

Green Card Bureau Compendium

BIH – Bosnia and Herzegovina

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General information

Please provide the official full name of your Bureau.

BIRO ZELENE KARTE U BOSNI I HERCEGOVINI

(English: GREEN CARD BUREAU IN BOSNIA AND HERZEGOVINA)

What is the legal status (form) of your Bureau (non-profit organisation, association of legal entities, limited liability company, etc.)?

Non-profit organisation, association of legal entities.

How is the ownership/membership of your Bureau structured (e.g. owned/controlled by all members equally, part of state government, etc.)?

Owned/controlled by all members equally.

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?

6th April 1965.

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

Existing Law on property and persons insurance was enacted on 18th April 2005 and it came into force on 26th April 2005 / 14th October 2015.

Question N° 2

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

Pursuant to the Law, the subjects of compulsory insurance are motor vehicles driven on public roads and other traffic areas, which are also subjects of compulsory registration, pursuant to the Regulations on road traffic.

Question N° 3

3. Is the Law applicable to foreign visitors?

Yes.

Question N° 4

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

Yes.

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	Personal injuries		Material damage	
	Per accident	Per victim	Per accident	Per victim
All	KM 1,500,000.00	N/A.*	KM 350,000.00	N/A.*
Date of effect:	14/10/2016			

* Irrespective of the number of victims.

Question N° 6

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

Yes.

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

The persons whose liability is covered by the insurance contract, as well as the persons who have concluded the insurance policy with the insurer as contracting partners, are not considered as third parties. Neither, in case the above persons are legal entities, nor will their legal representatives be regarded as third parties.

Question N° 7

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

Pursuant to the insurance conditions, the following indemnity requests are exempt from insurance cover:

- Those which are, by the contract or special promise, in excess of the limits of obligation resulting from regulations on the responsibility for the damage caused;
- Those of the owner, co-owner of the vehicles and any other vehicle user, in case of damage to property;
- Those related to property entrusted to the policyholder, or some other insured person, especially if he is transporting, using or keeping this property;
- Those based on the damage caused by transport of nuclear and other radioactive material, if the damage is a direct or indirect result of nuclear fission or radiation of these materials;
- Those based on the damages caused by war, hostilities or other conditions similar to the war, civil war, revolution, riot, uprising and civil disturbances resulting from such events, mines, torpedoes, bombs and other weapons, detaining, capturing, confiscating, limiting and the consequences of these events or the damages caused by sabotage and terrorism and political motives, civil disturbances, violence and other similar events, confiscation, requisition and other similar measures conveyed or intended to be conveyed by an authority or any other similar organisation which is fighting for the authority or is an authority.

If it is not concluded differently, the following indemnity requests are exempt from insurance cover:

- i. Those resulting from the damage occurring when the vehicle was mobilised and requisitioned by an authority, starting from the moment of arrival to the initial point until the moment of taking over the vehicle;
- ii. Those damages caused by participation in races where the target is achieving the highest speed or the highest existing speed, respectively, during the training for such races.

Question N° 8

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

Yes.

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?

Yes, direct right of action against the Bureau.

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.

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

All types of damages.

10.2. What is the specific time-limit?

- The insurers (in Federation of BiH) are obliged to make an offer or to explain why the claim is denied, in specific time-limit of 90 days.
- The insurers (in Republic of Srpska) are obliged to make an offer or to explain why the claim is denied, in specific time-limit of 60 days.

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

In a case that time limits are not respected, Law prescribes a fine penalty for the Insurer in amount from 1,000.00 KM (cca 500.00 EUR) up to 50,000.00 KM (cca 25,000.00 EUR).

10.4. Are there any similar stipulations for provisional payments?

No.

Question N° 11

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

Yes.

If yes, please specify.

3 years, from ascertainment of damage and of the Defendant, but maximum 5 years from the date of accident.

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.

- a) Interruption of the limitation period: during the time in which the creditor was not able, because of unconquerable obstacles, to require the fulfilling of obligation through legal action.

After the interruption, the limitation period starts from the beginning, and the time which had passed before the interruption, is not part of the limitation period defined by the Law.

- b) Extension of the limitation period: claims resulting from tort.

Question N° 12

12.1. Is your Bureau a VAT liable entity?

No.

12.2. If yes, please indicate the VAT number:

N/A

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

N/A

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

No.

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

N/A.

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

No.

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

N/A.

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.

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

The conditions of intervention of the Guarantee Fund are:

- All damages of uninsured vehicle;
- Personal injury of unidentified vehicle;
- In case of cessation of operation of an insurer.

Limits of liability are the same as in Article 5.

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

Yes.

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)

Yes.

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

All vehicles of the BH Army are exempted.

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

Ministry of Defence

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:

N/A.

Question N° 15

15.1. Any other special features?

No.