



# Alliance for the Freedom of CAR Repair in the EU

Hearing of the European Parliament's Committee on Industry, Research and Energy (ITRE) on "The Data Act" - 26 October 2022

AFCAR contribution

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Thank you for inviting AFCAR to today's Hearing.

AFCAR is the Alliance for the Freedom of Car Repair. We represent a wide range of key stakeholders in the Automotive Aftermarket and the Mobility Services Ecosystem. We account for over **4 and a half** million jobs and we ensure that **320 million** vehicles in the EU are well maintained - over their entire lifetime.

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**First of all, let me say: AFCAR fully supports the Data Act and its principles.**

It will be an important piece of legislation which establishes the rights of Users to access the data they generate from their connected products and to entrust these data to a service provider of their choice (of course subject to the GDPR).

And it is THIS EU framework that will **FULLY** enable data-driven innovation in services. Innovation in our sector has been hampered by the absence of such a clear framework. But once in place, through a combination of the overarching Data Act and a complementary sector-specific automotive regulation, we are ready to develop and deploy new services for European consumers and businesses. This will support smart, clean and safe mobility. **Your work on the Data Act will underpin Europe's ambitious goals!**

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**What are our Use Cases?**

*Remote* access to the connected car and its live data will allow *new* services:

- We can now avoid breakdowns. With predictive maintenance, problems can be identified before they happen. It would mean that consumers and fleet operators could monitor the health of their vehicle so that we can intervene before any problem arrives.
- With remote diagnostics the entire supply chain can be optimised. From roadside assistance to parts logistics insights and information from machine generated data will improve customer experience, reduce costs & enable a greener maintenance & repair
- There will be new business models like "Tyre as a service" or "Pay how you drive" insurances.
- Mobility services, including subscription rental services, seamless EV charging and fleet management will be greatly enhanced.

I think it is clear that all of this will create new consumer value and strong growth! –for the **entire automotive and mobility sector across Europe.**

Against this background we would like to express a concern: We saw that the ITRE Report suggests deleting in Recital 28 the reference to "competing aftermarket services"! But this would be a bad signal, not only for



the automotive sector, but for all industries. Aftermarket providers bring huge value to consumers and make a very significant contribution to sustainability.

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**Let me address now other aspects of the Data Act and the ITRE Report:**

Users not only need *an effective access* to their data, but their chosen Service Providers need *an efficient way to retrieve them*.

- 1) What does this mean for the scope of data?** Users must have a right to **all** the data they generate. In practice this should be the data which are accessible and available to the manufacturer and not just those that the manufacturers chose to use themselves, or make available based on their own business model / or worse, chooses to ration to 3<sup>rd</sup> parties!

Where technically supported, on-board access to a wide scope of high-speed, real-time data should be included as well.

Therefore, we call upon you dear Rapporteur and ITRE Committee to defend: “What is accessible, should be made available” [as depicted in AM 40]. Do not allow this principle to be watered-down! Please do not condemn us to providing “me-too services”, at a pace defined by the manufacturer. This will artificially limit our scope to innovate and differentiate – and then consumers will lose out.

- 2) Beyond the scope of data, it is important to **get the tools to work** with the data! We call upon you to ensure that also we can benefit from the **interoperability information specified in Article 28 (1)**. The information on the data structures, formats, vocabularies, are also important for us to *develop* a service in practice. This is why not only operators within data spaces should provide this information, but also all data holders. Alternatively, this provision could be included into Article 3 [2c].**
- 3) Trade Secrets** are of course important, and we as AFCAR fully support that. But Trade Secrets should not be used as an artificial reason to deny or restrict data access. This must be resisted! There are enough protections in the Data Act itself in Art. 4(3), Art. 5(8) and in the Trade Secrets Directive. This is why we believe that Art. 8(6), as it is currently worded, could be misinterpreted as a general Trade Secrets exemption. This would undermine the fundamental objective of the Data Act. We welcome respective ITRE and JURI amendments against this risk.
- 4) Last but not least: **The fairness rules for contract terms and compensations** apply currently to SMEs, and that is good. But such terms should always be fair, reasonable and non-discriminatory/ and therefore they should apply to all companies who are in a clear imbalance of negotiation power. This is the case in our market, where we are confronted with the powerful vehicle manufacturers. Therefore, the fairness test in Art. 9(2) [direct cost] and Art 13(1) [terms & conditions] should apply to all Data Recipients.**

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In conclusion: As you can see, we are strong supporters of the Data Act. We call on you once again - Defend please its key principles and make it robust! Only then, the Act will become the game changer and the agile ecosystem that you are looking for!

Thank you very much!

	<p><b>ADPA-</b> the European Independent Data Publishers Association aims to ensure fair access to automotive data and information and to provide competitive framework conditions for independent data publishers. This will allow the publishers to be able to design and provide competitive, innovative and multibrand products and services to operators of the automotive aftermarket.</p>
	<p><b>AIRC-</b> stands for Association Internationale des Réparateurs en Carrosserie. Formed in 1970, the AIRC is the global federation of leading national organisations in the area of vehicle repairs. These member organisations together represent more than 50,000 vehicle repair and vehicle builder companies in many countries.</p>
	<p><b>CECRA-</b> the European Council for Motor Trades and Repairs- is the European Federation representing the interests of the motor trade and repair businesses and European Dealer Councils on behalf of vehicle dealers for specific makes. Its main aim is to maintain a favourable European regulatory framework for the enterprises of motor trade and repair businesses it represents.</p>
	<p><b>EGEA-</b> the European Garage and test Equipment Association represents both manufacturers and importers of tools and equipment for the repair, servicing and technical inspection of vehicles, as an integral part of supporting the automotive industrial value chain. Its role is to provide a healthier environment for the garage and test equipment industry throughout Europe and a stronger support to ensure competitive consumer choices for affordable mobility against the background of the increasing vehicle technology and complexity.</p>
	<p>The Fédération Internationale de l'Automobile (<b>FIA</b>) Region I is a consumer body representing European Mobility Clubs and their 37 million members. The FIA represents the interests of these members as motorists, riders, pedestrians and passengers. FIA Region I is working to ensure safe, affordable, clean and efficient mobility for all.</p>
	<p><b>FIGIEFA</b> is the international federation of independent automotive aftermarket distributors. Its members represent retailers and wholesalers of automotive replacement parts and components and their associated repair chains. FIGIEFA's aim is to maintain free and effective competition in the market for vehicle replacement parts, servicing and repair.</p>
	<p><b>Leaseurope</b> - the European Federation of Leasing Company Associations- represents both the leasing and automotive rental industries in Europe. The scope of products covered by Leaseurope members' ranges from hire purchase and finance leases to operating leases of all asset categories (automotive, equipment and real estate). It also includes the short term rental of cars, vans and trucks.</p>
	<p><b>AFCAR</b> - Alliance for the Freedom of Car Repair in the EU. Created in 1997, the AFCAR Alliance represents a wide range of European stakeholders in the Automotive Aftermarket and Mobility Services Sectors, as well as vehicle dealers, operators in the mobility value chain and consumers. Members of AFCAR are: ADPA (European Independent Data Publishers Association), AIRC (Association Internationale des Réparateurs en Carrosserie), CECRA (European Council for Motor Trades and Repair), EGEA (European Garage Equipment Association), FIA (Fédération Internationale de l'Automobile), FIGIEFA (International Federation of Automotive Aftermarket Distributors), Leaseurope (European Rental and Leasing Industry).</p>