

Green Card Bureau Compendium

FIN - Finland

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General information

Please provide the official full name of your Bureau.

Finnish Motor Insurers' Centre

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

A semi-public organisation based on special legislation.

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

All insurance companies engaged in motor liability insurance business in Finland are members of Finnish Motor Insurers' Centre. Organs of the Finnish Motor Insurers' Centre are General Assembly, The Board and Managing Director. Every member has a right to participate and plead in General Assembly. General Assembly has the highest authority in the Finnish Motor Insurers' Centre.

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?

The original law was enacted in 1924 and it entered into force 1 September 1925

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

Motor Liability Insurance Act 17 June 2016, entry into force 1 January 2017.

Question N° 2

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

It is defined in the Motor Liability Insurance Act that vehicles which are normally based in Finland shall be insured. Vehicle in the Act means any motor vehicle intended for travel on land and propelled by mechanical power, but not running on rails, and any trailer, whether or not coupled. The main rule is that all vehicles shall be insured. There are specified exceptions for vehicles which need not to be insured. These are:

- 1) a motor-powered working vehicle or tractor that needs not be registered and whose maximum structural speed does not exceed 15 kilometres per hour;
- 2) a combine harvester or other motorised agricultural motor-powered working vehicle intended for harvesting that needs not be registered;
- 3) a trailer that needs not be registered;
- 4) a vehicle intended exclusively to be driven by a child that needs not be registered;
- 5) an electric wheelchair or similar lightweight vehicle intended exclusively for use by handicapped persons that needs not be registered.

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 types	No upper limit	No upper limit	5 000 000 € per each motor liability insurance liable for the damage.	N/A.
Date of effect: 01/01/2017				

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?

No.

Question N° 7

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

If someone has contributed to the occurrence of a personal injury to themselves through gross negligence, the compensation can be lowered or rejected, depending on what is reasonable considering the circumstances. Compensation paid due to material damage can be reduced or compensation rejected based on contribution by the injured party as reasonable, taking into consideration the degree of guilt of the injured party and other circumstances.

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.

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 (personal + material).

10.2. What is the specific time-limit?

One month after the insurance company has received the documents and information and other sufficient documents needed. If liability for the compensation is unclear or it has not been possible to determine the

amount of compensation in full, the insurance company shall, provide a response with a statement of reasons within **three months** of the day on which the injured party presented their claim.

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

If the compensation paid due to a personal injury is delayed, the insurance company shall pay an increased delayed compensation for the time of compensation (penalty increase). Penalty interest shall be paid on compensation paid due to material damage if the compensation is delayed.

10.4. Are there any similar stipulations for provisional payments?

Yes, the same provisions apply also to provisional payments.

Question N° 11

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

Yes.

If yes, please specify.

An action concerning a decision on compensation made by an insurance company or other decision influencing the position of the policyholder, insured party, injured party or another party entitled to compensation shall, under penalty of forfeiture of the underlying right, take legal action against the insurance company within three years of the party involved having received information in writing of the decision of the insurance company and this time limit.

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.

If proceedings in the matter are instituted in the Insurance Complaints Board, Traffic Accident Board or another body that solves consumer disputes, the limitation of action is interrupted for the duration of the proceedings. The limitation of action is considered to end on the day on which proceedings in the matter end in these bodies. From this day on a new limitation of action will start. The new limitation of action is as long as the original one.

The limitation of action is not considered interrupted if proceedings in the matter in a court of law or body referred to above is interrupted or cancelled before a decision has been made. In this case, however, the limitation of action expires one year after the end of the proceedings at the earliest. The limitation of action can be extended in this way only once.

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?

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?

N/A.

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

N/A.

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

N/A.

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, State of Finland.

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

Vehicles owned by the State of Finland, there are no special persons that are exempted. However the State of Finland can take out motor liability insurance to its vehicles but it is not compulsory

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

State Treasury takes care of the compensation if the State of Finland hasn't taken out the motor liability insurance to its vehicles.

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)

Yes. There are certain type of vehicles that are exempted from the obligation of compulsory MTPL. There are no vehicles with special plates that are exempted from the obligation of compulsory MTPL.

If yes, please list those vehicles:

Motor liability insurance need not be taken out for:

- 1) a motor-powered working vehicle or tractor that needs not be registered and whose maximum structural speed does not exceed 15 kilometres per hour;
- 2) a combine harvester or other motorised agricultural motor-powered working vehicle intended for harvesting that needs not be registered;
- 3) a trailer that needs not be registered;
- 4) a vehicle intended exclusively to be driven by a child that needs not be registered;
- 5) an electric wheelchair or similar lightweight vehicle intended exclusively for use by handicapped persons that needs not be registered;
- 6) a vehicle that needs not be registered and is not used in traffic;
- 7) a vehicle whose owner or holder is the State of Finland;
- 8) a vehicle in case another state or its compensation body is liable for any traffic accidents caused by said vehicle;
- 9) a vehicle that has been decommissioned from traffic use and is not used in traffic;
- 10) a vehicle that has been finally deregistered.

However, the owner and holder of the vehicle have the right to insure a vehicle referred to in subsection 1 items 6, 7 and 9.

Question N° 15

15.1. Any other special features?

No.