Manifesto for fair digitalisation opportunities

Broad coalition calls upon EU decision makers to put forward legislation by 2020 ensuring a genuine digital level-playing field for remote access to in-vehicle data

Competition, innovation and consumer interests must be at the heart of the EU Digital Single Market

Building on the previous Manifesto initiative of 2018[1], the undersigned coalition of automotive industry and mobility services operators, insurers, consumers and SME representatives, reaffirms its call for a legislative solution, ensuring effective remote access to in-vehicle data and functional resources which will guarantee competition, innovation, and free consumer choice. The ability to unleash the innovative and competitive potential of the automotive servicing industry and mobility providers for their services 'around the car' must be ensured.

WHAT IS THE PROBLEM?

The pace of technological development and the automotive sector's digitisation is increasing exponentially. By 2025, 70% of the vehicle park is forecasted to be connected[2], and the undersigned stakeholders are eager to lead connected and automated mobility to success.

Many innovative ideas are in the pipeline but cannot be fulfilled (at all, or only partially), due to the lack of effective access to in-vehicle data and functions.

With the advent of the 'connected car', **competition now starts *in* the vehicle** where the data quality and the ability to safely access car functionality determines the quality of the service. In an increasingly digitised automotive sector, the whole automotive value chain must have the right to evolve their business models and thus compete on an equal footing with vehicle manufacturers to be able to continue to offer the competitive services expected by their customers.

Examples for digital use cases:

'Tyres as a service', 'green repair', digital periodic technical inspection, predictive alerts that avoid breakdowns, remote diagnostics optimising roadside patrol assistance and thus consumers journeys, smart leasing and shared mobility services, 'talking parts' communicating their health status for an optimised aftermarket production and distribution chain, 'Pay How You Drive' insurance policies and driver coaching.

Four key abilities are therefore needed:

- Independent, unmonitored and direct real-time access to in-vehicle generated data, including those which are time-critical.
- Bi-directional communication with the vehicle and its functions, independent from the vehicle manufacturer.
- The ability to safely, securely and independently interact with the driver remotely using the in-vehicle Human-Machine-Interface (HMI) functions (e.g. via the dashboard or voice commands).
- The ability to run independent software directly *in* the connected vehicle using onboard computational capabilities to process any dynamically generated data as closely as possible to its source.

This direct and independent interoperable access will allow the development of innovative digital products and services, which will result in true choice for consumers and competitive mobility. These principles are supported *today* by the EU's Repair and Maintenance legislation for the On-Board-Diagnostics (OBD) connector, which must be applied for all other communication channels with the vehicle.

However, it is proven that none of these four abilities would be possible with the access model put forward by vehicle manufacturers, the so-called **'Extended Vehicle'(ExVe)**, since it intends to channel all communication for remote data access through the vehicle manufacturer's proprietary backend server. Only a limited part of the in-vehicle data and a narrow subset of functions based on the business model of the vehicle manufacturer would be available to 3rd party service providers. The manufacturers solution is expected to provide access either directly under a B2B contract or via a data services platform, a so-called 'Neutral Server'.

'ExVe' does not ensure equal abilities. Instead, it gives vehicle manufacturers full control to decide arbitrarily how, when (latencies) and to whom (mainly aggregated and already diagnosed/processed) data access will be granted. Competing providers are limited to 'duplicated' services based on OEM repair methods. The role of the vehicle manufacturer as the self-appointed 'gatekeeper' is also illustrated by the restricted access to in-vehicle data via the physical On-Board-Diagnostics (OBD) port, which is already being arbitrarily imposed.

WHAT IS THE SOLUTION?

The key principle should be to provide equal abilities as those available to the vehicle manufacturer. As an example, we believe that these abilities are feasible with an 'in-vehicle interoperable, standardised, secure and open-access platform' (OTP) and its inherent security. It was presented in the Commission's TRL Study Report[3] and supported by independent studies (e.g. the Oversee report[4]). Such a telematics system allows independent applications to be safely and securely implemented in the vehicle to optimise in-vehicle data processing, whilst supporting at the same time decentralised communication to/from the vehicle with alternative service providers obtaining *direct* consumer consent. This avoids the obligation to first have to sign a data transfer contract with the vehicle manufacturer (due to the systemic design of the ExVe). This solution is without prejudice to the principle of technology neutrality, as the functional requirements are defined, but the technical implementation remains at the discretion of the implementing party.

Such a solution would:

- Put consumers in full control to decide which service providers can access their data, without interference from vehicle manufacturers.
- Safeguard effective competition and non-monitoring of independent competing businesses by vehicle manufacturers.
- Enable innovative solutions & new business models.
- Further support, and be fully compatible with cybersecurity.
- Improve road safety and contribute to a more sustainable and circular economy.
- Guarantee compliance with data protection rules, and this through a direct relationship between the service provider and the client.

The interoperable platform ensures at least the same high level of safety, security, liability and data protection as the vehicle manufacturers use themselves, whilst safeguarding true consumer choice, competition, innovation and road safety.

In fact, vehicle manufacturers increasingly allow selected (non competing) 3rd party business partners to operate their own (3rd party) systems and applications in their vehicles today. This demonstrates at the very least that safe and secure direct access is possible without interfering with the vehicle's functions.

TIME TO ACT!

In two recent Resolutions[5], the European Parliament called on the Commission to take (legislative) action to ensure "fair, secure, real-time and technology-neutral access to in-vehicle data for some third party entities". Additionally, a number of internal and external studies of the European Commission[6] provided further evidence of the legal and economic impact of the vehicle data access models in debate. In markets of unbalanced power with one party, the vehicle manufacturers, enjoying monopolistic control of access to the vehicle's data/functions, legislation is needed to ensure a level playing field.

The economic consequences of unregulated access to in-vehicle data via car manufacturers' current closed 'ExVe' model could lead to additional costs on the independent aftermarket in Europe. Recent FIA Region I study quantified the costs and losses to €65 billion for consumers and independent operators by 2030[7]. It is therefore clearly time to act!

WHAT DO WE CALL FOR?
A LEGISLATIVE PROPOSAL BY 2020!

We call on policymakers, and in the first place on the Commission, to present a legislative proposal by 2020 that would build on the following 'High-level Principles and Requirements', leading to an interoperable, in-vehicle telematics platform and its interfaces providing:

1. Equal abilities for all automotive service providers to use bi-directional communication via the in-vehicle display and/or HMI functions to effectively offer a service to the vehicle owner/driver for subsequent selection and authorisation, whilst respecting all legal requirements (e.g. GDPR compliance, avoidance of driver distraction).

2. Direct, independent, unmonitored and real-time access to the vehicle, its data and resources, for example through an in-vehicle interoperable, standardised, secure and open-access platform, providing bi-directional communication independent from the vehicle manufacturer.

3. Ability to install independent business models (applications) in the vehicle for optimised data processing and innovation.

4. The scope and quality of the data/functionalities shall be at least the same as those available to vehicle manufacturers i.e. what the vehicle supports, even if the manufacturers do not use it for their own business models. This scope and quality shall be published for each vehicle.

5. A harmonised neutral framework to provide a single point of access to cybersecurity certificates, supported by legislative requirements for both this access and for the use of the certificates.

Only by delivering on all these functional ability requirements can the EU ensure a competitive services environment and become the leader in connected and autonomous mobility, whilst at the same time safeguarding its SME-friendly, social and green market economy.

Brussels, October 2019

[1]The first Manifesto for fair digitalisation opportunities being signed in 2018

[2]Roland Berger in ETRMA/Quantalyse Report 'Connected & Automated Mobility–Tyre Industry Use Cases That Require Direct Access to In-Vehicle Data', June 2019

[3]Transport Research Laboratory (TRL) study on 'Access to In-vehicle Data and Resources', August 2017

[4]Oversee Report on 'Open Vehicular Secure Platform', 7th Framework Programme for Research and Technological Development, November 2013

[5]European Parliament Resolution on a European strategy on Cooperative Intelligent Transport System (C-ITS) from 13 March 2018, European Parliament Resolution on Autonomous driving in European transport from 5 December 2018

[6]Joint Research Center (JRC) Study on 'Access to digital car data and competition in aftersales services', September 2018; TRL Study (see footnote 4); Valdani, Vicari & Associati (VVA) Study on 'Cooperative, Connected and Automated Mobility (CCAM), August 2018

[7]Quantalyse / Schönenberger Advisory Services Study for FIA Region I 'The automotive digital transformation and the economic impacts of existing data access models', March 2019

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