



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 4 April 2008

8097/08

**ENFOPOL 67
MI 112**

I/A ITEM NOTE

from: General Secretariat

to: COREPER/Council

No. prev. docs. : 7927/08 ENFOPOL 59 MI 105

Subject : Draft Council Conclusions on an impact assessment to the possibility of introducing Effective Parts Marking as a mandatory measure for all newly manufactured and imported / registered vehicles within the EU

1. Immediate identification of a vehicle and/or its parts is essential in the fight against vehicle crime. Introducing Effective Parts Marking as a mandatory measure would therefore provide an important tool to combat this kind of crime. However, it is recognised that the introduction of such legislation requires a thorough preparation and study of all different aspects of this measure. Therefore, draft Council conclusions inviting the Commission to carry out an impact assessment in this matter have been submitted.
2. The Police Cooperation Working Party examined this proposal in detail in its meeting of 28 March 2008 and agreed on some minor amendments. The Article 36 Committee endorsed it in its meeting of 2-3 April 2008.
3. Therefore, COREPER is invited to submit the draft Council Conclusions on an impact assessment to the possibility of introducing Effective Parts Marking as a mandatory measure for all newly manufactured and imported / registered vehicles within the EU, as contained in annex, to the Council for approval.

Background:

Organized vehicle theft is costing Europeans dearly, both in direct economic costs and indirectly in the cost of property damages, related crimes, and even worse in personal injury and emotional damages sustained. Organized crime is responsible for an estimated 30 to 40% of all stolen vehicles in the EU. This type of vehicle theft is professional, using sophisticated or violent means. Moreover, professional criminals shut the door to effective control by altering the vehicle's identity or by dismantling vehicles and selling unidentifiable parts.

Effective Parts Marking (EPM) is a measure that makes tampering with the vehicle's identity impracticable and identifies parts of a vehicle. In summary this measure will act as a theft deterrent, allow for immediate identification of the vehicle and/or its parts, and provide evidence for prosecution regardless of the country from which the vehicle is stolen or the country from which the vehicle is recovered.

Benefits of implementing a EPM Directive

Because vehicle manufacturers are reluctant to voluntarily introduce EPM, the adoption of an EU Directive for compulsory EPM, as a logical and proportional follow-on to Council Decision 2004/919/EC, would have the following benefits.

- Accurate and simple identification methods of a vehicle or its parts expedites the recovery process and saves the community time and cost associated with existing techniques necessary to prove the identity of a vehicle.
- Reduces trade of illegitimate vehicles by making it too difficult to change the identity of the entire vehicle and making it too difficult to amalgamate a vehicle from stolen parts or illegitimate parts.
- Allows for complete identification of a vehicle from a component part and provides evidence which helps prosecution and investigators.
- Used overtly it works as a theft prevention measure which is economically beneficial for all parties, consumer, insurer, and manufacturer. This means it indirectly reduces the chance of consumers becoming victims, thus also saving cost.

**Proposal for
COUNCIL CONCLUSIONS
on an impact assessment to the possibility of
introducing Effective Parts Marking as a mandatory measure
for all newly manufactured and imported / registered vehicles within the EU,**

THE COUNCIL OF THE EUROPEAN UNION

1. Reaffirming the importance of preventing and combating crime, organised or otherwise in order to provide citizens with a high level of safety within an area of freedom, security and justice,
2. Considering that in the European Union the direct economic costs and the cost of property damages, related crimes, and personal harm due to cross-border vehicle crime and theft are intolerable and therefore the fight against organised cross-border vehicle theft should be stepped up.
3. Recalling Council Decision 2004/919/EC on tackling vehicle crime with cross-border implications.
4. Convinced that the use of Effective Parts Marking will be effective in reducing organized theft.
5. Underlining the assumption that the economic and social gains as well the law enforcement benefits of such solutions should strike a positive balance with the financial cost.

Invites the Commission to present an impact assessment with the aim to investigate the possibility of a proposal for a Council Directive introducing Effective Parts Marking as a mandatory measure for all newly manufactured and imported / registered vehicles within the EU, thereby balancing the law enforcement requirements with the technical, financial and economic aspects, as well as international trade aspects, including an estimation of the possible deadline for such a measure.
