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Connected Cars: Data Processors in Motion

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With vast amounts of (often sensitive) information constantly processed by increasingly more advanced models, connected cars and data handling is firmly on the radar of EU legislators. While GDPR already provides the foundation for the sharing of personal data, new provisions related to connected cars are likely to provide additional guidance for this rapidly-evolving sector.

Cars are no longer mere means of getting around. They are mobile processors of data, constantly crunching and exchanging information not only regarding the vehicles themselves, but also about their entire ecosystem and everything (and everyone) in them. As the new year begins, the focus of EU policy-makers in the automotive arena is moving beyond engine standards, emissions and road safety. Safeguarding the data of drivers, passengers and anyone around moving vehicles will increase in importance. As a result we are likely to see additional guidelines set in place to protect personal information, coming on top of the existing EU framework.

As connected cars constantly process large amounts of data regarding individuals in their ecosystem, there's increasing scrutiny on the way in which relevant stakeholders (automotive companies, insurers, infrastructure managers, law enforcement etc.) access, share, use and store that data. This is complex not only due to the quantity of data generated by the cars, but also how the data is shared. Indeed, in defining the ecosystem of a connected car, the European Union Agency for Cybersecurity (ENISA) identified three ways in which data sharing happens:

1. **Telematics**: including wi-fi, cellular, back-end servers and navigation satellite systems;
2. **V2X**: vehicles communicating with other entities in their ecosystem (other cars, phones, buildings, traffic lights etc.);
3. **Infotainment**: dashboard, smart home apps and seat entertainment (films, music, games)

All of these elements entail data processing by a wide range of different service providers within the automotive supply chain for varying purposes. In this case, data gathering plays a crucial role in increasing safety while also improving the driving experience, making it more enjoyable and connected. However, due to the high level of data processed, these technologies raise a number of personal data protection questions.

Data protection risks and factors to consider

The concerns data legislators are predominantly looking at relate to the absorption of personal data. Connected cars exchange data related and traceable to individuals (their position, any communication such as when the driver or passengers are using the phone, to even which film passengers are watching).

When it comes to the handling of personal data, the EU's General Data Protection Regulation (GDPR) applies to connected cars. So whether it's the OEM/car company, equipment supplier (such as smart tyres), leasing company, police force, insurance company and infrastructure managers– all must abide by GDPR rules.

Another aspect is user's control over data. With so many connections and information shared and received by a car at the same time, users do not necessarily know to whom their data is sent and who has access to the broader information.

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To overcome this, users should be reminded of the possibility to review personal data collected by the cars and have the opportunity to change their mind about the modalities of data collection at any time they want. In the same way, users should always be made aware of the extent to which data is collected for reasons linked to the provision of a service or execution of a task to avoid excessive personal data collection (for example, an insurer collecting information for marketing purposes beyond service provision or a broadcasting/entertainment service collecting data on users' preference and interests to sell to advertisers).

Finally, as data processing exposes connected cars to potential risks of data breaches, IT security should be prioritised to protect information, as well as to counter cyberattacks. While a clear set of rules for the correct handling of personal information processed within a connected car's ecosystem is important, it is not sufficient; fundamental, software upgrading and adoption of security good practices (such as the ones published in November by ENISA highlighting policies, technical and organisational practices) are key to protect connected cars from vulnerabilities and data breaches.

Next steps: what can be expected

Connected mobility and all related aspects of data processing will be among the top digital issues tackled by the new European Commission, which has adopted a highly political 'digital sovereignty' agenda (linking data, competition policy, R&D and industrial capacity).

The Commission wants to be a trend-setter when regulating tech companies, especially when it comes to the handling of personal data and the wheels will be set in motion this year. EU legislators are aiming to make connected cars operate within the Cooperative Intelligent Transport Systems (C-ITS), enabling drivers and traffic/infrastructure managers to easily share data in a clear and secure way. The Commission's expert group for Cooperative, Connected, Automated and Autonomous Mobility (CCAM Single Platform) is set to publish recommendations for connected and autonomous vehicles to feed into legislation on C-ITS that should materialize in a C-ITS draft regulation later this year.

Not only an auto issue

Data processing in connected cars does not only concern the automotive sector. It is relevant for a multitude of service providers -be it insurance, satellite, car leasing or entertainment. All have a stake in the connected car data debate and particularly in any potential regulation. As the European Commission attempts to replicate its global GDPR model to the connected mobility sector, the consequences of a new set of rules around connected cars could have major implications for European and international companies.

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