

Country-by-country analysis

LITHUANIA

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
29 November 2023



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

LITHUANIA

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	2,806	0.6%
(Re)insurance GWP (in million) ⁴	873.670	0.06%
Number of (re)insurance undertakings ⁵	9	0.5%
Number of registered insurance intermediaries	3727	0.4%

National competent authority:

Bank of Lithuania

³ Based on eurostat data for 1 January 2022:

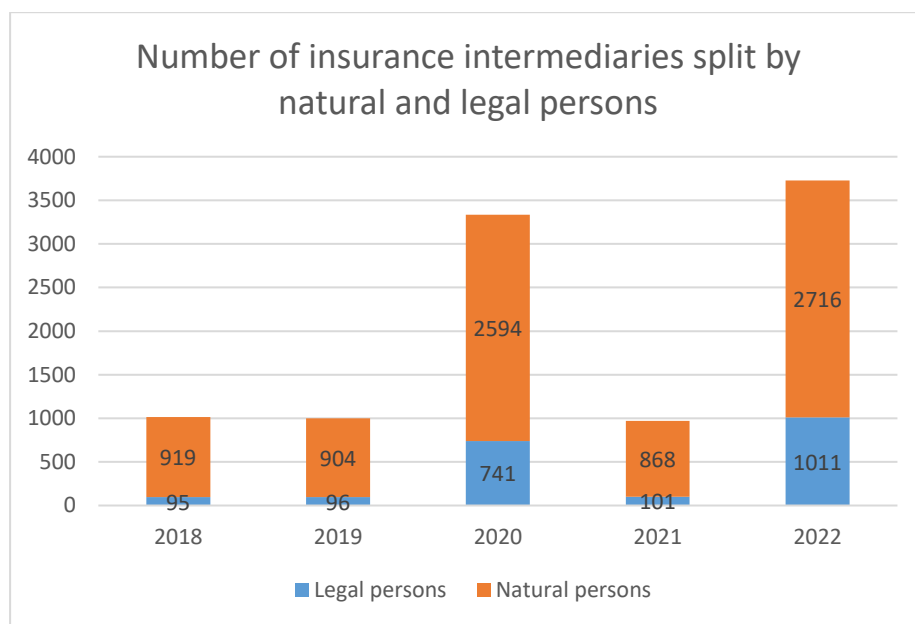
<https://ec.europa.eu/eurostat/databrowser/view/tps00001/default/table?lang=en>

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

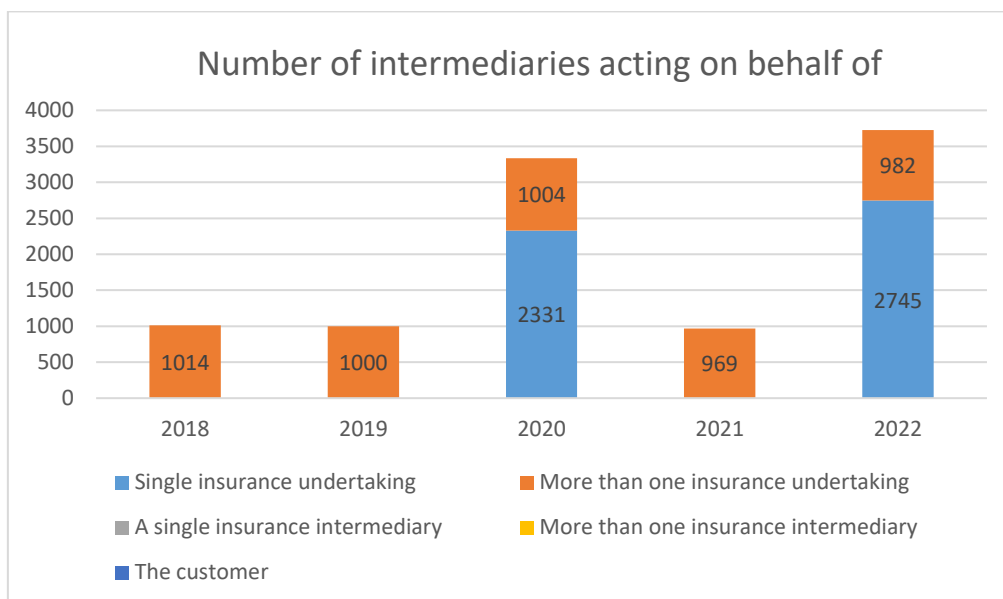
Registered insurance intermediaries split by natural and legal persons:**Comments provided by the NCA on the figures included in the chart above:**

It should be noted that the Bank of Lithuania is responsible for registration of insurance brokerage companies, the Chamber of Insurance Brokers - for registration of insurance brokers (natural persons). Insurance agent companies (legal persons) and insurance agents (natural persons) are registered by insurers, the up-to-date list of insurance intermediaries acting on a single insurance undertaking is published on website of that insurer, so it is not possible to get data on the number of insurance intermediaries in 2021 (ie. 2021 data on the number of natural and legal persons include only insurance brokers (868) and insurance brokerage companies (101)). The number of natural persons in 2022 (2716) is a sum of the number of insurance brokers (880) and insurance agents (1836). The number of legal persons in 2022 (1011) is a sum of the number of insurance brokerage companies (102) and the number of insurance agent companies (909).

Online registration system:

Link to the online registration system: <https://www.lb.lt/en/authorisation-application>. All information on registered insurance brokerage companies published on the website of the Bank of Lithuania is up-to-date.

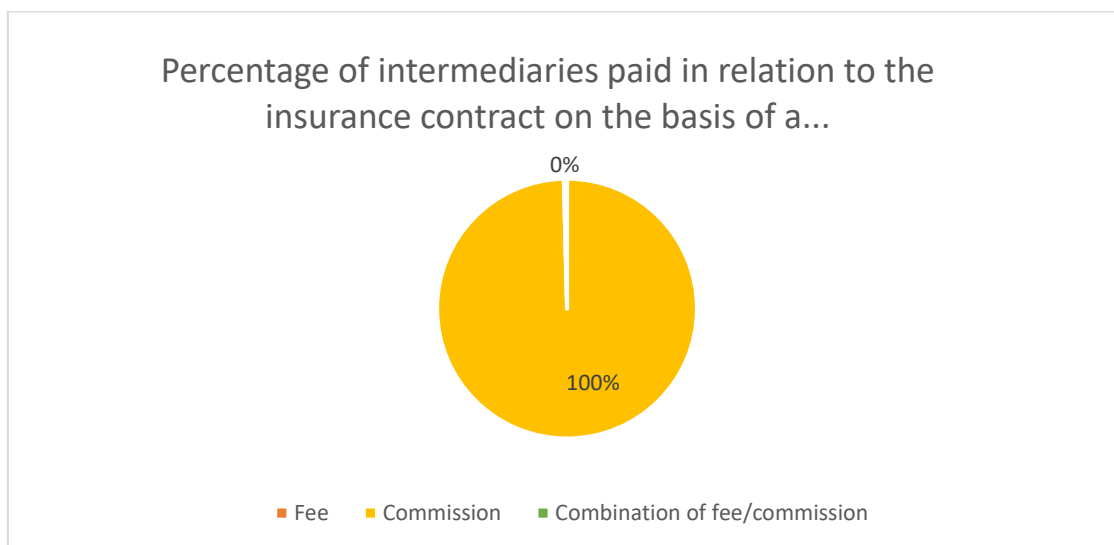
Registered insurance intermediaries split by categories based on the activities of insurance intermediaries:



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

2021 data provided for the number of insurance intermediaries acting on more than one insurance undertaking is the sum of of the number of insurance brokers and insurance brokerage companies (as 2021 data on insurance agents and insurance agent companies were not available). Regarding 2022 data, , the number of intermediaries acting on behalf of the single insurance undertaking is the sum of the number of insurance agent companies and insurance agents (909+1836); the number of intermediaries acting on behalf of more than one insurance undertaking is the sum of the number of insurance brokerage companies and insurance brokers(102+880).

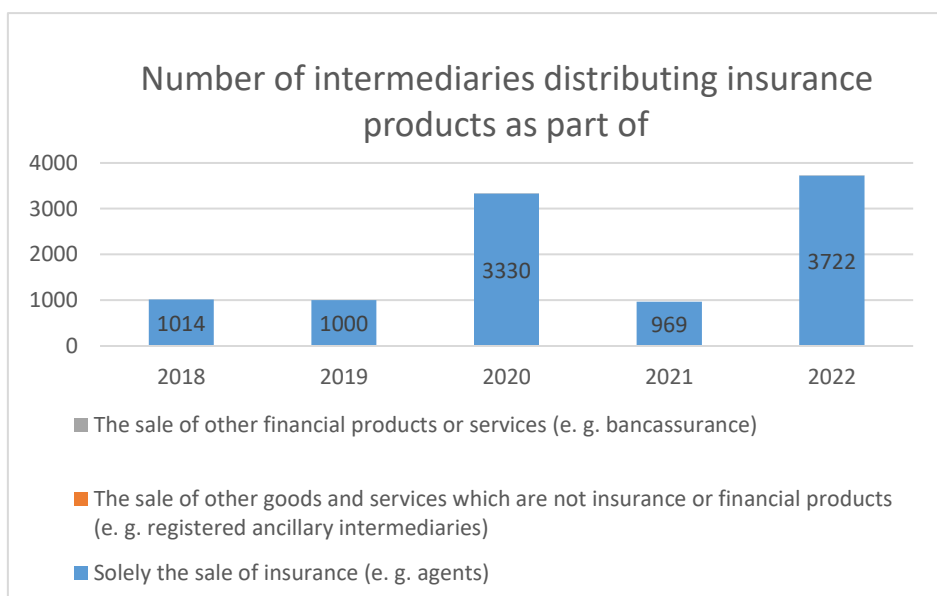
Way of remuneration of insurance iintermediaries in relation to the insurance contract in 2022:



Comments provided by the NCA on the figures above :

Almost all insurance intermediaries are remunerated on the basis of a commission of any kind. Just 14 insurance brokerage companies (out of 102) are remunerated on the basis of a combination of fee and commission (the share of remuneration paid directly by the client, typically by legal persons, is 7 percent of insurance brokerage companies' income). Percentage of insurance intermediaries in the combination of fee/commission category (0.40) is calculated as the ratio of 14 to 3727 (total number of registered intermediaries).

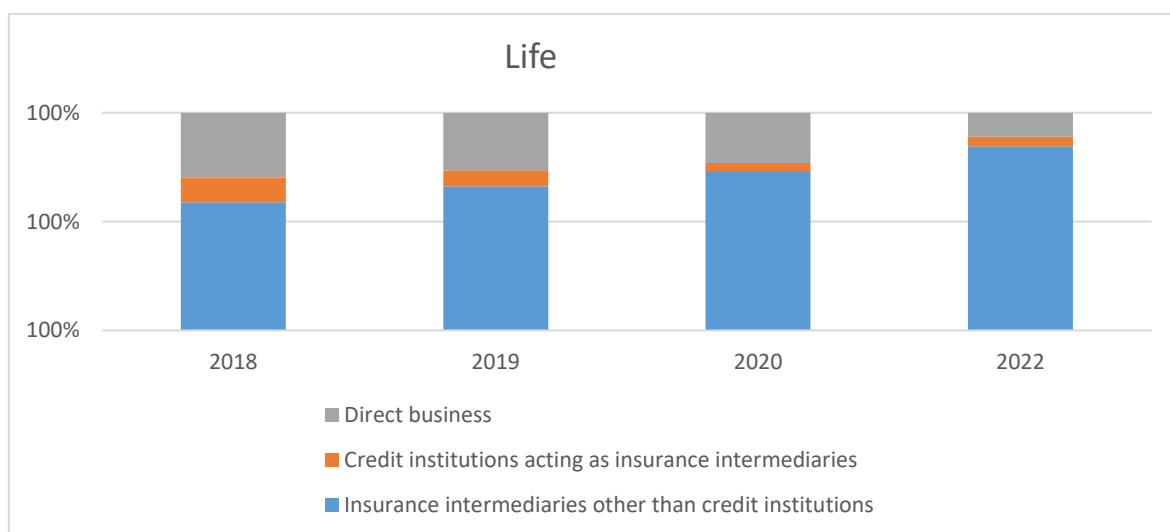
Registered insurance intermediaries split by categories based on the basis in which they sell insurance products:

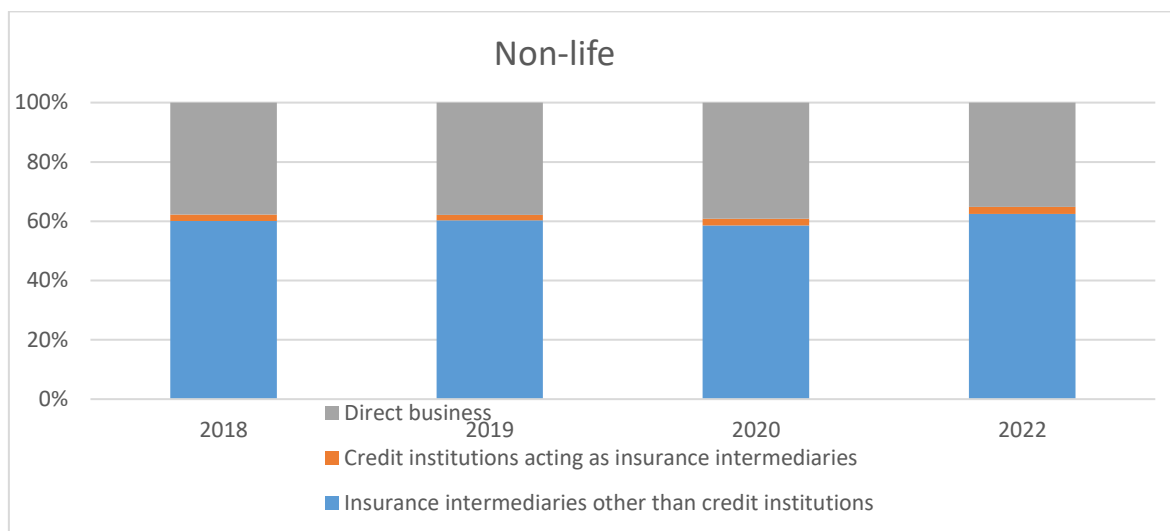


Comments provided by the NCA on the figures included in the chart above:

2021 data provided in the category of solely the sale of insurance is the sum of of the number of insurance brokers and insurance brokerage companies. As regards 2022, there are 5 banks, acting as insurance agent companies and providing bancassurance, indicated in the category of the sale of other financial products or services; the rest of the insurance intermediaries are indicated in category of solely the sale of insurance. It should be noted that in Lithuania insurance agents and ancillary intermediaries are registered by insurers and published in one list, so it is not possible to determine the exact number of ancillary intermediaries.

GWP split by distribution channels:





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

Statistical data is collected by the Bank of Lithuania. Data on gross premiums written via different distribution channels were provided by insurance undertakings (not by insurance intermediaries).

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 Bank of Lithuania collects data on online sales. We do not collect information on type of online sale (i.e. information is not splitted more granulary (sales directly via websites, mobile apps and etc.). Data on gross premiums written via different distribution channels (including e-channel) were provided by insurance undertakings (not by insurance intermediaries). Therefore, the Bank of Lithuania has only data reported by insurers on their online sales.

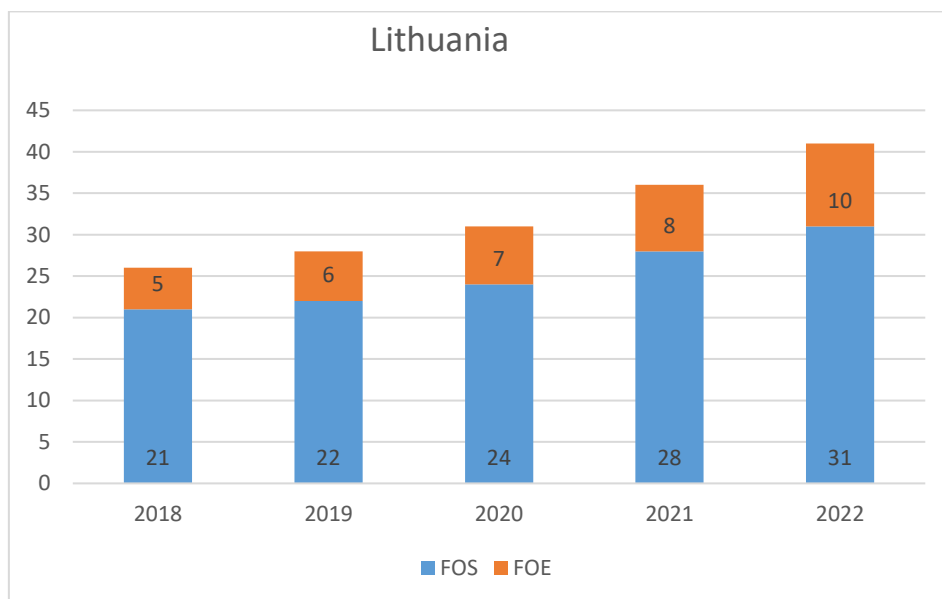
Online sales data is splitted by line of business. Gross premiums written of online sales for 2022 year were:

Non-life: 44 222 002 Eur

Life: 4 160 377 Eur

Total: 48 382 379 Eur

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)



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>	13	0	13
<i>Belgium</i>	14	0	14
<i>Bulgaria</i>	13	0	13
<i>Cyprus</i>	12	0	12
<i>Croatia</i>	9	0	9
<i>Czech Republic</i>	10	0	10
<i>Denmark</i>	14	0	14
<i>Estonia</i>	25	3	26
<i>Finland</i>	14	0	14
<i>France</i>	14	0	14
<i>Germany</i>	13	0	13
<i>Greece</i>	12	0	12
<i>Hungary</i>	13	0	13
<i>Iceland</i>	7	0	7
<i>Ireland</i>	13	0	13
<i>Italy</i>	12	0	12
<i>Latvia</i>	28	4	30

⁶ v

<i>Liechtenstein</i>	<i>8</i>	<i>0</i>	<i>8</i>
<i>Lithuania</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Luxembourg</i>	<i>12</i>	<i>0</i>	<i>12</i>
<i>Malta</i>	<i>13</i>	<i>0</i>	<i>13</i>
<i>Netherlands</i>	<i>13</i>	<i>0</i>	<i>13</i>
<i>Norway</i>	<i>8</i>	<i>0</i>	<i>8</i>
<i>Poland</i>	<i>26</i>	<i>3</i>	<i>28</i>
<i>Portugal</i>	<i>13</i>	<i>0</i>	<i>13</i>
<i>Romania</i>	<i>13</i>	<i>0</i>	<i>13</i>
<i>Slovakia</i>	<i>13</i>	<i>0</i>	<i>13</i>
<i>Slovenia</i>	<i>12</i>	<i>0</i>	<i>12</i>
<i>Spain</i>	<i>13</i>	<i>0</i>	<i>13</i>
<i>Sweden</i>	<i>14</i>	<i>0</i>	<i>14</i>
<i>Total EEA</i>	<i>394</i>	<i>10</i>	<i>399</i>

Information on the powers of the NCA

Extent to which NCA has not been sufficiently empowered to ensure the implementation of the IDD:

Provisions of IDD have been fully transposed in the national legislation, therefore, the Bank of Lithuania has all statutory powers to ensure the implementation of the IDD.