

EIOPA public consultation on the ‘Discussion Paper on open insurance: accessing and sharing insurance-related data’

Fields marked with * are mandatory.

Introduction

1. Background and rationale

European Insurance and Occupational Pensions Authority (EIOPA) is launching a public consultation on the [‘Discussion Paper on open insurance: accessing and sharing insurance-related data’](#).

The discussion around the benefits and risks of so-called ‘open finance’ has taken place in many different jurisdictions for some time, focusing so far mainly on the banking sector (open banking).

Data broadly understood is critical for insurance, as it is the foundation of sound risk identification and pricing. Insurers are typically data rich. New kinds of data and data sources (e.g. social media) and new questions on who should ultimately decide on the use of data (e.g. the policyholder) are however introducing new players and challenges, disrupting this picture. In addition, questions are arising on whether and how far insurance value chains should be ‘opened’, i.e. whether and how far insurance-related data should be shared with other insurance or non-insurance operators, to put flesh on the bones of policyholder rights and to allow for innovation in products and services.

EIOPA is expecting from interested parties their views on this Discussion Paper.

EIOPA will assess the feedback to this Discussion Paper in order to better understand open insurance developments and risks and benefits related to that.

2. Responding to this discussion paper

EIOPA welcomes comments on the [‘Discussion Paper on open insurance: accessing and sharing data in insurance’](#).

Comments are most helpful if they:

- respond to the question stated, where applicable;
- contain a clear rationale; and
- describe any alternatives EIOPA should consider.

Please respond to the questions in the EU Survey Tool **by 28 April 2021**.

Contributions not provided using the survey or submitted after the deadline will not be processed and therefore considered as they were not submitted.

3. Publication of responses

Contributions received will be published on EIOPA's public website unless you request otherwise in the respective field in the EU Survey Tool.

Standard confidentiality statements in an email message will not be treated as a request for non-disclosure.

Please note that EIOPA is subject to Regulation (EC) No 1049/2001 regarding public access to European Parliament, Council and Commission documents and EIOPA's rules on public access to documents.

Contributions will be made available at the end of the public consultation period.

Data protection

Please note that your personal contact details (such as names, email addresses and phone numbers) will not be published. They will only be used to request clarifications, if necessary, on the information you supplied.

EIOPA will process any personal data in accordance with Regulation (EU) 2018/1725 on the protection of national persons with regard to the processing of personal data by Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC. More information on how EIOPA will treat your personal data can be found in the privacy statement.

Information about the respondent

* First name

Manuel

* Last name

Reimer

* Email

mail@mr-consulting.eu

* Do you agree that your response is published in EIOPA website?

- Yes
 No

* Country

Pan-European organisation

* Name of your organisation

CEN/TC 445 - European Committee for Standardization - Technical Committee for Digital Information Interchange in the Insurance Industry

* Type of your organisation

- Insurance or reinsurance undertaking
- Insurance intermediary
- Technology company
- Industry association
- Consumer association
- Academia
- Other (please specify)

Please specify

The Technical Committee TC 445 of the European Standardization Organization CEN develops standards in the field of digital information interchange for the European insurance industry. Standardisation is focused on the digital information interchange which connects insurance companies with their customers and their market partners, e.g. brokers, sales organizations, portals, service providers, and other insurers. All lines of business in the insurance industry are considered, such as life, health, property and casualty. Members in CEN/TC445 are experts from the insurance industry as delegates from the European national standards organisations.

For more information:

[https://standards.cen.eu/dyn/www/f?p=204:7:0:::FSP_ORG_ID:](https://standards.cen.eu/dyn/www/f?p=204:7:0:::FSP_ORG_ID:2066522&cs=12714B042258C461E8EC2FB7ACA873346)

[2066522&cs=12714B042258C461E8EC2FB7ACA873346](https://standards.cen.eu/dyn/www/f?p=204:7:0:::FSP_ORG_ID:2066522&cs=12714B042258C461E8EC2FB7ACA873346)

<https://www.tc445.info/>

* Would you be willing to engage with EIOPA on follow-up discussions on open insurance? If 'yes', please provide the main contact point for possible follow up (name and e-mail address)

- Yes
- No

* Name

Dr. Manuel Reimer (Chairperson of CEN/TC 445)

* Email

mail@mr-consulting.eu

Questions to stakeholders

1. Do you agree with the definition and the approach to open insurance highlighted in the Discussion Paper? If not, please describe what aspects would be essential to consider additionally?

- Yes
- No
- I don't know

Please explain

CEN/TC 445 supports the broad definition for open insurance and would even extend the range to other industries with which the insurance industry cooperates.

2. In addition to those described in this paper, including in Annex 1, do you see other open insurance use cases or business models in the EU or beyond that might be worth to look at further from supervisory/consumer protection perspective?

- Yes
- No

Please explain

3. Do you think regulators/supervisors should put more focus on public comparison websites where the participation is compulsory for undertakings? What lines of business could be subject for that? What risks, benefits and obstacles do you see?

- Yes
- No
- I don't know

Please explain

4. Please describe your own open insurance use case/business model and challenges you have faced in implementing it, if any.

5. In addition to those described in this paper, do you see other open insurance use cases in RegTech /SupTech that might be worth to look at further from supervisory/consumer protection perspective?

- Yes
- No

Please explain

6. Please describe your own open insurance use case/business model in RegTech/SupTech and the challenges you have faced in implementing it, if any.

7a. Do you agree the potential benefits for the consumers are accurately described?

- Strongly agree
- Somewhat agree
- Neither agree nor disagree
- Somewhat disagree
- Strongly disagree

7b. Do you agree the potential benefits for the industry are accurately described?

- Strongly agree
- Somewhat agree
- Neither agree nor disagree
- Somewhat disagree
- Strongly disagree

7c. Do you agree the potential benefits for the supervisors are accurately described?

- Strongly agree
- Somewhat agree
- Neither agree nor disagree
- Somewhat disagree
- Strongly disagree

8. Are there additional benefits?

- Yes
- No
- I don't know

Please explain

9. What can be done to maximise these benefits?

10a. Do you agree the potential risks for the consumers are accurately described?

- Strongly agree
- Somewhat agree
- Neither agree nor disagree
- Somewhat disagree
- Strongly disagree

10b. Do you agree the potential risks for the industry are accurately described?

- Strongly agree
- Somewhat agree
- Neither agree nor disagree
- Somewhat disagree
- Strongly disagree

10c. Do you agree the potential risks for the supervisors are accurately described?

- Strongly agree
- Somewhat agree
- Neither agree nor disagree
- Somewhat disagree
- Strongly disagree

11. Are there additional risks?

- Yes
- No
- I don't know

Please explain

12. Do you consider that the current regulatory and supervisory framework is adequate to capture these risks? If not, what can be done to mitigate these risks?

- Yes
- No
- I don't know

Please explain

13. Do you agree with the barriers highlighted in chapter 5?

- Strongly agree

- Somewhat agree
- Neither agree nor disagree
- Somewhat disagree
- Strongly disagree

Please explain

14. What additional regulatory barriers do you see?

15. What are your views on possible areas to consider for a sound open insurance framework highlighted by EIOPA in chapter 6? Are there additional underlying aspects or other aspects under concrete areas to consider for a sound open insurance framework?

16. What are the key differences of between banking and insurance industry which are important to consider in light

of open insurance implementation? (e.g. higher variety of products, more data, including sensitive health data in insurance).

The experience of standardisation for the insurance industry identifies the complexity of processes and data elements due to sophisticated products for a multitude of business lines from life, pension, health to property and casualty and for a variety of insured risks and coverages.

17. What are the 'lessons learned' from open banking that might be relevant to consider in open insurance?

PSD2 is based technically for the standardised data elements on the ISO Norm 20022. Open insurance should also be based on an internationally developed standard. CEN/TC 445 as the European technical committee for the development of process and data standards in the European insurance industry would be the perfect partner for EIOPA and the EU Commission to develop a digital standards framework for open insurance. CEN/TC 445 finalised already the norm CEN EN 17419-1 "Transfer of electronic Documents" which standardises the process and the data for the transfer of electronic documents between insurers, intermediaries and clients as well as other stakeholders in insurance processes. Actually CEN TR 17419-2 is in the final review as technical report for the implementation of EN 17419-1 in Open API 3.0 specification.

18. Do you think open insurance will develop without any regulatory intervention? (e.g. without PSD2 type of compulsory data sharing provisions)

- Yes
- No
- I don't know

Please explain

Data and process standardisation on the European level requires possibly an initial initiative from a European organisation like the European Commission or EIOPA. The reason for this launching is the current focus on national markets and national process and data standards. A good example for a successful initial initiative was the mandate of the EU Commission for CEN/TC 434 for the development of a standard for an electronic invoice. The resulting European Norm CEN EN 16931 is now widely used across all industries.

19. Do you think open insurance should be driven voluntarily by industry/private initiatives or driven by regulatory intervention?

- Driven by private initiatives
- Driven by regulation
- A mix of the two options above

Please explain

The European Union supports very clearly the standardisation by industry initiatives through the established standards organisation, CEN in Europe and ISO globally, see EU Regulation No 1015/2012 of 25 October 2012.

20. Do you have views on how the EU insurance market may develop if some but not all firms (e.g. based on different industry-wide initiatives) open up their data to third parties?

21. What datasets should be definitely included in the scope of a potential open insurance framework? What data should be definitely excluded from the scope of open insurance framework? Are there any data sets you currently do not have access or do not have real-time access or where you have faced practical problems, but you consider this access could be beneficial? This could include both personal and non-personal data (e.g. IoT devices data, weather data, sustainability-related data, data on cyber incidents etc.). Please explain your response providing granular examples of datasets.

Data that should be included

That depends on the specific use case.
Basis for the European standardisation of the datasets supporting an open insurance framework should be the accepted and implemented datasets already standardised by the national insurance specific standards organisations. The European standardisation should be performed in the trusted standards setting environment of the European standards organisation CEN with its Technical Committee 445 on Digital Information Interchange in the Insurance Industry.

Data that should be excluded

That depends on the specific use case.

22. In your opinion, which regulatory/licensing approach would be best for the development of sound open insurance framework (e.g. unlocking the benefits and mitigating possible risks)? Could an increased data sharing require revisions in the regulatory framework related to insurance data? Please explain your response.

- Compulsory data sharing inside the regulated insurance industry
- Compulsory data sharing inside the regulated insurance industry and with third parties with bespoke licensing approach
- Compulsory data sharing in certain lines of businesses and/or amongst certain products
- Compulsory data sharing covering only IoT data / sensor data
- Self-regulatory approach to data sharing (no regulatory intervention in addition to the GDPR data portability rules)
- A mix of the approaches
- Other

Please explain your response

The self-regulatory approach should be combined with a standardised open insurance framework developed by the European standards organisation CEN with its Technical Committee 445 on Digital Information Interchange in the Insurance Industry.

23. Could you provide information which helps to evaluate the cost of possible compulsory data sharing framework (e.g. based on your experience on PSD2 adoption)?

24. In the absence of any compulsory data sharing framework in insurance as it is currently the situation, how do you see the role of EIOPA and national supervisors to guarantee proper market oversight and consumer protection?

25. This Discussion Paper highlighted some of the ethical issues relevant to open insurance (e.g. price optimisation practices, financial exclusion, discrimination). Do you see additional ethical issues relevant in light of open insurance?

- Yes
- No
- I don't know

If "yes", please explain

26. What functions and common standards are needed to support open insurance and how should they be developed? Please consider this both from self-regulatory angle and from possible compulsory data sharing angle.

The standardisation of the interoperable data sharing framework and API standards should be developed by the European standards organisation CEN and experts from the national insurance standards organisations. CEN/TC 445 on Digital Information Interchange in the Insurance Industry finalised already the norm CEN EN 17419-1 "Transfer of electronic Documents" which standardises the process and the data for the transfer of electronic documents between insurers, intermediaries and clients as well as other stakeholders in insurance processes. Actually CEN TR 17419-2 is in the final review as technical report for the implementation of EN 17419-1 in Open API 3.0 specification.

27. What existing API/data sharing standards in insurance/finance in the EU or beyond could be taken as a starting point/example for developing common data sharing standards in insurance?

Basis for the European standardisation of the interoperable data sharing framework and API standards should be the accepted and implemented standards of the national insurance specific standards organisations.

28. Do you believe that open insurance only covering insurance-related data could create an un-level playing field for incumbent insurance undertakings vis-a-vis other entities such as BigTech firms Please explain your response

- Yes
- No
- I don't know

Please explain

29. How do you see the market will develop in case the data sharing is extended to non-insurance/non-financial data?

What are the biggest risks and opportunities?

30. Do you have any comments on the case studies in Annex 1?

31. Are there any other comments you would like to convey on the topic? In particular, are there other relevant issues

that are not covered by this Discussion Paper?

Contact

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