EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations further implement Directive 2009/103/EC(**1**) of the European Parliament and the Council of 16th September 2009 relating to insurance against civil liability in respect of the use of motor vehicles. The Directive consolidates the law set out previously in Directive 2005/14/EC(**2**) of the European Parliament and of the Council of 11th May 2005 amending Council Directives 72/166/EEC(**3**), 84/5/EEC(**4**), 90/232/EEC(**5**) and 2000/26/EC(**6**) of the European Parliament and of the Council.

Article 9(1) of Directive 2009/103/EC stipulates the minimum amount of compulsory insurance required for motor vehicles in respect of personal injury and property damage and Article 9(2) provides for these amounts to be reviewed every 5 years and adjusted in line with the European Index of Consumer Prices.

The communication from the Commission to the European Parliament and the Council of 10th May 2016(**7**) notifies the outcome of the most recent review which increases the minimum amount of compulsory insurance in respect of property damage to €1,220,000 per claim. In order to ensure compliance with this requirement, in light of possible currency fluctuations, these Regulations increase the amount specified in the Road Traffic (Northern Ireland) Order 1981 from £1,000,000 to £1,200,000.

The Regulations also revoke the Motor Vehicles (Compulsory Insurance) Regulations (Northern Ireland) 2007.

An Explanatory Memorandum has been produced and is available from Road Safety and Vehicle Regulation Division, Department for Infrastructure, Clarence Court, 10-18 Adelaide Street, Town Parks, Belfast BT2 8GB or online alongside this Statutory Rule at http://www.legislation.gov.uk/nisr

(**1**) OJ No.L263, 7.10.09, p11
(**2**) OJ No.L149, 11.6.05, p14
(**3**) OJ L103, 2.5.72, p1
(**4**) OJ No.L8, 11.1.84, p17
(**5**) OJ No.L172, 4.7.88, p1
(**6**) OJ L129, 19.5.90, p33
(**7**) COM(2016) 246 final