



STATEMENT REGARDING THE QUALITY VEHICLE REPAIRS INITIATIVE (QVR)

Gasamamo Insurance Ltd is one of the four motor insurers who is participating in the Quality Vehicle Repairs initiative launched earlier this year as part of the Motor Insurers' Repair Efficiency Project (MIRE).

This initiative has one main objective - to raise the standard of motor vehicle repairs in Malta. It seeks to do this by inviting repairers to be inspected by international experts who then classify each repairer according to the services they offer. These classifications are freely accessible to insurance claimants who want to make an informed choice about the repair of their damaged vehicle. The cost of this professional assessment was, in the main part, borne by the participating insurers as they also believe that repairers can become more efficient as a result.

Unfortunately, following complaints made by some repairers, the Office for Competition of the Malta Competition and Consumer Affairs Authority (MCCA) launched an investigation into QVR to determine whether there was a *prima facie* infringement of competition law. On the 18th September it concluded that there appeared to be such an infringement and issued interim measures which the four participating insurers are required to abide by until a final decision is reached.

One of these measures is that we publish on our website a statement that the four insurers will make **'...no distinction in payment...between those claimants who choose a QVR repairer and those who choose a non-QVR certified repairer.'**

This means that, with immediate effect, Gasamamo Insurance will also effect direct settlement of repair bills with the repairer, on "with prejudice" claims, irrespective of whether the repairer has been QVR certified or not.

Gasamamo Insurance Ltd disagrees with many of the conclusions reached in the Office for Competitions' interim decision but respects fully its obligation to abide by the interim measures.

4th October 2017