

Thinkpiece no.74: From Brussels with Love: A Perspective on Developing Insurance Regulation at the EU Level

Learning Outcomes

- To gain an understanding of the issues underpinning the development of insurance regulation at the EU level, taking into account policies agreed at the global level such as the IAIS and approaches followed in individual member-states.
- To be able to summarise how officials at the EU level reconcile the various national solutions to given regulatory issues, and balance the concepts of regulatory convergence and harmonisation; and equivalence and duplication.
- To be able to recognise the importance of stakeholder participation at the earliest possible stage in the EU policy process.



Reading this Thinkpiece with respect to the above learning outcomes can count towards **Structured CPD** under the CII CPD Scheme. These questions are designed to help you reflect on the issues raised in the article in relation to these learning outcomes. The answers are not meant for CPD records purposes.

1. The article starts with by highlighting the importance of global-level regulatory initiatives in settings such as the International Association of Insurance Supervisors (IAIS). Why do you think this is an important starting point in any discussion on European and even national-level regulation? For additional insight, you might want to refer to CII Thinkpiece no.40 [The Future of International Financial Regulation](#) (June 2010) and some of the issues discussed there. Thinking of examples of specific insurance regulatory issues, in what way do harmonised policies at the EU-level add credibility to the direction of global regulation?
2. The author emphasises consumer protection as the focus of post-financial crisis regulation. Do you agree with the assertion that lack of understanding of financial products and risks was one of the causes of the financial crisis? What are your views on the link between public trust and confidence will result in improved market stability? Can public trust and confidence go wider than simply consumer protection in retail markets?
3. There is much debate across Europe about how and whether national regulation should be supplanted by a common EU rulebook. The article speaks to this by discussing the vital differences between equivalence and duplication and the importance of better regulation, and the importance of understanding substance over form of regulation. Moving away from the political debate, what do you think are the economic issues at play here, especially affecting firms operating in this environment?
4. The author emphasises the focus on consultation during European regulatory development, and urges the earliest possible participation by stakeholders in this process. Why is early participation important from a firm's perspective? How can firms obtain information on EU regulatory developments, and decide which issues most warrant intervention?