



The Council of Bureaux (CoB) is the organisation acting for the protection of cross-border road traffic victims by:



**Coordinating** the activities of the different **National Motor Insurers' Bureaux** that are members of the **Green Card system**.

*= 47 National Insurers' Bureaux representing more than 1600 motor insurers in 48 countries in Europe, North Africa and the Middle East.*

Acting as a Secretariat for the bodies applying the **European Motor Insurance Directives: Compensation Bodies, Guarantee Funds and Information Centres**.

*= 31 Member States of the European Economic Area (EEA) .*



**The Green Card system is a protection mechanism for victims of cross-border road traffic accidents. It consists of 48 member countries.**

**1949:** Introduction of the Green Card system in and around Europe.

- Initiated and encouraged by the United Nations Economic Commission for Europe (UNECE)
- Twofold objective: - encouraging cross-border road traffic by removing administrative barriers.  
- offering protection to the victim of a road traffic accident caused by a foreign vehicle.

**Aim of the system = to have a Motor Third Party Liability (MTPL) insurance policy of an insurance undertaking in country A recognised in country B.**

The Green Card system is conditioned on the existence of:

### A National Insurers' Bureau

Installed in each participating country to guarantee that a **victim** suffering damage from a road traffic accident caused by a foreign vehicle (from another participating country) will be **compensated in the country of accident**. The Bureau of the country of accident can, subsequently, recover all compensations paid from the Bureau of the country from which the liable vehicle originates.

### A valid Green Card

Issued by the Bureau of the country of the vehicle involved in the accident (or by an insurance undertaking authorised by a Bureau to issue Green Cards). It provides a **guarantee** for the visited country that the Bureau of the vehicle's country of origin will reimburse the Bureau of the visited country in accordance with the rules applicable in the visited country. In this way, the victim of an accident caused by a foreign vehicle is properly compensated for the damage suffered.

Each insurer participating in the Green Card system has the possibility to nominate a **correspondent** in other participating countries to handle all claims arising from accidents that a vehicle insured by this insurer has caused in the correspondent's country. The Bureau of the country of accident guarantees the quality of the claims handling process by the correspondent and watches over the proper compensation of the damage caused.

The Green Card system is based on trust: the Bureau (correspondent) in the country of accident handles the claim on behalf of the liable vehicle's insurer, knowing that it will be duly compensated afterwards. If the insurer fails to compensate, the Bureau of the insurer's country will bear the responsibility. Therefore, **financial stability** is instrumental for the continuity and functioning of the system: the CoB ensures it by imposing financial requirements on Member Bureaux, as well as by monitoring their markets.

### Example

A citizen from Ukraine drives a vehicle (registered and insured in Ukraine) into the Czech Republic

He causes an ACCIDENT

A Czech citizen suffers material and personal injuries resulting from this accident



### Procedure ?

1. Presents a claim to :

2. Grants compensation subject to Czech rules of liability and compensation



Czech National Insurers' Bureau

3. Recovers its outlays from :



Ukrainian National Insurers' Bureau

4. Recovers its outlays from :



Ukrainian Insurer

3. Grants compensation subject to Czech rules of liability and compensation

2. Refers the victim to : (but intervenes to safeguard the victim's rights in case the correspondent does not respect the rules of the system)

4. Handles the claim in the language of the country of accident and according to Czech legislation – Asks reimbursement directly from :



Ukrainian Insurer

1. Presents a claim to :



Czech National Insurers' Bureau

Correspondent of Ukrainian Insurer in Czech Republic

Option 1



Victim

Option 2

**The EU Motor Insurance Directive (2009/103/EC) further enhanced the system of the protection of victims implemented within the European Economic Area.**

**2 main innovations** were created within the framework of the MID

- The notion of **“territory in which a vehicle is normally based”**  
A vehicle registered in one of the EEA countries is presumed to be validly insured in this country and can travel within the EEA without carrying a Green Card. Even if the vehicle turns out not to be correctly insured, the guarantee of the Bureau of the country in which the vehicle is normally based will apply.

**EEA**  
=  
28 European Union Members  
+ Iceland  
+ Liechtenstein  
+ Norway

- The **Protection of Visitors** scheme  
This can somehow be classified as the «mirror image» of the Green Card System:

**Green Card system**  
=  
*Protection of a victim of a road traffic accident caused by a foreign vehicle*

**Protection of Visitors scheme**  
=  
*Protection of a road traffic accident victim in a Member State other than the one of the victim's residence*

The MID provides for a number of bodies:

**The Claims Representatives (CR)**

Every insurer offering MTPL insurance in an EEA Member State has to nominate in each other Member State a CR. The CR is entitled to receive, handle and settle claims addressed by a victim having his residence in the Member State where the CR is established and related to a road traffic accident that has occurred in another Member State than the State of the victim's residence.

**The Compensation Bodies (CB)**

- For accidents caused in another Member State than the one of the victim's residence, the CB will intervene:
- In case an insurance company has not nominated a CR in the victim's Member State;
  - When an insurance company or its CR has not provided a timely and sufficient reply to a claim;
  - If the vehicle having caused the accident cannot be identified or if it is impossible to identify the insurer of the vehicle.

**The Information Centres (IC)**

In order to enable a victim of a road traffic accident to seek compensation, each Member State has an IC, responsible for keeping registers and providing information about - amongst others - registration numbers (license plates) of vehicles, insurance cover of these vehicles and the CR nominated by different insurance companies.

**The Guarantee Funds (GF)**

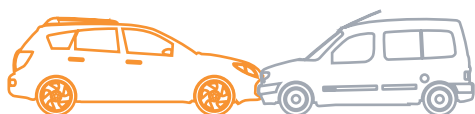
The role of the GF is to compensate the consequences of an accident caused by an unidentified or an uninsured vehicle.

**Example**

A vehicle normally based and insured in France causes an accident in France

A citizen from Norway suffers damage

When returning to his home country the Norwegian victim can present a claim to:



**Claims Representative of French Insurer in Norway**

**Si** **Yes** **Ja**

For the victim = possibility to communicate in his own language and according to the Norwegian customs of claims handling



To determine the liability and the compensation of damage: **law applicable to the car accident (French legislation) = respected**

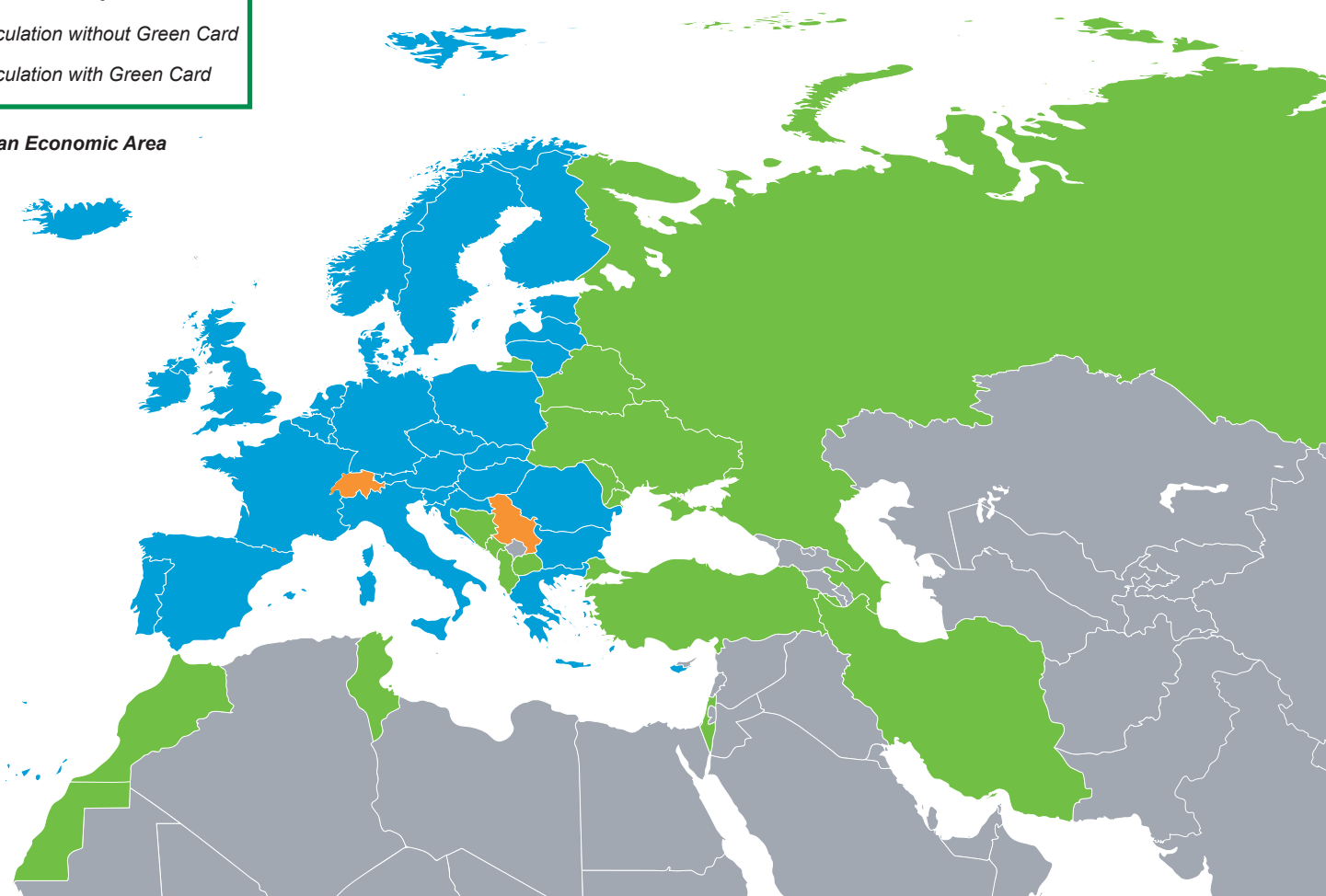
(The same applies if the accident in France was not caused by a French vehicle, but for instance by a vehicle which is normally based in the United Kingdom)

## CoB System Map

### Green Card System

- Free circulation without Green Card
- Free circulation with Green Card

European Economic Area



The Green Card System extends to countries in Europe, the Middle East and bordering the Mediterranean Sea. At present, it counts 48 members countries.



*Find out more about the Members, the insurers, the CoB legislation and activities.*

*Use our search tools to find the contact details of the CoB organisations and the insurance companies by visiting :*

**[www.cobx.org](http://www.cobx.org)**