Basic information

2002/0124(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Directive	Procedure completed
Insurance against civil liability in respect of the use of motor vehicles Amending Directive 2000/26/EC 1997/0264(COD) Repealed by 2008/0049(COD) **Subject** 2.50.05 Insurance, pension funds 3.20.05 Road transport: passengers and freight	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
IMCO Internal Market and Consumer Protection	MEDINA ORTEGA Manuel (PSE)	31/08/2004

Former committee responsible	Former rapporteur	Appointed
JURI Legal Affairs and Internal Market	ROTHLEY Willi (PSE)	20/06/2002

Former committee for opinion	Former rapporteur for opinion	Appointed
RETT Regional Policy, Transport and Tourism	The committee decided not to give an opinion.	

Council of the European Union

Council configuration	Meetings	Date
Competitiveness (Internal Market, Industry, Research and Space)	2547	2003-11-26
Competitiveness (Internal Market, Industry, Research and Space)	2462	2002-11-14
Competitiveness (Internal Market, Industry, Research and Space)	2653	2005-04-18
Agriculture and Fisheries	2578	2004-04-26

European Commission

Commission DG	Commissioner
Financial Stability, Financial Services and Capital Markets Union	

Key events

Date	Event	Reference	Summary
07/06/2002	Legislative proposal published	COM(2002)0244	Summary
13/06/2002	Committee referral announced in Parliament, 1st reading		
14/11/2002	Debate in Council		
07/10/2003	Vote in committee, 1st reading		Summary
07/10/2003	Committee report tabled for plenary, 1st reading	A5-0346/2003	
21/10/2003	Debate in Parliament		
22/10/2003	Decision by Parliament, 1st reading	T5-0446/2003	Summary
26/04/2004	Council position published	16182/2/2003	Summary
16/09/2004	Committee referral announced in Parliament, 2nd reading		
14/12/2004	Vote in committee, 2nd reading		Summary
17/12/2004	Committee recommendation tabled for plenary, 2nd reading	A6-0073/2004	
10/01/2005	Debate in Parliament		
12/01/2005	Decision by Parliament, 2nd reading	T6-0003/2005	Summary
12/01/2005	Results of vote in Parliament		
18/04/2005	Act approved by Council, 2nd reading		
11/05/2005	Final act signed		
11/05/2005	End of procedure in Parliament		
11/06/2005	Final act published in Official Journal		

Technical information	
Procedure reference	2002/0124(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Directive
Amendments and repeals	Amending Directive 2000/26/EC 1997/0264(COD) Repealed by 2008/0049(COD)
Legal basis	EC Treaty (after Amsterdam) EC 047 EC Treaty (after Amsterdam) EC 095 EC Treaty (after Amsterdam) EC 055
Stage reached in procedure	Procedure completed
Committee dossier	IMCO/6/22668

Documentation gateway				
European Parliament				
Document type	Committee	Reference	Date	Summary

Committee report tabled for plenary, 1st reading/single reading		A5-0346/2003	07/10/2003	
Text adopted by Parliament, 1st reading/single reading		T5-0446/2003 OJ C 082 01.04.2004, p. 0270-0297 E	22/10/2003	Summary
Committee recommendation tabled for plenary, 2nd reading		A6-0073/2004	17/12/2004	
Text adopted by Parliament, 2nd reading		T6-0003/2005 OJ C 247 06.10.2005, p. 0028-0078 E	12/01/2005	Summary

Council of the EU

Document type	Reference	Date	Summary
Document attached to the procedure	06282/2004	16/02/2004	
Council position	16182/2/2003	26/04/2004	Summary
Draft final act	03604/2005	11/05/2005	

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2002)0244 OJ C 227 24.09.2002, p. 0387 E	07/06/2002	Summary
Commission communication on Council's position	COM(2004)0351	30/04/2004	Summary
Commission response to text adopted in plenary	SP(2005)698	10/02/2005	
Commission opinion on Parliament's position at 2nd reading	COM(2005)0057	16/02/2005	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES0287/2003 OJ C 095 23.04.2003, p. 0045-0047	26/02/2003	

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Directive 2005/0014
OJ L 149 11.06.2005, p. 0014-0021 Summary

Insurance against civil liability in respect of the use of motor vehicles

2002/0124(COD) - 12/01/2005 - Text adopted by Parliament, 2nd reading

The European Parliament adopted a compromise package on insurance against civil liability in respect of the use of motor vehicles, based on the report by Manuel MEDINA ORTEGA (PES, ES):

-The minimum amount of cover for personal injury should be calculated so as to compensate fully and fairly all victims who have suffered very serious injuries, whilst taking into account the low frequency of accidents involving several victims and the small number of accidents in which several victims suffer very serious injuries in the course of one and the same event. A minimum amount of cover of EUR 1 000 000 per victim or EUR 5 000 000 per claim, regardless of the number of victims, is a reasonable and adequate amount.

- If necessary, Member States may establish a transitional period of up to five years to adapt their minimum amounts of cover to the amounts provided for in the legislation;

- a new Article states that Member States shall take all appropriate measures to facilitate the availability in due time to the victims, their insurers or their legal representatives of the basic data necessary for the settlement of claims.

Insurance against civil liability in respect of the use of motor vehicles

2002/0124(COD) - 07/06/2002 - Legislative proposal

PURPOSE : to present a proposal for a new Motor insurance directive which would modernise and improve the existing EU rules in this field.
CONTENT : the directives on insurance against civil liability in respect of the use of motor vehicles (Motor Insurance Directives) date back to 1972 and the First Motor Insurance Directive. The most recent development in this field was in 2000, with the adoption of the Fourth Motor Insurance Directive. With the first three Directives, the Community took fundamental steps towards establishing a single market in the field of motor insurance. The first three directives built on the system of "green cards", which had been introduced to facilitate the settlement of claims in accidents cause by a motorist in a Member States other than in which the vehicle is normally based. This system ensures the payment of compensation to victims of accidents caused by visiting vehicles through a private sector network of green Card Bureaux set up by the insurers and established in all the Member States. However, an important gap still remained : because the original aim was to eliminate border controls on insurance, the green card system covered victims only when they were in their home country. It did not cover the settlement of claims when the accident took place outside the victim's Member States of residence (visiting victims). The gap was filled by the Fourth Motor Directive, which also provides for an efficient mechanism for settling claims in respect of such accidents. However, further work is needed. There is an increasing growth in cross-border traffic and the Commission continues to receive a large number of questions and complaints and petitions from individuals and members of the European Parliament on the operation of the Motor insurance Directives. Therefore, this proposal is the Commission's response to this need. It is clear that the Community system of motor insurance needs to be updated and improved. This need has been confirmed by the consultation conducted with the industry, consumers and victims' associations. In general, this proposal aims to make it easier for people to find car insurance for a temporary stay in another Member State. It will also make it easier to get short-term insurance covering cars bought outside the owner's Member States of residence. That in turn will help people to buy cars whenever in the EU they can find the best value and help stimulate cross-border competition in the vehicle market. The proposal aims to update some existing provisions, for example on the minimum amount of cover motorists must have. It would make it easier for customers to change insurance provider. The proposal also aims to improve protection for pedestrians and cyclists who are involved in traffic accidents. Without an improved set of EU rules, motorists will continue to be frustrated by the insurance obstacles which currently exist. This proposal is part of the Commission's efforts to make EU citizens' rights to live, travel and work in any EU Member State a reality.

Insurance against civil liability in respect of the use of motor vehicles

2002/0124(COD) - 11/05/2005 - Final act

PURPOSE: amendment of Council Directives 72/166/EEC, 84/5/EEC, 88/357/EEC and 90/232/EEC and of Directive 2000/26/EC of the European Parliament and of the Council relating to insurance against civil liability in respect of the use of motor vehicles.

LEGISLATIVE ACT: Directive 2005/14/EC of the European Parliament and of the Council.

CONTENT: This Fifth Motor Insurance Directive will update and improve the provisions of current EU Motor Insurance Directives by making it easier for drivers to get insurance and by upgrading the protection of victims. It will improve protection for accident victims and make it easier for drivers to get and claim upon insurance, especially when buying or using vehicles outside their Member State of permanent residence, and to change insurers. The Directive will also make it easier for insurers to operate across borders.

The Directive sets a new minimum insurance amount for personal injuries of EUR 1 000 000 per victim, or a minimum amount of EUR 5 000 000 per accident. For damage to property, it sets a minimum of EUR 1 000 000 per accident, to come into force after a transitional period of five years. The minimum insurance amounts will be revised automatically every five years according to the European Index of Consumer Prices.

Under the Directive, pedestrians and cyclists will be designated as specific categories of accident victims. Motor vehicle insurance will have to cover personal injuries suffered by pedestrians and cyclists and other non-motorised users of the roads who, as a consequence of an accident in which a motor vehicle is involved, are entitled to compensation under national civil law.

ENTRY INTO FORCE: 11/06/2005.

Insurance against civil liability in respect of the use of motor vehicles

2002/0124(COD) - 16/02/2005 - Commission opinion on Parliament's position at 2nd reading

On second reading Parliament adopted seven amendments to the Council's common position. They improve certain aspects of the text without affecting the substance and the principles of the Common Position and the Commission’s proposal. The Commission accepts all these seven amendments which concern:

- insurance cover for imported vehicles: some word changes are introduced: it replaces the word "introduced" by "made available";

- competent jurisdiction : the possibility for the victims to bring legal proceedings against the insurer in their Member State of residence is explicitly recognised. This possibility was not recognised by the Fourth Motor Insurance Directive 2000/26/EC;

- insurance cover for imported vehicles, in relation with Article 4a, paragraph 1 of Directive 90/232/EEC : some word changes are introduced : first, it replaces the word "imported" by "dispatched". Secondly, it replaces the words "the date when the vehicle has been delivered, made available or dispatched to the purchaser for a maximum period of thirty days" by "acceptance of delivery by the purchaser for a period of thirty days";

- competent jurisdiction : a new recital is introduced to explicitly recognise the possibility for the victims to bring legal proceedings against the insurer in their Member State of residence;

- minimum amounts of cover : two new sentences are introduced to emphasise the need to fully and fairly compensate the victims of motor accidents;

- minimum amounts of cover : the amendment aims to clarify that it is optional for the Member State to choose between EUR 1 000 000 per victim or EUR 5 000 000 per claim (whatever the number of victims) as a minimum insurance amount to cover personal injuries. The transitional period of five years for the implementation of the new minimum insurance amounts will not be compulsory but may be requested by the Member States. Such a period will start from the date of implementation. Some wording changes are introduced in the provision concerning the automatic periodical revision of the minimum amounts;

- availability of minimal data for settlement of claims : a new Article is introduced in the Fourth Motor Insurance Directive 2000/26/EC according to which Member States should take appropriate measures to facilitate the availability to the victims and other interested parties of the minimal data for the settlement of claims.

Insurance against civil liability in respect of the use of motor vehicles

2002/0124(COD) - 26/04/2004 - Council position

The common position adopted by the Council by qualified majority retains indeed the essence of the Commission's Proposal. It contains indeed some improvements in certain aspects. First, it incorporates, fully or in their spirit, all the Parliament's amendments which were accepted by the Commission at the Plenary. Second, it meets in some important cases the concern expressed in other Parliament's amendments and contains solutions in the same direction, even if they do not fully coincide with such amendments. Finally, the common position also deals with some technical issues which were not raised by Parliament.

1) Changes in the common position responding to Parliament's amendments: the common position takes account, fully or in their spirit, of the amendments adopted by Parliament in its first reading and accepted by the Commission. These amendments are as follows:

- Claims representatives: The common position reflects the content of both Parliaments' amendments. They aim to avoid that the extension to all accidents of the insurance undertakings' obligation to appoint a claims representative in each Member State - as provided for in the Proposal - may overlap with the current Green Card Bureaux' system for the settlement of accidents and hinder its functioning.

- Consistency between the 4th Motor Insurance Directive and Council Regulation 44/2001/EC: The common position, which takes account of these amendments, modifies Article 5 of the Proposal and introduces a change in Article 4(8) of the Fourth Motor Insurance Directive. It adds in Article 4(8), together with the reference to the "Brussels Convention of 27 September 1968 on jurisdiction and the enforcement of judgments in civil and commercial matters", a new mention to the Council Regulation 44/2001/EC of 22 December 2000.

- Personal injuries caused by unidentified vehicles: The common position modifies the Proposal and takes account of the spirit of this amendment. The common position provides that the conditions for the personal injuries to be considered significant shall be determined in accordance with the Member States legislation and specifies as recommended by Parliament that Member States may take into account in this regard whether the injury has required "hospital care".

- Claims statements: As pursued by this amendment Article 4 of the common position ensures that the claim statement should be provided by the insurance undertaking at any time on the policyholder's request.

The common position also contains other changes which meet the concern expressed in other Parliament's amendments and go therefore in their same direction, even if the solution retained by the Council does not fully coincide with such amendments:

- Minimum insurance amounts: The common position takes account to a large extent of the Parliament's requests concerning the increase of the

minimum amounts of insurance cover. Indeed the minimum amount for personal injuries is raised to five millions euros per accident as requested by Parliament although the minimum amount for material damages has been fixed in one million euros per accident instead of 2 million euros requested. Furthermore the Common Position grants Member States the option to fix a minimum amount of 1 million euros per victim. The Parliament's request of a transitional period of 5 years has been retained in the Common Position.

- Derogation from the obligation of insurance in favour of certain special vehicles: The First Motor Insurance Directive permits Member States to apply derogation from the obligation of insurance in favour of certain special categories of vehicles. The Proposal intended to eliminate such derogation because, after Schengen, if one of these vehicles crosses the border it is not possible to guarantee the other Member States' right to require on entry the possession of a valid green card or a frontier insurance to compensate potential victims as provided for in the Directive. However, the common position has kept this derogation following a few of Parliament's amendments, but introducing a mechanism to ensure compensation to any victim of accidents caused by these vehicles either in the Member State in which they are based or in any other Member State. This derogation may be revised after 5 years time depending on the experience of application. Finally, in order to take account of this change, the common position deletes point 2(ii) of Article 5(1) of the Fourth Motor Insurance Directive, but keeps point 5(ii) of Article 5(1) of the same Directive. In short: the common position on this point follows the spirit of the Parliament's request and meets at the same time the Proposal's concern to provide full protection to any victim caused by these vehicles.

2) Other changes introduced by the Council in the common position: the common position has also introduced the following changes which were not requested by Parliament:

- Compensation to victims of accidents caused by vehicles exempted from the insurance obligation according to Article 4(a) of the First Motor Insurance Directive: The common position [Article 1(3)(a)] ensures that victims of accidents caused by vehicles exempted from the insurance obligation according to Article 4(a) of the First Motor Insurance Directive in the Member State in which they are normally based shall be duly compensated by the authorities or bodies designated by the Member State. The First Motor Directive only ensured compensation to victims caused abroad by such vehicles but not to victims of accidents in the Member State of registration. The common position provides furthermore that the Commission shall publish the categories of vehicles affected by this derogation as well as the authorities or bodies responsible for compensation. These changes reinforce the protection of victims.

- Territorial scope of the Motor Insurance Directives: the common position [Article 1(4)] deletes the references to "the non-European territory" of the Member States in Articles 6 and 7(1) of Directive 72/166/EEC.

- Pedestrians and cyclists: The common position does not fully follow the Proposal with regard to the protection of pedestrians and cyclists. However, the new wording of this provision stresses that the compulsory insurance of the motor vehicle involved must cover personal and property damages suffered by pedestrians, cyclists and other non-motorised users of the roads to the extent they are entitled to compensation according to national legislation on civil liability. This provision goes along the lines of a draft amendment that was considered at the EP Legal Affairs Committee, but was not finally retained.

The common position rejected the following Parliament amendments: Definition of trailers and introduction of special provisions applying to them; Inclusion of the costs of pursuing claims in legal proceedings; Limitation period for direct right of action; Creation of a central body for gathering information on accidents; Possibility of checks; Revision of amounts; Scope of insurance cover;

- Definition of the Member State where the risk is situated; Obligation to make a 'reasoned offer'.

Insurance against civil liability in respect of the use of motor vehicles

2002/0124(COD) - 22/10/2003 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted a resolution drafted by Willi ROTHLEY (PES, Germany) and made several amendments to the Commission's proposals. The report was adopted by 525 votes in favour, 9 against and 16 abstentions. (Please see the summary dated 07/10/03.) In addition: - there are new definitions for 'vehicle' and 'trailer'; - five years after the expiry of the five-year transition period, the minimum levels of cover shall be revised upwards on the basis of a proposal from the Commission in the light of the experience gained from applying the amounts; - the statement relating to claims from insurers must cover all claims made under the contract, but insurers may limit the statement to the previous five years if the contractual relationship is longer; - a reasoned offer of compensation must be made which must include the cost of pursuing claims in cases where liability is not contested and damages have been quantified; - new provisions have been inserted relating to a central body which must be notified of all traffic-accident reports; - certain provisions must apply to trailers.

Insurance against civil liability in respect of the use of motor vehicles

2002/0124(COD) - 30/04/2004 - Commission communication on Council's position

The Commission takes the view that the common position retains the key elements of the Commission's Proposal as well as those of the European Parliament amendments that were accepted by the Commission. The Commission can commend this common position to the European Parliament.