



Green Card System

A Protection Mechanism for Cross-Border Road Traffic Accident Victims

Disclaimer: This document represents the text about Green Card system for victims of cross-border road traffic accidents caused by foreign vehicles, and serves for informational purposes only.

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What is the Green Card System?

The Green Card System is a protection mechanism for victims of cross-border road traffic accidents caused by foreign vehicles. It facilitates the flow of cross-border road traffic in Europe and ensures the compensation of victims of accidents caused by foreign motorists by guaranteeing sufficient third party liability to the latter.

This system originated from Scandinavian countries in 1920s, which allowed vehicles to cross their borders by recognizing MTPL insurance which is issued in their country of origin. Countries had guaranteed for damages caused in other countries by vehicle insured at their territory. In a certain stage of development of the System, insurance form/card of green color was introduced, hence the widely accepted name Green Card which at the same time represented the unification of motor third party liability ('MTPL') insurance policy form. That System, originating eighty years ago, was a model for development of Green Card System in a modern and highly developed form that exists today.

The purpose of the system known as Green Card System is facilitation of the motor vehicles circulation in international traffic by potentiate the MTPL insurance coverage regarding vehicle's use in order to satisfy the visited country's criteria and to provide TP compensation guaranties, all in the line with national law and regulation.¹

The system works by issuing a Green Card, which is an international certificate of insurance that proves that the vehicle has a valid motor third party liability (MTPL) insurance in its country of origin. The Green Card allows the vehicle to cross the borders of the member countries without having to take out a national insurance contract at each border. The Green Card also serves as a means of identifying the insurer and the national bureau responsible for handling and settling the claims arising from an accident caused by a foreign vehicle.

The system consists of 50 member countries represented by 46 Green Card Bureaux (National Green Card Bureau). Members of Bureau, in accordance with the Geneva Recommendation, are all insurers who are writing compulsory MTPL insurance in the given country. Work of National Bureau's is coordinated by the Council of Bureau, central organization founded in 1951, with headquarters in London, which is later relocated in Brussels. The system is based on the United Nations Economic Commission for Europe Recommendation No. 5 adopted in 1949 and the European Union Motor Insurance Directives.²



Members and date of entry

By Date of Entry			By Alphabetical Order		
B	Belgium	1949	A	Austria	1954
CH	Switzerland	1949	AL	Albania	1992
CZ	Czech Republic	1949	AND	Andorra	1996
DK	Denmark	1949	AZ	Azerbaijan	2016
F	France	1949	B	Belgium	1949
FIN	Finland	1949	BG	Bulgaria	1971
GR	Greece	1949	BIH	Bosnia and Herzegovina	1996
IRL	Ireland	1949	BY	Belarus	2003
L	Luxembourg	1949	CH	Switzerland	1949
N	Norway	1949	CY	Cyprus	1996
NL	Netherlands (The)	1949	CZ	Czech Republic	1949
S	Sweden	1949	D	Germany	1951
SK	Slovakia	1949	DK	Denmark	1949
UK	United Kingdom	1949	E	Spain	1953
D	Germany	1951	EST	Estonia	1992
E	Spain	1953	F	France	1949
I	Italy	1953	FIN	Finland	1949
P	Portugal	1953	GR	Greece	1949
A	Austria	1954	H	Hungary	1960
SRB	Serbia	1954	HR	Croatia	1992
PL	Poland	1958	I	Italy	1953
H	Hungary	1960	IR	Iran	1976
TR	Turkey	1964	IRL	Ireland	1949
RO	Romania	1965	IS	Iceland	1970
MA	Morocco	1969	L	Luxembourg	1949
TN	Tunisia	1969	LT	Lithuania	2003
IS	Iceland	1970	LV	Latvia	1998
BG	Bulgaria	1971	M	Malta	1985
IR	Iran	1976	MA	Morocco	1969
M	Malta	1985	MD	Moldova	1997
AL	Albania	1992	MK	North Macedonia	1994
EST	Estonia	1992	MNE	Montenegro	2012
HR	Croatia	1992	N	Norway	1949
SLO	Slovenia	1992	NL	Netherlands (The)	1949
MK	North Macedonia	1994	P	Portugal	1953
AND	Andorra	1996	PL	Poland	1958
BIH	Bosnia and Herzegovina	1996	RO	Romania	1965
CY	Cyprus	1996	RUS	Russia	2009
MD	Moldova	1997	S	Sweden	1949
UA	Ukraine	1997	SK	Slovakia	1949
LV	Latvia	1998	SLO	Slovenia	1992
BY	Belarus	2003	SRB	Serbia	1954
LT	Lithuania	2003	TN	Tunisia	1969
RUS	Russia	2009	TR	Turkey	1964
MNE	Montenegro	2012	UA	Ukraine	1997
AZ	Azerbaijan	2016	UK	United Kingdom	1949

As showed in the table above the system consists of 46 Green Card Bureaux representing more than 1500 motor insurers in 50 countries in Europe, North Africa and the Middle East.

What are the benefits of the Green Card System?

The Green Card System has several benefits for both motorists and victims of cross-border road traffic accidents. Some of these benefits are:

- ✓ it simplifies the crossing of borders by eliminating the need to purchase a national insurance contract at each border,
- ✓ it ensures that victims of accidents caused by foreign vehicles are properly compensated and not prejudiced by the fact that the accident was caused by a foreign vehicle,
- ✓ it provides a uniform and harmonized framework for the handling and settlement of claims arising from cross-border accidents,
- ✓ it promotes cooperation and coordination among the national bureaux and insurers of the member countries,
- ✓ it contributes to the development of road safety and the prevention of fraud.

What are the challenges of the Green Card System?

The Green Card System also faces some challenges in its operation and development. Some of these challenges are:

- the financial stability of the system, especially in times of political and economic instability, international sanctions, payment problems and currency fluctuations;
- the complexity of the system, which involves different rules, regulations, languages, cultures and legal systems among the member countries;
- the cooperation among different card systems, such as:
 - the Orange Card System (established between most of the members of the Arab League and is applicable primarily in the Middle East and North Africa³),
 - the Brown Card System (established between most of the members of the ECOWAS and is applicable in Western Africa⁴), or
 - the White Card System (established between the members of the ECO), which cover other regions of the world and have their own particularities.
- the adaptation of the system to the changing needs and expectations of the motorists, victims, insurers and authorities in terms of digitalization, innovation and sustainability.

¹ <http://uos.rs/en/green-card/>

² <https://www.cobx.org/article/4130/green-card-system-final>

³ <https://buat.tn/orange-card/?lang=en>

⁴ https://ecowas.int/special_agency/ecowas-brown-card/