



PROTECTING CROSS-BORDER ROAD TRAFFIC VICTIMS

Report to the 118th Session of the WP on Road Transport of the Economic Commission for Europe

Greet FLORE – General Managing Director

Luk DE BAERE – Legal Managing Director

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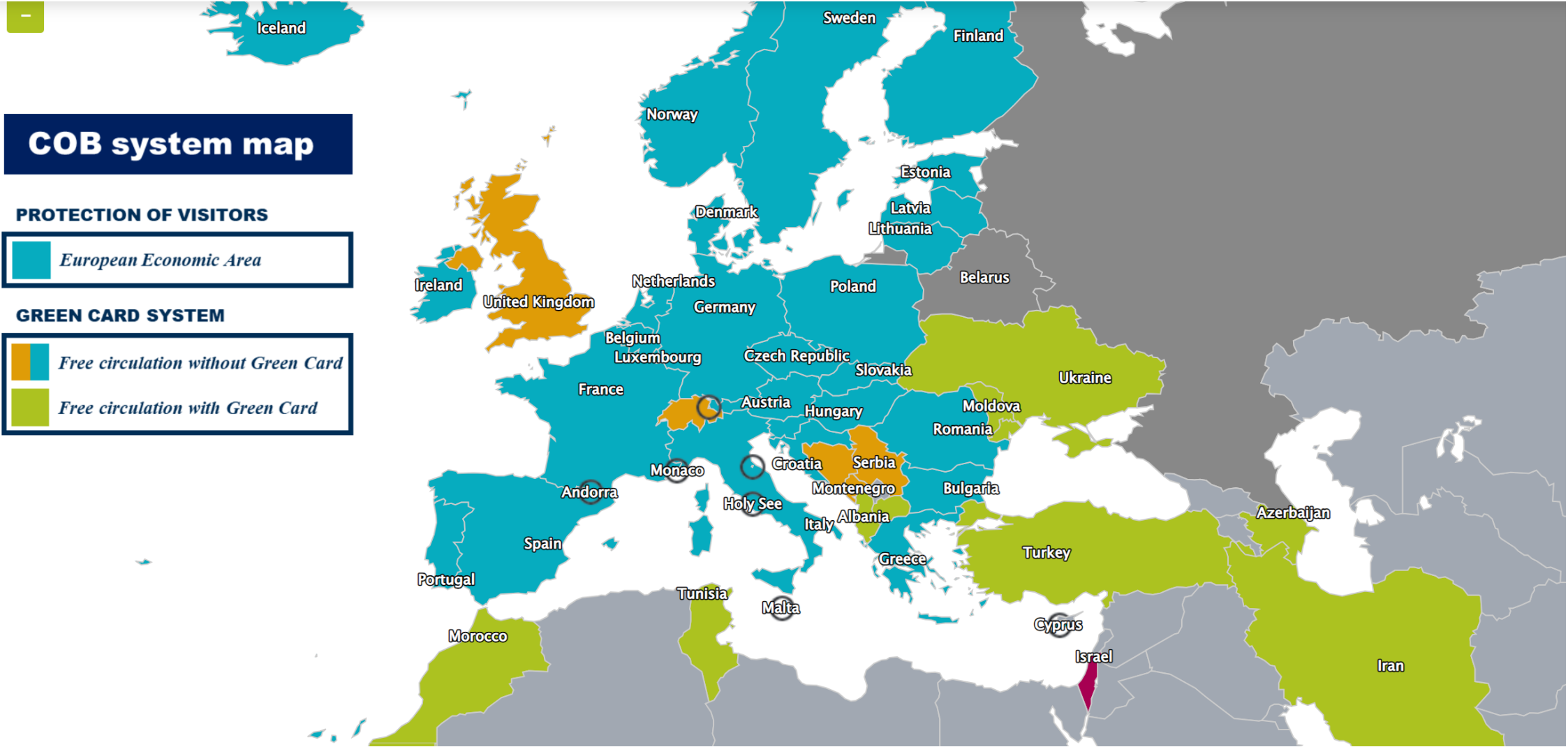
Overview

- **Key figures**
- **Membership issues**
- **COB Secretariat**
- **Financial Stability**
- **COB Collaboration Platform**
- **e-IMIC – digitalisation**
- **Data Protection**
- **New Motor Insurance Directive – Insolvency Agreements**



Key Figures

Key figures



Key figures



PROTECTING CROSS-BORDER ROAD TRAFFIC VICTIMS

- **48 countries – 44 active Member Green Card Bureaux**
- **> 397 million vehicles**
- **On average: 417.000 cross border road traffic accidents (Green Card system)**
drop: 2020 – 2021
- **Cash flow turnover: rough estimate:**
1.5 billion euro
- **± 1.500 MTPL insurers**



Membership issues

Membership issues: overview

- **COB Articles of Association**
- **Belarus / Russia**
- **Iran**
- **Georgia**
- **Bulgaria (p.m.; see financial stability)**
- **Frontier insurance**
- **Cooperation with other card systems ?**

COB: Constitution – Articles of Association

- **2022:**

Measures or sanctions
(including suspension and
termination)

<==>

Breach of obligations

- **2023:**

Measures or sanctions
(including suspension and
termination)

<==>

- Breach of obligations
- (macro-)economic, financial or legal circumstances present a **threat** to continuity of GC system and/or MID

Belarus & Russia: Termination bilateral agreements

- **UA / RUS**
 - **UA / BY**
- } Termination bilateral agreements with effect
as of **5 April 2022**

○ **EEA Bureaux + CH + UK:**

- Bilateral agreements:
termination procedure started in April 2022
- One year transition period
- Effect as of **1 June 2023**

○ **Non-EEA Bureaux (except CH and UK): continuation in 2022**

Belarus & Russia: suspension

o EU sanctions:

o BY & RUS:

~ Bureaux ≠ directly sanctioned entities

~ But: screening: control of Bureaux (high compliance risk)

o RUS:

~ Legal services

~ IT services

} may not be provided to legal entities established in RUS

o Decisions:

o RUS: Supervisory Board March 2023

o BY: General Assembly June 2023



with effect as of **30 June 2023**

BY & RUS: suspension: Consequences

o UA / BY & RUS

- o no cross-border traffic since 5 April 2022

o BY & RUS / EEA States + CH + UK

- o Green Card system no longer applicable since 1 June 2023
- o One year transition period
==> no problems with existing Green Cards

BY & RUS: suspension: Consequences

- **BY & RUS / non-EEA States (except CH and UK)**
 - Green Card system no longer applicable since 30 June 2023
 - Information provided to all Bureaux in March 2023
 - More problems with existing Green Cards valid for one year
 - Nevertheless: overriding rules of EU sanctions (COB, based in Brussels, has to comply)
 - Bilateral solutions between countries involved possible, but outside Green Card system

Iran

- Since years: **payment** and **communication** problems
- Supervisory Board: mandate to suspend
- Mandate was used in December 2022
- Suspension: effect as of **1 January 2024**
- **Consequences:** one year transition period
==> no problems with existing Green Cards to be expected

Georgia

- Interest in joining Green Card system

- COB Articles of Association:

*« There shall be **legislation** in force, regulating the compulsory MTPL insurance in the state in question and this legislation shall, at the time of the admission request, be in force **for at least two years** »*

- Support COB for elaboration of MTPL legislation

Membership issues: other

○ Bulgaria

- Pro memoria; see financial stability

○ Frontier insurance

- Increased relevance since invasion UA by RUS:
 - ~ Ukrainian refugees
 - ~ suspension BY & RUS

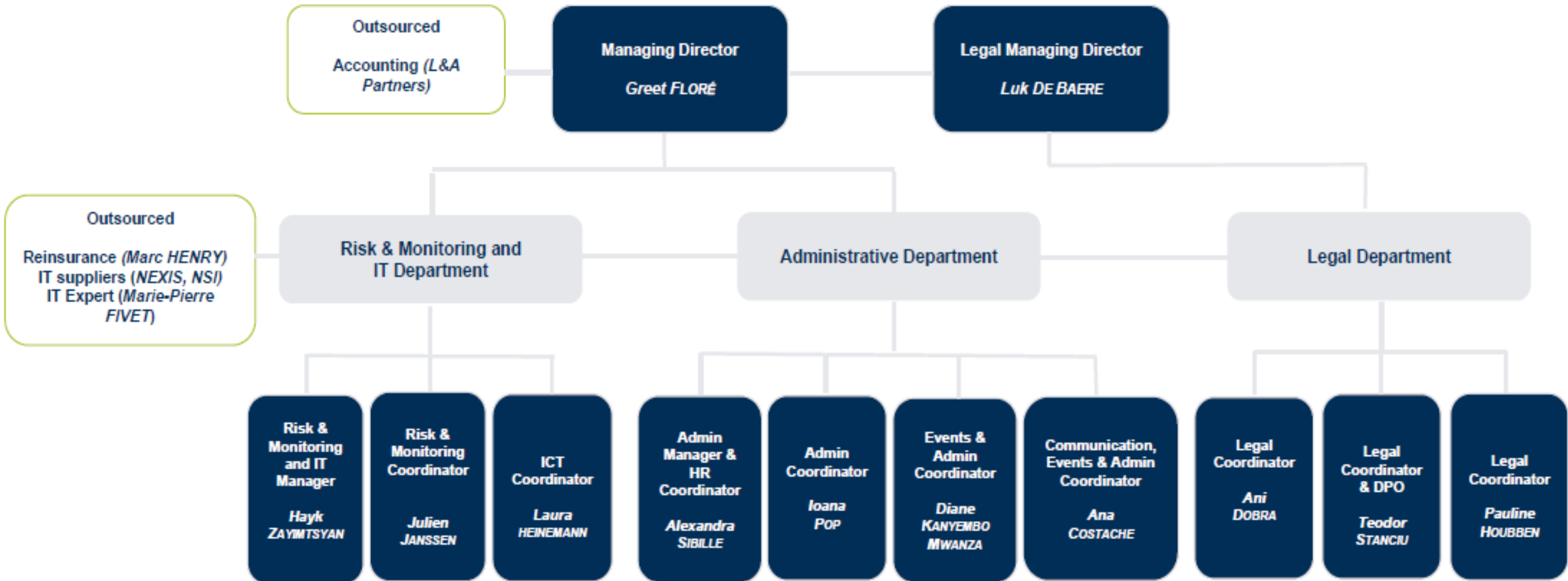
○ Cooperation with other card systems ?

- Meeting Brussels 31 October 2023



COB Secretariat

COB Secretariat: Organisation chart



'Who' is responsible for 'what'

○ **Managing Directors are each other's back up**

- Contact always both of us (at least keep the other MD in cc)
- SB / GA – shared responsibility

○ **Legal Managing Director - Luk**

- Key contact person in relation to UNECE
- Mediation
- Committees/ WG under his responsibility
 - ~ Application Committee / IR Committee / CB/GF Committee /WG on DP/ Insolvency WG / Fraud WG / all WGs related to one of these Committees

○ **Managing Director - Greet**

- ~ Monitoring Committee / IT Committee / e-IMIC WG
- ~ General organisation of the Secretariat (Budget/ HR/Communication platform/ organisation of the GA/ Relocation of the Secretariat/ ...)



Financial stability

Financial Stability

Another challenging Year

- Exceptional situation in relation to RUS/BY
 - ~ Because of EU/UK/US Sanctions => Practical difficulties in making and receiving Payments
 - ~ On 14/04/2023: platform access to RUS suspended
 - ~ In the beginning of September 2023: platform access to BY has been limited

- Exceptional situation – ongoing with 2 members (RO and BG)
 - ~ RO Bureau still cleaning up the insolvency of City but suffered a new one in 2023 (Euroins = 4th one in last 8 years) – the RO Bureau manage to take up its rôle as guaranteeing Bureau
 - ~ BG Bureau – still cleaning up the backlogs of mainly one BG insurer – a 6th draw on the Bank Guarantee is in preparation – hopefully finalised by the end of 2023

Financial stability

- **Review of the Financial Guarantees to be provided by Transitional and Monitored members**
 - Updated to achieve a better fit with the current needs of COB and its membership in terms of financial stability, as well as with the existing market practices in respect of reinsurance and bank guarantees



COB Collaboration Platform

COB Collaboration Platform

○ **Double goal:**

- Central hub to support our member organisations' need for information and to organise the work of the COB committees/WG
- Central hub to provide the necessary communication and collaboration tools needed for Members' day-to-day activity and cooperation

COB's ambition = to make this platform « **the Google of cross border claims handling** »

○ **Certain Key Data are also made available to the General Public via our website**



e-IMIC – digitalisation

e-IMIC – digitalisation process

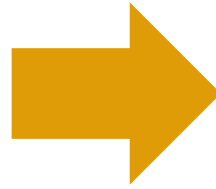
- **COB decided to move forward with the original proposal submitted to UNECE last year (for the time being)**
- **GA 2023 : National Bureau establishes the rules on the issuance and the format in which the IMIC is delivered to the Policyholder:**
 - Paper version (white or green) or
 - Electronic form (i.e. PDF) independent of the software, hardware or operating system that it is displayed on
- **Certain members needed legislative changes to accept IMICs presented by visiting motorist on an electronic device in PDF**
 - Deadline = 1 January 2025

e-IMIC

2022 :



2023 / 2025 :



e-IMIC – final goal

Final goal remains

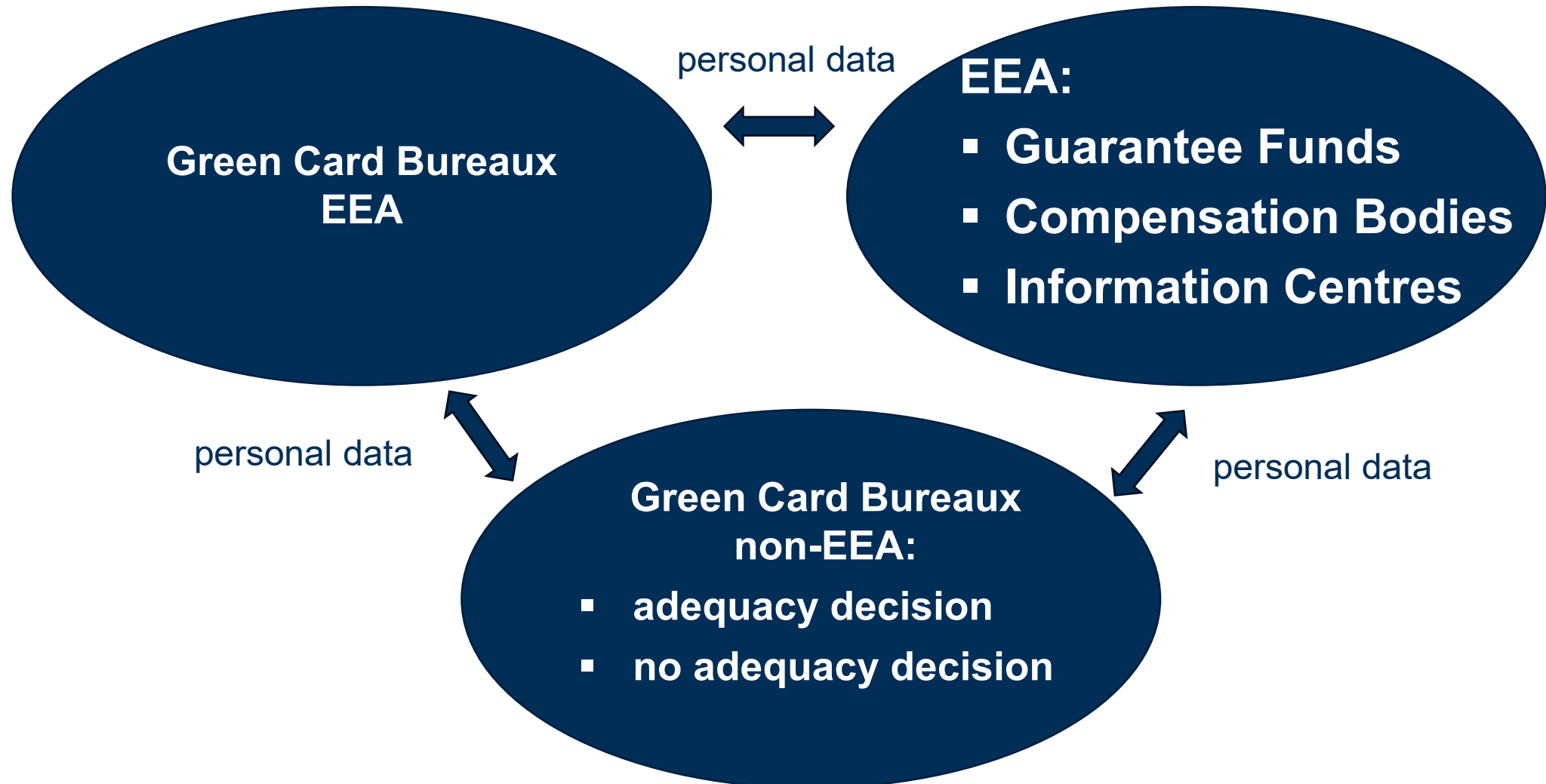
Find a solution to check the validity of the insurance cover without any paper document but via electronic means (real time consultation)

- **Possible partner: Eucaris** (experience in relation to information exchange in transborder traffic) but for non-EEA countries COB will act as a hub in relation to exchanges between non-EEA countries and for non-EEA countries to EEA countries
 - Still under **enquiry**
 - Depending on the outcome – to set up in the course of 2024 a **Pilot project**



Data Protection

Data protection



Data protection

○ Bureau EEA ↔ Bureau non-EEA

- If no adequacy decision ==> **additional safeguards**

Standard Contractual Clauses (SCCs)
(issued by European Commission)



○ **Additionally:**

- ~ Transfer Impact assessment (TIAs)
- ~ Review of technical and organisational measures
- ~ Update Personal Data Processing Agreement
- ~ Supporting documentation



New Motor Insurance Directive – Insolvency Agreements

6th Motor Insurance Directive: Insolvency

Article 10a

*Protection of injured parties in respect of damage resulting from **accidents occurring in their Member State of residence** in the case of the insolvency of an insurance undertaking*

Member States shall set up or authorise a body

→ **'Insolvency Body'**

Article 25a

*Protection of injured parties in respect of damage resulting from **accidents occurring in a Member State other than their Member State of residence** in the case of the insolvency of an insurance undertaking*

Member States shall set up or authorise a body

→ **'PoV Insolvency Body'**

Ideally = Compensation Body

6th Motor Insurance Directive: Insolvency

o 23 June 2023: appointment of

- o Insolvency Bodies
- o Protection of Visitors Insolvency Bodies

o 23 December 2023:

- o Implementation of 6th MID in all Member States
- o Entry into force of COB Insolvency Agreements

2024 a year of celebration

75th Anniversary





**Thank you
for your attention!**

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