



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 1.8.2002
COM(2002) 454 final

2000/0213 (COD)

OPINION OF THE COMMISSION
in accordance with point c) of the third subparagraph of Article 251(2) of the EC Treaty
on the European Parliament's amendments
to the Council's common position
on the proposal for a

DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
ON INSURANCE MEDIATION

AMENDING THE PROPOSAL OF THE COMMISSION
pursuant to Article 250 (2) of the EC Treaty

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1. INTRODUCTION

Point c) of the third subparagraph of Article 251(2) of the EC Treaty provides for the Commission to give an opinion on the amendments proposed by the European Parliament on second reading. The Commission's opinion on the 13 amendments proposed by Parliament is set out below.

2. BACKGROUND

Date of transmission of proposal to EP and Council (document COM(2000)511 final – 2000/0213COD):	20.09.2000 ¹
Date of opinion of Economic and Social Committee:	30.05.2001 ²
Date of opinion of European Parliament on first reading:	14.11.2001
Date of adoption of common position:	18.03.2002
Date of Commission Communication on Council's common position:	04.04.2002
Date of opinion of European Parliament on second reading:	13.06.2002

3. PURPOSE OF PROPOSAL

- The purpose of this proposed directive is to coordinate national provisions on insurance mediation in order to complete the single market in insurance, at the retail level.

¹ OJ C 29/E, 30.1.2001 p. 244.

² OJ C 221, 7.8.2001, p. 121.

- The proposal establishes a legislative framework to guarantee: *i*) a high degree of professionalism and competence on the part of all insurance intermediaries in the Community; *ii*) a high level of protection for the interests of policy holders by laying down strict requirements for the information to be provided to customers.
- The proposal provides for a system of registration of all intermediaries in their home Member State, subject to the possession of professional requirements (competence, good repute, indemnity insurance cover and adequate financial capacity). Registration will enable intermediaries to do business throughout the Community, under the supervision of the home Member State, by dint of either the freedom of establishment or the freedom to provide services (Articles 3-9). The proposal also lays down requirements for the information to be provided to customers (Articles 11-12).

4. OPINION OF THE COMMISSION ON THE AMENDMENTS OF THE EUROPEAN PARLIAMENT

4.1. Amendments accepted by the Commission

- On second reading Parliament adopted thirteen amendments to the Council's common position. They clarify or spell out in more detail certain provisions, without affecting the scope or undermining the fundamental objectives of the proposal. The Commission accepts these thirteen amendments.
- These amendments are as follows:

Amendment No	Provision of the common position
17	Recital 12: Clarification of the scope of the proposal.
1	Recital 23: Recommendation 98/257/EEC to be taken into account by bodies responsible for out-of-court settlement of disputes.
3	Second subparagraph of Article 1(3): Introduction of a clause of non-discrimination of Community intermediaries in relation to the treatment in a Member State of intermediaries from third countries operating from a third country.
4	Third subparagraph of Article 2, point 3: Scope; provision brought into line with wording of recital 12.
5	Third subparagraph of Article 2, point 4: Scope; provision brought into line with wording of recital 12.

Amendment No	Provision of the common position
6	Second subparagraph of Article 3(2): Registration of intermediaries. The register must show the countries in which the intermediary may operate under the rules on freedom of establishment or freedom to provide services.
7	Second subparagraph of Article 3(3): Registration of intermediaries to be reviewed regularly by competent authority.
8	Second subparagraph of Article 4(2): Arrangements for checking good repute of insurance and reinsurance intermediaries brought into line with Article 3.
15	Article 4a (new): Acquired rights for intermediaries already registered who satisfy requirements concerning training and experience on date of presentation of Commission proposal.
10	Article 9: Lodging of complaints. Customers and any other parties concerned, especially consumer associations, may lodge complaints. All complaints must also receive replies.
11	Article 11(1) point e) (ii) and (iii): Insurance intermediaries must inform their customers, in accordance with the arrangements laid down in the Directive – in writing and before conclusion of the insurance contract – that they are entitled to ask for the name of the company or companies with which the intermediary does business. The intermediary must provide the name of the companies if the customer requests them.
12	Article 11(1), subparagraph 1a (new): Insurance intermediaries must inform their customers, in accordance with the arrangements laid down in the Directive that they are entitled to ask for the names of companies with which the intermediary does business.
16	Article 11(2): The insurance intermediary must provide an objective (impartial) analysis; he must base that analysis on an adequate number of contracts available on the market to be able to recommend, according to his professional criteria, the insurance contract suited to the customer's needs.

5. CONCLUSION

Under Article 250(2) of the EC Treaty, the Commission hereby amends its proposal as set out above.