

Country-by-country analysis - Sweden

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

Consumer Protection Department
EIOPA REGULAR USE
EIOPA-BoS-21/584
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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 Finansinspektionen 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 Finansinspektionen 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.

SWEDEN

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 | 10,327 | 2.3% |
| (Re)insurance GWP (in million) ² | 36,229.01 | 2.3% |
| Number of (re)insurance undertakings ³ | 125 | 5.2% |
| Number of registered insurance intermediaries | 2,775 | 0.3% |

National competent authority:

Finansinspektionen

Registered insurance intermediaries split by natural and legal persons:

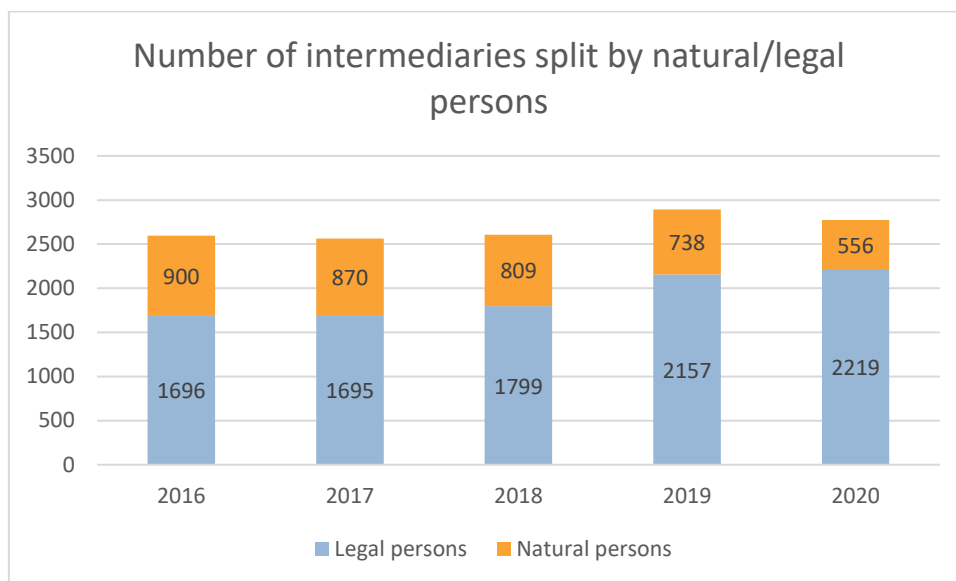
¹ Based on eurostat data:

<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)



Additional comments regarding the insurance intermediaries' market structure:

The market for insurance mediation in Sweden consists to a great extent of a large number of very small intermediaries, both legal and natural persons. Besides this, there are a few large intermediaries with many employees. These firms are insurance intermediaries but often have an investment firm and a fund company within the same group. These big firms have a large part of their business in occupational pensions, both as administrators, advisers and asset managers. To compete against the dominating players and due to the need of help with compliance and regulation, some smaller intermediaries have come together in loose cooperations, sometimes using the same brand name. There are especially three such examples, each incorporating approximately 50 intermediaries. Besides the firms that have insurance mediation as their primary business, there are also a number of companies that are authorised for insurance mediation. Such companies include investment firms and banks. Among the four largest banks in Sweden, two are authorised as an insurance intermediary, while the other two are authorised as tied insurance intermediaries to the insurance undertakings within the same company group.

The market for tied insurance intermediaries also consists of many small intermediaries, both natural and legal persons. The majority of these deal with non-life insurance. Many are companies selling e.g. cars and boats and selling insurance in connection to this.

Information on the powers of the NCA

Statutory powers to implement the IDD:

Relevant provisions of empowerment is found in the Insurance Distribution Act (SE IDA) (2018:1219) as well as in the Insurance Distribution Ordinance (SE IDO)(2018:1231). Note that other laws are also mentioned below. Sanctions and empowerment is governed in Chapter 9 of The Insurance Distribution Act (2018:1219).

Article 1 (5) = SE IDA Ch. 8 §3 se also empowerment in §11-§12.

Article 3 is implemented in SE IDA including specific empowerments and in IDA Ordinance mentioned above.

Article 5 = SE IDA Ch. 9, Ch.9 §§ 28 -29 and Ch. 8 § 7 and in IDA Ordinance Ch 9 p.29.

Article 8 = SE IDA Ch 9:28, 29 and Ch 8 §7.

Article 11 = SE IDA Chapter 7 §1 and Distribution Ordinance Ch 9 p.31

Articles: 31, 32, 33, 35 and 36 ; Chapter 8 in regards to Supervision; Chapter 9 Sanctions etc. Chapter 10 (art 31.5) Article 32 (SE IDA Chapter 7 §1)

Article 35.1 (Ordinance SFS (2016:1318)

Article 35.2 c (SE IDA Ch. 8 §8 and The Public Access to Information and Secrecy Act (SFS 2000:900S) Ch. 30 §4b.

Article 36 (SE IDA Ch.7 §2)

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 | 1 | 1 |
| Data-driven market monitoring, beyond complaints data analysis | 3 | 1 |
| Thematic reviews | 5 | 5 |
| Mystery shopping | n/a | n/a |
| On-site inspections | 2 | 1 |
| Off-site monitoring | 4 | 4 |
| Consumer focus groups | n/a | n/a |
| Product oversight activities | 3 | n/a |
| Consumer research | n/a | n/a |
| Investigations stemming out of complaints | 3 | 3 |
| Other <i>a priori</i> supervisory activities (e.g., fit&proper assessments) | 5 | 5 |

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

Consumer Research is performed at the SE:FSA however cannot be quantified per IDD.

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 implemen- tation | 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 | | | | |

EIOPA

Westhafen Tower, Westhafenplatz 1

60327 Frankfurt – Germany

Tel. + 49 69-951119-20

info@eiopa.europa.eu

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