

EIOPA examines national general good rules

The European Insurance and Occupational Pensions Authority (EIOPA) published today a [*Report analysing national General Good rules*](#) in the context of the proper functioning of the Insurance Distribution Directive (IDD) and the internal market.

The report provides

- a factual description of the types of rules which are published on the websites of the national competent authorities (NCAs) and are applicable to insurance distribution activities, and
- a general assessment, facilitating the checking of main areas of divergence and impact of the general good provisions on the proper functioning of the IDD and the internal market more broadly.

EIOPA's main findings – as of 31 May 2019 – are the following:

- Out of the 28 NCAs, which have implemented the IDD, EIOPA identified two where further steps are necessary to ensure the appropriate publication of the national general good rules
- Collectively, the quantity and level of diversity of information requirements contained in general good rules, present significant challenges for entities seeking to carry out cross-border business in terms of additional entry costs
- Some Member States have published general good rules on registration and organisational requirements, which allow the NCAs of the host Member States to impose additional requirements on incoming insurance distributors where within the IDD those rules are under the competence of the home Member State. This approach is detrimental to the proper functioning of the IDD and the Single Market. The principle under the IDD is that the “single registration” in the home Member State triggers the provision of the European Union passport to the insurance distributor subject to the appropriate notification procedures

To address the issues, EIOPA's follow-up actions include:

- Issuing recommendations on an individual basis to NCAs how the information on general good rules should be published to enable passporting insurance distributors to easily access and understand such information
- Consulting external stakeholders to collect feedback to findings and suggestions presented in this report and any general good provisions which they consider to be disproportionate with regard to consumer protection and have an adverse impact on cross-border business activities

- Analysing further from a legal and supervisory perspective the general good rules imposed on incoming insurance distributors in areas of the home Member State competence such as registration and organisational requirements and, where appropriate, making use of the tools at EIOPA's disposal under its Founding Regulation

[The Report](#) analysing national General Good rules including the [Annex](#) with a country-by-country analysis can be obtained via EIOPA's website.

EIOPA invites all interested stakeholders to fill in an [online survey on the Insurance Distribution Directive \(IDD\) – Report analysing national General Good rules](#) by **Sunday, 22 September 2019**.

Background

Article 11(5), IDD provides that *“EIOPA shall examine in a report, and inform the Commission about, the ‘general good’ rules published by Member States as referred to in this Article in the context of the proper functioning of this Directive and of the internal market”*.

General good rules are provisions, which are part of the legal system of the host Member State. Neither the IDD, nor any other European legislation entail a precise definition of what general good rules consist of. The concept of general good has evolved through Court of Justice of the European Union (CJEU) case-law and only applies in non-harmonised fields. In its Interpretative Communication of 2000, the European Commission reviewed the requirements developed by the CJEU, which a national provision has to satisfy, if it is to validly obstruct or limit the exercise of the freedom of establishment and the freedom to provide services.