The Insurance Distribution Directive and its transposition into Danish law

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13 April 2018
Supplementary regulation on EU level

Commission Regulation:
- Commission Delegated Regulation on information requirements and conduct of business rules applicable to the distribution of insurance-based investment products
- Commission Delegated Regulation on product oversight and governance requirements for insurance undertakings and insurance distributors
- Commission Implementing Regulation on a standardized presentation format for the insurance product information document
The Danish Way

Acts:
• New Insurance Mediation Act
• Minor amendments to the Danish Financial Business Act to establish the necessary legal authority to issue executive orders that also regulate insurers and reinsurers

Executive orders:
• Amendment to Executive Order on Wage Policy and Remuneration in Insurance Companies and Insurance Holding Companies
• Executive Order on Liability Insurance, Guarantee and Handling of Entrusted Funds
• Executive Order on Good Business Conduct for Insurance Distributors
• Executive Order on Qualification Requirements
The IDD

Why the IDD instead of the IMD?

• Equality of treatment between distributors of insurance products
• Ensure an adequate level of customer protection across the Union and regardless of distribution channels
• A need to strengthen further the internal market and promote a true internal market for life and non-life insurance products and services

What is new?

• Extended scope
• Enhanced information and conduct of business requirements
• Product approval process
• Minimum professional knowledge and competence requirements
• Simplified procedure for cross-border entry
The IDD

Where are we now?

- The transposition/implementation deadline is postponed to 1 July 2018
- The application deadline is postponed to 1 October 2018
- National transition rules/grace periods
The Danish Way

- Generally no gold-plating
- Preservation of ban against remuneration of the broker ("independent insurance intermediary") by insurers
- Exception for credit institutions'/investment firms' distribution of ancillary insurance products