The traffic is getting crowded by the increasing population of people and vehicles, as a result, mistakes and accident risks increases. To prevent this, Advanced Traffic Management Systems (ATMS) which belongs to intelligent Transportation Systems (ITS) integrates different technologies, are presented. The studies for vehicle security, traffic congestion and unsafe driving behaviours are being improved to minimize the number of the accidents. On-board Diagnostic System (OBD-II), is a new standard connector which is developed by the Society of Automotive Engineers (SAE), used for the monitoring Vehicular Network. Real-time data from Vehicular networks through OBD-II flows into a transportation Management Center (TMC) to improve the flow of vehicle traffic and improve safety. In this study car accident prevention applications and analysis of vehicle communication through diagnostic interface OBDII with diagnostic tools, have been reviewed. In the studies based on OBD-II traffic monitoring, controlling and reporting through onboard diagnostic port, and vehicle tracking systems, alert driver systems have been investigated. Accident prevention applications are also evaluated. The importance of the onboard diagnostics in the Advanced Traffic Management System (ATMS) are also discussed.