

*Managing Organisation of the International Motor Insurance Card System
Under the aegis of the United Nations*



COUNCIL OF BUREAUX
CONSEIL DES BUREAUX

What's new in the Council of Bureaux?

Presented by

Mariusz W. Wichtowski

President

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Nihil novi sub sole



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65th anniversary of the Green Card System

166 Avenue Louise
B-1050 Brussels, Belgium
www.cobx.org

*"We act for the protection of cross-border
road traffic victims"*

15th anniversary of the Protection of Visitors System



- **One Europe**
- **Two systems**

Two systems

- **Green Card**
- **Protection of Visitors**

Green Card System

- **Members of the GC System** 46
- **Multilateral Agreement** 34
- **GC basis** 12

Council of Bureaux



Unique facilitator of the road traffic in Europe

166 Avenue Louise
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*"We act for the protection of cross-border
road traffic victims"*

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Unique and coherent System
Two pillars

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Green Card transborder claims

166 Avenue Louise
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*"We act for the protection of cross-border
road traffic victims"*

- **ca 400.000 claims/year**
- **over 1,8 billion €/year**

Protection of Visitors claims

- **ca 7 500 yearly**

compensation bodies – active only

- ***over 45.000 yearly***

direct settlement: c/r and i/c



One roof for:

National Bureaux

Guarantee funds

Compensation bodies

Information Centers

Partners in claims handling



Bureaux
Agents
Correspondents
Claims representatives
Compensation bodies
Guarantee funds

Partners in claims handling



**Correspondents
Claims representatives**

about 60 % of claims

Including the insurers

Risks

- **Trust**
- **Financial stability**
- **Uninsured driving**
- **Fraud**

Identify risks

- **External**
- **Internal**

External risks

- **Economical crisis**
- **Not predictable legislative policy**
- **Not predictable jurisprudence**
- **Low level of the supervision**

External risks

- **Price war**
- **Foreign activity of insurers**
- **Insolvency of insurers**

Internal risks

- **Reverse relationship**
Bureau – insurer – claims adjuster
- **Lack of the mutual trust**
- **Low level of experience**
- **Low financial disciplin**
- **Delay of payments**

Financial stability

- **Bureaux**
- **Insurers**
- **Correspondents**
- **Claims representatives**

Financial stability

Bureaux and insurers



Consequences:

- Sanctions
- Distrust to market and Bureau



Financial stability

Correspondents

Problems:

- internal organisation
- contents of agreements
- lack of financial sources
- no information exchange about bad payers

Consequences:

Sanctions:

- ▶ financial losses
- ▶ loss of trust
- ▶ loss of clients

Distrust to the claims adjuster

Accumulative risks

- **Uninsured driving**
- **Fraud**

Uninsured driving

- **High level**
over 1 billion € claims/year
- **Serious problems**
on particular markets

Uninsured driving

- **Low level of cooperation**
 - **Impact on financial stability**
 - **Negative psychological impact**
-
- **Who is the final payer?**

Fraud

- **Value of the costs**
- **Estimation: 10-15 % of claims paid**
- **Who is the final payer?**

Simple calculation

- High administrative costs
- High commissions
- Uninsured driving
- + Fraud
- ---
- **Technical loss**

Where is the consumer?

Who is the consumer?

Aims of the Council of Bureaux?

Harmonisation:

- **Transparency**
 - **Efficiency**
 - **Time saving**
 - **Cost cutting**
 - **Speeding up of the decision making**
 - **Synergy effect**
 - **Improvements**
- beneficiary for the victims**



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**Thank you
for your kind attention**

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