



Consumer protection

Consumer protection is in the 'DNA' of EIOPA

Consumer protection matters

Consumer protection is key to EIOPA. We take a leading role in promoting transparency, simplicity and fairness in the market for consumer financial products and services across the EU.

EIOPA's mandate in the area of consumer protection and financial innovation is broad. Our approach is evidence-based, involving an analysis of the costs and benefits of policy measures, and consultative, involving stakeholders at different stages of policy development.

Tasks and powers

EIOPA works across different areas and on different tasks to promote positive outcomes for consumers.

Policy work

A comprehensive single rulebook, based on sound policy-making, is crucial to ensure consistent regulatory and supervisory practices in consumer protection.

As part of its policy work, EIOPA develops new supervisory rules for the insurance market, including those for insurance distributors under the [Insurance Distribution Directive \(IDD\)](#).

EIOPA also works closely with the other European Supervisory Authorities on developing common disclosure rules and on regulating the sale of packaged retail and insurance-based investment products (PRIIPs).

Supervisory and oversight work

EIOPA has a key role in promoting consistent supervisory practices on consumer protection issues. We work with national competent authorities on the tools they can use and measures they can take to identify, assess and solve consumer protection problems.

[Read more about EIOPA's conduct of business supervision strategy](#)

Key tasks

- Developing reports on consumer trends and undertaking thematic reviews of market conduct
- Issuing warnings and temporarily prohibit or restrict certain types of financial activities
- Adopting guidelines and recommendations and contribute to common disclosure rules
- Reviewing and coordinating financial literacy and education initiatives by competent authorities

EIOPA also works closely with the two other European Supervisory Authorities (the European Banking Authority and the European Securities and Markets Authority) on consumer protection issues. This includes the organisation of a regular Consumer Protection Day that offers a forum for debate with stakeholders on important regulatory developments and other consumer protection issues.

Product intervention powers

Under the [Packaged Retail and Insurance-based Investment Products \(PRIIPs\) Regulation](#) national competent authorities (NCAs) and EIOPA can restrict or ban insurance-based investment products (IBIPs). The following conditions must be met before EIOPA can take measures:

1. EIOPA identifies an issue that raises:

- a significant investor protection concern, or
- a threat to the proper functioning and integrity of financial markets, or
- a threat to the stability of the whole or part of the financial system.

2. EIOPA demonstrates that:

- regulatory requirements under EU law that apply to the financial instrument or activity do not address the threat/concerns mentioned above, and
- no NCA has taken action to address the problem or the actions taken do not adequately address the problem.

Measures adopted by EIOPA under Article 16 of the PRIIPs Regulation are temporary and cannot exceed 3 months. However, EIOPA may renew a measure at the end of the three months. The measures apply across all EU Member States, and all participants providing services in Europe must comply with them.

Measures adopted by NCAs may be permanent. These measures may apply to:

- market participants established in the jurisdiction of the NCA adopting the measure
- market participants established in other Member States and operating in that jurisdiction.

Supervisory and oversight tools

EIOPA uses a range of tools and resources to identify and mitigate potential conduct risks for consumers.

Conduct risk dashboards: A supervisory tool to give a structured view of potential conduct risks, vulnerabilities and trends in the insurance sector.

- Market monitoring: EIOPA continuously scrutinises new and existing financial activities to identify trends, potential risks and vulnerabilities that may lead to consumer detriment.
- Thematic reviews: These are deep dives into specific market activities of products to gather information and assess potential consumer detriment and possible ways of addressing detriment.
- Supervisory handbook: EIOPA is developing a conduct supervision handbook to provide supervisors with material on practical supervisory issues to promote supervisory convergence and consistent positive consumer outcomes.
- Country conduct visits: EIOPA works with national authorities to explore together their approach to conduct supervision, as well as challenges and tools used. Through country conduct visits EIOPA aims to support better supervisory convergence and facilitate peer learning between national authorities.

Areas of work

