



MIBI PRESENTATION TO THE JOINT OIREACTHAS COMMITTEE ON TRANSPORT AND COMMUNICATIONS

Statement from David Fitzgerald, CEO of the Motor Insurers' Bureau of Ireland (MIBI)

Wednesday 8th March 2023

Good afternoon Chair, Deputies, Senators, Clerk of the Committee.

On behalf of the Motor Insurers' Bureau of Ireland (MIBI) I would like to express our thanks for the opportunity to discuss the issue of uninsured driving today.

The MIBI is very grateful to all the members of the Committee for the support they have shown on this matter, now and during our past interactions with the Committee on this topic – especially in relation to the progression of the Road Traffic and Roads Bill 2021.

As the members will be aware, the MIBI is a not-for-profit organisation that was established to compensate victims of road traffic accidents caused by uninsured and unidentified vehicles. We were formed in 1955 following an agreement between the Government and companies underwriting motor insurance in Ireland. We are proud of our role in looking after the innocent victims of uninsured and hit and run drivers. It may interest the committee to know that the MIBI has paid out over €2bn in compensation since we were established. This is a lot of money which you and I and all other law-abiding motorists have to shoulder.

We also act as the Green Card Bureau and EU Compensation Body for Ireland, which ensures persons who sustain damage and/or injuries in a road traffic accident caused by a vehicle registered outside the State are not disadvantaged. The internal regulations of the COB in Brussels governs the investigation and settlement of such claims.

We also administer the Motor Insurers Insolvency Compensation Fund.

All companies underwriting motor insurance in Ireland must be members of the MIBI. They provide the funding the MIBI uses to compensate the victims of uninsured or untraced road traffic accidents.

Given the responsibilities of our organisation, one of the issues of greatest concern to the MIBI is the level of uninsured driving in Ireland.

Over recent years, thanks to the incisive work led by my colleague Tom O’Brien, we have conducted an analysis of the number of uninsured private vehicles on Irish roads. This analysis involves comparing the number of private motor vehicle owners paying motor taxes with the number of vehicles who have active insurance policies. The latest analysis does not make pleasant reading. It shows that there are now almost 188,000 uninsured private vehicles on Irish roads.

That means one in every 12 vehicles are breaking the law and driving without insurance.

To put those numbers in context:

- Over the last 2 years the number of uninsured vehicles has grown by more than 32,000.
- There was an increase of more than 13,000 vehicles in the last 12 months alone.
- If the current trends continue, the level of uninsured private vehicles is likely to pass the 200,000 mark in the next 12 to 18 months.

YEAR	TOTAL PRIVATE VEHICLES	UNINSURED PRIVATE VEHICLES	UNINSURED VEHICLES AS PERCENTAGE
2022	2,255,971	187,803	8.3%
2021	2,232,174	174,177	7.8%
2020	2,215,042	155,512	7.0%
2019	2,174,779	164,773	7.6%
2018	2,106,369	150,910	7.2%

Table showing MIBI analysis on number of uninsured private vehicles on Irish roads over the last 5 years

It should be remembered that every single time a person drives a vehicle without insurance on Irish roads they are breaking the law. The penalties for driving without insurance include An Garda Síochána having the power to seize the vehicle on the spot, as well as other significant penalties such as an automatic court appearance, five penalty points and a substantial fine. Particularly egregious cases can result in up to six months imprisonment.

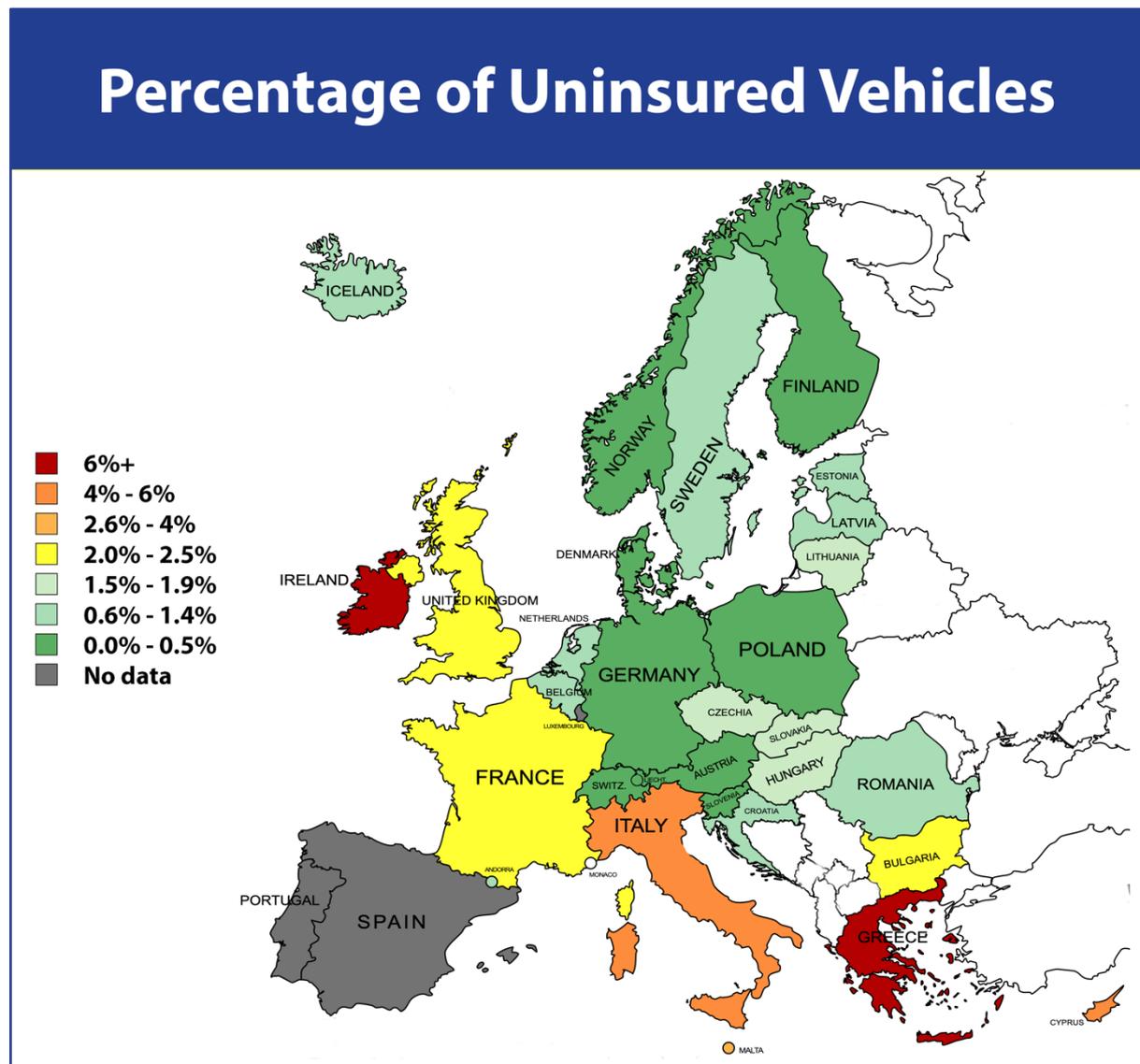
The figures shown by our analysis are concerning in their own right. When they are contrasted with figures from other countries across Europe, it emphasises just how much of an outlier Ireland has become concerning uninsured driving.

The MIBI was able to source data from our colleagues in the COB (formerly known as the Council of Bureaux), the international organisation active in the motor insurance sector and acting for the protection of cross-border road traffic victims.

This data allowed us to undertake a comparative analysis on the level of uninsured driving across the European Economic Area (EEA) as well as the UK and Switzerland. The latest available data is based on the 2021 figures. Unfortunately, we don’t anticipate the 2022 data for Europe being available until September/ October of this year.

In 2021, Ireland had the second worst level of uninsured private vehicles across the European Economic Area, UK and Switzerland, with 7.8% of our vehicles being uninsured. This was only just behind Greece who had 8.2%.

While the 2022 figures aren't available for other countries yet, given that the number of uninsured private vehicles in Ireland reached 8.3% last year – **we may now be the worst in the EU.** This should be eye opening for everyone concerned about the rule of law, and road safety in this country. We should all be taking notice of that data and the worrying trend it highlights.



MIBI colour coded map of uninsured vehicles in EEA, UK and Switzerland based on 2021 data.

As the map we have included with our submission reflecting the 2021 data highlights, we were far worse than most of the other countries analysed.

While 7.8% of the private vehicles in Ireland were uninsured, in the UK it was at 2.5%, France 2%, Croatia 1.4%, Iceland and Sweden 0.7%, Poland 0.3%, while Germany and Finland had effectively no uninsured vehicles.

Of the 29 countries across the EEA (as well as the UK and Switzerland) where data was available, the average level of uninsured vehicles was 1.8%.

So Ireland's figure was 4.3 times the average.

The full table of the individual countries is included in our submission to the Committee (see Appendix 1).

Despite what some people might suggest, driving without insurance is not a victimless crime.

It makes our roads less safe and more dangerous.

Every year the MIBI pays out in the region of €70m in compensation to victims of accidents caused by uninsured drivers. In 2021, the average cost of each claim paid to the victim of an uninsured driver came to €78,736.

We are a not for profit, so the funding for that compensation is gathered from all the companies who provide motor insurance in Ireland.

Practically, that means that the law abiding motorists are subsidising uninsured drivers to the tune of approximately €30 - €35 every time they renew their motor insurance policies.

That number will increase if the level of uninsured driving continues to grow.

If we want to avoid that situation arising, to prevent the number of uninsured vehicles passing the 200,000 mark in the near future, there is a solution at hand. We need to see the full enactment and implementation of the Road Traffic and Roads Bill.

The Bill will permit the sharing of all the insurance data that is available in the Irish Motor Insurance Database (IMID) with the Gardaí. That will enable the full implementation of elements of the Gardaí's ANPR (Automatic Number Plate Recognition) system aimed at tackling uninsured driving and allow it to become fully compatible with IMID.

It will allow suspected uninsured vehicles to be simply and quickly identified without having to even be stopped and pulled over. Gardaí can check vehicles on the road without even leaving their cars. They can also use their mobility devices to quickly check the insurance status of vehicles and drivers, thus speeding up the validation process in front line operations.

While there is a limited system currently in place, it will not have the full scope of the data until the data sharing provisions are enabled in law. As the Deputies and Senators know, the relevant legislation – the Road Traffic and Roads Bill 2021 – is still before the Oireachtas at present. We would urge them to use any influence they can bring to bear to help get that Bill enacted before the next recess, avoiding any further delays.

Once the Bill is enacted it will then simply become a matter of enforcement. The Gardaí have previously shared that the limited system was identifying an average of 128 uninsured vehicles per day. If you extrapolate those figures out to a full year that comes to 46,720 uninsured vehicles being identified using the limited data. When you consider those numbers, imagine what impact the fully enabled system may have?

We once again thank the Committee for their time and we would be delighted to answer any questions you may have. Thank you.

ENDS.

APPENDIX 1: UNINSURED VEHICLES IN EUROPE

COUNTRY	UNINSURED VEHICLES
Greece	8.2%
Ireland	7.8%
Italy	5.2%
Cyprus	4.8%
Malta	3.4%
UK	2.5%
Bulgaria	2.4%
France	2.0%
Lithuania	1.9%
Czechia	1.7%
Hungary	1.6%
Slovakia	1.5%
Latvia	1.4%
Croatia	1.4%
Estonia	1.2%
Romania	1.2%
Andorra	1.0%
Belgium	0.7%
Sweden	0.7%
Iceland	0.7%
Netherlands	0.6%
Norway	0.5%
Poland	0.3%
Denmark	0.3%
Slovenia	0.2%
Austria	0.1%
Switzerland	0.1%
Germany	0.0%
Finland	0.0%
Luxembourg	No data available
Portugal	No data available
Spain	No data available

Data on number of uninsured vehicles in EEA countries, UK and Switzerland from 2021, provided by CoB. Percentages rounded to one decimal point. No data is available for Luxembourg, Portugal and Spain.