

Green Card Bureau Compendium

MA – Morocco

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General information

Please provide the official full name of your Bureau.

Bureau Central Marocain des Sociétés d'Assurances.

What is the legal status (form) of your Bureau (non-profit organisation, association of legal entities, limited liability company, etc.)? Non-profit association How is the ownership/membership of your Bureau structured (e.g., owned/controlled by all members equally, part of state government, etc.)?

Private company subject to Moroccan company law.

Question N° 1

1.1. What was the date of the original Law, which introduced Compulsory Third Party Motor Insurance and what was the date of its entry into force?

a) The Dahir dated 23rd December 1937 (article 11) introduced motor TPL insurance although limiting it to vehicles for public transport only,

b) The Vizirial Order dated 6th September 1941 extended the obligation to take out a motor TPL insurance policy to all vehicle owners.

c) The Dahir n° 01.69.100 dated 20.10.69 extended the motor TPL cover to the policyholder and legal keeper of the vehicle.

1.2. What is the date of the present Law and of its entry into force?

The law current applicable has been introduced by

- The Law n° 17-99 relating to the Insurance Code , promulgated by the Dahir n° 1.02.238 dated 03.10.2002 and published in the Official Journal n° 5054 dated 07.11.2002.

This law has been complemented by the following regulatory instruments:

- Application decree n°2-04-355 dated 02.11.2004 published in the Official Journal n° 5262 dated 04.11.2004.
- Ministerial Order n° 213-05 dated 26.01.2005 relating to compulsory insurances, publish in the Official Journal n° 5292 dated 17.02.2005.

Question N° 2

2. Which are the classes of motor vehicles for which insurance is compulsory?

All land motor vehicles not connected to rail or its trailers or semi-trailers when coupled to the vehicles fitted with an engine and their trailers travelling on public roads and not connected by rail to any service (cf. Article1 120, of Law n° 17-99).

Question N° 3

3. Is the Law applicable to foreign visitors?

The law is applicable to foreign vehicles in accordance with the following provisions:

- a) the Geneva Convention dated 19.9.49 published by the Dahir dated 8.12.59 and the Decree dated 21.10.69 relating to frontier insurance,
- b) Article 121 of the Law n° 17-99 relating to the international insurance card known as “Green Card”,
- c) the implementing agreements of the Tunis Convention dated 26.4.75 relating to the unified inter-Arab card known as “Orange Card”.
- d) Any other bilateral or multilateral Agreement, duly ratified and published by Morocco enabling the application of such.

Similarly, the Law is applicable to foreign visitors in their capacity as third-party victims.

Question N° 4

4. Does the Law apply in respect of liability for both personal injury and damage to property?

The law applies both to damage to property and to personal injury (article 120 of the Law n° 17-99).

Question N° 5

5. What is the minimum limit of cover required for personal injury damage? State the minimum value of sum insured, date with effect from and please indicate whether the limit is per accident or per victim.

Type of vehicle	Bodily injury and Material damage	
	Per vehicle	Per event
Victims of traffic accidents are compensated within the limits in the Dahir/law n° 1-84-177 dated 02.10.84.		
For passenger cars	minimum of 50 000 000.00 DH	
For two-wheel vehicles of less than 2 HP	minimum of 25 000 000.00 DH	
Vehicles intended for the transport of fare-paying passengers – motor TPL cover for non-transported third parties.	minimum of 50 000 000.00 DH	
Vehicles intended for the transport of fare-paying passengers – motor TPL cover for transported passengers.	Number of authorised seats is fixed. X 1 000 000.00 DH per person with a minimum of 50 000 000.00 DH per event within the limit of the number	
Comment. The new insurance Code does not provide for any difference between bodily injury and material damage		

Question N° 6

6.1. Does the Law require cover in respect of passengers carried in the vehicle?

Yes, the law establishes the notion of third party and provides for the compensation of transported persons under third party liability motor insurance.

6.2. Is there any category of passenger excluded from this cover?

Are excluded from cover those persons who are not considered by the law as being third parties when they are transported on board the vehicle having caused the accident for which the driver is responsible and namely:

- the policyholder having taken out the insurance contract
- the owner of the insured vehicle
- any person having, with the authorisation of the first two interested parties, the right to keep or drive the vehicle
- the driver,

- when transported on board the insured vehicle, the legal representatives of the corporate body owner of the insured vehicle
- when in discharging their duties, the salaried employees or agent of the insured or of the driver whose liability is involved in the accident

Question N° 7

7. Under what conditions is an insurer permitted by Law to reject a third-party claim? Please specify.

There are two types of exception:

a) Exclusions:

Damage not covered by third party liability is as follows:

- damage intentionally caused by the policy holder, driver, owner of the insured vehicle or any person authorised to keep or drive the vehicle,
- damage caused to goods or pieces of property transported in or stolen from the vehicle,
- damage resulting from the direct effect of radiation or radioactivity,
- damage caused by acts of foreign war, riots or civil commotion,
- damage caused by the insured vehicle is in the custody or a garage or of persons engaged in brokerage, selling, repairing, towing or inspecting the technical condition of the vehicle or their agents,
- damage caused by the insured vehicle when running on a private road or in a private enclosure,
- damage resulting from operations of loading into and unloading from the insured vehicle.

b) Lack of cover is also recognised in the following cases:

- in the event of the absence or non-validity of a driving licence,
- in the event of theft of the vehicle (uncertain jurisprudence)
- when the vehicle is used for a purpose other than that stated when concluding the insurance contract

c) The law prohibits the application of waivers to injured third parties in relation to third party liability insurance

(article 129 of Law 17-99 related to the Insurance Code)

Question N° 8

8. Is there a direct right of action by a third party against an insurer?

There is a right of direct action against an insurer, as a substitute for the payment of damage caused by the person held responsible by the Court under the principle of indivisibility and subrogation (article 129 of Law 17-99 related to the Insurance Code)

Question N° 9

9. Does a claimant resident in a foreign country have a direct right of action against the local Bureau or the insurer representing the Bureau?

In the case of the Bureau, this right is provided in the general law provisions relating to mandate and by local jurisprudence.

Question N° 10

10.1. Does the Law require the insurer and/or Bureau to make an offer of compensation to a claimant within a specified time?

Yes, article 19 of the Dahir dated 2.10.1984 imposes upon the insurer a specific period of time within which the insurer must notify the claimant of its offer.

If yes, what is the nature of the damages to which the time-limit applies?

These provisions only apply to personal injury.

10.2. What is the specific time-limit?

- the insurer must make his offer 60 days from receipt of the claim from the injured party or his/her beneficiaries, provided that it is supported by the documentary evidence as per article 18 of the Dahir dated 2.10.1984,
- absence of reply from the insurer is deemed to be a rejection of the claim,
- in the event of a positive reply, the claimant has 30 days to indicate his agreement or rejection,
- in the event of agreement of the latter, the insurer has 30 days to pay the compensation.

10.3. Which are the other provisions of the Law in this respect? (e.g. sanctions)

- civil sanctions for non-payment of compensation by the insurer within 30 days: the claimant is entitled to damages of up to 50% of sums unduly withheld (article 21 of the Dahir dated 2.10.1984),
- administrative sanctions against the insurer: fine of 10,000.00 to 100,000.00 Dirhams.

10.4. Are there any similar stipulations for provisional payments?

The law does not include any provision obliging the insurer to make provisional payments.

The latter may however be obliged by a court decision ordering payment of provisional compensation or rendering compensation provisionally enforceable.

Question N° 11

11.1. Is there a limitation period for legal proceedings against the insured or the insurer?

Yes.

If yes, please specify.

Actions brought by injured third parties for compensation by reason of a legal offence or quasi-offence are subject to a time limit of 5 years from the time when the injured party has knowledge of the damage and the identity of the party held

responsible for this; in all other cases 20 years from the time that the damage occurred (article 106 of the Dahir establishing the Obligations and Contracts Code, known as the "DOC").

11.2. Are there any provisions in the Law which allow for the suspension or extension of that limitation period?

Yes.

If yes, please specify.

1) Legal suspension

It applies to non-emancipated minors and others without legal capacity until they reach majority (article 379 of the DOC).

2) Interruption of time limit

This takes place by reason of:

- a writ bearing a certain date,
- a registered letter with acknowledgement of receipt,
- an offer of compensation made by the insurer,
- the appointment of a loss adjuster.

Question N° 12

12.1. Is your Bureau a VAT liable entity?

NO

12.2. If yes, please indicate the VAT number:

In this case is the service of claims handling by the Bureau VAT exempted?

12.3. Is an MTPL insurer in your market a VAT liable entity?

YES

If yes, is the service of claims handling by an MTPL insurer VAT exempted?

YES

12.4. Is a specialised claims handling office a VAT liable entity?

YES

If yes, is the service of claims handling by this entity VAT exempted?

YES

Question N° 13

[Note: Questions addressed to non-EEA Bureaux only. For EEA Bureaux, see Section 2 & 3]

13.1. Is there a Guarantee Fund in your Country?

Yes, the Motor Accident Guarantee Fund was set up by the Dahir dated 22/2/1955 and is currently governed by the provisions in the Law 17-99 bearing the insurance code of 3rd October 2002.

It is a legal body and oversees insuring the total or partial compensation of bodily injuries only, resulting from road traffic accidents caused by a land motorised vehicle, material damage excluded.

If yes, what are the conditions and limits of intervention of the Guarantee Fund?

Intervention of the Guarantee Fund intervenes in case traffic accidents occurring:

✓ Cases where the person responsible of the accident is:

- unidentified
- uninsured
- insolvent

✓ Cases where the insurer invokes:

- the nullity of the insurance contract
- the suspension of the guarantee
- uninsured driving
- partial uninsured driving

Are excluded for the scope of intervention of the Guarantee Fund

- the owner of the vehicle
- the driver of the vehicle
- any person who has custody of the vehicle at the moment of the accident
- the legal representatives of the legal person that owns the vehicle when they transported the latter
- employees, attendants of the owner or of the driver whose civil liability is engaged

- in case of the theft of the vehicle, the perpetrators, and their accomplices as well as the people transported except in good faith.

Conditions for recourse addressed to the Guarantee Fund

The demand for reimbursement must result either from an executory court ruling either from a transaction concluded with the uninsured person responsible of the accident and notified the Guarantee Fund within 30 days.

The delays for recourse to the Guarantee Fund:

- When the person responsible of the accident is unidentified the victims or their beneficiaries have a delay of 3 years starting from the date of the accident to address the Guarantee Fund.
- Furthermore, they must, within 5 years starting from the date of the accident, conclude an agreement with the Guarantee Fund or take legal action against the latter.
- When the responsible is identified, the victims or their beneficiaries must, within 5 years starting from the date of the accident, conclude an agreement with the Guarantee Fund or take legal action against the latter.
- Furthermore, they must refer to the Guarantee Fund within 1 year either starting from the transaction concluded with the responsible or from the court decisions passed against the latter et that has gained res judicata.
- When it concerns an annuity or an instalment plan of a capital, the delay for the recourse to the Guarantee Fund is 3 years starting from the date when the debtor fails to pay.

These delays must be respected at risk of debarment.

Furthermore, the compensation requests must be addressed to the Guarantee Fund through registered mail with acknowledgement of receipt including the documents and documentary evidence or through an extrajudicial procedure.

13.2. Are these conditions and limits applicable to non-residents whether they are the cause of, or victims of, accidents?

They apply to non-residents subject to a reciprocity agreement existing with their country of residence.

The only reciprocity agreements in effect have been concluded with Tunisia and France.

Question N° 14 – For countries concerned by Section III of the Internal Regulations

14.1. Are there natural or legal persons (public or private) exempted from the obligation of compulsory MTPL insurance in your country? (Article 12.2 of the Internal Regulations)

N/A. NO

If yes, please list the persons exempt from compulsory MTPL insurance:

N/A.

In this case please also indicate the authorities or bodies responsible for compensation:

N/A.

14.2. Are there certain types of vehicles or certain vehicles bearing a special plate exempted from the obligation of compulsory MTPL insurance in your country? (Article 12.3. of the Internal Regulations)

NO

If yes, please list those vehicles:

The vehicles excluded from the scope of this law are those connected to rail.

Question N° 15

15.1. Any other special features?

a) The provisions of the law dated 02.10.84, except for those relating to sanctions and time limits provided for the payment of compensation as well as for prescription, shall also apply to:

- the Motor Guarantee fund,
- the party liable under civil law for accidents caused by vehicles connected to a rail service.

b) Preferential creditors other than injured third parties are:

- the National Social Security Fund,
- the State,
- employers and insurers if the accident is also an industrial accident (at work or on the road to or from work),
- the Industrial accidents Superannuation Fund

c) other time limits were introduced by the Dahir/law dated 02.10.84 in relation to any lawsuit for damages:

- 3 years following the insurer's letter refusing to pay compensation,
- 3 years following the rejection by the victim or his/her beneficiaries of the insurer's proposal,
- 1 year following the date of the loss adjuster's report stating the worsening of the victim's condition who had been previously compensated,
- 1 year for any legal action intended for the revision of any prior compensation if not claimed before and awarded by the competent jurisdiction.

d) A prescription time limit of 30 years for the enforcement of final Court decisions (res judicata).

e) Legal expenses cover is optional.

f) Moroccan insurance companies have concluded between themselves a Direct settlement agreement applicable to material damage claims (CID - Direct Compensation Agreement).

And since January 1, 2013, a direct compensation agreement concerning bodily damage has been in force between Moroccan insurance companies but under certain conditions (for example the rate of PPI - permanent physical disability - is less than or equal to 10 % and that the medical, surgical and hospitalization costs are incurred exclusively in Morocco

g) Pursuant to Article 57 of the Dahir/law 28-08 dated 20.10.2008 governing the profession of lawyer and entered into force on the 06.11.2009, payment of any sum to be received by any person having commissioned a lawyer must be affected with the Bar of registration of such lawyer. Any payment effected in breach of this new provision shall not have the force of a discharge except if made with the Registrar of the Court or a Court Bailiff.

