



Public consultation on REFIT Review of Directive 2009/103/EC on motor insurance

Fields marked with * are mandatory.

Introduction

The Motor Insurance Directive 2009/103/EC (hereafter MID) ensures protection for the victims of motor accidents throughout the EU. The basis of the motor insurance legal framework dates back to 1972, when the First Motor Insurance Directive 72/166/EEC was adopted; this measure aimed at facilitating the free movement of motor vehicles throughout the EEC on the basis of the UN-based Green Card System. The First Directive was further supplemented by three other Directives (84/5/EEC, 90/232/EEC, 2000/26/EC) to be consolidated into Directive 2009/103/EC.

Today, MID ensures that if a vehicle is insured for third party liability in one of the Member States, this cover must apply in the territory of all Member States without need for any further administrative formalities, thus assuring the protection of victims across the EU. At the same time, MID allows Member States to decide to exempt certain motor vehicles from the requirement to hold third party liability insurance, provided that the general pool of insured vehicles also covers third party liability for exempted vehicles.

The REFIT evaluation shall look into all elements of MID, and covers both the evaluation and the Impact Assessment. Without prejudice to the outcome of the evaluation, a number of precise issues have already been identified. It is against this background that this REFIT evaluation will, while covering the whole Directive, focus more closely on the [following topics](#): (i) portability of claims history statements, (ii) possible guarantees towards victims in cases of insurer's insolvency and (iii) the minimum cover amounts, (iv) insurance checks, (v) terminology, (vi) scope of MID, (vii) autonomous cars and (viii) transfer of vehicles. Reference to points (i) and (ii) is also made in the Commission's [Consumer Financial Services Action Plan](#).

The responses to this consultation will provide important guidance to the Commission when preparing, if considered appropriate, a formal Commission proposal for amendment of MID.

Stakeholder mapping

All stakeholders are invited to reply to this consultation. The following stakeholder groups have been identified as particularly relevant.

Consumer associations/EU citizens can provide views both from the point of view of a policyholder and as potential injured parties in traffic accidents

Insurance undertakings and their associations can provide data on how the review of MID can affect premiums. It is assumed they should possess adequate knowledge on the costs of shifting the insurance obligation of construction, industrial, agricultural, fairground and motor sports activities under the umbrella of the motor third-party liability (hereafter MTPL) insurance and how this will affect policyholders.

Motor insurers' bureaus can provide views on the exposure of motor guarantee funds in particular as concerns claims that are result of purely agricultural, construction, industrial, motor sports or fairground activities.

Competent Authorities responsible for the implementation of the motor insurance system.

European institutions: the European Parliament and the Council of the European Union as co-legislators and as representatives of national and political constituencies are likely to have views on the consequences of the review of MID on MTPL policyholders and potential victims. The Committee of the Regions and the European Economic and Social Committee are also likely to have views on the consequences of the review of the scope of MID.

Outline of questionnaire

The questionnaire is divided into the following sections:

- Stakeholder identification part;
- Questionnaire aimed at private individuals comprising of questions on (i) general evaluation of the functioning of MID, (ii) evaluation of specific elements of MID, possible options for amendments and their impacts and (iii) any other issues
- Questionnaire aimed at businesses, business and consumer associations comprising of a questions on (i) general evaluation of the functioning of MID, (ii) evaluation of specific elements of MID, possible options for amendments and their impacts and (iii) any other issues

Replying to the questionnaire

The questionnaire is divided into two parts. Part A contains questions for consumers and part B questions for businesses, business and consumer associations. You may if you wish choose to fill in both questionnaires, either in your private or business capacity.

In replying to these questions, please indicate the expected impact of the issues described in each section of this paper on you or on those you represent, including estimates of administrative or compliance costs. Please also state reasons for your answers and provide, to the extent possible, evidence supporting your views.

If need be, files with additional information can be uploaded using the button at the end of the consultation page. In order to assist in the evaluation of your contribution, we would appreciate if you could follow the structure of this questionnaire and indicate clearly the question to which you are responding in any additional material you might want to provide.


You are invited to reply to this online questionnaire by **20 October 2017** at the latest. Responses will be published on the following website unless requested otherwise:

https://ec.europa.eu/info/consultations/finance-2017-motor-insurance_en

Although some questions are mainly aimed at stakeholders with expert knowledge on the topic, anybody can reply to all questions in this questionnaire if they wish.

Please note: In order to ensure a fair and transparent consultation process **only responses received through our online questionnaire will be taken into account** and included in the report summarising the responses. Should you have a problem completing this questionnaire or if you require particular assistance, please contact fisma-motor-insurance@ec.europa.eu.

More information:

- [on this consultation](#)
- [on the protection of personal data regime for this consultation](#) 

1. Information about you

* Are you replying as:

- a private individual
- an organisation or a company
- a public authority or an international organisation

* Name of your organisation:

Contact email address:

The information you provide here is for administrative purposes only and will not be published

ntpccsecretary@gmail.com

* Is your organisation included in the Transparency Register?

(If your organisation is not registered, [we invite you to register here](#), although it is not compulsory to be registered to reply to this consultation. [Why a transparency register?](#))

- Yes
 No

* Type of organisation:

- | | |
|---|--|
| <input type="radio"/> Academic institution | <input checked="" type="radio"/> Company, SME, micro-enterprise, sole trader |
| <input type="radio"/> Consultancy, law firm | <input type="radio"/> Consumer organisation |
| <input type="radio"/> Industry association | <input type="radio"/> Media |
| <input type="radio"/> Non-governmental organisation | <input type="radio"/> Think tank |
| <input type="radio"/> Trade union | <input type="radio"/> Other |

* Where are you based and/or where do you carry out your activity?

United Kingdom

* Field of activity or sector (*if applicable*):

at least 1 choice(s)

- Car industry
 Insurance
 Transport sector
 Other
 Not applicable


* Please specify your activity field(s) or sector(s):

SIC: 93120 - Activities of sport clubs



Important notice on the publication of responses

* Contributions received are intended for publication on the Commission's website. Do you agree to your contribution being published?

([see specific privacy statement](#) )

- Yes, I agree to my response being published under the name I indicate (*name of your organisation /company/public authority or your name if your reply as an individual*)
 No, I do not want my response to be published

2. Your opinion

A: Questions for private individuals

A.1. GENERAL EVALUATION OF THE FUNCTIONING OF MID

Question 1:

If you have been a victim of an accident that happened in another EU Member State from that where you reside, did you have any problem to receive compensation in good time?

Question 2:

If you have been a victim of an accident that happened where you reside caused by a driver insured in another Member State, did you experience any problem to receive compensation in good time?

Question 3:

If you have been a victim of an accident caused by an uninsured vehicle or a vehicle that was impossible to be traced, did you experience any problem to receive compensation in time?

A.2. EVALUATION OF SPECIFIC ELEMENTS OF MID, POSSIBLE OPTIONS FOR AMENDMENTS AND THEIR IMPACTS

A.2.1. PORTABILITY OF CLAIMS HISTORY STATEMENTS

Policyholders can ask their insurers for a statement, which provides a history of claims over the last five years. The purpose of such a statement is to help a policyholder with a good driving record to obtain a

lower bonus/malus rating and hence a lower premium when switching to another insurer. Often, the receiving insurer will agree to take into account such a statement. However, this is not always the case, especially in cross-border situations, which can hinder cross-border mobility.

Question 4:

If you have moved from one Member State to another Member State, did you experience any problem in acquiring your MTPL insurance policy?

Question 5:

If you obtained a certificate from your previous insurer in the original Member State showing for example that you had not caused an accident in the last 5 years, did the new insurer in the other Member State take it into account in calculating the premium?

Question 6:

If the answer to the previous question is negative, what were the reasons for such refusal?

- the new insurer does not recognize statements from a foreign insurer
- the new insurer requested a statement covering more than the last five years
- other reason
- no reason given

Question 7:

In your view, should insurers be obliged to take into account a claims history statement from a previous insurer (including from another Member State) for the purposes of premium calculation?

Question 8:

In your view, should insurers be obliged to publish their policies regarding no claims bonuses and bonus /malus discounts to contribute to better treatment of policyholders when switching?

A.2.2. PROTECTION OF VICTIMS IN CASES WHERE A CROSS-BORDER MOTOR INSURER IS INSOLVENT

Victims of car accidents face a risk of not receiving compensation if the insurer of the responsible driver, based in another Member State, becomes insolvent. Not all Member States currently participate in a voluntary international agreement to ensure compensation of victims where an accident in one Member State is caused by a vehicle covered by an insolvent insurer based in another Member State. In a recent case of insolvency of an insurer providing cross-border motor insurance, a guarantee fund in another Member State (where policyholders were located) had to compensate approximately 1,750 claimants, without having received any contributions from the insurer in question. In response to the Commission's recent Green Paper on Retail Financial Services (Green Paper on retail financial services: Better products, more choice, and greater opportunities for consumers and businesses, 10.12.2015, COM(2015) 630 final.), several stakeholders suggested amending EU legislation to ensure that the guarantee fund of the Member State of the insolvent insurer bears the costs stemming from the claims of this insurer.

Question 9:

Should EU law afford full protection of parties injured in traffic accidents in the case of insolvency of the insurer (regardless of where in the EU the insurer is based)?

A.2.3. DEEMED INSURANCE COVER AND INSURANCE CHECKS

In order to facilitate the free movement of people and to make sure that the Member States do not carry out motor insurance checks at borders, MID prohibits checks on insurance other than non-systematic ones that are not discriminatory and are not aimed exclusively at insurance verification. At the same time, one of the key indicators of the functioning of MID is how the Member States ensure that all vehicles are insured. The costs of accidents by uninsured driving are paid for in the end by all other policyholders. The provision banning systematic insurance checks was introduced when there were no other means of insurance verification than to physically stop the vehicle and check the documents. Currently, automated systems checking insurance on the basis of number plates can be deployed without restricting traffic. In this context, it needs to be explored whether the exchange of information on number plates and linked insurance policies should be improved.

Question 10:

Should MID permit systematic checks on insurance of vehicles by electronic means without physically stopping the vehicle?

A.2.4. PROTECTION OF VISITORS

Compared to the Green Card system, which protects victims against accidents caused by visiting drivers, MID also provides protection for victims of an accident in Member States where they are not residents (visitors). To that end, the Member States must require insurers from other Member States to appoint claims representatives. Furthermore, Member States are required to set up information centres that facilitate tracking of drivers and compensation bodies that provide assistance in cases where the victim cannot co-operate effectively with the insurer.

Question 11:

Is the protection of visitors provided under MID sufficient?

A.2.5. SCOPE

The MID provides that the use of any motor vehicles intended for travel on land and propelled by mechanical power must be insured for third party liability. A sufficiently wide definition of vehicles was important to ensure that victims of accidents are adequately protected. However, due to rapid technological development over the last years, the original definition now encompasses a much wider variety of newly created vehicles, such as low-speed electric bicycles, Segways, golf buggies or mobility scooters.

MID allows Member States to exempt certain types of motor vehicles from the insurance obligation. However, in those cases, accidents caused by such vehicles must be covered by guarantee funds that are set up to compensate victims of accidents caused by uninsured or untraced vehicles and towards which all policyholders automatically contribute through their premiums (the levy by the guarantee fund is charged to insurers, who then presumably integrate it in premiums charged to policyholders).

The European Court of Justice has clarified in a judgement of 2014 (case C-162/13), the so-called Vnuk-ruling), which concerned an accident on a private property caused by a tractor, that the concept of the 'use of vehicles' covers any use of a motor vehicle that is consistent with the normal function of that vehicle.

Therefore vehicles used in certain locations (also outside of road traffic) and/or certain activities which might not have been initially understood as being covered are now clarified as covered by the obligation of insurance cover under MID. Specifically, accidents that are the result of agricultural, construction, industrial, motor sports or fairground activities outside of public roads must now be covered by motor third party liability policies.

Question 12:

Should the protection provided under MID include liability for accidents irrespective where they occur, thus both on public roads and private property?

Question 13:

Should it be left to the discretion of individual Member States to exempt certain natural or legal persons, certain public or private vehicles, certain types of vehicles or vehicles bearing special number plates that normally fall under MID, provided that the victims are otherwise compensated?

Question 14:

What types of vehicles, if any, should be completely excluded from the scope of MID at EU-level?

Question 15:

Should compulsory MTPL insurance cover accidents resulting from agricultural, construction, industrial, motor sports or fairground activities?

A.2.5. TECHNOLOGICAL EVOLUTION – AUTONOMOUS VEHICLES

When the MID was adopted, motor vehicles were always driven by a person, with little electronic/automatic facilities. However, the automotive industry nowadays sees increased automation of vehicles, possibly leading to fully autonomous vehicles on the roads in the near future. The definition of a "vehicle" is neutral vis-à-vis new technologies and thus does not distinguish between "vehicles with a driver" or "autonomous vehicles". However, it is conceivable that with the introduction of autonomous vehicles, the responsibility for accidents might be transferred to manufacturers of vehicles or even entities responsible for the road infrastructure. This raises the question whether the current system of liability insurance, where the

responsibility for the accident lies with the owner/driver of the vehicle, will be suitable in all cases in the future.

Question 16:

Should autonomous vehicles continue to be insured for liability to victims of accidents in the same manner as vehicles with drivers?

Question 17:

Do you have other comments related to technological evolution?

A.2.6. TRANSFER OF VEHICLES

MID seeks to facilitate purchases of vehicles in other Member States by stating that the Member State of destination is the Member State where the risk is based, even though the vehicle will not yet be formally registered there. When a person buys a vehicle in another Member State, that person has the maximum of 30 days to register his/her car in his/her home Member State and to arrange suitable MTPL insurance.

Question 18:

If you have purchased a vehicle in another Member State, did you experience any problems in obtaining MTPL insurance for the purpose of bringing your vehicle back home?

Question 19:

Should the current legal framework applicable for dispatched vehicles be modified in any manner? Please specify how.

A.2.7. ANY OTHER ISSUES

The above questions are based on what the Commission's services consider are the key issues that warrant evaluation. In order not to omit any other topics, it is necessary to ask whether interested parties have any other potential problems to raise.

Question 20:

Are there any other issues not falling within the remit of the above questions that might require action at EU level you wish to raise? What would be your preferred solution to the identified issue?

B: Questions to Businesses, Business and Consumer Associations

B.1. GENERAL EVALUATION OF THE FUNCTIONING OF MID

Question 1:

Do you consider that the number of uninsured vehicles is problematic in your Member State? What are in your view the reasons for uninsured driving?

Question 2:

Do you consider that measures are needed at European level to reduce the levels of uninsured driving? If yes, what could those measures be?

B.2. EVALUATION OF SPECIFIC ELEMENTS OF MID, POSSIBLE OPTIONS FOR AMENDMENTS AND THEIR IMPACTS

B.2.1. PORTABILITY OF CLAIMS HISTORY STATEMENTS

Policyholders can ask their insurers for a statement, which provides a history of claims over the last five years. The purpose of such a statement is to help a policyholder with a good driving record to obtain a lower bonus/malus rating and hence a lower premium when switching to another insurer. Often, the

receiving insurer will agree to take into account such a statement. However, this is not always the case, especially in cross-border situations, which can hinder cross-border mobility.

Question 3:

Do you consider that the five-year period of the claims history statements is sufficient? If not, what should be the period for such statements: seven, ten, fifteen years?

Question 4:

Should the format of claims history statements be standardised in the EU?

Question 5:

Should insurers be obliged to take into account a claims history statement from a previous insurer (including from another Member State) for the purposes of premium calculation?

Question 6:

Do you (if you are an insurer) take into account claims history statements from other insurers and how? If not, please explain why.

Question 7:

Would an obligation on insurers to make public their policies regarding no claims bonuses and bonus /malus discounts policies contribute to better treatment of policyholders when switching?

Question 8:

Do you have other comments related to the portability of claims history statements?

B.2.2. PROTECTION OF INJURED PARTIES WHEN A CROSS-BORDER MOTOR INSURER IS INSOLVENT

Victims of car accidents face a risk of not receiving compensation if the insurer of the responsible driver, based in another Member State, becomes insolvent. Not all Member States currently participate in a voluntary international agreement to ensure compensation of victims where an accident in one Member State is caused by a vehicle covered by an insolvent insurer based in another Member State (For further information, see [website of Council of Bureaux](#)). In a recent case of insolvency of an insurer providing cross-border motor insurance, a guarantee fund in another Member State (where policyholders were located) had to compensate approximately 1,750 claimants, without having received any contributions from the insurer in question. In response to the Green Paper on Retail Financial Services (Question 20 of the Green Paper on retail financial services of 10 December 2015, COM(2015)630 final), several stakeholders suggested amending EU legislation to ensure that the guarantee fund of the Member State of the insolvent insurer bears the costs stemming from the claims of this insurer. The issue needs to be considered from two angles – first from the point of view of the injured party as to in which Member State s/he should claim compensation and second as to which Member State should eventually pay the final bill.

Question 9:

In cases where an insurer providing insurance cross-border in another Member State becomes insolvent, what is the most appropriate solution in the case of an accident caused by a policyholder of that insolvent insurer?

- No legally required intervention by any guarantee fund in any Member State with the consequence that the victim risks not receiving any compensation from an insurer or guarantee fund and may have to seek recourse from the responsible driver in civil courts (current situation if no voluntary agreement for compensation is in place)
- A fund or compensation scheme in the Member State of the insurer should eventually compensate the victim/reimburse intervention of guarantee scheme of the Member State of residence of the victim
- A fund or compensation scheme in the Member State of the insured party (responsible driver) and /or accident should intervene, regardless of whether the insurer contributed to that fund or not
- A fund or compensation scheme in the Member State of the insured party (responsible driver) and /or accident should intervene, only if the insurer contributed to that fund
- An EU-wide fund with separate contributions
- Another treatment

Question 10:

Should injured parties seek compensation from the competent body in the Member State of:

- their residence, in which case this body would have a recourse towards the body of the Member State where the insurers has its head office of the insurer
- where the insurers has its head office

If EU law were to introduce a requirement to compensate victims of traffic accidents in case of insolvency of the insurer, the question would arise whether compensation should be partial or full, as if it were provided by the insurer itself. There is currently no guarantee at EU level that victims get full compensation in such cases and Member States are free to limit it.

Question 11:

Should EU law provide that in the case of insolvency of the insurer, compensation to the victim must be provided in full?

Question 12:

Do you have other comments related to protection of victims where a cross-border motor insurer is insolvent?

B.2.3. MINIMUM AMOUNTS OF COVER

The MID lays down minimum amounts that a motor insurance third party liability policy must cover in case of personal injury and damage to property. These amounts are reviewed every five years to take into account inflation. The amounts laid down (in euro) are currently as follows (after several periodic revisions): in the case of personal injury, the minimum amount of cover is €1 220 000 per victim or €6 070 000 per claim, whatever the number of victims; and in the case of material damage, the minimum amount is €1 220 000 per claim, whatever the number of victims.

MID currently does not differentiate between types of vehicles and their potential to cause damage. Since some vehicles, such as trucks, due to their size may cause more damage per accident than an ordinary passenger car, some Member States have introduced a higher minimum amount of cover for heavy vehicles of up to €25.000.000.

Question 13:

Should the minimum amounts of cover continue to be the same in all EU Member States?

Question 14:

Should the minimum amounts of cover be lower, higher or remain the same compared to what they currently are under MID?

Question 15:

Should MID differentiate between types of vehicles (such as electric bicycles, lorries, tractors, etc.) for the determination of the minimum amounts of cover?

Question 16:

If so, what should be the minimum amounts of cover for those different types of vehicles? Please specify:

Question 17:

Do you have other comments related to minimum amounts of cover?

B.2.4. DEEMED INSURANCE COVER AND INSURANCE CHECKS

In order to facilitate the free movement of people and to make sure that the Member States do not carry out motor insurance checks at borders, MID prohibits checks on insurance other than non-systematic ones that are not discriminatory and are not aimed exclusively at insurance verification. At the same time,

one of the key indicators of the functioning of MID is how the Member States ensure that all vehicles are insured. The provision banning systematic insurance checks was introduced when there were no other means of insurance verification than to physically stop the vehicle and check the documents. Currently, automated systems checking insurance on the basis of number plates can be deployed without restricting traffic. In this context, it needs to be explored whether the exchange of information on number plates and linked insurance policies should be improved.

Question 18:

Should MID permit systematic checks on insurance by electronic means without physically stopping the vehicle?

Question 19:

Should the cross-border exchange of information on number plates and linked insurance policies be improved and/or streamlined between Member States?

MID lays down criteria on the basis of which it is determined which Member State is responsible for a vehicle on the basis of the concept of vehicles being "normally based" in their territories. There are four criteria on the basis of which the origin of the vehicle is determined: (i) the vehicle's registration plate, (ii) the insurance plate or a distinguishing sign, (iii) the place of residence of the person who has the custody of a vehicle or (iv) failing the previous 3 criteria, the territory of the Member State where the accident took place.

Question 20:

Does the current system of determining the Member State where the vehicle is based capture adequately all conceivable situations? If not, please state why.

Question 21:

Do you have other comments related to insurance checks?

B.2.5. PROTECTION OF VISITORS

Compared to the Green Card system, which protects victims against accidents caused by visiting drivers, MID also provides protection for victims of an accident in countries where they are not residents (visitors). To that end, the Member States must require insurers from other Member States to appoint claims representatives. Furthermore, they are required to set up information centres that facilitate tracking of drivers and compensation bodies that provide assistance in cases where the victim cannot co-operate effectively with the insurer.

Question 22:

Is the protection of visiting victims provided under MID sufficient? Is there a level playing field with the Green Card protection?

Question 23:

Does the functioning of the claims representatives, information centers and compensation bodies need to be improved? If so, how?

Question 24:

Do you have other comments related to claims concerning visiting victims?

B.2.6. TERMINOLOGY AND DEFINITIONS

The aim of MID is to protect victims. MID uses both the term "victim" and "injured party", while only the term "injured party" is defined. It is hence possible that the two terms have different meanings. This can result in different persons affected by accidents being covered by different provisions, without clarifying the rationale for such distinction in MID.

Question 25:

Are there any terminology or definition issues in MID that undermine its effective functioning?

Question 26:

If the answer to the previous question is in the affirmative, please state the issues and explain their effect on the protection of victims of traffic accidents.

B.2.7. SCOPE

The MID provides that the use of any motor vehicles intended for travel on land and propelled by mechanical power must be insured for third party liability. A sufficiently wide definition of vehicles was important to ensure that victims of accidents are adequately protected. However, due to rapid technological development over the last years, the original definition now encompasses a much wider variety of newly created vehicles, such as low-speed electric bicycles, segways, golf buggies or mobility scooters.

MID allows Member States to exempt certain types of motor vehicles from the insurance obligation. However, in those cases, accidents caused by such vehicles must be covered by guarantee funds that are set up to compensate victims of accidents caused by uninsured or untraced vehicles and towards which all policyholders automatically contribute through their premiums (the levy by the guarantee fund is charged to insurers who then presumably integrate it in premiums charged to policyholders).

The European Court of Justice has clarified in a judgement of 2014 (case C-162/13, the so-called Vnuk-ruling), which concerned an accident on a private property caused by a tractor, that the concept of the 'use of vehicles' covers any use of a motor vehicle that is consistent with the normal function of that vehicle.

Therefore vehicles used in certain locations (also outside of road traffic) and/or certain activities which might not have been initially understood as being covered now clarified as covered by the obligation of insurance cover under MID. Specifically, accidents that are the result of agricultural, construction, industrial, motor sports or fairground activities outside of public roads must now be covered by motor third party liability policies.

Question 27:

Should the protection provided under MID include liability for accidents irrespective where they occur, thus both on public roads and private property?

No. It should only apply to public roads, not private property

Question 28:

In light of the Vnuk ruling, should it be left to the discretion of individual Member States to exempt certain natural or legal persons, certain public or private vehicles, certain types of vehicles or vehicles bearing special number plates that normally fall under MID, provided that the victims are otherwise compensated? If not, why not and what action should be taken?

No. Exempting or derogating motorsport vehicles from the requirement of the Directive does not mean the liability goes away. The number of accidents between motorsport vehicles is far more regular than in traffic conditions due to the competition. In the event of a claim where 'derogated/exempted vehicles' are in use, it falls to either the National Guarantee Fund, or a similar organisation, to compensate the victim from a central fund. So if motorsport vehicles were to be exempted, the subsequent cost of claims arising uninsured motorsport activities would dramatically increase the amount of compensation being paid by one of these funding options (e.g. MIB in the UK), so requiring a significant increase in the size of the fund being raised from road-user insurance. Transferring the cost of this solution, arising from accidents in motorsport, onto the road-going motorist would be unfair when considering the increased risk which competitive motorsport use represents when compared to the normal use of a road-going motor vehicle.

Question 29:

What types of vehicles, if any, should be excluded from the scope of MID at EU level?

All vehicles used for motorsport activities.

Question 30:

Should compulsory MTPL insurance cover accidents resulting from agricultural, construction, industrial, motor sports or fairground activities?

No. Compulsory Motor Third Party Liability (MTPL) insurance should not cover accidents that occur on private land.

Question 31:

Should compulsory MTPL insurance cover accidents that occur on areas that the public are not allowed (legally) to access?

Question 32:

Do you have other comments related to the scope of MID?

1. All regulated motorsport activities in the UK take place under an organising permit issued by the Motor Sports Association (MSA) and are automatically covered under an umbrella public liability insurance policy maintained by the MSA for the sport, currently with cover up to £67 million. All competitors and officials at such events are also automatically covered under an umbrella personal accident insurance policy. The claims incidence under these policies is typically less than 50 claims in any given year.

The legal position as to the duty of care owed by one competitor to another, in any sport, has been long established by common law in the UK. It is often the nature of competition that those taking part are pushing themselves close to their maximum capability. The standard is recognised as a very different degree of care from that owed by one public road user to another.

Competitors in motor sport recognise and understand the risks which they may face, and they have the opportunity to make a risk-based decision as to whether they wish to insure themselves against injury or other loss, and to insure their equipment (a competition vehicle) against damage or other loss.

Competitors also explicitly recognise the risks at the point they sign-on to every event. Much of MSA regulated motor sport takes place either at low speed, or in running order one after another, and in circumstances where risks are relatively low.

2. Given the third party liability insurance provision that already exists for all regulated UK motorsport, we would argue that motorsport already embraces the spirit of the European Court's 2014 Vnuk judgement in relation to its own activities and that the imposition of compulsory MTPL insurance on the sport is both unnecessary, unwarranted and totally disproportionate, having regard to the consequential negative economic and social impacts that would result.

3. According to insurance industry sources, no Motor Third Party Liability insurance will be available to cover motorsport activities, therefore, motorsport would cease to exist in Europe. The forced closure of European motorsport will be a direct consequence of this Directive unless the wording is amended to limit obligatory insurance so that it only applies to vehicles used in traffic.

4. The estimated economic and social impacts of this would be considerable and totally disproportionate to the perceived problem - see point 7 below.

5. Northern Phoenix's particular branch of motorsport takes place exclusively within rural communities and brings together a diverse range of competitors, volunteers and other participants aged between 14 and 80 years of age from a

variety of social and ethnic backgrounds. It not only provides social interaction in often remote rural areas but also helps support rural economies and farm diversification through a combination of fees paid to landowners for the use of their sites, overnight accommodation, food and refreshments etc.

6. Given the immediate cessation of European motorsport that would arise from the current interpretation of the Vnuk judgement, we challenge the statement in the MID Impact Assessment that “the main economic impact is likely to be on the level of premiums paid by motor policyholders”. By far the more significant impact, should Option 3 fail to be the chosen amendment, will arise from the loss of tens of thousands of motorsport jobs and billions of euros in motorsport sales and investment across EU Member States. The closure of thousands of motorsport-related businesses, who transact more than euro 25 billion each year, will be added to the total loss of an important sporting activity enjoyed by millions of European people.

7. We dispute the impact assessment's assertion that “there is no impact on fundamental rights”, given the loss to the public of the entire sport of motorsport and its long cultural history across the EU. Principle 6 of the IOC's Olympic Charter specifically states “the practice of sport is a human right”. The EU's revised European Sports Charter of 2001 confirmed the importance and social value of sport and their European Economic and Social Committee in 2011 stated “sport contributes to the cultural and social life for both the individual and society as a whole”

8. We strongly support your Option 3 as being the correct interpretation and that the place of use should be defined as being ‘in traffic only’, as defined in the REFIT review of the Motor Insurance Directive Impact Assessment. It is not the ‘function of the vehicle’ which matters but the ‘place of the vehicle’ is in use.

B.2.8. TECHNOLOGICAL EVOLUTION – AUTONOMOUS VEHICLES

When the MID was adopted, motor vehicles were always driven by a person, with little electronic/automatic facilities. However, the automotive industry nowadays sees increased automation of vehicles, possibly leading to fully autonomous vehicles on the roads in the near future. The definition of a "vehicle" is neutral vis-à-vis new technologies and thus does not distinguish between "vehicles with a driver" or "autonomous vehicles". However, it is conceivable that with the introduction of autonomous vehicles, the responsibility for accidents might be transferred to manufacturers of vehicles or entities responsible for the road infrastructure. This raises the question whether the current system of liability insurance, where the responsibility for the accident lies with the owner/driver of the vehicle, will be suitable in all cases in the future.

Question 33:

Should autonomous vehicles continue be insured for liability to victims of accidents the same way as vehicles with drivers?

Question 34:

Should MID be clarified in any way to reflect the development of autonomous vehicles? If so, please substantiate your answer and explain how.

Question 35:

Do you have other comments related to technological evolution?

B.2.9. TRANSFER OF VEHICLES

MID seeks to facilitate purchases of vehicles in other Member States by stating that the Member State of destination is the Member State where the risk is based, even though the vehicle will not yet be formally registered there. When a person buys a vehicle in another Member State, that person has the maximum of 30 days to register his/her car in his/her home Member State and to arrange suitable MTPL insurance.

Question 36:

Should the current legal framework applicable for dispatched vehicles be modified in any manner? Please specify how

Question 37:

Do you have other comments related to the transfer of vehicles?

B.2.10. ANY OTHER ISSUES

The above questions are based on what the Commission services consider are the key issues that warrant evaluation. In order not to omit any other topics, it is necessary to ask whether interested parties have any other potential problems to raise.

Question 38:

Are there any other issues not falling within the remit of the above questions that might require action at EU level you wish to raise? What would be your preferred solution to the identified issue?

3. Additional information

Should you wish to provide additional information (e.g. a position paper, report) or raise specific points not covered by the questionnaire, you can upload your additional document(s) here:

Useful links

[More on the Transparency register \(http://ec.europa.eu/transparencyregister/public/homePage.do?locale=en\)](http://ec.europa.eu/transparencyregister/public/homePage.do?locale=en)

[Consultation details \(https://ec.europa.eu/info/consultations/finance-2017-motor-insurance_en\)](https://ec.europa.eu/info/consultations/finance-2017-motor-insurance_en)

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