

Country-by-country analysis BULGARIA

Annex VII to the 2nd Report on the application
of the Insurance Distribution Directive (IDD)

Consumer Protection Department
EIOPA REGULAR USE
EIOPA-BoS-23-480
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eioipa

European Insurance and
Occupational Pensions Authority

Note:

Powers of national competent authorities (NCAs):

In February 2023, EIOPA launched an online survey addressed to NCAs to gather input as to whether they are sufficiently empowered to carry out their tasks. The following information is based on the responses from 30 NCAs¹ to this survey.

Changes in the EU insurance distribution market:

In February 2023, EIOPA launched a survey addressed to NCAs to gather information on the insurance intermediaries' market structure and patterns of cross-border activities. The following information is based on the responses from 30 NCAs² to this survey.

The figures should be interpreted with some caution as there are differences as to how intermediaries are registered in their home Member State, in the national categories of insurance intermediaries and in the approaches by NCAs to collect data.

¹ AT (BMAW and FMA), BE, BG, CY, CZ, DK, EE, ES, FI, FR, GR (UHC and BOG), HR, HU, IE, IT, LI, LT, LU, LV, MT, NL, NO, PL, PT, RO, SE, SI, SK

² AT (BMAW and FMA), BE, BG, CY, CZ, DK, EE, ES, FI, FR, GR (UHC and BOG), HR, HU, IE, IT, LI, LT, LU, LV, MT, NL, NO, PL, PT, RO, SE, SI, SK

BULGARIA

Information on the insurance intermediaries' market structure and patterns of cross-border activity

General data of the national market (2022):

	Amounts	Share total EEA
Population (in 1000) ³	6,839	1,5%
(Re)insurance GWP (in million) ⁴	2,730.334	0.2%
Number of (re)insurance undertakings ⁵	30	1.7%
Number of registered insurance intermediaries	6839	0.8%

National competent authority:

Financial Supervision Commission (FSC)

³ Based on eurostat data for 1 January 2022:

<https://ec.europa.eu/eurostat/databrowser/view/tps00001/default/table?lang=en>

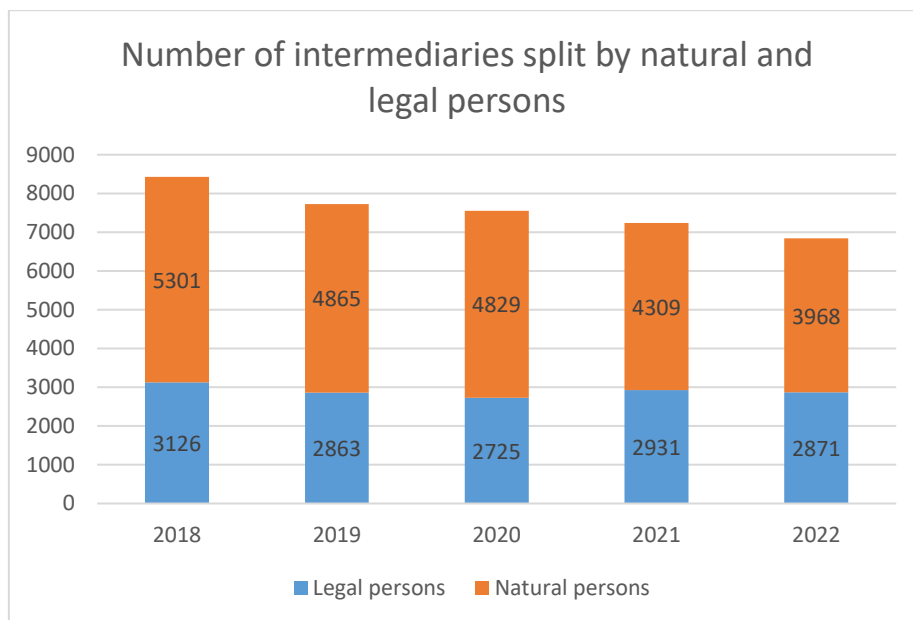
⁴ (Re)insurance GWP includes life and non-life premiums generated by domestically registered undertakings year-end 2022 based on annually reported SII information:

https://www.eiopa.europa.eu/publications/european-insurance-overview-report-2023_en

⁵ Number of (re)insurance undertakings (year-end 2022) includes the domestically registered undertakings. Based on SII information:

https://register.eiopa.europa.eu/layouts/15/download.aspx?SourceUrl=https://register.eiopa.europa.eu/Publications/Insurance%20Statistics/SQ_Premiums_Claims_Expenses.xlsx

Registered insurance intermediaries split by natural and legal persons:



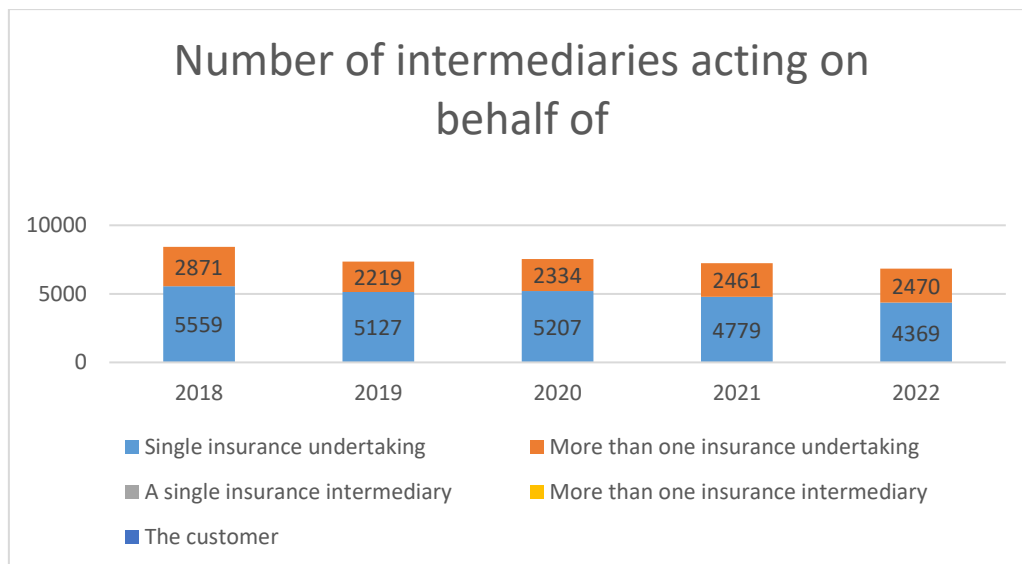
Comments provided by the NCA on the figures included in the chart above:

The information provided is from annual statistic for insurance intermediaries at the end of each above period.

Online registration system:

The Ordinance 67 has entered into force and regulates the procedure for registration of insurance intermediaries electronically, according to which intermediaries are registered electronically. Daily adjustments are performed.

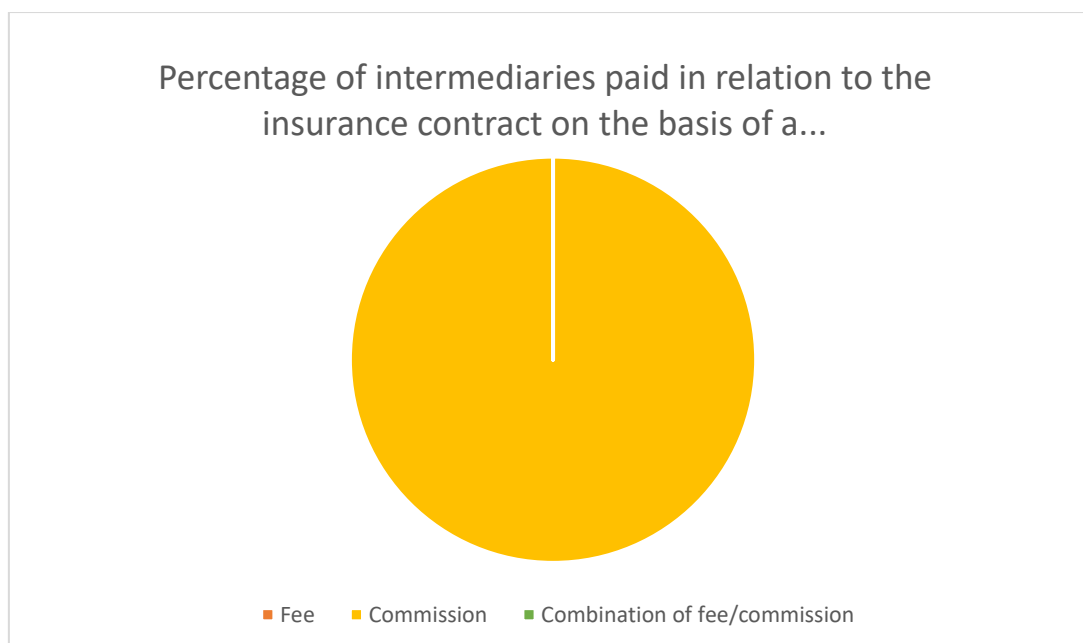
Registered insurance intermediaries split by categories based on the activities of insurance intermediaries:



Comments provided by the NCA on the figures included in the chart above:

The information above is only for number of insurance agents. FSC is in process of developing new information system, which will provide all the information for all insurance intermediaries and will be ready till the end of 2023.

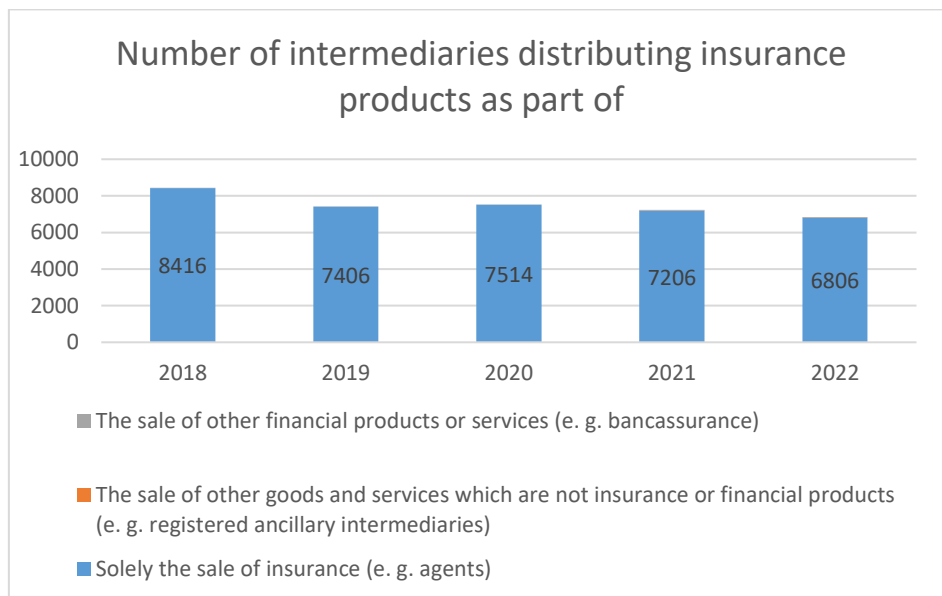
Way of remuneration of insurance intermediaries in relation to the insurance contract in 2022:



Comments provided by the NCA on the figures above :

The data include all insurance intermediaries - both brokers and agents and all of them receive remuneration.

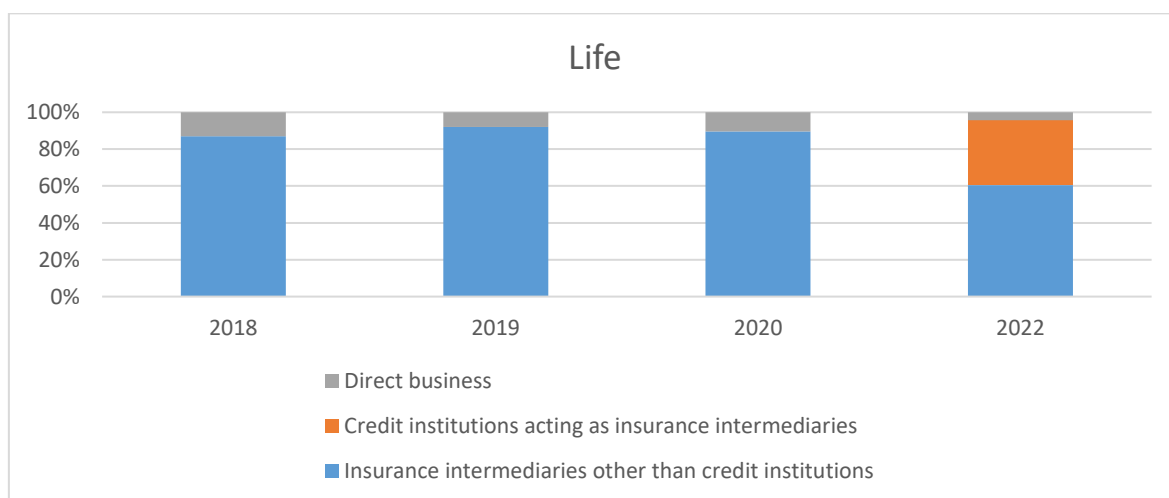
Registered insurance intermediaries split by categories based on the basis in which they sell insurance products:

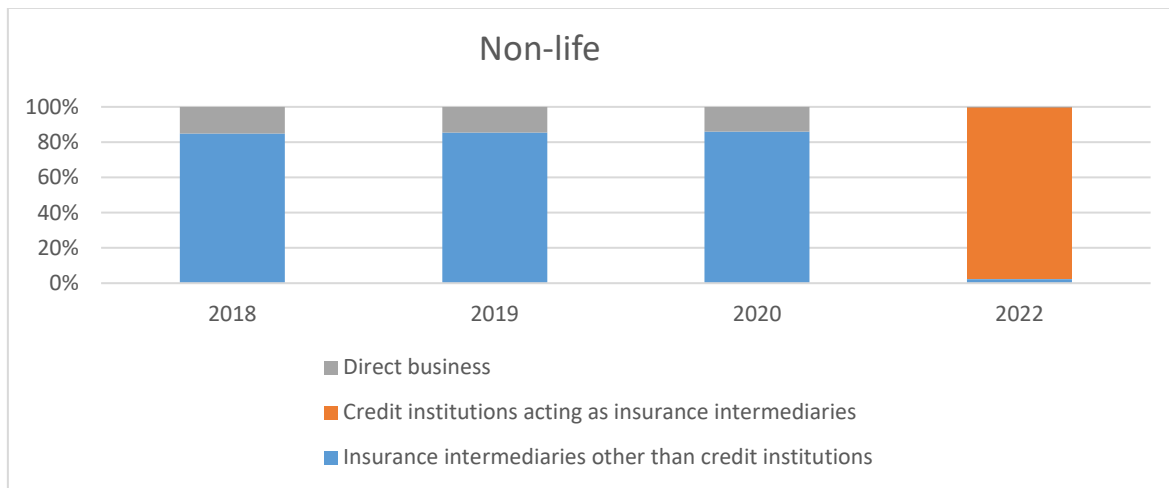


Comments provided by the NCA on the figures included in the chart above:

FSC is in process of developing new information system, which will provide all the information for all insurance intermediaries distributing insurance products as part of the above points. It is expected to be finalised until the end of 2023.

GWP split by distribution channels:





Comments provided by the NCA on the figures included in the charts above:

The information provided is from annual statistic for insurance intermediaries at the end of each above period

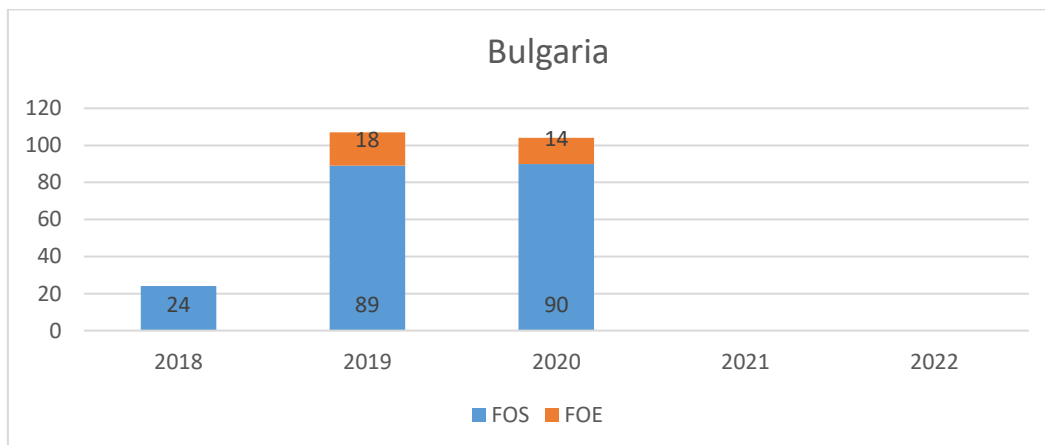
Proportion of online intermediation/sales (e.g. directly via websites, mobile applications, e-mails) in terms of the total volume of gross written premiums:

The data that we have is only regarding life insurance and the information that we have from insurers is that the percentage is very low, approximately 0.01%.

Comments provided by the NCA on the data above:

Regarding life insurance we gathered information from the insurers.

Number of domestic insurance intermediaries with a passport to carry out insurance distribution activities under freedom to provide services (FOS) or under freedom of establishment (FOE)



Comments provided by the NCA on the figures included in the chart above:

The data that FSC collects is only the total number of the insurance intermediaries in our jurisdiction with passport to operate in another member states.

Number of insurance intermediaries with a passport to carry out insurance distribution activities under FOS or under FOE at the reference date 31.12.2022 split by host Member State:⁶

	1. FOS	2. FOE	3. TOTAL
<i>Austria</i>	34	0	34
<i>Belgium</i>	35	0	35
<i>Bulgaria</i>	0	0	0
<i>Cyprus</i>	30	0	30
<i>Croatia</i>	23	0	23
<i>Czech Republic</i>	32	0	32
<i>Denmark</i>	28	0	28
<i>Estonia</i>	27	0	27
<i>Finland</i>	27	0	27
<i>France</i>	35	0	35
<i>Germany</i>	37	0	37
<i>Greece</i>	39	0	39
<i>Hungary</i>	32	0	32
<i>Iceland</i>	11	0	11
<i>Ireland</i>	30	0	30
<i>Italy</i>	41	0	41
<i>Latvia</i>	26	0	26
<i>Liechtenstein</i>	11	0	11
<i>Lithuania</i>	28	0	28
<i>Luxembourg</i>	29	0	29
<i>Malta</i>	29	0	29
<i>Netherlands</i>	30	0	30
<i>Norway</i>	12	0	12
<i>Poland</i>	32	0	32
<i>Portugal</i>	30	0	30

⁶ The row "Total EEA" and the column "3. TOTAL" count the same insurance intermediary only once where the insurance intermediary operates both under FoS and FoE or in several Member States at the same time.

<i>Romania</i>	43	4	47
<i>Slovakia</i>	47	0	47
<i>Slovenia</i>	10	0	10
<i>Spain</i>	34	0	34
<i>Sweden</i>	29	0	29
<i>Total EEA</i>	851	4	855

Comments provided by the NCA on the figures included in the table above:

The provided information is based on the data which is gathered from our official website of FSC regarding notifications.

General qualitative description of the “patterns of cross-border activity”:

We observe that most of the Bulgarian insurance intermediaries prefer to carry out insurance distribution activities under the freedom to provide services rather than under right of establishment in other Member States. In addition, all of the insurance intermediaries that carry out their activities in the territory of other Member States for the time being are legal entities and they are insurance brokers.

Additional information not covered above :

Out of the total realized premium income and the recorded income from commissions for 2020, 95% are from non-life insurance and 5% from life insurance. The written premiums and commissions in 2020, under non-life insurance are 76% from motor insurances and 19% under the other classes of non-life. As for the written premiums and commissions on life insurance, they are realized mainly from Life and annuity insurance, and health insurance.

Information on the powers of the NCA

New statutory powers to implement the IDD received since 2022

Since 2022, no new amendments have been introduced to the legislation regarding the implementation of IDD.