



markt (2010) 591087

## NOTE TO THE MEMBERS OF THE EIOPC

**Subject: Review of the minimum amounts referred to in Article 9(1) of the Motor Insurance Directive 2009/103/EC (Member States without a transitional period)**

Article 9(2) of Directive 2009/103/EC<sup>1</sup> requires that the absolute minimum amounts of cover in the case of personal injury and in the case of damage to property be adjusted every five years after 11 June 2005 in order to take account of changes in the European index of consumer prices (EICP) comprising all Member States, as published by Eurostat, and that the amounts should be adapted automatically.

At the 16<sup>th</sup> meeting of the European Insurance and Occupational Pensions Committee (EIOPC), the EIOPC members adopted a methodology for the conduct of the review and a standard approach for its implementation by the Member States, as proposed by the Commission. Under the methodology the reference period is five years. The review period ends on 11 June in the corresponding year to be consistent with the required five year review period, starting from 11 June 2005 (the date of entry into force of the Fifth Motor Insurance Directive 2005/14/EC, now replaced by the Motor Insurance Directive 2009/103/EC). The relevant index is the EICP. The Member States have until the end of the following year to implement any changes.

### *Review in 2010*

The Commission has conducted a review which concludes that the EICP has increased by 11,8005595524% (from 100,08 to 111,89,<sup>2</sup> May 2005=100) during the review period (11 June 2005 – 11 June 2010).

Article 9(2) of Directive 2009/103/EC requires that the base amount shall be increased by the percentage change in the EICP index over the period between 11 June 2005 and the review date (i.e. 11 June 2010) and shall be rounded up to a multiple of €10.000.

An 11,8005595524% increase, rounding up to the nearest €10.000, translates into

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<sup>1</sup> Directive 2009/103/EC 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 insure against such liability (codified version).

<sup>2</sup> Data downloaded on 23/08/2010 [European Union (EC6-1972, EC9-1980, EC10-1985, EC12-1994, EU15-2004, EU25-2006, EU27)].

- a revised minimum amount in the case of personal injury, a minimum amount of cover of €1.120.000 per victim or €5.600.000 per claim, whatever the number of victims;
- a revised minimum amount in the case of damage to property, €1.120.000 per claim, whatever the number of victims.

The results of the review are shown in the attached *annex*.

In accordance with the standard approach to implementation adopted by the EIOPC, the revised amounts should be implemented by the Member States under national law with an effective date for application before 1 January 2012.

The Commission will inform the European Parliament and the Council of the review and the adapted amounts. The Commission will also publish the adapted amounts in the Official Journal.

***Question to the EIOPC members***

*Do you agree to the new revised amounts?*

Please send your comments by **1 October 2010 at the latest**.

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## **EC Review of the minimum amounts of cover**

As stipulated in Article 9 (2) of the Codified Directive 2009/103/EC, the minimum amounts of MTPL coverage shall be reviewed in line with the European Index of Consumer Prices (EICP) every five years after 11<sup>th</sup> June 2005 or the end of any transitional period.

On 9<sup>th</sup> December 2010, the reviewed amounts were published in the Official Journal of the European Union

As a result of the review, the amounts increase from EUR 1,000,000 to EUR 1,120,000, from EUR 5,000,000 to EUR 5,600,000 and from EUR 1,000,000 to EUR 1,120,000 respectively.

The revised amounts should be implemented by the Member States under national law with effective date for application before 1<sup>st</sup> January 2012.

Additionally, for Member States which are in a transitional period, having introduced only the half level of the stipulated amounts so far, the review should be carried out according to the rule “every five years after the end of any transitional period with a six months’ delay”.

For further information, please also consult the following links to the EC website:

[http://ec.europa.eu/internal\\_market/insurance/docs/2010-markt-docs/motor-insurance\\_en.pdf](http://ec.europa.eu/internal_market/insurance/docs/2010-markt-docs/motor-insurance_en.pdf)

[http://ec.europa.eu/internal\\_market/insurance/docs/2010-markt-docs/markt.h.2\(2010\)90319\\_en.pdf](http://ec.europa.eu/internal_market/insurance/docs/2010-markt-docs/markt.h.2(2010)90319_en.pdf)

[http://ec.europa.eu/internal\\_market/insurance/docs/2010-markt-docs/06-30\\_annex\\_en.pdf](http://ec.europa.eu/internal_market/insurance/docs/2010-markt-docs/06-30_annex_en.pdf)

**Annex to markt.h.2(2010)90319**

Member State		End of transitional period
Austria	no	---
Belgium	no	---
Bulgaria	yes	10 June 2012
Cyprus	no	---
Czech Republic	yes	31 May 2012
Denmark	no	---
Estonia	yes	11 June 2012
Finland	no	---
France	no	---
Germany	no	---
Greece	yes	31 May 2012
Hungary	no	---
Ireland	no	---
Italy	yes	10 June 2012
Latvia	yes	31 May 2012
Lithuania	yes	11 June 2012
Luxembourg	no	---
Malta	yes	10 June 2012
Netherlands	no	---
Poland	yes	11 June 2012
Portugal	yes	1 June 2012
Romania	yes	11 June 2012
Slovakia	yes	31 December 2011
Slovenia	yes	31 December 2011
Spain	no	---
Sweden	no	---
United Kingdom	no	---