

Motor vehicles insurance

2018/0168(COD) - 21/10/2021 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 689 votes to 3, with 4 abstentions, a legislative resolution on the proposal for a directive of the European Parliament and of the Council amending Directive 2009/103/EC of the European Parliament and the Council of 16 September 2009 relating to insurance against civil liability in respect of the use of motor vehicles, and the enforcement of the obligation to ensure against such liability.

The European Parliament's position adopted at first reading under the ordinary legislative procedure amends the Commission's proposal as follows:

Subject matter and scope

Under the amending Directive, each Member State should take all appropriate measures to ensure that civil liability in respect of the use of a vehicle normally based in its territory is covered by insurance.

The amended rules should apply to any motor vehicle propelled exclusively by mechanical power on land but not running on rails with: (i) **a maximum design speed of more than 25 km/h**; or (ii) **a maximum net weight of more than 25 kg and a maximum design speed of more than 14 km/h**. Lawn tractors or scooters for people with reduced mobility and electric bicycles would thus be excluded from the insurance obligations.

Vehicles intended exclusively for motorsports would also be excluded from the Directive, provided that the Member State has ensured that the organiser of the activity has taken out other insurance or guarantee measures covering any damage that could affect a third party, including spectators.

Insurance checks

The amending Directive provides that measures taken by Member States must specify the precise purpose of the **processing of personal data**, indicate the relevant legal basis, meet the applicable security requirements, respect the principles of necessity, proportionality and purpose limitation and set a proportionate data retention period. Personal data should only be kept for as long as necessary for the purpose of processing an insurance check. Thereafter, the data should be completely erased.

Amounts of cover

To ensure the same minimum level of protection for victims, the revised text harmonises the compulsory minimum amounts of cover throughout the EU, without prejudice to any higher guarantees prescribed by Member States:

- **for injuries: EUR 6.45 million per accident**, irrespective of the number of injured parties, or EUR 1.3 million per injured party; and
- **for damage to property: EUR 1.3 million per accident**, whatever the number of injured parties.

Compensation bodies

Each Member State should set up or authorise a body responsible for compensating injured parties resident within its territory, at least up to the limits of the insurance obligation, from the moment when the

insurance undertaking is subject to **bankruptcy proceedings or winding-up proceedings**. Member States should take appropriate measures to ensure that the body has sufficient funds available to compensate injured parties when compensation payments are due. They should ensure that the body has all the necessary powers and competences to be able to cooperate in due time with other such bodies in other Member States.

The injured party may submit a claim **directly** to the body. The body should provide the injured party with a reasoned offer of compensation or a reasoned reply in accordance with the applicable national law within three months of the date on which the injured party made his or her application for compensation. Where compensation is due, the body should pay the compensation to the injured party without undue delay and in any event within three months of the acceptance by the injured party of the reasoned offer of compensation.

Claims-history statement

Insurance undertakings that take into account claims-history statements to determine motor insurance premiums should **not discriminate** on the basis of nationality or solely on the basis of the previous Member State of residence of the policyholder.

Moreover, insurance undertakings should treat a claims-history statement from another Member State as **equal** to a domestic claims-history statement and apply to a client from another Member State any discounts that would be available to an otherwise identical domestic client, including those discounts that are required by the Member State's national legislation, such as 'bonus-malus' discounts.

The Commission should adopt implementing acts no later than 19 months after the date of entry into force of the amending Directive to specify, by means of a **template**, the form and content of the claims-history.

Motor insurance price comparison tools

Member States should be able to choose to certify tools which enable consumers to compare prices, tariffs and coverage between providers of motor insurance which comply with the conditions set out in Directive 2009/103/EC. If duly certified, such tools could be denominated as '**motor insurance independent price comparison tools**'. Member States should also be able to establish public price comparison tools, operated by a public authority.

Limitation period

In a statement annexed to the legislative resolution, the Commission noted the concerns repeatedly expressed by the European Parliament as regards differences across Member States in relation to limitation periods, i.e. the relevant timespan during which an injured party may address a claim.

The Commission should examine this issue and explore possible remedies to further strengthen the protection of victims, should the evidence show that action at Union level is warranted.