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**HARMONIZATION OF REQUIREMENTS CONCERNING
INTERNATIONAL ROAD TRANSPORT AND FACILITATION OF ITS OPERATION**

Review of the situation and questions concerning facilitation of international transport

International Motor Insurance System (Green Card)

Report from the President of the Council of Bureaux of the Green Card System

The 2000 General Assembly of the Council of Bureaux was held on 15-16 June in Geneva, Switzerland and the meeting of the Signatories of the Multilateral Guarantee Agreement will be held on 5 October 2000 in Wiesbaden, Germany. The main issues addressed by the Council during the last 12 months are discussed below:

1. Revision of the 'Geneva Recommendations' on the Green Card System

The 'Geneva Recommendations' of 1949, upon which the Green Card system is based, are periodically revised by the United Nations Economic Commission for Europe to reflect changing conditions and the requirements of its member Governments. The last update of the Consolidated Resolution on the Facilitation of Road Transport (RE4) and Annex 2 - "The International Motor Insurance Card System - the 'Green Card' System" - occurred in 1984.

The Working Party on Road Transport of the UN/ECE submitted a revised version of RE4 including Annex 2 to its member Governments in December 1999.

The Council of Bureaux has surveyed its members regarding the proposed changes to Annex 2 and as a result the Management Committee has proposed some additional changes to the text for consideration by the ninety-fourth session of the Working Party on Road Transport.

2. Kosovo

At the request of the United Nations Interim Administration in Kosovo (UNMIK), the Council of Bureaux has been working with UNMIK to develop a practical interim solution to provide Green Card coverage for Kosovo territory.

The 2000 General Assembly of the Council of Bureaux in Geneva unanimously supported the solution concerning the territory of Kosovo developed by the Management Committee with the active help and assistance of the bureaux of Albania, FYROM and Greece that:

(a) For Kosovo vehicles leaving Kosovo

(i) Insurers that have been officially authorised by UNMIK should be permitted to provide the Green Cards of foreign bureaux for Kosovo registered vehicles. An authorised insurer issuing the Green Cards of a foreign bureau should be a member of that bureau and should have its agreement to issue Green Cards valid for Kosovo vehicles.

(b) For foreign vehicles entering Kosovo

(i) Frontier insurance for in-going vehicles should be made available for those vehicles without a valid Green Card by UNMIK authorised insurers.

(ii) The Council of Bureaux should permit all national bureaux and their members to offer Green Cards valid for Kosovo if they wished to do so.

(iii) A claims handling organization should be established for the territory of Kosovo to handle the claims of Kosovo victims against foreign motorists.

(iv) The extension of the validity of the Green Card to cover Kosovo required the addition of a new box on the Green Card identifying Kosovo. There was space on the present Green Card to add one box which could bear the letters for Kosovo territory to be agreed with the UN. UNMIK proposed the use of the letters 'UNMIK' for the Green Card.

The General Assembly accepted that this solution should be applied in a flexible way and that the proposed solution was subject to change to meet the requirements of the situation.

3. Unification of the Basic Agreements of the Council of Bureaux

A review of the two basic Agreements of the Council of Bureaux, the bilateral Uniform Agreement between bureaux and the Multilateral Guarantee Agreement, was started in 1999 to reconcile differences in their respective texts which has caused operational problems for bureaux that use both agreements.

Mr Alain Pire of the Belgian Bureau is chairing a Working Group of five members that has developed a broad concept of a future Unified Agreement. This will require different 'rules' for inter-bureaux relations based on solely the Green Card and inter-bureaux relations based on the 'normally based' criteria used by the countries of the European Economic Area and some other countries.

An outline of the future agreement was presented to the General Assembly in June 2000 and a further discussion will be held at Wiesbaden. It is hoped that the necessary committee work will have been completed so that a detailed proposal for a new Agreement can be brought forward to the General Assembly in Andorra in June 2001.

4. European Union 4th Motor Insurance Directive and Possible 5th Directive

The 4th Motor Insurance Directive of the European Union was adopted in May 2000 and must be implemented within 30 months of the date. The principle provisions of the directive are:

- The possibility of direct action by the victim against the author of the accident or his representative;
- The designation of a representative entrusted with settling claims in all the other member countries of the European Union by all motor insurers in the Union;
- The necessity to make an offer of compensation within, in principle, three months of the date on which the victim notifies his request for compensation;
- The creation or approval of an information centre in each country;
- The creation of a compensation body in each country.

The Council of Bureaux has established a working group to examine the implications of the directive on the operations of member bureaux. The Council of Bureaux is also participating in discussions with the European Commission regarding a possible 5th Directive.

5. Membership News

Cyprus

The meeting of the MGA Signatories in September 1999 agreed to the Republic of Cyprus becoming the 24th Signatory of the Multilateral Guarantee Agreement. Following the completion of certain legislative changes in Cyprus the activation of the membership of

Cyprus now requires the approval of the European Commission and Council of Ministers. It is hoped that this will be completed this summer.

Yugoslavia

The 1999 General Assembly decided that unless the Bureau of Yugoslavia repaid all outstanding debts and that financial guarantees were in place by 30 November 1999 then the Bureau would be suspended from 1 January 2000. At the 1999 Assembly, the Council of Bureaux and the Bureau of Yugoslavia jointly appointed a mediator to assist with the resolution of open claims questions and some progress was made. However, at the November deadline all outstanding claims had not been settled and acceptable financial guarantees had not been offered. As a result the suspension of the Bureau of Yugoslavia was implemented from 1 January 2000.

Since then further progress has been made on the settlement of debts. However, a new problem has arisen with the settlement of the debts of Kosovo-based insurance companies. These debts were incurred before March 1999 and the start of the conflict in Kosovo while the Kosovo insurers were still members of the Yugoslav bureau. Under the agreements of the Council of Bureaux they remain the responsibility of the Yugoslav bureau. Finally, the Yugoslav bureau has still not offered acceptable financial guarantees for the future. As a result the General Assembly in Geneva decided that the suspension of the Yugoslav bureau should be continued until the decision of the 1999 General Assembly has been fulfilled. At the same time the Management Committee was given powers to terminate the suspension as soon as these requirements had been met.

Republic of Moldova

Since June 1999 the bureau of the Republic of Moldova has acted on behalf of foreign motorists involved in accidents in the Republic of Moldova but has not issued its own Green Cards, relying on foreign bureaux to issue their Green Cards to Moldovan motorists. This is in contravention of the agreements of the Green Card system and the various bureaux involved have been instructed not to continue this practice. The bureau of the Republic of Moldova has been warned by the Management Committee that the long delays in issuing its own Green Cards were not acceptable and that serious action would be considered if the situation was not resolved before the next General Assembly.

6. Summary Table of the Inter-Bureaux Signatories of the Uniform Agreement

An updated table of the bilateral agreements signed between the 43 member bureaux of the Council of Bureaux is sent each year to the secretariat of the Working Party on Road Transport. The revised table will be available to the Working Party.
