Motor Insurance: civil liability, fourth directive (amend. direct. 73/239/EEC, 88/357/EEC, 92/49 /EEC)

1997/0264(COD) - 30/06/1998

The Committee unanimously adopted the report by Willi ROTHLEY (PES, D) on the proposal for a directive on settling the insurance claims of victims of accidents occurring outside the country of origin of the victim. The new directive seeks to make better provision, for example, for a resident of the EU (e.g. Italy) travelling in a third country (e.g. Switzerland) or an EU state other than his state of residence (e.g. Germany) who has an accident and suffers material or physical damage caused by a vehicle registered or insured in a country (e.g. France) other than the country of residence of the victim (Italy).Claims taken to court abroad are at least 15% more expensive and on average take eight years to settle. The directive seeks to remedy this situation by introducing arrangements enabling the victim to have easy access to the insurance company which is regarded as financially liable. The arrangements envisaged by the Commission, which would make it easier for victims to assert their right to compensation in other Member States, include the following:a direct right of action for the victim; a requirement for insurance companies operating in the EU to appoint a representative in every other Member State; the establishment of information centres in every Member State to enable victims to identify the representative of the company. The main amendments proposed by the Legal Affairs Committee are as follows:an extension of the scope of the directive to include non-EU countries;an expansion of the role of the informationcentres to make them responsible for keeping records of motor vehicles registered, insurance undertakings, insurance policy numbers and the names and addresses of insurance policy holders;a requirement for Member States to establish compensation bodies which must act within two months of the submission of a claim by a victim, if the insurer has failed to appoint a claims representative;a series of deadlines designed to ensure that accident victims are compensated swiftly. This legislation was in fact initiated by Mr Rothley, on behalf of the Legal Affairs Committee, which made use for the first time of the powers granted to Parliament under the Maastricht Treaty (Article 138b, second paragraph) to have a resolution on this subject adopted by Parliament by an absolute majority on 26th October 1995. The resolution contained the basic points for the directive which has now been drawn up and submittted by the Commission.