

Annex 2: CoB Guidelines on outsourcing by insurers and claims representatives in the system of the EU Motor Insurance Directive

(draft!)

Business entities participating in the system of the protection of visiting road traffic victims established by the Fourth Motor Insurance Directive¹ (insurers and claims representatives) frequently outsource their activities to other entities.

Outsourcing within the system of the Motor Insurance Directive is acceptable under the following conditions:

1. Any outsourcing must be lawful. Legal obligations (e.g. personal/commercial data protection) must always be complied with.
2. Rights of claimants must be fully respected and preserved, amongst others:
 - a) the right to communicate with the claims representative in the official language(s) of the country of residence of the injured party;
 - b) the right to contact and communicate with the insurer or the nominated claims representative according to the claimant's choice:
 - with the insurer: in the country of establishment of the latter;
 - with the claims representative: in the country of residence of the claimant and having their claim handled there.
 - c) the right to compensation and/or a reasoned reply in due time in compliance with the applicable law - the fact of an activity being outsourced should not delay the process of claims settlement;
 - d) the right to personal data protection.

¹ Directive 2000/26/EC and replaced by Directive 2009/103/EC of the European Parliament and of the Council 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; OJ L 263, 7.10.2009, p. 11–31. (the codified Motor Insurance Directive)

3. The business entity which is outsourcing a part of its activities to another entity remains fully liable for an outsourced activity.
4. Any outsourcing of an activity of a claims representative is subject to the contractual relations between the latter and the insurer who has appointed them.
5. These minimum standards may be further extended by the Compensation Bodies and the Guarantee Funds.