

The Consumer Credit Directive:

The use of risk-based underwriting and the impact of a right to be forgotten

As part of the review of the Consumer Credit Directive (CCD), the European Parliament has called for the introduction of a EU-wide right to be forgotten (RTBF) for persons with a prior diagnosis of certain communicable and non-communicable diseases, including cancer. Insurance Europe is concerned that such an approach is not compatible with private insurance and would be to the detriment of consumers, including those whom an RTBF is intended to benefit.

The best way forward: a code of conduct

Insurance Europe is **strongly supportive of increased dialogue** between stakeholders to get a better understanding of the problems cancer patients may experience when buying financial services and to discuss the most suitable solutions. The introduction of an RTBF in the CCD would prevent this.

It therefore welcomes the assurance of Commissioner McGuinness at the 2022 EIOPA Conference that the European Commission “will gather more **evidence** and encourage dialogue between national authorities, patients and the financial sector” during the drafting of the EU code of conduct for an RTBF for cancer survivors.

Instead of rushing the adoption of an RTBF in the CCD, Insurance Europe supports the Commission proposal to develop a **code of conduct on fair access for cancer survivors to financial services** as provided for in the EU Beating Cancer Plan.

Such a code of conduct should focus on cancer survivors and put **scientific, medical and statistical data** at its centre. Unlike a rigid mechanism embedded in EU legislation, this would be flexible enough to be smoothly adapted to scientific developments. A code of conduct should ensure that any EU-wide RTBF:

- is flexible enough to reflect the many different types of cancer and to reflect the other factors affecting the risks associated with a given cancer;
- is flexible enough to meet the differing needs and characteristics of countries and markets; and,
- preserves the ability of insurers to individually determine premiums and benefits based on risk-relevant factors.

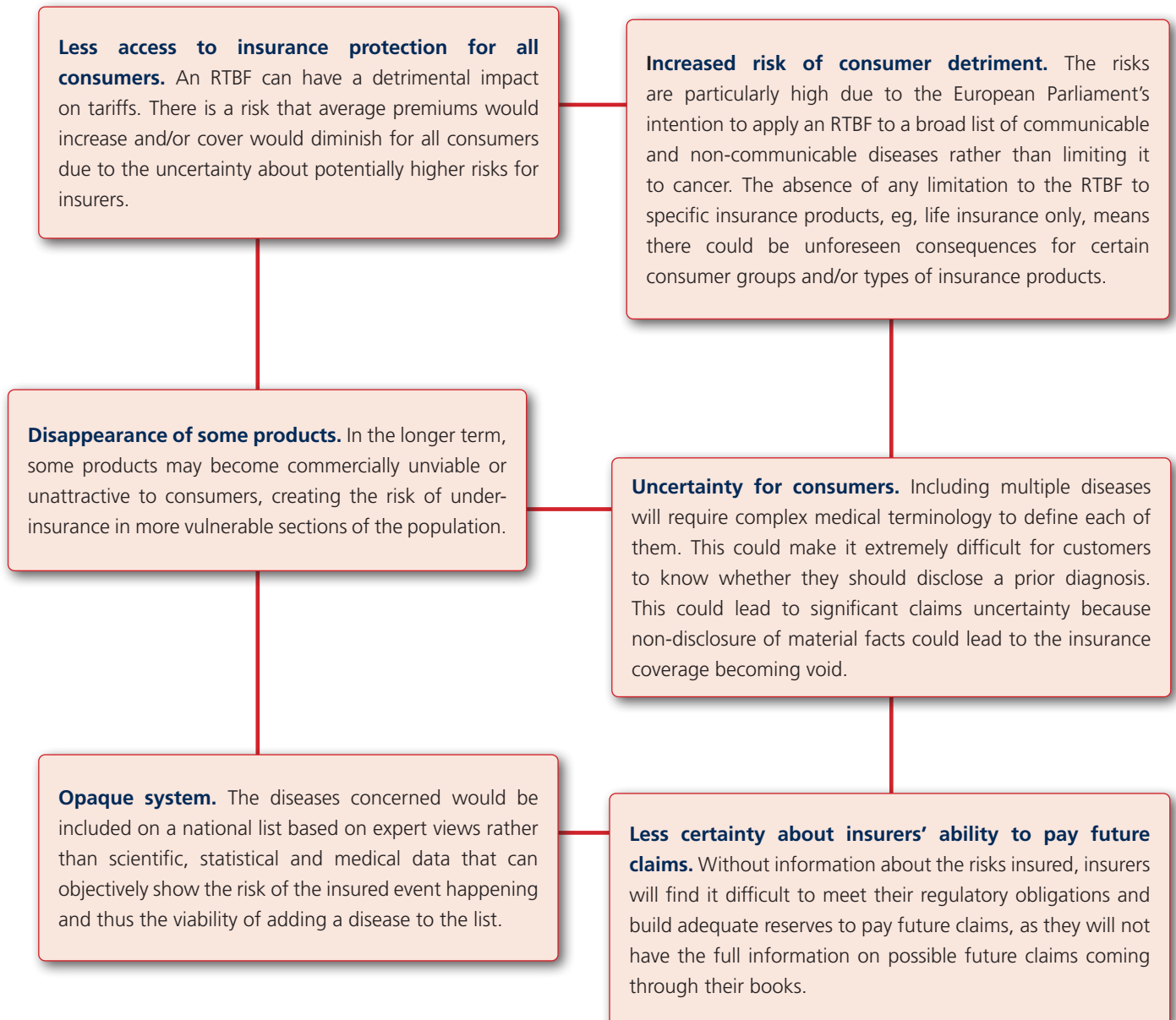
Insurance Europe is therefore not supportive of the European Parliament IMCO Committee’s text on the CCD, specifically Recital 47 and Articles 2.(25a), 14.4 and 18.3b.



What are the problems with the current CCD proposals?

The changes proposed by the European Parliament would require member states to have experts draw up a list of communicable and non-communicable diseases, which would establish a 10-year RTBF for adults (five years if diagnosed before the age of 18) with no requirement to disclose a prior cancer diagnosis or other disease on the list to an insurer.

Were this to be adopted in the final CCD, insurers foresee:



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