

VALDIS DOMBROVSKIS

Vice-President of the European Commission

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Dear Dr Sant,

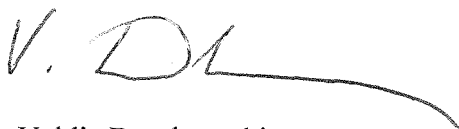
After the adoption of the Delegated Regulations supplementing the Insurance Distribution Directive (Directive (EU) 2016/97 - "IDD"), the European Parliament, several Member States and many stakeholders voiced concerns about the short time left to insurance companies and insurance distributors for their preparation and adaptation to comply with the new regulatory framework. In this context you have sent me a letter inviting the Commission to initiate legislative measures to postpone the application of IDD.

I would like to thank you for your engagement in this matter. Your observations as well as numerous contacts with stakeholders made me aware of the fact that parts of the insurance industry had – in spite of the readily available information – not yet made sufficient preparations for the application of the new legal framework. This is particularly true for small insurance companies and insurance distributors which do not have the necessary organisational resources.

The Commission has, as an exceptional measure in view of the particular circumstances, submitted a legislative proposal to postpone the date of application of IDD until 1 October 2018. This proposal is currently in the process of being adopted by the co-legislators.

It is of the utmost importance to fully deliver the benefits in consumer protection, legal certainty and legislative quality provided by IDD for the distribution of insurance products in the European Union. I am well aware that an appropriate preparation and implementation by insurance distributors is key for the attainment of the consumer protection goals pursued by the Directive.

Yours sincerely,



Valdis Dombrovskis