

Country-by-country analysis - Ireland

Annex IX to the Report on the application of the
Insurance Distribution Directive (IDD)

Consumer Protection Department
EIOPA REGULAR USE
EIOPA-BoS-21/584
06 January 2022



eioipa

European Insurance and
Occupational Pensions Authority

Note:

Powers of national competent authorities (NCAs):

In January 2021, 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 response from the Central Bank of Ireland to this survey.

The figures should be interpreted with some caution as insurance markets – including the number and type of insurance intermediaries operating therein – vary significantly across Members States, as well as the supervisory structure and framework. **There are, therefore, limits to the level of comparability of data.**

Changes in the EU insurance distribution market:

In February 2021, 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 response from the Central Bank of Ireland 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.

IRELAND

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

General data of the national market (2020):

	Amounts	Share total EEA
Population (in 1000) ¹	4,963	1.1%
(Re)insurance GWP (in million) ²	82,239.97	5.3%
Number of (re)insurance undertakings ³	179	7.4%
Number of registered insurance intermediaries	2,381	0.3%

National competent authority:

Central Bank of Ireland

Registered insurance intermediaries split by natural and legal persons:

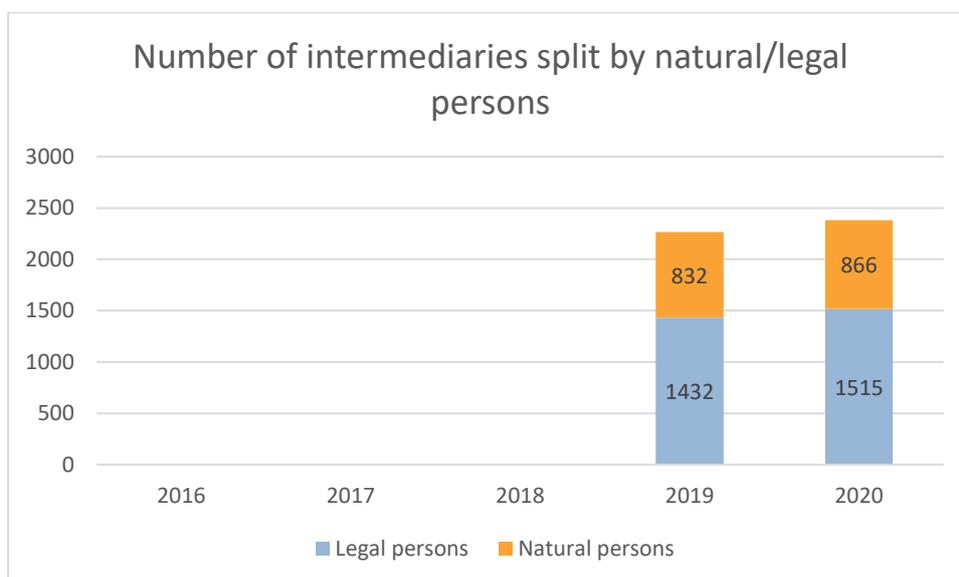
¹ Based on eurostat data:

<https://ec.europa.eu/eurostat/documents/2995521/11081093/3-10072020-AP-EN.pdf/d2f799bf-4412-05cc-a357-7b49b93615f1>

² (Re)insurance GWP includes life and non-life premiums generated by domestically registered undertakings year-end 2020 based on annually reported SII information:

https://www.eiopa.europa.eu/tools-and-data/insurance-statistics_en#Premiums,claimsandexpenses

³ Number of (re)insurance undertakings includes the domestically registered undertakings. Based on SII information (see link above)



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

Data has been provided as at 31 December of each year and data in relation to 2016 to 2018 is not available. Note the number of intermediaries includes tied agents 307 (2019) and 352 (2020). The increase in the number of intermediaries between 2019 and 2020 may have been a result of UK firms that previously operated in the State on a FOS/FOE basis obtained authorisation from the Central Bank.

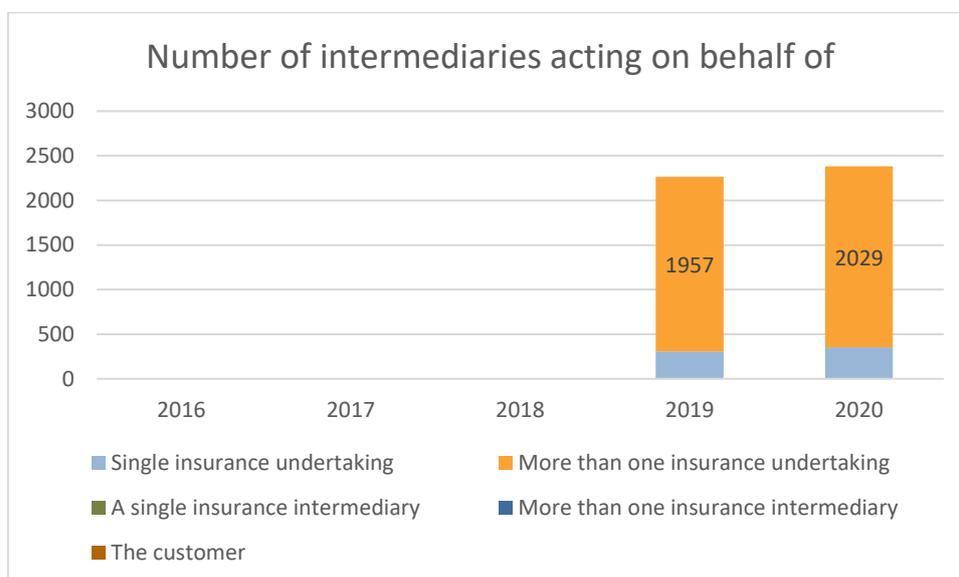
Online registration system:

Applications for registration under the European Union (Insurance Distribution) Regulations 2018 (IDR) are submitted to the Central Bank of Ireland via its online secure file transfer system Kiteworks. The system allows applicants to submit an electronic copy of the application form and all related documentation online. Access to the system is requested by email. Once access is requested an applicant is provided with a link which will allow them to register for access to the system. All application documentation, including supplemental information requested, is submitted securely using the online system.

The Register of insurance, reinsurance and ancillary insurance intermediaries is updated every two weeks.

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

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

Data has been provided as at 31 December of each year and data in relation to 2016 to 2018 is not available

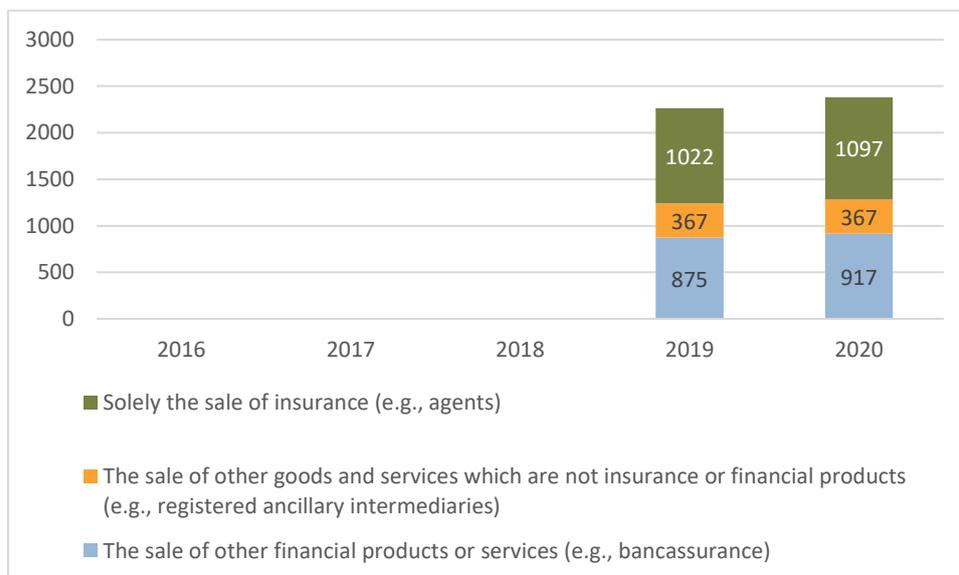
Registered insurance intermediaries split by categories based on the way in which they are paid:

Number of intermediaries paid in relation to the insurance contract	No intermediary is remunerated this way	Up to 25% of the intermediaries in the market are remunerated this way	25%-50% of the intermediaries in the market are remunerated this way	50%-75% of the intermediaries in the market are remunerated this way	More than 75% of the intermediaries in the market are remunerated this way
1. on the basis of a fee					
2. on the basis of a commission					
3. on the basis of any other type of remuneration					

4. on the basis of a combination of any type of remuneration set out at points 1, 2 and 3				2,264	2381.00
5.Total number of registered intermediaries (5=1+2+3+4)	0.00	0.00	0.00	2264.00	2381.00

Data has been provided as at 31 December of each year and data in relation to 2016 to 2018 is not available.

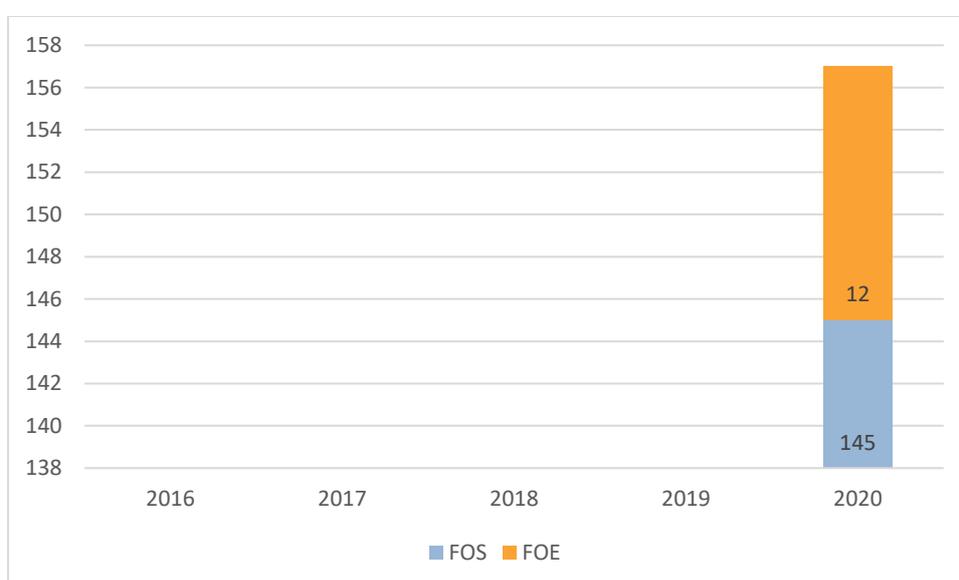
Registered insurance intermediaries split by categories based on the basis in which they sell insurance products:



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

Data has been provided as at 31 December of each year and data in relation to 2016 to 2018 is not available. 2019 ancillary intermediary data has been used for 2020 also as 2020 return data is not available at this point. The ancillary intermediaries relate to entities that sell insurance policies as an ancillary to their main business, the number reported above relates to entities such as car sales garages.

Number of domestic insurance intermediaries with a passport to carry out insurance mediation 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:

Historic data is not available and data is provided as at 11/06/21. At present 146 domestic insurance intermediaries passport out on a FOS/FOE basis of which 145 operate on a FOS basis, 11 on both FOS and FOE and 1 only on FOE.

Number of insurance intermediaries with a passport to carry out insurance mediation activities under FOS or under FOE at the reference date 31.12.2020 split by host Member State:

<i>Host Member State</i>	<i>1. FOS</i>	<i>2. FOE</i>	<i>3. TOTAL</i>
<i>Austria</i>	75	1	76

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<i>Belgium</i>	91	1	92
<i>Bulgaria</i>	66	0	66
<i>Cyprus</i>	76	1	77
<i>Croatia</i>	49	0	49
<i>Czech Republic</i>	66	1	67
<i>Denmark</i>	75	1	76
<i>Estonia</i>	66	0	66
<i>Finland</i>	72	1	73
<i>France</i>	112	6	118
<i>Germany</i>	103	3	106
<i>Greece</i>	76	1	77
<i>Hungary</i>	65	1	66
<i>Iceland</i>	54	0	54
<i>Ireland</i>	0	0	0
<i>Italy</i>	95	3	98
<i>Latvia</i>	66	0	66
<i>Liechtenstein</i>	52	0	52
<i>Lithuania</i>	66	0	66
<i>Luxembourg</i>	80	1	81
<i>Malta</i>	84	0	84
<i>Netherlands</i>	89	1	90
<i>Norway</i>	62	1	63
<i>Poland</i>	77	1	78
<i>Portugal</i>	96	1	97
<i>Romania</i>	67	1	68

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<i>Slovakia</i>	62	1	63
<i>Slovenia</i>	65	0	65
<i>Spain</i>	114	8	122
<i>Sweden</i>	75	1	76
<i>Total EEA</i>	2,196	36	2,232

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

Data is as at 11/06/21.

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

A large proportion of firms passport to Spain, France and Germany on a FOS basis. In terms of FOE Spain and France feature as the Top 2 countries. Note since 31 December 2020, this data no longer includes firms that would have passported to the UK.

Information on the powers of the NCA

Statutory powers to implement the IDD:

The Insurance Distribution Directive was transposed into Irish law by means of the European Union (Insurance Distribution) Regulations 2018 (S.I. No. 229 of 2018) (Insurance Distribution Regulations), which came into application on 1 October 2018 available online: [here](#)

Pursuant to Regulation 4(1) of the Insurance Distribution Regulations (IDR) the Central Bank of Ireland is designated as the competent authority in Ireland for the purpose of the Insurance Distribution Directive. The role and powers of the Central Bank of Ireland as set out in the IDR include:

- *Registration of (re)insurance intermediaries and ancillary insurance intermediaries (Part 3 of the IDR)*

Under Regulation 9 of the IDR, the Bank must ensure that the registration of insurance, reinsurance and ancillary insurance intermediaries, is made subject to the fulfilment of certain requirements set out in the IDR, such as requirements relating to competence, good repute, professional indemnity insurance and protection of premiums. Under Regulation 10 of the IDR, the Bank may grant or refuse an application for registration, or make the grant of a registration subject to conditions or requirements.

- *Market monitoring, including the market for ancillary insurance products which are marketed, distributed or sold in, or from, their Member State*

Under Regulation 3(7) The Bank shall monitor the insurance market, including the market for ancillary insurance products which are marketed, distributed or sold in, or from, the State.

- *Breach of obligations when exercising the freedom to provide services and the freedom of establishment*

Regulation 28 states that where the competent authority of a host Member State has reason to consider that an insurance, reinsurance or ancillary insurance intermediary that has established a branch or permanent presence in that Member State is in breach of any obligation set out in the Directive of 2016, and where the competent authority does not have responsibility in accordance with Article 7 of the Directive of 2016 it shall refer those findings to the Bank and the Bank shall:

- (a) assess the information received from the competent authority in the host Member State,
- (b) where necessary, at the earliest opportunity take appropriate measures to remedy the situation, and
- (c) inform the competent authority in the host Member State of any such measures taken.

- *Publication of general good rules*

Regulation 5 of the IDR allows the Bank to publish on its website national provisions concerning consumer protection, i.e. general good rules.

- *Breaches, (administrative) sanctions and other measures, including their publication and reporting Parts 8 – 10 of the IDR*

Article 31 of the IDD (Administrative sanctions and other measures) transposed into Irish law by Part 8 of the IDR and Part IIIC of the Central Bank Act 1942.

Article 32 of the IDD (Publication of sanctions and other measures) transposed into Irish law by Regulation 52 of the IDR.

Article 33 of the IDD (Breaches, and sanctions and other measures) transposed into Irish law by Part 8 of the IDR and Part IIIC of the Central Bank Act 1942.

Article 35 of the IDD (Reporting of breaches) transposed into Irish law by Regulation 53 of the IDR.

Article 36 of the IDD (Submitting information to EIOPA in relation to sanctions and other measures) transposed into Irish law by Regulation 52 of the IDR.

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

Not applicable

Most common supervisory tools to monitor the IDD implementation (1=least common; 5=most common)

Tools	Insurance undertakings	Insurance intermediaries
Market monitoring	4	2
Data-driven market monitoring, beyond complaints data analysis	3	1
Thematic reviews	4	3
Mystery shopping	1	1

On-site inspections	4	3
Off-site monitoring	4	5
Consumer focus groups	1	1
Product oversight activities	3	1
Consumer research	2	2
Investigations stemming out of complaints	4	3
Other <i>a priori</i> supervisory activities (e.g., fit&proper assessments)	3	4

Comment by NCA on supervisory tools referred to in the table above:

- The Probability Risk and Impact System (PRISM) is the Central Bank’s risk-based framework for the supervision of regulated firms. It supports our challenging firms, judging the risks they pose to the economy and the consumer and mitigating those risks we judge to be unacceptable.
- Under PRISM, the most significant firms - those with the ability to have the greatest impact on financial stability and the consumer - receive a high level of supervision under structured engagement plans, leading to early interventions to mitigate potential risks. Conversely, those firms which have the lowest potential adverse impact are supervised reactively or through thematic assessments, with the Central Bank taking targeted enforcement action against firms across all impact categories whose poor behaviour risks jeopardising our statutory objectives including financial stability and consumer protection.
- Insurance Intermediaries are also assessed to ensure compliance with the Fitness & Probity and Minimum Competency Standards of the Central Bank of Ireland.

Supervisory tools adopted before and following IDD implementation:

Cells marked in **blue** means "yes" and cells marked in **grey** means "no".

Tools adopted	Adopted before IDD implementation	Adopted following IDD implementation	Is planning to adopt this or next year	Would like to adopt but is not empowered to adopt
Market monitoring				
Data-driven market monitoring, beyond complaints data analysis				
Thematic reviews				
Mystery shopping				
On-site inspections				
Off-site monitoring				
Product oversight activities				
Consumer focus groups				
Consumer research				
Investigations stemming out of complaints				
Other <i>a priori</i> supervisory activities (e.g., fit & proper assessments) – indicate below				

Comment by NCA on supervisory tools referred to in the table above:

Prior to the implementation of the IDD the Central Bank of Ireland has used Market monitoring, Data-driven market monitoring, beyond complaints data analysis, Thematic reviews, On-site inspections, Off-site monitoring, Investigations stemming out of complaints and Other a priori supervisory activities (e.g., fit & proper assessments).

EIOPA

Westhafen Tower, Westhafenplatz 1

60327 Frankfurt – Germany

Tel. + 49 69-951119-20

info@eiopa.europa.eu

<https://www.eiopa.europa.eu>