

Consumer disclosures – what needs to change?

EIOPA workshop on how to improve the disclosure of information about insurance and pension products

27 October 2021 – 9.00-11.30 CEST

28 October 2021 – 9.00-12.10 CEST

Via WebEx

Background

Disclosure has become a cornerstone of modern financial services regulation, following the idea that consumers should make better choices when they are better informed. This has also been with the broader aim of reducing information asymmetries between consumers and financial service providers which should, in turn, promote more competitive and efficient markets, i.e. on the basis of more informed consumers.

At the same time, insights from behavioural research have highlighted the challenges to use consumer disclosure as a regulatory tool, given that consumers' decisions are not determined simply by reasoned deliberation, but are influenced by biases and other factors, such as inertia.

EU regulatory initiatives over recent years, for example the development of shorter form, summary disclosures such as the Key Information Document (KID) for packaged retail and insurance-based investment products (PRIIPs), the Insurance Product Information Document (IPID) for non-life insurance products or the Pension Benefit Statement for Institutions for Occupational Retirement Provision (IORPs) have brought some benefits. However, EIOPA's experience to date is that, overall, there are still shortcomings in the design and implementation of regulatory disclosures, for example in their ability to engage a non-financial literate audience or to sufficiently reflect findings from behavioural research, and the fact that market transparency objectives are often mixed with consumer disclosures in the regulatory framework. It is often stated by stakeholders that consumer disclosures remain too complex, and are usually not read by consumers.

Technology is also transforming the way products are sold and how information is provided to consumers. It is therefore important to consider how to appropriately reflect the digital transition occurring in society and the market place.

Taking this into account, EIOPA has initiated work to consider how current approaches to disclose information about insurance and pension products can be improved to work better for consumers.

Objectives

In this workshop we aim to discuss and in particular gather ideas and practical feedback from a wide range of stakeholders on this topic.

The objective is not to focus simply on the regulatory framework, but to explore a range of different important themes relating to consumer disclosures including, *inter alia*:

- The role of disclosures in achieving consumer protection objectives
- How to reflect behavioural principles when designing disclosures
- If and how disclosures can be simplified or made more user-friendly
- What tools or techniques can be used to promote improved consumer engagement, in particular in a digital age
- How the regulatory approach can best promote good consumer outcomes

These topics will be discussed in a number of different sessions involving presentations from expert speakers, as well as a panel discussion. Following the expert presentations there will be an open discussion with the opportunity for participants to raise questions or comments.

It should be noted that this event is not directed specifically at the [Call for advice to EIOPA regarding certain aspects relating to retail investor protection | Eioipa \(europa.eu\)](#) from the European Commission, for which a separate public event may be organised in due course. This workshop is part of a broader initiative within EIOPA looking at consumer disclosures that is not limited to the sale of insurance-based investment products.

Target audience

The workshop is open to all types of stakeholders active in the area of consumer disclosures, such as financial entities, innovators, digital platforms, industry and consumers associations, supervisors, consultants, or academics. This workshop is not open to press.

Duration

The workshop will be split over two half days as follows:

- Wednesday 27 October 9.00-11.30 CEST
- Thursday 28 October 9.00-12.10 CEST

Programme

A draft programme is included below starting on the next page.

Practical information

This is an online public event that will be held via WebEx. Dial-in details will be shared 1 day prior to the event only with registered participants.

Please note the event might be audio and video recorded.

Should you have any questions, please do not hesitate to contact us at training&events@eiopa.europa.eu.

Draft Programme

Wednesday 27 October 9.00-11.30 CEST (Day 1)

Time	Topic	Speakers
9.00 – 9.15	Welcome and opening remarks	Petra Hielkema <i>Chair of EIOPA</i>
9.15 – 10.00	Introduction <i>EIOPA will explain its views on the role of disclosures as well as the context and aims of EIOPA's current work in the area of consumer disclosures</i>	David Cowan <i>Principal Expert and Team Leader, EIOPA conduct of business policy team</i> Tim Walters <i>Senior Expert, EIOPA conduct of business policy team</i>
10.00 – 11.30	How to apply behavioural insights to consumer disclosures <i>This session will explore the importance of building on behavioural insights when designing and framing consumer disclosures, and look into practical cases of how behavioural research can be applied to inform disclosure approaches.</i>	Francesca Tamma <i>Head of Behavioural Research, Director, Swiss Re Institute</i> Pantelis Solomon <i>Principal Advisor, The Behavioural Insights Team</i> Paul Adams <i>Applied behavioural scientist</i>
End of the first day		

Thursday 28 October 9.00-12.10 CEST (Day 2)

Time	Topic	Speakers
9.00 – 10.30	<p>How can online tools or new innovations be harnessed to better engage consumers and improve approaches to disclosure?</p> <p><i>Taking into account that new technologies and digital developments are transforming the way that consumers interact with financial service providers, this session will consider how we can best leverage these changes to improve consumer experiences and outcomes. It will draw on the experiences and approaches from innovative market providers, as well as from an independent comparison website.</i></p>	<p>Kasper Gisholt <i>Service manager for funds and pension, Finansportalen, Norway</i></p> <p>Ron Voortman <i>Deputy Chair of the Management Board, Lemonade Insurance NV</i></p> <p>Til Klein <i>Founder, Vantik GmbH</i></p>
10.30-12.00	<p>Panel discussion - how can the regulatory approach best promote good consumer outcomes?</p> <p><i>The panel aims to draw together some of the different themes discussed during the workshop by asking what are the implications for regulators and how should they reflect these trends. It is expected to explore:</i></p> <ul style="list-style-type: none"> - <i>The different techniques that regulators might use to facilitate the improved design of disclosures or engagement of consumers, such as the use of dashboards or labels</i> - <i>How regulatory disclosures should fit into the “consumer journey”?</i> - <i>The extent to which regulators should standardise disclosures or provide flexibility to product manufacturers</i> - <i>How to incentivise companies to design consumer-friendly disclosures</i> 	<p>Aleksandra Mączyńska <i>Executive Director, Better Finance (European Federation of Investors and Financial Services Users)</i></p> <p>Dirk Foerterer <i>Director, Regulatory Affairs, Public Policy and Future Trends, Allianz Deutschland</i></p> <p>Juan Ramón Plá <i>Vice-Chairman, Bipar (European Federation of Insurance Intermediaries)</i></p> <p>Wilte Zijlstra <i>Consumer Behavior Team, The Dutch Authority for the Financial Markets (AFM)</i></p>
12.00 – 12.10	Wrap up and concluding remarks	<p>David Cowan <i>Principal Expert and Team Leader, EIOPA conduct of business policy team</i></p>
End of the Workshop		