The Green Card system

- 48 countries / 47 Bureaux
- Over 450 million vehicle fleet *
- More than 450,000 cross-border accidents annually **
- 1500+ insurers issuing Green Cards ***

* Data from CoB Member Bureaux and other sources, 2013-2015
** Data from CoB Member Bureaux, estimate, 2017
*** CoB data, 2017
Financial Stability - challenges

Challenges because of

- Huge differences regarding the limits of cover between the participating countries of the GC system (10,000,-€ versus unlimited) and in the compensation of claims
- Importing GC accidents versus Exporting GC accidents (net exporter – pressure on the solvency/liquidity of the National Bureaux and its MTPL market)
- The risk profile versus insufficient premium
Financial Stability - Additional challenges

A VERY COMPLEX CLAIMS LANDSCAPE

- Very heavy dependence on MTPL (Green Card)
- Growing claims statistics / loss ratios
- Low-premium environments
- Market liberalisation initiatives
- Insolvencies, including cross-border
- Maturity of the markets and lack of long-term outlook (reserving, cross-border cooperation etc.)
Financial Stability

Follow up on the financial performance of the GC member countries via the ‘Online Guarantee Call’ (OGC) system

- Massive increase of OGCs (2018: 7200 OGCs for 26 Mio compared to annual volumes of 1500-1800 for 5-7 Mio)
- Mainly related to one market (BG) and one undisciplined MTPL insurer

➢ Consequences for Handling Bureau being unable to recover their outlays, affecting their liquidity situation
Financial Stability

- RO – recently increase of OGCs
- MD – member since 1999 – nearly permanently under monitoring – final decision in 2020
- Islamic Republic of Iran – due to International sanctions – impossibility to execute payments - net exporter of accidents
Revised structure of the CoB

- Beside the GC system – the CoB provides secretarial and administrative support to the GF and CB of the EEA MS in the framework of the protection of foreign visitors (MID)

- In order to facilitate even more the international road traffic and the protection of victims of cross border accidents => started to integrate these bodies as members in the CoB structure
Revised Structure of the CoB

- Review of the Constitution
- Change in the management structure
- President will be replaced by a Presidential college (representative of MA Bureaux, a representative of a non EEA Bureaux and a representative of the GFs)
- Finalisation of the ‘Articles of Association’ and the ‘Standard operational Procedure’ at the latest mid December 2019
- EO GA of the Bureaux: 15 January 2020
Membership issues

The candidacy of the Armenian Bureau to become member is challenged by the particular position of Nagorno-Karabakh.

- Vehicle registration databases for vehicles originating from Armenia and Nagorno Karabakh => to be distinguished
- Impossibility to issue Armenian GC for vehicles originating from Nagorno Karabakh

Other countries that expressed a certain interest (Algeria, Georgia and Kazakhstan) => Status quo
Brexit - consequences

- Green card system
  - Relation based on the existence of a GC – no real impact – only an adjustment on the Green Card (the territorial scope)
  - Relation based on deemed insurance cover: 1st MID: can be extended with non-EEA countries (currently AND, CH, SRB, shortly also BiH and GB, after Brexit)

- Protection of Visitors (MID)
  - Linked to EEA
1. INTERNATIONAL MOTOR INSURANCE CARD  
2. Issued under the authority of  
3. VALID  
4. Country code/insurer's code/number  

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5. Registration No. (or if none) Chassis or Engine No.  
6. Category of Vehicle  
7. Make of Vehicle  
8. Territorial validity  
   This card is valid in countries for which the relevant box is not crossed out (for further information, please see www.cceb.org)  
   In each country visited, the bureau of that country guarantees, in respect of the use of the vehicle referred to herein, the insurance cover in accordance with the laws relating to compulsory insurance in that country.  
   For the identification of the relevant bureau, see reverse side.  

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(*) Category of Vehicles Code:  
A. Car  
B. Motorcycle  
C. Lorry or Tractor  
D. Cycle fitted with auxiliary engine  
E. Bus  
F. Trailer  
G. Others  

9. Name and address of the Policyholder (or User of the vehicle)  
10. This card has been issued by:  
   - Name of the insurer:  
   - Address of the insurer:  
   - Logo of the company  
   - Phone &/or Fax number(s)  
   - Homepage  
   - E-mail address  

11. Signature of Insurer  

Useful Information [optional for the national markets to indicate additional information]
Data Protection Issues

➢ Data exchange between EEA Insurers and non EEA Bureaux

➢ Guidelines have been drafted (with mainly reference to the art 49(1) § 1 and § 2 of the GDPR
Last year’s decision of SC1: “to abolish the requirement to print Green Cards in green colour and to issue them in PDFs in black and white”

GA 2019 – authorises National Bureau on a ‘voluntary’ basis to issue the IMIC in black and white in PDF format, and to send it electronically (via e-mail) to their policyholders.

- National Bureau wishing to keep the IMIC printed on green paper will not be hindered in doing so BUT should accept the printed black on white IMICs from visiting motorist

- enter into force 01/07/2020
International Motor Insurance Certificate

- Adjustment of the Internal Regulation &
- Format of the IMIC

The rear page of the GC, listing the contact details of all National Bureaux, has become optional since this list can also be consulted via the website of the CoB.
The EC published a public consultation regarding the REFIT review of Directive 2009/103/EC on Motor Insurance on 28/07/2017

COB as a technical organisation in this field, formulated replies to questions of interest (Protection of injured parties when a cross border insurer is insolvent; Minimum amounts of cover; Deemed insurance and insurance checks; transfer of vehicles from one MS to another; etc..)

The EC published its proposal for amendment of the MID on 24/05/2018

The EP adopted amendments to the EC proposals on 13/02/2019 and referred the proposal for inter-institutional negotiations.

CoB is currently considering a position paper on the EP amendments
Thank you for your attention!

www.cobx.org