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EUROPEAN INSURANCE
AND OCCUPATIONAL PENSIONS AUTHORITY

IDD - Evaluation of structure of insurance intermediaries' markets

EIOPA Insurance & Reinsurance Stakeholder Group meeting
Frankfurt, 7 June 2017

- Issues

- Progress report on EIOPA's work on IDD:

- **Focus on evaluation of structure of insurance intermediaries' markets**

- Work for 2017 on IDD

- Action asked from IRSG

- Input on evaluation of structure of insurance intermediaries' markets

- Take note of progress of work

- Follow-up

- Close co-operation with IRSG regarding IDD deliverables

- Article 41(5), IDD foresees for EIOPA:
"In a third report to be prepared by 23 February 2018, EIOPA shall undertake an evaluation of the structure of insurance intermediaries' markets"
- Originally, part of **Commission's 2012 legislative proposal** on IMD2
- Part of Review clause - Article 41(5) needs to be **read in context of rest of Article 41**
- "Snapshot" of market under IMD in preparation for 2020 report on IDD impact
- "Evaluation" is akin to a "market study" – "structure" of the markets implies focus on quantitative elements

- **Survey currently being run with national authorities** until end of June
- Want to look at data over past 5 years to map evolution in EU and national markets - develop country-by-country analysis
- Four areas identified by national authorities for survey:
 1. **Categories, numbers and national market share** of insurance intermediaries/direct writers
 2. **“New distribution channels”**, in particular comparison websites
 3. Types of **remuneration models** used by insurance intermediaries
 4. Data on **patterns of cross-border activity**

Data collection – key challenges expected



- **Local definitions of channels** can be country-specific – different categories of intermediaries across the EU
- **Insurance is not an homogenous sector** – products distributed can be subdivided on different levels e.g.
 - Commercial vs. personal lines
 - Compulsory non-life vs. optional non-life
 - Life vs. non-life
 - IBIPs vs. non-IBIPs
- **Market monitoring not yet fully embedded** at national level – reporting of market data varies considerably across Member States:
 - o **Some data e.g. on remuneration models, not readily available to national authorities** – NCAs have been requested to consult national trade associations

Input from IRSG Members & Next Steps



- Survey to be shared with IRSG Members as well
- Written input from IRSG requested, if possible, by mid-July
- Main drafting of report expected in Q3-4 2017 with final internal adoption of report expected end of January 2018

Questions to IRSG for meeting:

- What is **your view** on the **requirement for EIOPA to evaluate** the structure of intermediaries markets under IDD? **How can EIOPA ensure the best outcome** with respect to this deliverable?
- Do you have any views on the **areas selected by EIOPA for the purpose of its survey** with national authorities?