

Country-by-country analysis - Liechtenstein

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

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 Financial Market Authority Liechtenstein 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 Financial Market Authority Liechtenstein 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.

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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	38	0.0001%
(Re)insurance GWP (in million) ²	5,122.18	0.3%
Number of (re)insurance undertakings ³	34	1.4%
Number of registered insurance intermediaries	57	0.01%

National competent authority:

Financial Market Authority Liechtenstein

Registered insurance intermediaries split by natural and legal persons:

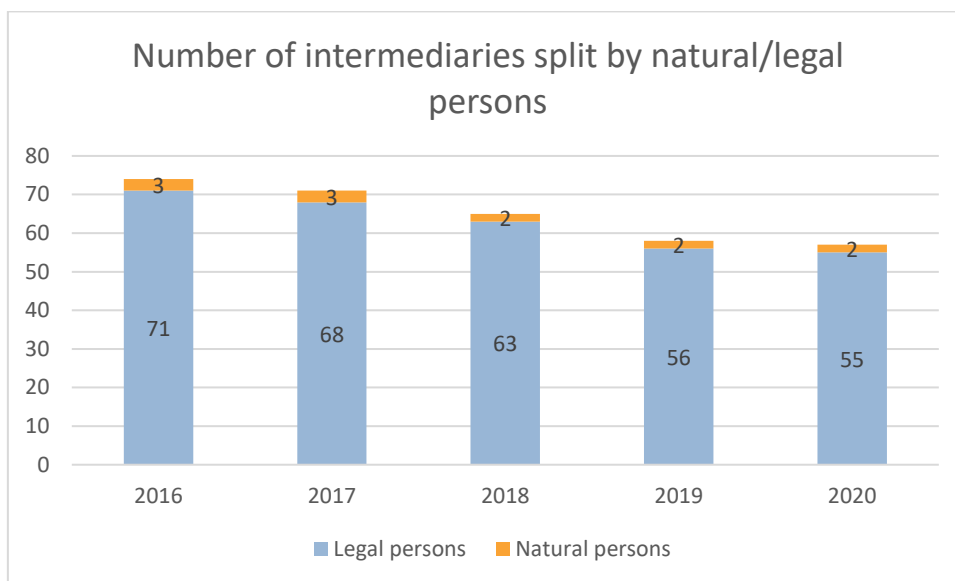
¹ Based on eurostat data:

<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)

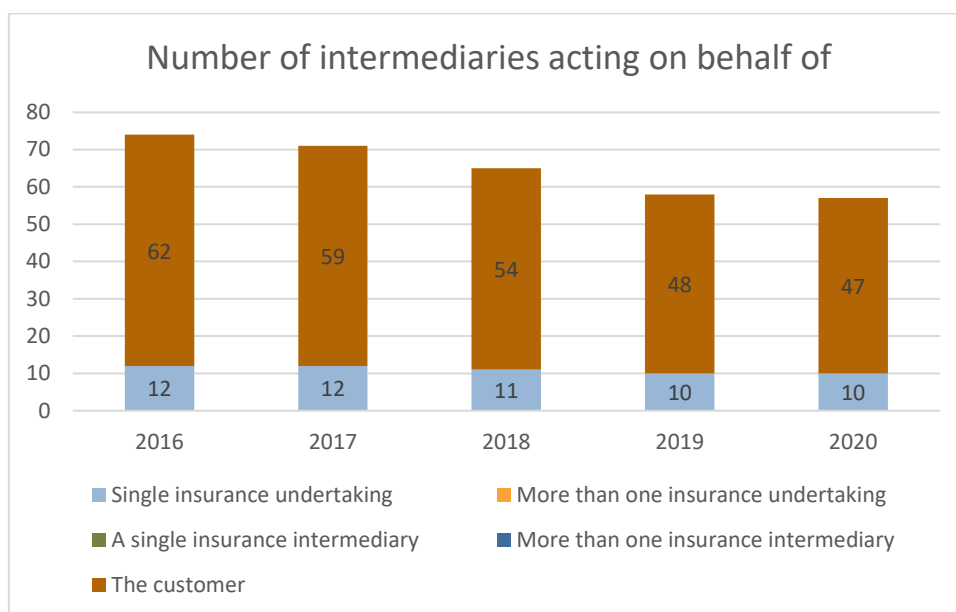


Online registration system:

In implementation of Article 3(2), subparagraph 2 of the IDD, the FMA Liechtenstein has implemented an online registration tool for intermediaries. This is an electronic form which must be filled in and submitted electronically by the applicant. In the form, the applicant must provide all information regarding the licensing requirements according to the IDD and fill in fields in which the applicant must describe, e.g. the internal organisation, the head office, his distribution activities, products, target market, etc.. The form must also contain information on the bodies and persons responsible for insurance distribution. In addition, the applicant must attach all relevant documents and annexes to the form.

Upon request, the FMA must be provided with further information and documents required for the assessment of the application. Due to the low number of new licence applications, the information on registered insurance, insurance intermediaries and ancillary insurance intermediaries is always up to date.

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



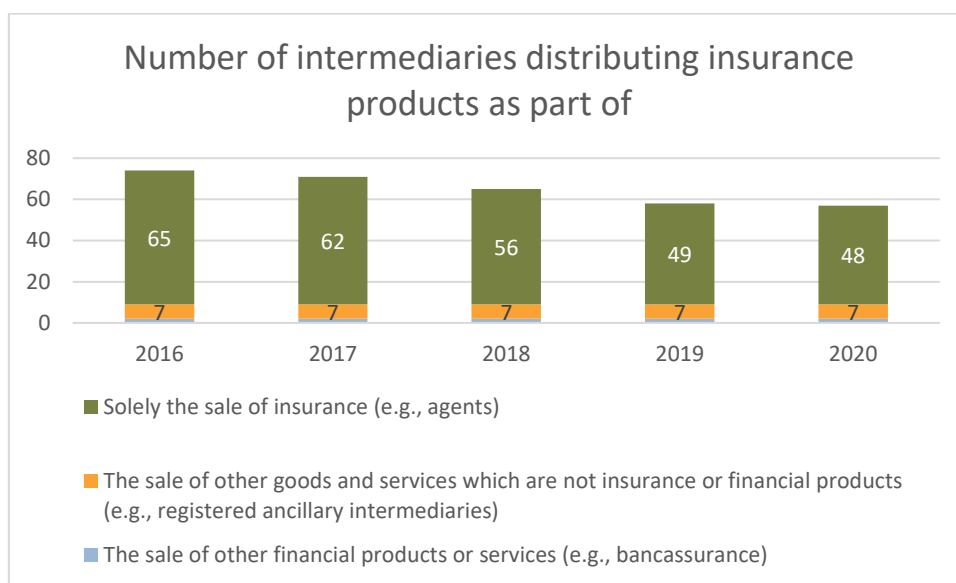
Registered insurance intermediaries split by categories based on the way in which they are paid:

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			
2. on the basis of a commission					37
3. on the basis of any other type of remuneration		1			
4. on the basis of a combination of any type of				7	

remuneration set out at points 1, 2 and 3					
5.Total number of registered intermediaries (5=1+2+3+4)	0.00	3.00	7.00	0.00	37.00

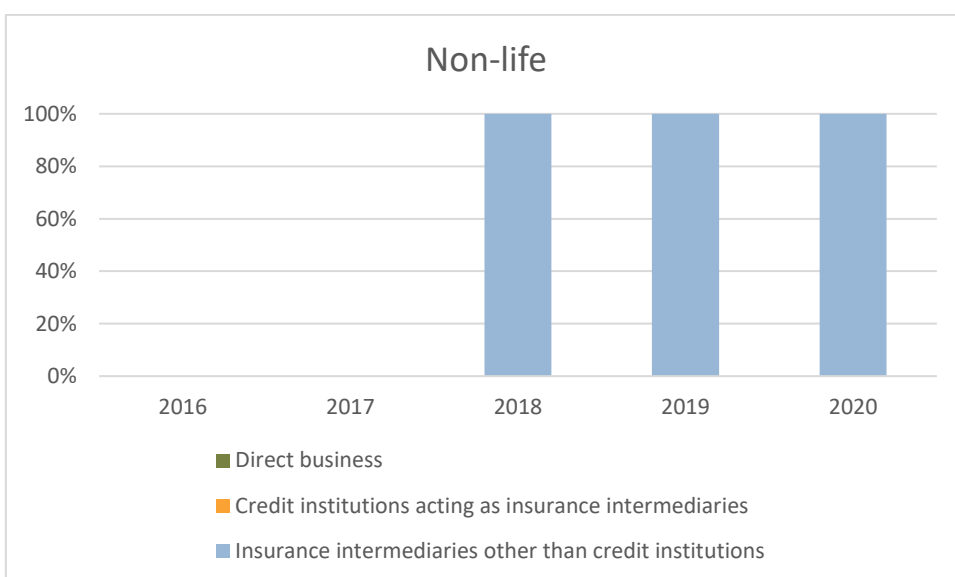
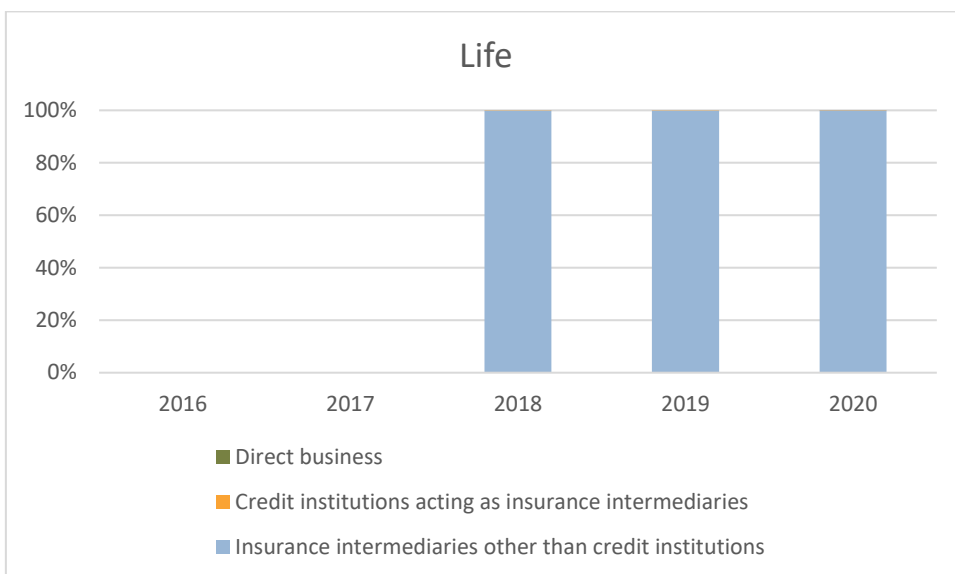
We note that for certain intermediaries no up-to-date information is available.

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:

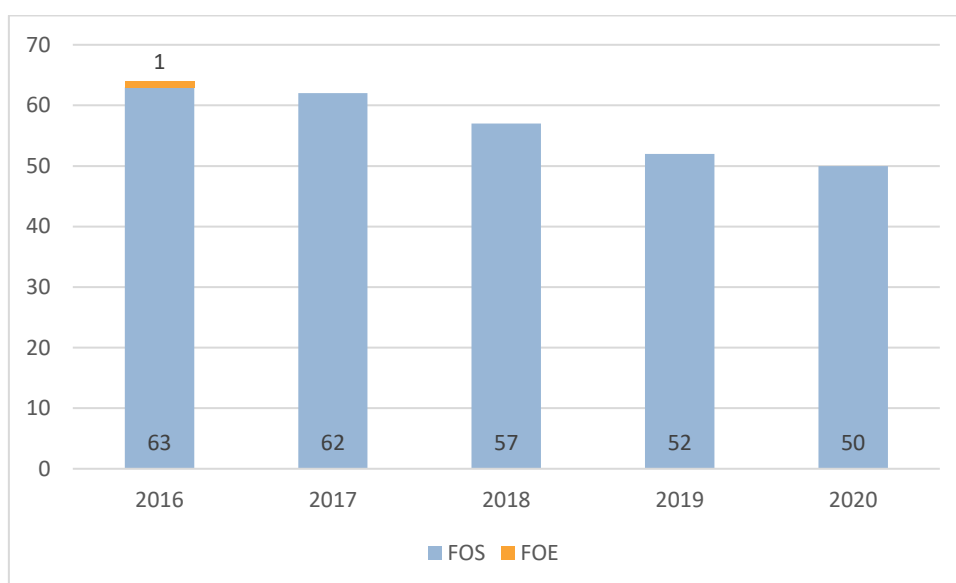
We do not have the gross written premiums of the insurers who write them via direct business separately. The insurers only submit the total gross premiums, but this is not divided into gross premiums written via intermediaries and gross premiums written via direct business. Data concerning gross written premiums in 2016 and 2017 is generally not available. The significant increase in life premiums written between 2019 and 2020 was largely generated by two intermediaries.

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

no data available.

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)



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:

Host Member State	1. FOS	2. FOE	3. TOTAL
<i>Austria</i>	41	0	41
<i>Belgium</i>	20	0	20
<i>Bulgaria</i>	14	0	14
<i>Cyprus</i>	14	0	14

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<i>Croatia</i>	11	0	11
<i>Czech Republic</i>	21	0	21
<i>Denmark</i>	19	0	19
<i>Estonia</i>	12	0	12
<i>Finland</i>	16	0	16
<i>France</i>	29	0	29
<i>Germany</i>	45	0	45
<i>Greece</i>	18	0	18
<i>Hungary</i>	20	0	20
<i>Iceland</i>	14	0	14
<i>Ireland</i>	20	0	20
<i>Italy</i>	36	0	36
<i>Latvia</i>	14	0	14
<i>Liechtenstein</i>	0	0	0
<i>Lithuania</i>	13	0	13
<i>Luxembourg</i>	22	0	22
<i>Malta</i>	16	0	16
<i>Netherlands</i>	21	0	21
<i>Norway</i>	17	0	17
<i>Poland</i>	19	0	19
<i>Portugal</i>	20	0	20
<i>Romania</i>	12	0	12
<i>Slovakia</i>	19	0	19
<i>Slovenia</i>	15	0	15
<i>Spain</i>	28	0	28

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<i>Sweden</i>	18	0	18
<i>Total EEA</i>	584	0	584

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

n/a

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

most insurance intermediaries in Liechtenstein are active in the cross-border business.

Information on the powers of the NCA

Statutory powers to implement the IDD:

Art. 1 para 5 IDD is transposed via art. 64 Versicherungsvertriebsgesetz (VersVertG)

Art. 3 IDD is transposed via art. 5 para. 1 and para. 3, art. 6 lit. d in conjunction with art. 18, art. 11, art. 11, art. 7 para 2, art. 79 para 3 and para 6 in conjunction with art. 14, art. 15, art. 17 and art. 19, art. 12, art. 13, art. 64 para 2, art. 68, art. 60, art. 62, art. 9 para. 2 lit. b and para. 3, art. 8 para 1 lit. k and lit. l and para 3, art. 6 lit. f, art. 8 para. 1 lit. m; (see: Bericht und Antrag der Regierung an den Landtag des Fürstentums Liechtenstein betreffend die Totalrevision des Gesetzes über die Versicherungsvermittlung (Versicherungsvermittlungsgesetz; VersVermG) sowie die Abänderung weiterer Gesetze, p. 234 ff:

<https://bua.regierung.li/BuA/default.aspx?nr=53&year=2017&erweitert=true>)

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	1	1
Thematic reviews	1	1
Mystery shopping	1	1
On-site inspections	5	5

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Off-site monitoring	5	5
Consumer focus groups	1	1
Product oversight activities	1	1
Consumer research	1	1
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:

Other *a priori* supervisory activities includes ex ante fit & proper assessments

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	grey	grey	blue	grey
Data-driven market monitoring, beyond complaints data analysis	grey	grey	blue	grey
Thematic reviews	grey	grey	grey	grey
Mystery shopping	grey	grey	grey	grey
On-site inspections	blue	grey	grey	grey

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:

Other *a priori* supervisory activities includes ex ante fit & proper assessments

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