	Comments Template on Consultation Paper on Technical Advice on possible delegated acts concerning the Insurance Distribution Directive	Deadline 3 October 2016 18:00 CET
Name of Company:	FNMF, 255 rue de Vaugirard, 75015 PARIS	
Disclosure of comments:	EIOPA will make all comments available on its website, except where respondents specifically request that their comments remain confidential. Please indicate if your comments on this CP should be treated as confidential, by deleting the word Public in the column to the right and by inserting the word Confidential.	Public
	Please follow the following instructions for filling in the template: ⇨ Do **not** change the numbering in the column "reference"; if you change numbering, your comment cannot be processed by our IT tool ⇨ Leave the last column empty. ⇨ Please fill in your comment in the relevant row. If you have no comment on a paragraph or a cell, keep the row empty. ⇨ Our IT tool does not allow processing of comments which do not refer to the specific numbers below. **Please send the completed template, in Word Format, to CP-16-006@eiopa.europa.eu.** **Our IT tool does not allow processing of any other formats.** The numbering of the questions refers to the Consultation Paper on Technical Advice on possible delegated acts concerning the Insurance Distribution Directive	
Reference	**Comment**	
General Comment	We consider that the project of technical advices is too restrictive and burdensome for our members (Mutual societies), particulary for medium and small operators. Our activity in France (heath insurance essentially) is already over regulated in terms of guarantee, price and consumer legal information. The notion of granularity of the target market is not appropriate for our specialized traditional operators (our members have been specialized in health insurance for more than 60 years). At least, if we	

	understand the necessity to avoid a commission based remuneration encouraging conflicts of interests, we do not support the technical advice approach which tends to systematically stigmatise the commission based remuneration.	
Question 1	As mentioned above, the implementation of this IDD technical advice on POG would be burdensome in terms of process, procedures, organisation and, of course, costs. This implementation has been estimated in France by Sia Partners at 365 M€. This cost is adding to the many regulation costs : Solvency 2 in top position, Laundering regulation, FATCA, specific French national regulations. The cost of regulation tends to be no more sustainable.	
Question 2	We consider that the policy proposals are too detailed and constraining. For each items, we consider that it's important to specify the necessity to respect the proportionality principle. Target market and granularity of the target market : We consider that the aim of the product approval target is based on the consistency of the product with the target market. It has not been restricted to the customers acces to the product. Control over distribution channels : The requirement consisting in reviewing on a regular basis wether the product is well distributed means that insurance company would have to control the marketing policy used by their distributor. It could increase the level of distribution and administrative costs. Concerning procedures and documentation for POG requirements, once more it will increase administrative cost unnecessarily. We consider that the witten policies required by Solvency 2 regulation are enough to implement a efficient product governance. Moreover, the procedures and documentation requirements have to be well proportionated to the scale and complexity of the operators.	

Question 3	Any further arrangements are not necessary.	
Question 4	See Answer 1	
Question 5		
Question 6		
Question 7	No. In France, for insurance products where personal recommendation and advice are compulsory, there is no need to identity if the target market is identified at a sufficiently granular level. As mentioned above, the notion of granularity of the target market is not appropriated in France for historical operators specialized in overregulated insurance products (Health for exemple to the extent that heath insurance is already over regulated in terms of guarantee, price and advice).	
Question 8	The proposed review obligations for manufacturers and distributors have to be implemented in the respect of the proportionality and complexity principles. The frequency of reviews has to be adapted to the insurance product and to the life cycle of the product (annual products versus long term products for exemple …). A case by case examination is more appropriate.	
Question 9	No further elements are necessary to specify the regulatory requirements on conflict of interest. Our main observations are the followings : The technical advice has to be consistent with national regulation, particulary in France where insurance customer advice is compulsory and the commission based remuneration is not source of conflict of interests To this extent, there are many ranges of insurance product and many kinds of conflict of interest situations, it would be better to focus on the situations which present high sources of potential damage for the consumer.	

	The requirements in terms of conflict of interest (documentation, procedures, control and so on) shall be proportionnate to the insurance product sold. Otherwise, for medium and small operators, it could be a source of cost burden.	
Question 10	At the beginning of the paragraph 3, the notion of ''appropriate to their size and organisation and the nature, scale and complexity of their business'' is mentioned and to that extent that it will be applied by the supervisor, we do not need further explanations.	
Question 11	Concerning this question, we have to keep in mind that the objective of the list is not to introduce a "de facto" prohibition on the receipt/payment of inducements, but to provide guidance to market participants in assessing inducements and to point out specific circumstances where a detrimental impact is most likely to occur. The list has to be indicative and not exhaustive. Moreover, in some cases, like in France where advice is compulsory, we consider that there is no detrimental fee or commission by nature. Where products are sold with advice, the inducements should not systematically be presumed as detrimental.	
Question 12	No further precision is needed	
Question 13		
Question 14	No further organisational measures have to be added. The proposed measures should be sufficient and, as such, are already source of burden costs for the operators.	
Question 15		
Question 16		
Question 17	No further information is needed	
Question 18	No further criteria is needed. We don't think that it woud be useful to have, from EIOPA, guidance and specification in a specific document concerning suitability and test assessment.	
Question 19	The definition of complex and non complex products has not to be aligned to MIFID II. According to us, the complexity notion has not to be based on the complex mechanism of the product but has to be based on the difficulties of understanding the product.	

Question 20		
Question 21		
Question 22		
Question 23		
Question 24	EIOPA requires a periodic assessment of the suitability of provided advices by insurance understakings or intermediaries. The periodic suitability assessment has to be given at least annualy. For us, no predermined period has to be fixed. It has to depend on the product (annual / non annual) and it has to occur only in case of significant changes (market evolution for exemple).	
Question 25		
Question 26	No further criteria is needed	

Taking into consideration the principle of proportionality, the level of information details should take into account the complexity and comprehensibility of the products, the risks of the product and the services provided with regard to the respective products

The technical advices have to be consistent with the S2 Directiv and delegated acts which have increased the requirements in terms of internal control, underwriting policies