the German auto club ADAC



Criminally, fraudsters are not worried in Germany. Only the successful modification of the meter can be considered as a fraud offense, punishable by a year imprisonment or a fine, compared to 3 years of imprisonment and 300 000 euros under French Law¹⁰.

The best solution is therefore to verify the actual mileage of the vehicle before buying it.

An already existing solution in Europe: Car-Pass

To fight against tampering with used car odometers, certain European countries implemented a certificate called "Car-Pass" to be given to the buyer at the time of the sale.

1- Car-Pass exists in which European countries?

- Belgium
- Netherlands

At the end of 2016, the government of Lower Saxony region of Germany proposed to the federal government the introduction of a Car-Pass throughout Germany to combat the electronic tampering with used-vehicle odometers. Until today such a system has not been introduced in Germany, despite several attempts to raise awareness on the issue¹¹.

2- What is the Car-Pass?

A Car-Pass is a document that shows the distance travelled by a vehicle and the date on which it was recorded during a technical inspection, repair, etc. It certifies the vehicle's mileage accuracy to the buyer who can verify, at the time of sale, if the mileage shown corresponds to reality. In Belgium, the Car-Pass was created by a 2004 law seeking to combat dishonest practices. In

10. https://www.legifrance.gouv.fr/codes/article_lc/LEGIARTI000046194274

11. <https://car-pass.de/dl/AgendaRoundtableGespr%C3%A4ch.pdf>

the Netherlands, where a similar system exists, the Nationale AutoPas (NAP) records the vehicle's mileage at each technical inspection.

3- Who gives the Car-Pass?

In Belgium, it is the vendor (private or professional) who gives the Car-Pass to the buyer when selling a used vehicle. It must be less than two months old. In the Netherlands, the buyer may also verify the mileage of the vehicle on the site of the transport authority (RDW) or ask the vendor.

4- What are the consequences in the failure to present a Car-Pass?

In Belgium, the Car-Pass is one of the obligatory documents given to the buyer at the time of the vehicle purchase. A buyer who does not receive the Car-Pass may request the cancellation of the sale contract. More information on the Car-Pass in Belgium on the site <https://economie.fgov.be/fr/themes/protection-des-consommateurs/arnaques-la-consommation/formes-darnaques/vous-avez-achete-une-voiture/car-pass-informations-sur-les>

5 – Where does the Car-Pass data come from?

In Belgium, the mileage data for all vehicles are collected by a single organization: ASBL Car-Pass. The mileage is provided by all automobile professionals: garages, manufacturers, tire centers, technical control centres. The Registrations Committee of the Mobility and Transport Ministry also communicates all vehicle registrations in Belgium. By combining all of this data, it is possible to establish the "mileage past" of a vehicle.

In the Netherlands since January 2014, it is the Dutch transport authority, Rijkdienst voor Wegverkeer (RDW), which organizes mileage data for NAP.

6 – Why develop a Car-Pass in Europe?

The implementation of such a certificate would have the immediate effect of increasing consumer confidence in the automobile market, thus increasing used-car sales. The "Car-Pass" would also have the effect of decreasing odometer manipulation on used cars, and will therefore combat fraud. This is actually what happens for imported cars in Belgium from the Netherlands, on which "fraud on vehicles imported from the Netherlands has fallen by 90% in just a few years» according to the Managing Director of Car-Pass asbl¹².

As the 2016 European study "cross-border car purchase-what to look out for when bargain

12. <https://www.car-pass.be/fr/nouvelles/il-est-grand-temps-de-sechanger-les-relevés-kilométriques-au-sein-de-lue>

hunting?” from the ECC-Net has shown, many Europeans purchase their vehicle in a country other than their own. An ordinary transaction can quickly turn into an uphill battle: is the seller reliable? Does the vehicle really exist? Is it in good condition? What documents must be given from the seller to the buyer?

By enforcing this practice on a European level, Europeans’ doubts about sellers and vehicles located in a country besides their own would be eliminated. Confident in the European automobile market, they would no longer hesitate to cross the border to buy a used vehicle in another European member state.

Mileage recorded in electronic chips built into the vehicle is seen by some as an alternative solution to the Car-Pass, but raises the problem of the personal data protection. The vehicle’s information would be collected and managed by car manufacturers and not by an independent public authority, as with Car-Pass. This data could be transmitted to third parties for commercial purposes when the vehicle reaches a certain mileage.

As the research study from the ECC-Net has shown, cultural and linguistic barriers, differences in legislation between EU countries and opportunities to assert their rights are all factors that influence consumers in their decisions to buy vehicles abroad.

Developing a Car-Pass in all EU countries is to:

- offer equal protection to consumers who wish to buy a used vehicle in another European Member state;
- reinforce confidence in the internal market and Europe as a whole;
- demonstrate concrete measures and the benefits of a Europe that listens to its citizens.

