Directive on insurance distribution: date of application of Member States' transposition measures

2017/0350(COD) - 08/02/2018 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Economic and Monetary Affairs adopted the report by Werner LANGEN (EPP, DE) on the proposal for a directive of the European Parliament and of the Council amending Directive (EU) 2016/97 as regards the date of application of Member States' transposition measures.

As a reminder, Directive (EU) 2016/97 of the European Parliament and of the Council harmonises national provisions concerning the distribution of insurance and reinsurance products and insurance-based investment products by insurance intermediaries, insurance companies, their employees, and ancillary insurance intermediaries in the Union (IDD).

According to the text amended by the committee, Directive (EU) 2016/97 shall be **transposed no later than 1 July 2018** and Member States shall apply the transposition measures by **1 October 2018 at the latest**.

In order to ensure legal certainty and avoid potential market disruption, it is necessary that this Directive enters into force as a matter of urgency and that it applies, with retroactive effect, from 23 February 2018.

The text recalls that in its **decisions to raise no objections to the Delegated Regulations** supplementing the IDD adopted by the Commission on 21 September 2017 [see 2017/2854(DEA) and 2017/2855(DEA)], the European Parliament invited the Commission to adopt a legislative proposal setting 1 October 2018 instead of 23 February 2018 as the date of application of the IDD transposition measures.

The European Parliament substantiated that request by the need to give insurance undertakings and insurance distributors more time to better prepare for a correct and effective implementation of Directive (EU) 2016/97 and to implement the necessary technical and organisational changes to comply with the Delegated Regulations.