

Subject: Motor insurance – importance to introduce a bonus/malus system

Dear Member of European Parliament,

I am reaching out on behalf of BEUC, the European Consumer Organisation, concerning the ongoing revision of the EU Motor Insurance Directive. BEUC is calling for [reforms](#) to ensure that consumers have access to affordable, fair and transparent motor insurance policies.

BEUC welcomes the revised rules proposed by the European Commission that will require insurers to accept the claims history statements from insurers issued in different Member States, equally to those which are issued domestically. While we welcome the 'portability' of the claims' history statement across EU Member States, the European Commission has unfortunately not introduced an explicit obligation for insurers to consider the claims history statement when calculating premiums for consumers. **BEUC believes that your driving history should always count when you take out a motor insurance policy** – insurance undertakings should be required to integrate into their insurance contracts a 'bonus-malus system' under which policyholders are placed on a premium scale according to their claims history statement. Such a system will ensure that consumers have access to more affordable, fairer and transparent motor insurance policies, and give consumers the right incentives to adopt better driving behaviour.

Under French law, insurance undertakings are required by law to consider the claims history statement of policyholders when assessing premium levels. If no paid damages were registered in the previous year, policyholders are given a bonus in the form of a reduction of the insurance premium. If paid damages were registered in the previous year, then policyholders are penalised through the application of a malus in the form of a surcharge in the insurance premium. In France, 95% of drivers receive a [bonus](#) based on their driving history, 70% receive the maximum possible bonus, and only 1% receive a malus.

In many other European countries, there exists no specific obligation for insurance firms to consider claims history statements when assessing premium levels, and insurers are free to determine the levels at which they set their premiums. **The only way to guarantee EU-wide portability of the claims history statement and to improve consumer outcomes in the insurance market, is to require insurance undertakings to take into account the claims history statement when assessing premium levels for policyholders.**

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The European Parliament will vote in Plenary on the revision of the EU's Motor Insurance Directive on Wednesday 13 February. **We urge you to support amendments to require insurance undertakings to integrate into insurance contracts a bonus-malus system under which policyholders are placed on a premium scale according to their claims history statement.** In addition, to enhance the comparability of motor insurance policies, insurance firms should be required to present their bonus-malus policies according to a standardised template. **Please vote for amendments 55, 56, 57, 58, 59 and 60.**

Kind regards,

Monique Goyens
Director-General, BEUC