

21. Insurance Mediation Directive

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ABI Lead Committees: European,

Other interested committees: Distribution & Regulation, General Distribution; General Insurance Regulatory Steering Panel

Issue: The Commission has been undertaking an “implementation check” of the Insurance Mediation Directive (IMD) which will lead to a review of the Directive in 2010.

Status: Recital 95(c) of the Solvency II Directive requires the European Commission to propose a revised Insurance Mediation Directive (IMD) before the end of 2010. It now seems most unlikely the Commission will propose a revised Directive in this timeframe. The revision of the IMD is intimately linked to the Commission’s work on Packaged Retail Investment Products (PRIPs). Once the scope of any new PRIPs initiatives is determined, a clearer picture of the future of the IMD should emerge. The form of any amendments to the IMD also remains an open question - it could take the form of a new Lamfalussy style Directive or a simple amending Directive.

The opinions of the next Internal Market Commissioner, Michel Barnier, will be important in deciding the future direction and aims of any new legislation.

It is too early for the ABI to take a position on how we would want the IMD to be amended. Careful consideration needs to be given, however, to our key concerns with the current Directive.

ABI Action: The Secretariat is considering both the risks (re-opening the issue of commission disclosure) and the benefits (effective provisions on pre-contractual disclosure) associated with a revision of the IMD. Consultation with relevant ABI Committees, both from a life and non-life perspective, is ongoing.

Background: The IMD introduced a set of requirements for the regulation of insurance intermediaries across Europe. It allows intermediaries to operate in other Member States if they are registered by a competent authority in their home State.

Useful documents:

[Insurance Mediation Directive](#)