Basic information

2018/0168(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Directive	Procedure completed
Motor vehicles insurance Amending Directive 2009/103/EC 2008/0049(COD) **Subject** 2.40 Free movement of services, freedom to provide 4.60.08 Safety of products and services, product liability **Legislative priorities** Joint Declaration 2021	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
IMCO Internal Market and Consumer Protection	CHARANZOVÁ Dita (Renew)	18/07/2019
	Shadow rapporteur POSPÍŠIL Jiří (EPP) PENKOVA Tsvetelina (S&D) KOLAJA Marcel (Greens/EFA) JURZYCA Eugen (ECR) BUCHHEIT Markus (ID)	

Former committee responsible	Former rapporteur	Appointed
IMCO Internal Market and Consumer Protection		

Committee for opinion	Rapporteur for opinion	Appointed
JURI Legal Affairs		

Former committee for opinion	Former rapporteur for opinion	Appointed

	JURI Legal Affairs
Council of the European Union	
European Commission	Commission DG: Financial Stability, Financial Services and Capital Markets Union — Commissioner: KATAINEN Jyrki
European Economic and Social Committee	

Key events

Date	Event	Reference	Summary
24/05/2018	Legislative proposal published	COM(2018)0336	Summary
11/06/2018	Committee referral announced in Parliament, 1st reading		
28/01/2019	Committee report tabled for plenary, 1st reading	A8-0035/2019	Summary
13/02/2019	Decision by Parliament, 1st reading	T8-0110/2019	Summary
13/02/2019	Results of vote in Parliament		
13/02/2019	Matter referred back to the committee responsible for interinstitutional negotiations		
21/10/2019	Resumption of business from the previous parliamentary term		
12/07/2021	Approval in committee of the text agreed at 1st reading interinstitutional negotiations	PE695.145 GEDA/A/(2021)002949	
21/10/2021	Decision by Parliament, 1st reading	T9-0433/2021	Summary
21/10/2021	Results of vote in Parliament		
21/10/2021	Debate in Parliament		
05/11/2021	Act adopted by Council after Parliament's 1st reading		
24/11/2021	Final act signed		
02/12/2021	Final act published in Official Journal		

Technical information

Procedure reference	2018/0168(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Directive
Amendments and repeals	Amending Directive 2009/103/EC 2008/0049(COD)
Legal basis	Rules of Procedure EP 61

	Treaty on the Functioning of the European Union TFEU 114
Other legal basis	Rules of Procedure EP 165
Mandatory consultation of other institutions	European Economic and Social Committee
Stage reached in procedure	Procedure completed
Committee dossier	IMCO/9/00321

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE629.546	26/10/2018	
Committee opinion	JURI	PE629.601	20/12/2018	
Committee report tabled for plenary, 1st reading/single reading		A8-0035/2019	28/01/2019	Summary
Text adopted by Parliament, partial vote at 1st reading /single reading		T8-0110/2019	13/02/2019	Summary
Text agreed during interinstitutional negotiations		PE695.145	08/07/2021	
Text adopted by Parliament, 1st reading/single reading		T9-0433/2021	21/10/2021	Summary

Council of the EU

Document type	Reference	Date	Summary
Coreper letter confirming interinstitutional agreement	GEDA/A/(2021)002949	28/06/2021	
Draft final act	00060/2021/LEX	24/11/2021	

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2018)0336	24/05/2018	Summary
Document attached to the procedure	SWD(2018)0247	24/05/2018	
Document attached to the procedure	SWD(2018)0248	24/05/2018	
Commission response to text adopted in plenary	SP(2021)728	10/12/2021	

National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	CZ_CHAMBER	COM(2018)0336	11/09/2018	

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES2875/2018	19/09/2018	

Additional information		
Source	**Document**	**Date**
European Commission	EUR-Lex	

Final act
Directive 2021/2118 OJ L 430 02.12.2021, p. 0001

Motor vehicles insurance

2018/0168(COD) - 13/02/2019 - Text adopted by Parliament, partial vote at 1st reading/single reading

The European Parliament adopted by 562 votes to 36, with 19 abstentions, amendments to 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 matter was referred back to the committee responsible for interinstitutional negotiations.

As a reminder, the aim of this Directive is to ensure an equal minimum protection of parties injured as a result of traffic accidents across the Union, to ensure their protection in case of insolvency of insurance undertakings and to ensure equal treatment in the authentication of claims-history statements by insurers for potential policy holders crossing internal Union borders.

The main amendments adopted in plenary concern the following issue:

Scope

The proposed Directive shall not cover eBikes, segways and electric scooters since they are smaller and are therefore less likely to cause significant damage to persons or property than others [such as cars or trucks] are, according to Members.

Vehicles intended exclusively for motorsports are also excluded, as they are generally covered by other forms of liability insurance and are not subject to compulsory motor insurance when they are solely used for a competition.

Coverage and checks

Member States shall ensure that when a vehicle is required to hold insurance, the insurance is also valid and covers injured parties in the case of accidents occurring when the vehicle is in traffic and not being used in accordance with its primary function; and outside the use of the vehicle in traffic.

Member States may carry out checks provided that they are not discriminatory, necessary and achieve the end pursued, respect the rights, freedoms and legitimate interests of the person concerned.

When conducting a search in the form of an outgoing request, the national contact point of the Member State carrying out an insurance check shall use a full registration number. Those searches shall ensure the security and protection of data sent.

Amounts of cover

In order to ensure the same minimum level of protection for victims, the proposal harmonises obligatory minimum amounts of cover across the EU, without prejudice to any higher guarantees which member states may prescribe:

- for personal injuries: EUR 6 070 000 per accident, irrespective of the number of victims, or EUR 1 220 000 per victim;

- for damages to property: EUR 1 220 000 per claim, irrespective of the number of victims.

Compensation bodies

In order to simplify and make it as easy as possible for administrations, insurers and injured parties to seek claims redress, Members encouraged Member States to create a single body to cover all the functions of the different compensation bodies included in this Directive.

Where a Member State does not administer these bodies as a single administrative unit, it shall notify the Commission and the other Member States of this fact and the reasons for its decision

Price comparison tool

Member states shall ensure that consumers have access free of charge to at least one independent comparison tool, which enables them to compare and evaluate general prices and tariffs between providers of the compulsory insurance, based on information provided by the consumers. The tool shall be operationally independent of service providers, clearly disclose the identity of its owners and operators and set out clear and objective criteria by which the comparison is based.

In addition, the injured party shall have the right to obtain a copy of the accident report drawn up by the competent authorities in good time.

Limitation period

Member States shall ensure that a limitation period of at least four years applies to actions that relate to compensation for personal injury and damage to property resulting from a cross-border road traffic accident. They shall ensure that where the national law applicable to the claim provides for a limitation period which is longer than four years, such longer limitation period shall apply.

Evaluation and report

No later than five years after the transposition date, the EU Commission must evaluate, amongst other issues, the application of these rules with regard to technological developments, the adequacy of its scope (possible extension to high speed lightweight vehicles, such as eBikes, segways or electric scooters), the encouragement of insurance undertakings to include a bonus-malus system in their insurance contracts, including discounts by way of a “no claims bonus”. That report shall be accompanied by the observations of the Commission and, where appropriate, by a legislative proposal.

Motor vehicles insurance

2018/0168(COD) - 24/05/2018 - Legislative proposal

PURPOSE: to strengthen EU rules on motor insurance to better protect victims of motor vehicle accidents.

PROPOSED ACT: Directive of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: the first EU Directive on motor insurance was adopted in 1972, with the dual objectives of protecting victims of motor vehicle accidents (with or without a cross-border element), and facilitating the free movement of motor vehicles between Member States. Five motor insurance Directives since 1972 progressively strengthened the Directive and enhanced its provisions; they were consolidated into Directive 2009/103/EC of the European Parliament and the Council. Motor insurance also has an impact on the free movement of persons, goods and vehicles. It should therefore be a key objective of the Union action in the field of **financial services** to reinforce and consolidate the internal market for motor insurance.

The evaluation of the functioning of Directive 2009/103/EC concluded that the Directive was working well overall. However, **four areas** have been identified where targeted amendments would be appropriate: (i) compensation of victims of accidents in cases of insolvency of an insurance undertaking, (ii) minimum obligatory amounts of insurance cover, (iii) checks by Member States on vehicle insurance and (iv) the use of policyholders’ claims history statements by a new insurance undertaking.

IMPACT ASSESSMENT: the impact assessment examined several options for each of the problems identified. The proposed amendments aim at reducing uninsured driving, potentially reducing motor insurance premiums, and at improving the level of protection of victims of motor accidents, potentially benefitting all citizens in the EU. The proposal avoids risking large potential increases of premiums of motor insurance.

CONTENT: the proposed amendment to Directive 2009/103/EC on motor insurance introduces the following changes:

- **Scope**: the proposal clarifies the scope of the Directive in the light of recent **judgments of the Court of Justice of the European Union**. The Court of Justice of the European Union has clarified that motor vehicles are intended normally to serve as means of transport, irrespective of such vehicle's characteristics, and it has clarified that the use of such vehicles covers any use of a vehicle consistent with its normal function as a means of transport, irrespective of the terrain on which the motor vehicle is used and of whether it is stationary or in motion.
- **Uninsured driving**: Member States shall be authorised to carry out insurance checks of vehicles normally based in the territory of another Member State and of vehicles normally based in the territory of a third country entering their territory from the territory of another Member state only if, they are non-discriminatory necessary and proportionate, form part of a general system of checks on the national territory and do not require stopping of the vehicle for the purpose of such a check. Those checks have to be conducted in accordance with the protection of natural persons with regard to the processing of personal data and on the free movement of such data.
- **Minimum level of protection**: in order to ensure the same minimum level of protection at EU level for victims of motor vehicle accidents, the proposal harmonises at EU level the minimum levels of compulsory cover for personal injury and material damage, without prejudice to any

higher amounts of cover prescribed by the Member States. The Commission may adopt delegated acts to update, every five years, the harmonised minimum amounts of cover for victims in line with inflation.

- **Insolvency of the insurer**: each Member State should entrust a body set up for this purpose with the task of providing compensation for material or personal injuries caused by a vehicle insured by an undertaking which is insolvent or where, after a period of **three months** from the date on which the injured party submitted a claim for compensation, the insurer has not provided a reasoned reply. The injured parties would be compensated by the body in their Member State of residence. That body would be entitled to claim reimbursement from the body in the Member State where the insurance undertaking which produced the contract is established, with the latter assuming ultimate responsibility.
- **Claims history statements**: the proposal harmonises the statements relating to successful third party liability claims against the policyholder in the last five years. It ensures non-discriminatory treatment of the claims history by insurance undertakings, irrespective of nationality or previous Member State of residence of a citizen.

Motor vehicles insurance

2018/0168(COD) - 28/01/2019 - Committee report tabled for plenary, 1st reading/single reading

The Committee on the Internal Market and Consumer Protection adopted the report by Dita CHARANZOVÁ (ALDE, CZ) 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.

As a reminder, the aim of this Directive is to ensure an equal minimum protection of parties injured as a result of traffic accidents across the Union, to ensure their protection in case of insolvency of insurance undertakings and to ensure equal treatment in the authentication of claims-history statements by insurers for potential policy holders crossing internal Union borders.

The committee recommended that the European Parliament's position adopted at first reading under the ordinary legislative procedure should amend the Commission's proposal as follows.

Definitions

It is proposed that the word ‘victim’ is replaced by ‘injured party’ and ‘victims’ be replaced by ‘injured parties’, throughout the Directive.

Members also proposed to clarify the term ‘use of a vehicle’ which shall mean any use of a vehicle in traffic that is consistent with the vehicle's function as a means of transport at the time of the accident, irrespective of the vehicle's characteristics and irrespective of the terrain on which the motor vehicle is used and of whether it is stationary or in motion.

Scope

The proposed Directive shall not cover eBikes, segways and electric scooters since they are smaller and are therefore less likely to cause significant damage to persons or property than others [such as cars or trucks] are, according to Members.

Vehicles intended exclusively for motorsports are also excluded, as they are generally covered by other forms of liability insurance and are not subject to compulsory motor insurance when they are solely used for a competition.

Amounts of cover

In order to ensure the same minimum level of protection for victims, the proposal harmonises obligatory minimum amounts of cover across the EU, without prejudice to any higher guarantees which member states may prescribe:

- for personal injuries: EUR 6 070 000 per accident, irrespective of the number of victims, or EUR 1 220 000 per victim;

- for damages to property: EUR 1 220 000 per claim, irrespective of the number of victims.

Compensation bodies

In order to simplify and make it as easy as possible for administrations, insurers and injured parties to seek claims redress, Members encouraged Member States to create a single body to cover all the functions of the different compensation bodies included in this Directive.

Where a Member State does not administer these bodies as a single administrative unit, it shall notify the Commission and the other Member States of this fact and the reasons for its decision.

Limitation period

Member States shall ensure that a limitation period of at least four years applies to actions that relate to compensation for personal injury and damage to property resulting from a cross-border road traffic accident. They shall ensure that where the national law applicable to the claim provides for a limitation period which is longer than four years, such longer limitation period shall apply.

Evaluation and report

No later than five years after the transposition date, the EU Commission must evaluate, amongst other issues, the application of these rules with regard to technological developments, the adequacy of its scope (possible extension to high speed lightweight vehicles, such as eBikes, segways or

electric scooters), the encouragement of insurance undertakings to include a bonus-malus system in their insurance contracts, including discounts by way of a “no claims bonus”. That report shall be accompanied by the observations of the Commission and, where appropriate, by a legislative proposal.

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.