

Country-by-country analysis

MALTA

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

MALTA

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	520.971	0.1%
(Re)insurance GWP (in million) ⁴	8,957.346	0.7%
Number of (re)insurance undertakings ⁵	32	1.9%
Number of registered insurance intermediaries	445	0.1%

National competent authority:

Malta Financial Services Authority

³ Based on eurostat data for 1 January 2022:

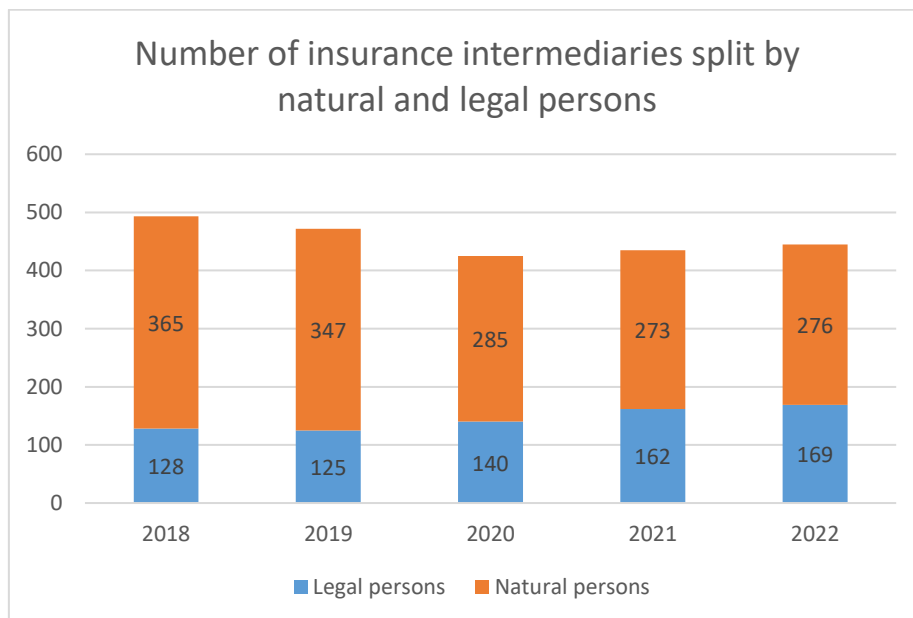
<https://ec.europa.eu/eurostat/databrowser/view/tps00001/default/table?lang=en>

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 figures shown above are as at 31 December of each year.

Online registration system:

In line with the requirements emanating from the IDD, the MFSA has launched an online application facility wherein persons (natural and legal) wishing to apply for an insurance intermediary licence can submit their application online to the MFSA. The applications which are available are the following:

- Application for enrolment in the Agents, Managers or Brokers List;
- Application for the registration of individuals in the Agents, Managers or Brokers Register;
- Application for the enrolment of Tied Insurance Intermediaries in the Tied Insurance Intermediaries List; and
- Application for the enrolment of Ancillary Insurance Intermediaries in the Ancillary Insurance Intermediaries List.

In order for persons to submit an online application, they first need to apply for a username through the MFSA Portal and once they are granted with the log in details, they can fill in the respective application. Depending on the type of application submitted the applicant will be asked

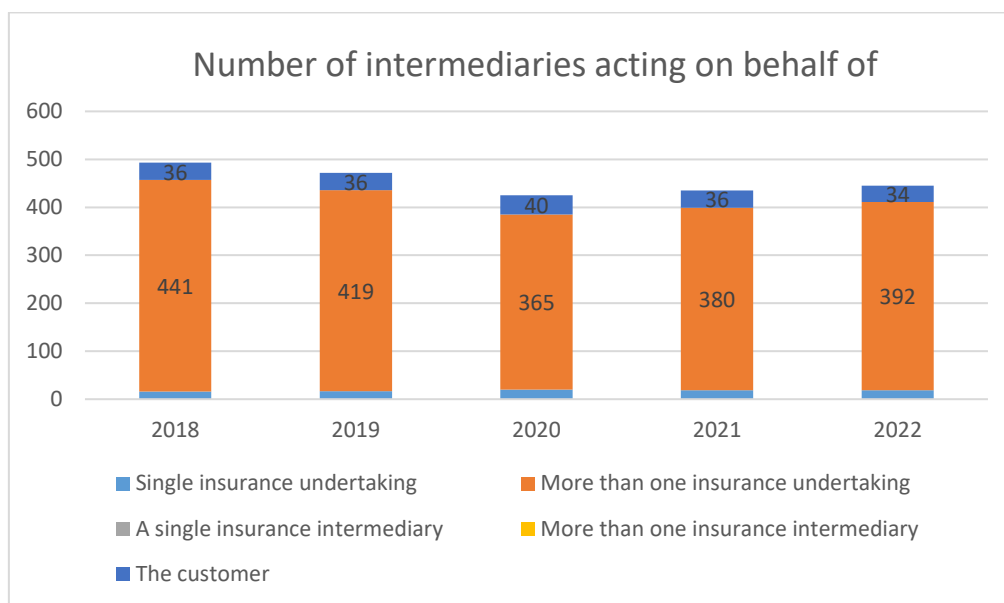
to include certain documentation. For example, in the case of an insurance broker / agent / manager they will be requested to submit a scheme of operations and financial projections.

Once the application is completed and all the required documentation is attached the applicant submits the application through the MFSA portal.

The applicant is informed every time the status of the application changes for example from the “submitted status” to “assigned status” to “in process status” to the final stage which is the “approved status”.

The IT system introduced also provides the facility that at any point in time we can issue statistics on the number of applications received, applications being processed and applications approved, refused or withdrawn.

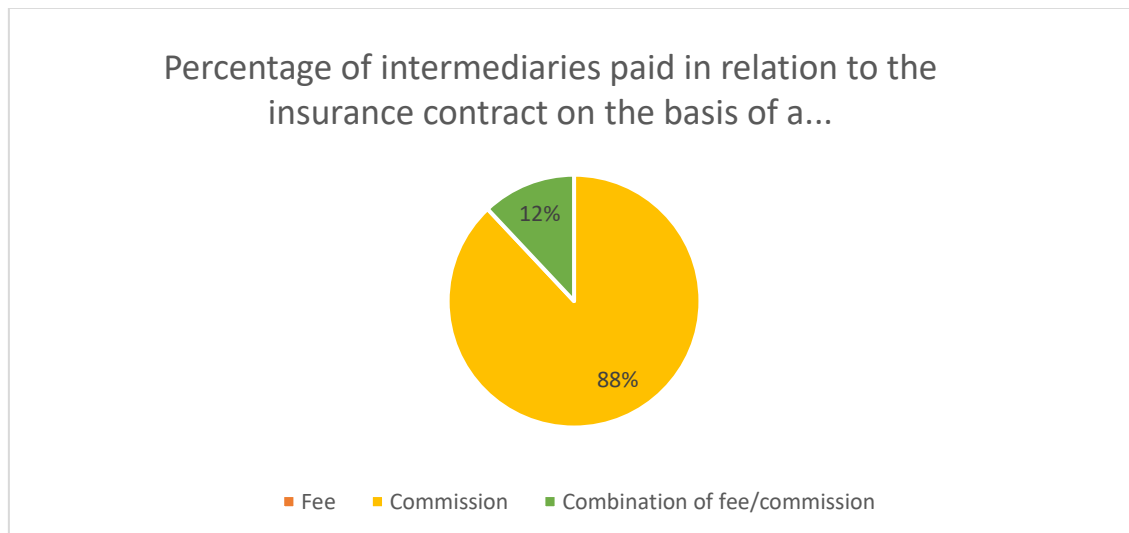
Registered insurance intermediaries split by categories based on the activities of insurance intermediaries:



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

One of the relevant categories in the Maltese national register is 'tied insurance intermediaries' which can work with only one insurance undertaking on particular classes of business. Example - XYZ is a tied insurance intermediary who transacts life business with Company A and general business (non-life) with Company B.

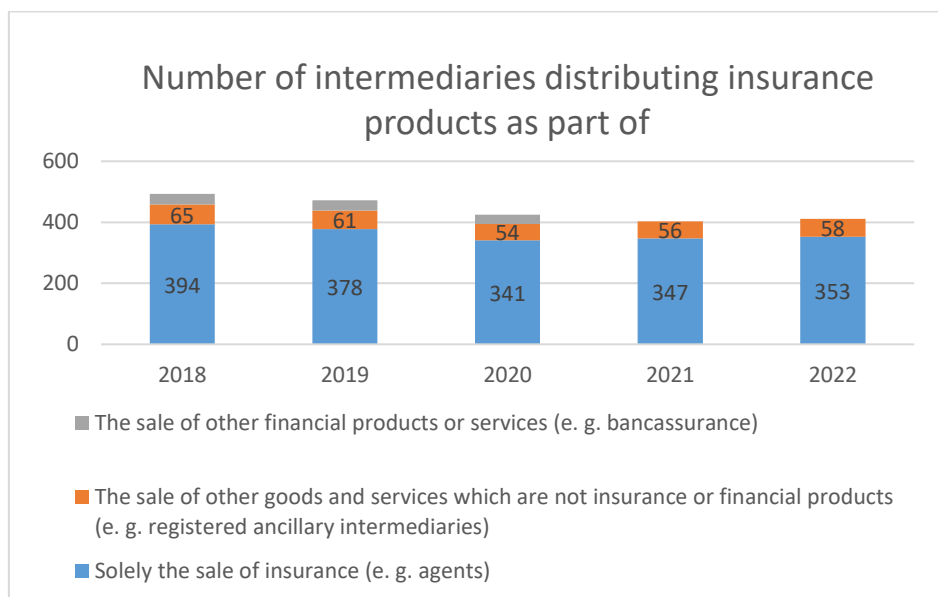
Way of remuneration of insurance intermediaries in relation to the insurance contract in 2022:



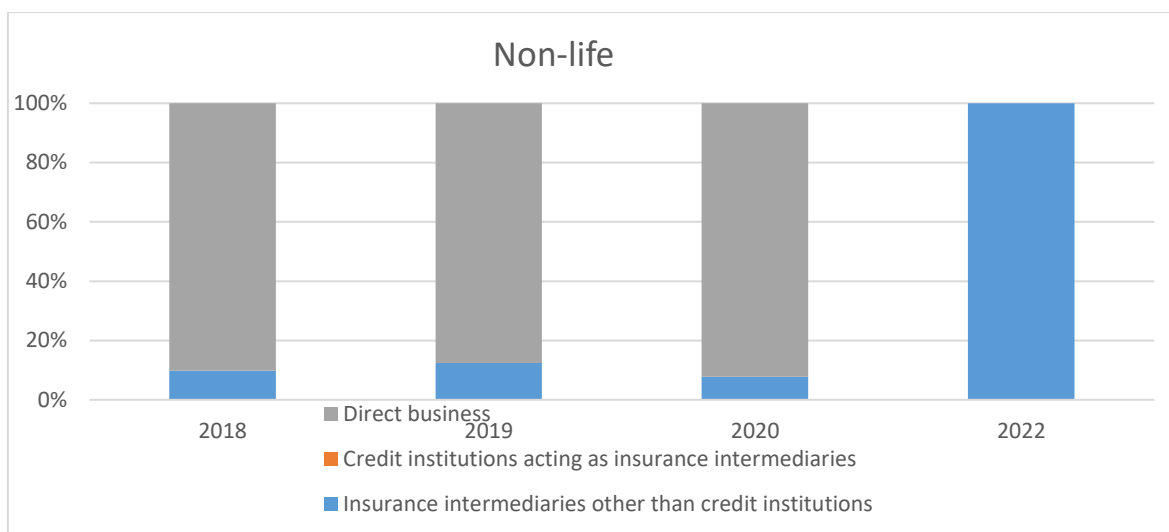
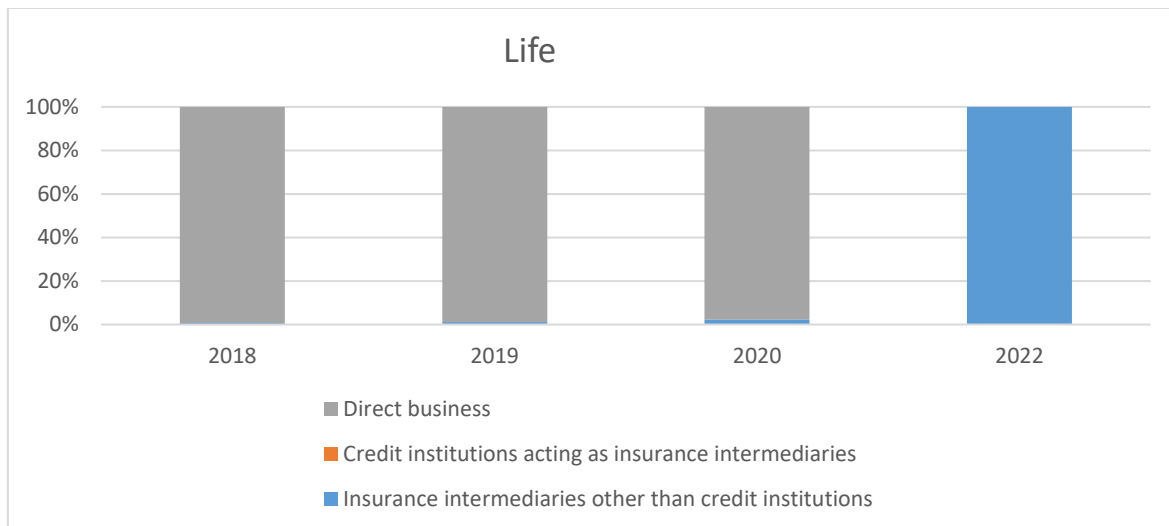
Comments provided by the NCA on the figures above :

Tied Insurance Intermediaries are solely remunerated on the basis of a commission which is included in the insurance premium and paid by the Insurance Undertaking. Insurance Brokers & Insurance Agents are usually remunerated on the basis of a commission which is included in the premium as well as additional fees, established by the intermediary and which are paid by the customer such as policy fees, admin fees, brokerage fees).

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



GWP split by distribution channels:



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

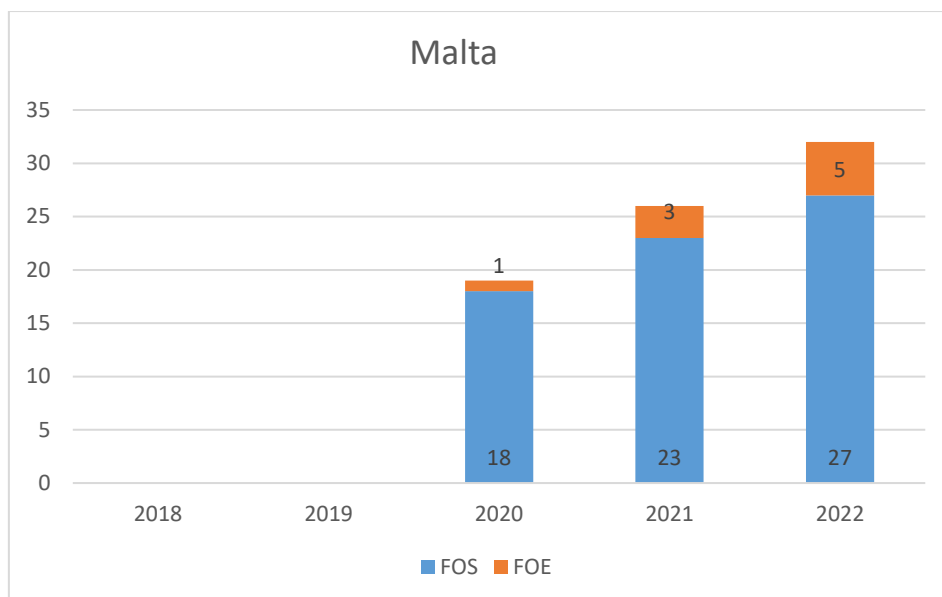
Under insurance intermediaries other than credit institutions - GWP includes brokers + agents.

In the Maltese regulatory framework, credit institutions acting as insurance are categorised as tied insurance intermediaries. We do not collect quantitative data of tied insurance intermediaries in our regulatory returns as these would have been captured under direct business. Currently, we do not have the direct business generated

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

We do not currently collect information of online intermediation/sales of our market. However, it is planned to create a new conduct data form in order to capture this type of information in future submissions.

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>	17	0	17
<i>Belgium</i>	19	0	19
<i>Bulgaria</i>	17	0	17
<i>Cyprus</i>	18	2	20
<i>Croatia</i>	16	0	16
<i>Czech Republic</i>	16	0	16
<i>Denmark</i>	21	0	21
<i>Estonia</i>	17	0	17
<i>Finland</i>	18	0	18
<i>France</i>	21	1	22
<i>Germany</i>	20	0	20

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>Greece</i>	<i>18</i>	<i>0</i>	<i>18</i>
<i>Hungary</i>	<i>16</i>	<i>0</i>	<i>16</i>
<i>Iceland</i>	<i>17</i>	<i>0</i>	<i>17</i>
<i>Ireland</i>	<i>21</i>	<i>2</i>	<i>23</i>
<i>Italy</i>	<i>21</i>	<i>0</i>	<i>21</i>
<i>Latvia</i>	<i>16</i>	<i>0</i>	<i>16</i>
<i>Liechtenstein</i>	<i>16</i>	<i>0</i>	<i>16</i>
<i>Lithuania</i>	<i>16</i>	<i>0</i>	<i>16</i>
<i>Luxembourg</i>	<i>20</i>	<i>0</i>	<i>20</i>
<i>Malta</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Netherlands</i>	<i>22</i>	<i>0</i>	<i>22</i>
<i>Norway</i>	<i>19</i>	<i>0</i>	<i>19</i>
<i>Poland</i>	<i>19</i>	<i>0</i>	<i>19</i>
<i>Portugal</i>	<i>19</i>	<i>1</i>	<i>20</i>
<i>Romania</i>	<i>17</i>	<i>0</i>	<i>17</i>
<i>Slovakia</i>	<i>18</i>	<i>0</i>	<i>18</i>
<i>Slovenia</i>	<i>17</i>	<i>0</i>	<i>17</i>
<i>Spain</i>	<i>21</i>	<i>2</i>	<i>23</i>
<i>Sweden</i>	<i>22</i>	<i>1</i>	<i>23</i>
<i>Total EEA</i>	<i>535</i>	<i>9</i>	<i>544</i>

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

The majority of the domestic insurance intermediaries which passport in other Member States are insurance brokers. There are no predominant classes of business mediated by insurance brokers.