

Country-by-country analysis - Iceland

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

Consumer Protection Department
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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 Iceland 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 Iceland 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.

ICELAND

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	364	0.001%
(Re)insurance GWP (in million) ²	472.57	0.03%
Number of (re)insurance undertakings ³	8	0.3%
Number of registered insurance intermediaries	9	0.001%

National competent authority:

Central Bank of Iceland

Registered insurance intermediaries split by natural and legal persons:

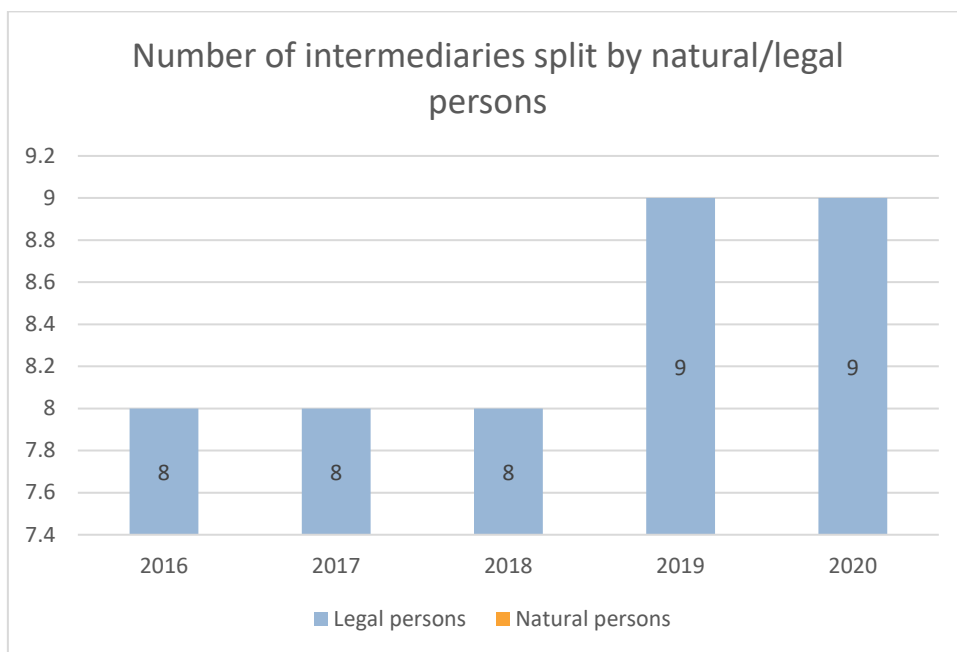
¹ Based on eurostat data:

<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:

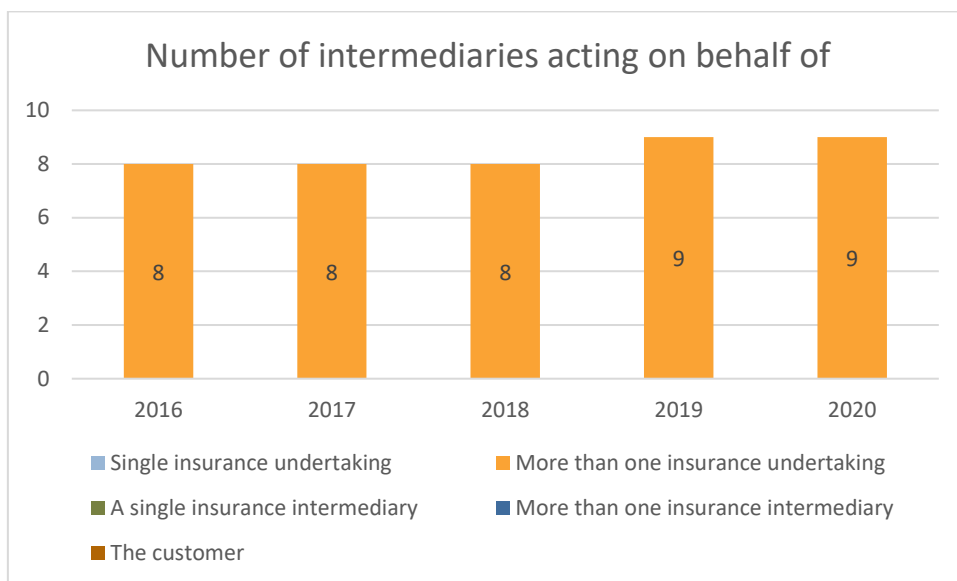
This information is from the FSAs register.

Online registration system:

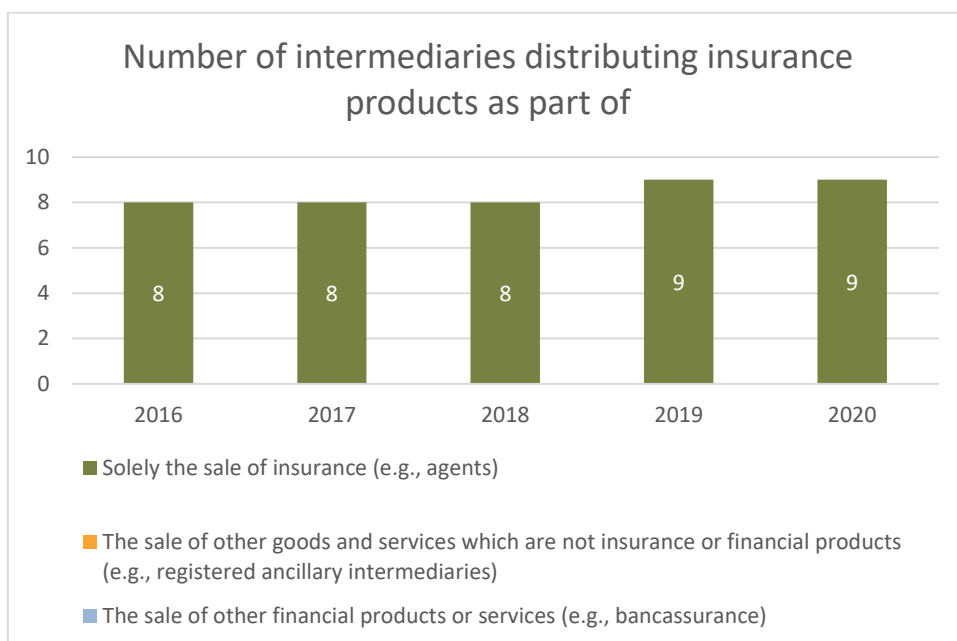
The FSA is working on the online registration system, but for now it is not possible to complete the registration form online. To register the intermediary has to send an email to the FSA. The information on the number of registered intermediaries is updated every other day.

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

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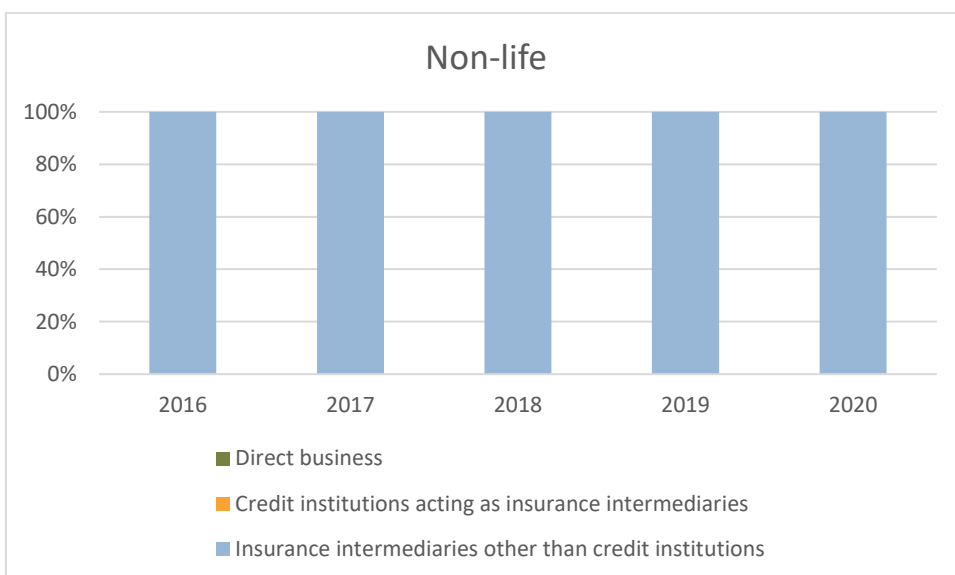
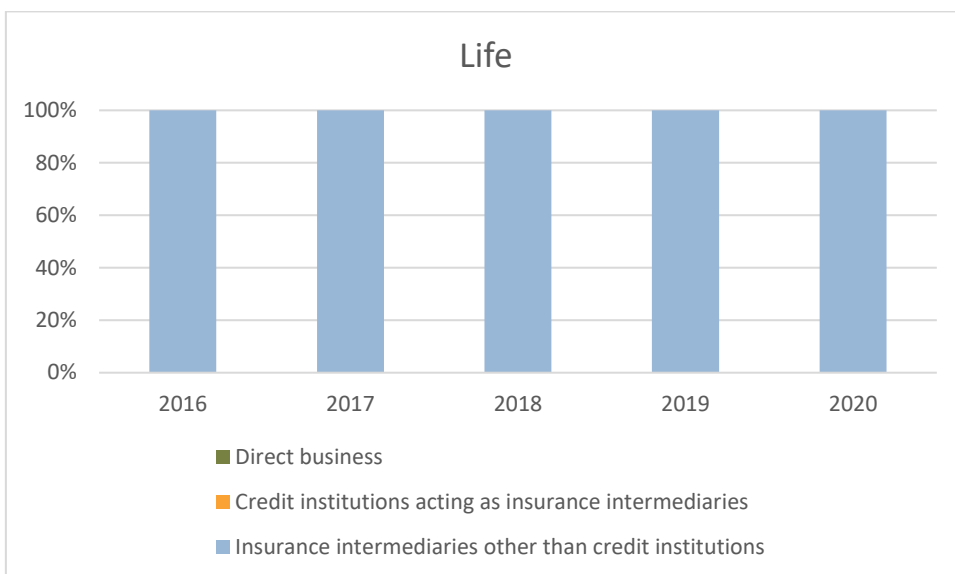


Registered insurance intermediaries split by categories based on the basis in which they sell insurance products:



GWP split by distribution channels:

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

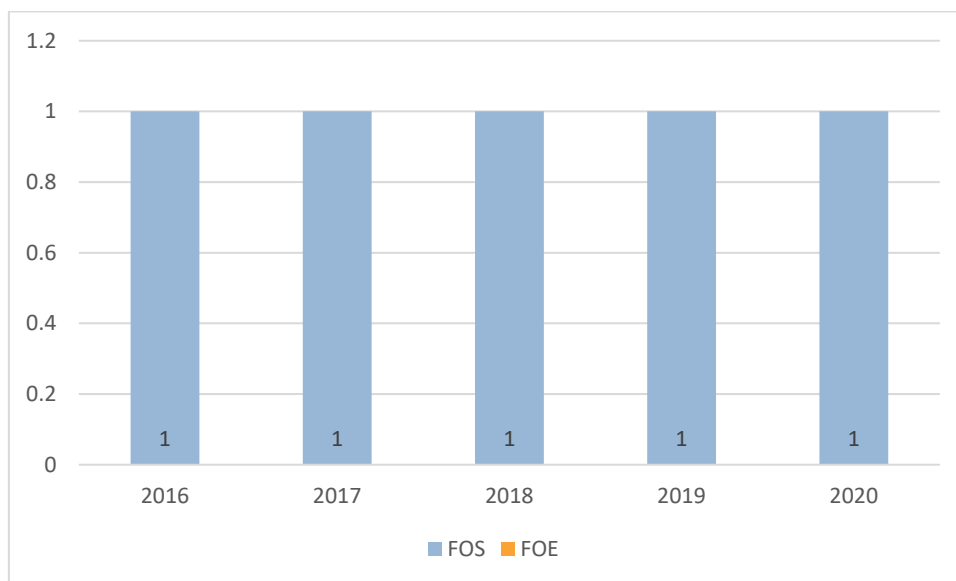
This info is from the intermediaries financial statements, witch they send to the FSA as a part of their regular reporting to the FSA.

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

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The FSA does not have this information, but it is very low right now since so few intermediaries are selling their products online.

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:

This info is from the FSAs register.

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>	1,520	0	1,520
<i>Belgium</i>	127	0	127
<i>Bulgaria</i>	6	0	6
<i>Cyprus</i>	8	0	8
<i>Croatia</i>	0	0	0

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<i>Czech Republic</i>	105	0	105
<i>Denmark</i>	17	0	17
<i>Estonia</i>	4	0	4
<i>Finland</i>	3	1	4
<i>France</i>	365	0	365
<i>Germany</i>	121	0	121
<i>Greece</i>	3	0	3
<i>Hungary</i>	5	0	5
<i>Iceland</i>	0	0	0
<i>Ireland</i>	46	0	46
<i>Italy</i>	15	0	15
<i>Latvia</i>	1	0	1
<i>Liechtenstein</i>	32	0	32
<i>Lithuania</i>	3	0	3
<i>Luxembourg</i>	24	0	24
<i>Malta</i>	11	0	11
<i>Netherlands</i>	38	0	38
<i>Norway</i>	14	0	14
<i>Poland</i>	6	0	6
<i>Portugal</i>	0	0	0
<i>Romania</i>	1	0	1
<i>Slovakia</i>	1	0	1
<i>Slovenia</i>	6	0	6
<i>Spain</i>	16	0	16
<i>Sweden</i>	37	0	37

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<i>Total EEA</i>	2,535	1	2,536
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Comments provided by the NCA on the figures included in the table above:

The home authority of an Intermediary that wants to do business in Iceland sends a notification to FSA Iceland to register the intermediary. The information in the table above is from a register that is compiled from the notifications from home authorities of intermediaries that have sent in a notification regarding FOS or FOE.

Information on the powers of the NCA

Statutory powers to implement the IDD:

Market monitoring, including the market for ancillary insurance products which are marketed, distributed or sold in, or from, their Member State (Article 1(5) = The Act on Insurance Intermediaries no. 62/2019

Registration of (re)insurance intermediaries and ancillary insurance intermediaries (Article 3) = Article 15 of the Act on Insurance Intermediaries no. 62/2019

Notification procedure (Articles 4) = Article 39 of the Act on Insurance Intermediaries no. 62/2019

Notification procedure (Articles 5) = Article 44 of the Act on Insurance Intermediaries no. 62/2019

Notification procedure (Articles 6) = Articles 40 and 41 of the Act on Insurance Intermediaries no. 62/2019

Division of competence between home and host Member States (Article 7) = Article 43(3) of the Act on Insurance Intermediaries no. 62/2019

Breach of obligations when exercising the freedom to provide services and the freedom of establishment (Articles 8)= Article 45 of the Act on Insurance Intermediaries no. 62/2019

Publication of general good rules (Articles 11) = Article 32 of the Act on Insurance Intermediaries no. 62/2019

Competent authorities (Article 12), Cooperation and exchange of information between the competent authorities of Member States (Article 13) and Restriction on use of intermediaries (Article 16) = Article 43 of the Act on Insurance Intermediaries no. 62/2019

Breaches, (administrative) sanctions and other measures, including their publication and reporting (Articles 31 and 33) = Articles 48 and 52-54 of the Act on Insurance Intermediaries no. 62/2019

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Breaches, (administrative) sanctions and other measures, including their publication and reporting (Article 32)

= Article 9a of the Act on Official Supervision of Financial Activities No. 87/1998 and Article 5 of the Act No 24/2017 Lög um evrópskt eftirlitskerfi á fjármálamarkaði.

Effective application of sanctions and other measures (Article 34) = Article 48 of the Act on Insurance Intermediaries no. 62/2019

Breaches, (administrative) sanctions and other measures, including their publication and reporting (Article 35)=

Article 55 of the Act on Insurance Intermediaries no. 62/2019

Breaches, (administrative) sanctions and other measures, including their publication and reporting (Article 36)=

Article 5 of the Act No 24/2017 Lög um evrópskt eftirlitskerfi á fjármálamarkaði.

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

We are sufficiently empowered to ensure the implementation of the IDD. But we would like to be able to do Mystery-shopping but right now the FSA is only able to do Mystery-shopping if it is grounded in Article 9 of Regulation (EU) 2017/2394 that was implemented in to Icelandic law as Article 20a of Act of distance marketing of financial services No 33/2005.

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

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

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 FSA 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).

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