

ABSTRACT

Harmonisation of Motor Third Party Liability Insurance in compliance with EC Law

Motor Third Party Liability Insurance is recently facing major changes, not only from EC point of view, but from national perspective as well, mainly due to technological development as well as due to the enormous pressure set on vehicles accident victims protection, ie. their appropriate compensation from Motor Third Part Liability (further known as MTPL) cover.

Main consequence of above mentioned fact is a clear definition of the vehicle that falls under the obligation of MTPL.

However just the simple extension of the vehicle definition that way, that even scooters and sagways fall under the scope, would not be considered as a sufficient measure taken to sort of eliminate the number of severe claims and bodily injuries caused by these vehicles in most of the EC states. It is more than necessary that every single member state will come with substantial measures on national level to sort of regulate on legal basis the traffic rules of these new kind of vehicles. However, it is currently obvious that member states opinions are far from any common decision on this topic concerning measures to decrease the number of claims and furthermore to restrict the use of these vehicles in respective environment.

There is another crucial topic mentioned in MID revision beside the vehicles definition and that is compulsory online process in motor insurance line of business. Eventhough this online obligation is not clearly stated in certain MID Article, it is obvious from between the line statement of compulsory check of MTPL valid policy without the need of physical check of the vehicle and its driver.

Finally it has to be set that the correct measures and obligations in compliance with MID principles have to be taken into consideration in every single member state legislation. However, it is clear this would lead to major process changes across all relevant stakeholders and it has to be done on timeto be in compliance with MID transposition period.

Key words

Motor Third Party Liability Insurance, motor Directive (MID), vehicle's definition