

Insurance Europe response to EIOPA Staff Paper: Measures to address demand-side aspects of the nat cat protection gap

General remarks

Insurance Europe welcomes the work conducted by the European Insurance and Occupational Pensions Authority (EIOPA) in identifying the barriers to natural catastrophes (nat cat) insurance uptake, as well as possible actions to overcome these barriers. We are ready to support EIOPA in this endeavour and actively participate in this important discussion. Therefore, as a first step, Insurance Europe is submitting its response to the EIOPA Staff Paper consultation on the measures to address demand-side aspects of the nat cat protection gap.

We would like to begin by making a few general remarks from the perspective of the insurance industry.

First, EIOPA's approach, reflected in the questions posed in the consultation questionnaire accompanying the Staff Paper and the consumer survey, are not a perfect fit for all EU markets, many of which have very specific public-private partnership systems in place. For example:

- Some markets have very specific public-private partnership systems in place. The Spanish public-private partnership system, El Consorcio de Compensación de Seguros, serves as an example. Within this framework, nat cat coverage is included by default in property insurance policies. Therefore, the primary consideration often revolves around whether citizens are inclined to obtain property damage insurance for their residences or businesses, rather than specifically nat cat insurance. In light of these unique national characteristics, any recommendations aimed at addressing the identified demand-side barriers should take into consideration the specific circumstances within each respective market.
- In the context of the Swedish market, which was part of the sample of countries selected for understanding demand-side factors preventing uptake of nat cat-related insurance products, it appears that the survey questions posed to consumers did not reflect the existing nat cat insurance landscape. For instance, in Sweden all insurance policies cover the same types of damages (e.g. fire, earthquake, flood, storm, etc.). Therefore, the percentage of individuals covered for one type of peril should be the same as for the other perils. However, Figure 4 (page 16 of the EIOPA paper) presents varying levels of coverage for different risks, which does not seem to make sense.

Second, the issues of product transparency and diversity, and the purchasing process simplification on one hand, and awareness-raising and provision of tailor-made information to customers on the other, are interconnected. As such, EIOPA's recommendation to simplify processes and provide tailor-made information to customers warrant further analysis to avoid potential contradictions in implementation and ensure complementarity.

Furthermore, a comprehensive approach to addressing the nat cat protection gap is essential. This means examining demand-side obstacles and supply-side factors together. This is particularly pertinent today, and will be even more so in the future, given the increased frequency and severity of nat cat events. This reality, coupled with today's high inflation environment, exerts significant pressure on insurance companies and raises questions about their capacity to cover certain risks at affordable rates in the future. Developing solutions to increase climate resilience should involve both the public and private sectors, and give due consideration to national circumstances, including risk exposure, insurance penetration, history, culture, and other market characteristics. Importantly, such discussion should also cover the need to accelerate adaptation to climate change, as well as the reduction of greenhouse gas emissions.

In conclusion, and in respect to the responses noted above and below, we very much welcome EIOPA's focus on reducing the climate protection gap and believe that this analysis can be an important step towards this objective.



However, it should be followed up by more comprehensive research and assessment, taking better account the different national realities. Insurance Europe stands ready to support EIOPA in this important task.

Answers to questions

1. Consumers' understanding of insurance products and (perceived) affordability as a barrier to uptake

Q1. In your views, to what extent could affordability be considered a major barrier to nat cat uptake?

As is the case across most European markets, today affordability is not a major barrier to nat cat insurance uptake, as current market pricing levels are generally reasonable for most risks. The exception are those with very high hazards, such as construction located in a very high hazard zone or very poor built. In fact, Insurance Europe believes the main challenge does not lie in the actual cost or the transparency of premiums, but rather the lack of awareness/knowledge on risk levels and on the need for personal nat cat coverage, as well as misunderstanding of the pricing levels (see below).

That said, the topic of affordability does merit further debate and investigation giving further consideration to issues such as types of risks or national circumstances. However, in examining affordability and capacity related to climate-related insurance products and services, it is important to distinguish between real affordability determined on the basis of objective criteria, and perceived affordability which may be based on misperceptions or lack of awareness on behalf of policyholders.

When addressing the issue of real affordability (i.e. low-income households with limited ability to purchase insurance), it is important to delve deeper into the "*leaving no one behind*" principle and to identify effective strategies that can provide robust protection for these vulnerable households in the face of nat cat events. In this context, the conversation should extend beyond considering private insurance as the sole solution. and instead encompass a broader array of stakeholders and measures. For instance, support mechanisms such as premium vouchers or tax incentives may be used, especially for low-income areas with high risk due to high vulnerability. However, such measures must avoid attracting new risk into high hazard areas. Subsidies should not hide the true level of risk but need to gradually move to risk-based pricing by using the subsidies to address risk. In general, pricing must reflect the underlying risk to avoid free riding and moral hazard. Finally, it is crucial to engage in a thoughtful examination of why low-income individuals may find themselves residing in high hazard zones. This holistic approach would ensure that no segment of our society is left exposed to the devastating impact of catastrophic events.

Moreover, it is essential for both private and public sectors to collaborate in raising awareness among consumers regarding the actual and potential impact of nat cat events.

Q2 *What are your views in relation to making consumers more aware of the price of nat cat insurance, whilst avoiding an over-emphasis on price?*

One way to raise awareness on the price of nat cat insurance without over-emphasising it, is to present the cost in small daily amounts (e.g. "XX cents per day") to demonstrate its affordability, while highlighting that a major disaster has the potential to cause significant losses. Moreover, it is important consumers better understand the relationship between the probability of damage and size of potential damage, and the corresponding insurance premium.

However, the focus should not solely be on the price, as this will not substantially improve the situation. Instead, the insurance industry, consumer organisations and the public sector should work together to raise awareness of the benefits of and need for natural hazards / climate-related insurance overall. This would involve emphasising the relevance of hazards - including those perceived as unlikely to materialise such as earthquakes in areas not

frequently affected by such perils - the risks they pose to consumers, and the appropriate (combination of) measures to respond to them, including prevention, climate change adaptation and insurance as one risk transfer option.

Q3 *What are your views as to how can product simplicity/consumers' understanding be improved, without impacting the level of coverage offered?*

Product disclosures are often imposed by the EU and/or national regulation (e.g. IPID under the IDD). A good way to ensure they are understandable and usable by consumers is to consumer-test the disclosures before they are adopted, streamline regulatory disclosures and remove any duplicative disclosures to avoid information overload and consumer confusion.

To enhance consumers' understanding, using data from past events can be valuable to showcase the rising frequency and severity of losses experienced. For instance, sharing average loss figures and ranges from low-impact to high-impact realistic events such as floods, storms and earthquakes, can help consumers grasp the significance of having adequate coverage.

However, similarly to the answer to the question above, this should be part of a broader awareness raising campaign emphasising the importance of the product beyond just its price, as well as raising customers' awareness of their exposure to risks. Without this comprehension, the simplicity of products alone does not hold the value needed to address all the issues concerning insurance gaps. Consumer understanding can be improved through increasing risk awareness via financial education and literacy campaigns run by authorities, industry, the academic world and/or consumer organisations. EIOPA could further promote and support such initiatives in the nat cat area.

With regards to product simplicity, product design is subject to the IDD product oversight and governance (POG) requirements, and any products proposed must be consistent with the demands and needs of the customers. Product simplicity should not be an objective per se: what is more important is that products meet the needs and demands of consumers – which can vary significantly depending on various factors such as local market conditions and risk to cover.

2. Previous experience with insurance and social norms as a barrier to uptake

Q4 *To what extent do you agree that previous experience and social norm can have a significant impact on uptake of insurance products?*

Insurance Europe agrees that previous experience and social norms can significantly influence the uptake of insurance products. Therefore, positive experiences from nat cat events should be emphasised to encourage uptake. Such experiences include cases where insured individuals received indemnities quickly compared to those relying on state subsidies or other intervention, and/or where insurance coverage ensured a catastrophic financial consequence was avoided, such as illiquidity due to the loss of an uninsured house on a mortgage. Testimonials from satisfied clients can be utilised to achieve this goal.

Q5 *In your views, what can be done to increase trust in the insurance sector? In particular, stakeholders' inputs as to which measures could be put in place by the industry would be highly appreciated.*

The insurance industry can increase trust by further offering their expertise and advice on nat cat hazards (i.e., by leveraging market statistics on insured losses), as well as in terms of risk prevention and reduction, thus demonstrating a commitment to helping customers reduce potential risks.

Communicating to the public about the actions undertaken by insurance companies to expedite claims processing, can underscore the industry's commitment to promptly assisting policyholders during challenging times.

In addition, it is worth noting that many insurance companies made significant progress in developing analytical tools that enable them to act proactively and enhance their ability to respond swiftly and effectively in times of crisis.

Lastly, to enhance disaster response and early recovery, it is imperative to establish robust cooperation between insurance companies, public authorities responsible for crisis management, and supervisory agencies. This collaboration is especially critical in scenarios involving very significant damages.

3. Risk perception and expectations on public support as a barrier to uptake

Q6 *Are you aware of any initiatives aimed at enabling consumers to properly assess the type of risks they are exposed to?*

Yes, there are several initiatives aimed at helping consumers properly assess the risks they are exposed to. Communication efforts, such as user-friendly hazard and risk maps, are available in several countries across Europe. Some examples include:

- Zurich Insurance offers self-assessment tools, including the "Natural Hazards Radar" and Zurich's Self-Risk Assessment for SMEs, to assist consumers in evaluating their risks.
- The German Insurance Association's (GDV) online tools Hochwasser-Check (Flood Check) and Naturgefahren-Check (Nat Cat Check) aim to raise homeowners' awareness and empower them to proactively take precautionary measures. They have been developed in response to the lack of a comprehensive nationwide public platform offering easily accessible information on natural hazards and preventive actions.
- GDV collaborates with local governments in 11 out of Germany's 16 federal states to conduct awareness campaigns on natural catastrophes (Elementarschadenkampagnen). These campaigns aim to inform the public and enhance their awareness of natural catastrophes.
- The Hellenic Association of Insurance Companies is currently developing a nat cat insured losses dashboard, which will enable consumers to assess the vulnerability of their region.
- The Polish Chamber of Insurance has developed two educational reports on climate change's impact on social and economic security. The latest one, entitled "Climate of Growing Losses: The Role of Insurance in Climate Protection and Energy Transformation" was published in July 2023. The reports aim at informing the authorities and the public about the link between risks and insurability.
- In Spain, Agroseguro, El Consorcio de Compensación de Seguros, and the Spanish Insurance Association have collaborated to create a website called [Naturalmente protegidos](#). This website provides essential information for citizens and helps raising public awareness about the importance of being insured. Among the information provided, the website includes insurance coverage details, contact information for nat cat-related damage, and other valuable resources.
- In Austria, a partnership between the government and the insurance industry led to the development of a digital hazard map called [HORA -Hochwasserrisikozonierung \(Flood Risk Zoning\) Austria](#). This map

highlights potential hazards such as floods, earthquakes, storms, hail, and snow, and aims to increase public awareness about these risks.

- The Flood Competence Center (HKC) in Germany has developed the [Hochwasserpass \(Flood Label\)](#). The Flood Label isn't simply a certificate, but a multi-stage concept with the aim of raising public awareness, especially among land and homeowners for both existing properties or planned developments, about the significance of flooding-related issues and promoting the implementation of preventive measures. This includes addressing various flood-related hazards such as river flooding, heavy rainfall and flash floods, canal backwater, and groundwater flooding.
- In Spain, there is a cartographic viewer of flood zones called [Sistema Nacional de Cartografía de Zonas Inundables](#) (National System of Flood Zone Mapping), which is publicly available.
- The French Ministry for Ecological Transition and Territorial Cohesion and BRGM, the French public institution for the application of Earth sciences, have set up a publicly accessible database (<https://www.georisques.gouv.fr>) which can be used to identify natural hazards such as flooding, landslides and the shrinking and swelling of clays, using an address.

Q7 *To what extent would you agree that there is often a misperception between when and how public authorities would intervene and their actual interventions?*

There is often a significant mismatch between the expectations of consumers and the actual interventions of public authorities following an event. While it is reasonable to expect the state to provide immediate aid, consumers often expect the state to fully restore their losses after an event, leading to an overreliance on public financial compensation. However, the state's ability to offer free subsidies for reconstruction depends on factors including the magnitude of the event and the available budget. Combined with the public sector's lack of the necessary tools and expertise to efficiently manage insurance claims, overreliance on the state leads to inefficiency and disappointment by the public.

In fact, insurance has several benefits compared to ad hoc and often uncertain and delayed government intervention. In particular, an insurance contract is a more secure and timely means of coping with disasters, offering rapid payouts and prompt assistance to affected populations. Insurance can also render clients more creditworthy, and thus promote investments in productive assets and higher-risk/higher-yield activities, in turn reducing disaster-related poverty traps. Finally, and importantly, insurance can encourage risk reduction, catalyse risk assessment, and drive more structured decision-making around ex-ante risk management.

The concern is that such expectations may limit the perceived need to buy cover against nat cat events. Therefore, the focus has to be on pre-arranged mechanisms, including insurance, which offer clearer and more reliable compensation options compared to uncertain ad-hoc agreements post-event. Public authorities could also facilitate increased uptake of private insurance for nat cat events by clearly indicating that they will not reimburse nat cat incidents for people that can afford private insurance.

Furthermore, public authorities should take proactive measures, including the implementation of appropriate planning policies, adherence to relevant construction standards, and the collection of data related to climate conditions, hydrological patterns and building structures.

4. The insurance purchasing process as a barrier to uptake

Q8 *To what extent do you agree that the purchasing buying process can be a barrier? And if so, in which way?*

Insurance Europe agrees that the purchasing process can be a barrier. One of the possible causes can be the lack of digitalisation. By firstly digitalising and simplifying the process through a helper for assets' valuation (building and contents), secondly leveraging public data to reduce the number of risk assessments questions asked to the consumer, and finally by making existing regulatory requirements related to disclosures and advice digital by default (while those in the Insurance Distribution Directive (IDD) are currently paper-based) and digital-friendly (for instance by allowing the layering of information), improvements can be achieved in streamlining the process, making it more engaging for consumers. However, it is important to note that there are limits in this streamlining process, particularly for complex insurance types such as building insurance, as well as an inherent tension between streamlining and offering tailor-made and more detailed risk information, as already highlighted in our general remarks.

Q9 *In your views, what measures could be put in place to facilitate the purchasing process?*

Insurance Europe believes that several measures can be implemented to facilitate the purchasing process for insurance:

- Making it clear from the outset the need for critical and potentially financially "lifesaving" insurance products, such as nat cat insurance, and to communicate how they differ from optional or less crucial policies. This will also positively impact the perceived affordability and perceived cost of risks;
- Enhancing the role of insurance in making customers more aware of the risk by integrating risk awareness into customer interactions, including sales or offer processes;
- Simplifying and streamlining the terms and conditions for nat cat insurance can be beneficial, but customers must also be willing to invest time and attention to understand the topic. This is where creating clarity and relevance around climate risks again becomes crucial.
- Digitalisation can facilitate access to information, products and services. Policymakers and supervisory authorities should adapt existing rules to digital developments and allow insurers to deliver smarter and more effective information that is clear and engaging.
- Insurance companies require comprehensive data on real estate, including buildings and farms. To fully comprehend the associated risks, having information about all damages, not just those that are insured, is extremely important. By comparing the database of insured buildings with that of all structures, insurers can gain insights into who remains uninsured, where these gaps lie, and the reasons behind them. This analytical approach helps devise strategies to streamline the purchasing process and effectively minimise the insurance gap.
- The creation of a Natural Catastrophe (Nat Cat) index specific to each location, segmented by categories such as flood, hail, earthquake, windstorm, and flash flood. This index could then be made accessible to all citizens.

Q10 *How can the benefits of coverage be presented to consumers in a way which does not portray them as an unnecessary obligation that comes with a mortgage?*

Presenting examples of past losses, which in many cases would be impossible to cover by homeowners themselves and emphasising the value of "peace of mind", are crucial in showcasing the benefits of insurance coverage.

In this context, it is important to underline that property insurances that are included as part of a mortgage bundle typically focus solely on covering the real estate itself. However, natural hazard events can result in damages to the equipment and personal belongings housed within the building as well. Instances like wildfires and floods serve as examples where the impact extends beyond the structure itself to the contents within it.

Finally, it is important to highlight to policyholders their exposure to risk. For example, this can be achieved by linking the nat cat index - mentioned in the previous answer - directly to properties. This could be done by ensuring that every homebuyer obtains the index through a specialised technician during the home-purchasing process.

Q11 *In your view can improved product oversight and governance requirements assist in ensuring products are better designed and coverage is better conveyed to consumers to avoid insurance is perceived as an obligation?*

The IDD rules on POG are well-developed and ensure that i) products are compatible with the needs, characteristics and objectives of the customers belonging to the target market; ii) distributors receive all the necessary information; iii) products are regularly reviewed.

The IDD Level 1 and Level 2 rules on POG are accompanied by extensive guidance, including the recent EIOPA "Supervisory statement on exclusions in insurance products related to risks arising from systemic events" (August 2022, [link](#)) which expresses EIOPA's expectations on the treatment of exclusions in POG and in the communication with customers.

What can be improved is the accessibility of the information provided to consumers, for example making better use of the opportunity offered by new technologies. There is also room to make policy terms and conditions more friendly. As mentioned above, a good way to ensure that pre-contractual information is understandable and usable by consumers is to test any new requirement with consumers, streamline regulatory disclosures and remove any duplicative disclosures so as to avoid information overload and consumer confusion.

Financial literacy and insurance awareness also need to be promoted to overcome certain misconceptions or behavioural biases that affect the demand side of nat cat products.

5. Options to address barriers at the pre-purchase stage

Q12 *In your views, what other additional measures could be implemented in the pre-purchase phase to raise awareness about risks?*

Insurance Europe is of the view that presenting clear and transparent information about the hazards and their relevance is key. To this end, there is a need for a broad risk awareness mechanism that could include among others:

- education campaigns that are conducted by the state and/or insurance companies;
- continuous education at schools;
- supporting the use of or already pre-outline the hazard levels for customers at the offer stage.

Furthermore, discussions about insurance and interactions with insurance companies on risk management and insurability often come at a late stage where the risk already exists, and the purchase of insurance comes as an afterthought. Having insurance integrated into a more pro-active risk management approach by society and individuals alike will help encourage proactive action and will address the issues of insurance attractiveness, risk understanding, and perceived/real affordability in one go. Examples of this are so-called "greenfield risk assessments", where risk managers and insurers are involved at the project stage to conduct risk assessments

of potential locations before they are selected, as part of an ever-increasing number of climate risk assessment and resilience services.

Q13 *In your views, which specific measures could be further explored and tested by EIOPA?*

EIOPA should further explore and test two measures:

- government-initiated information and educational campaigns; and
- curriculum-based educational initiatives in schools.

Product insurance is often unpopular and perceived as a "necessary but undesirable obligation". Therefore, it is of paramount importance for individuals to acquire a more comprehensive understanding of financial principles, encompassing the fundamental role of insurance as a mechanism for risk transfer.

6. Options to address barriers at the purchase stage – act on the buying process

Q14 *How can the purchase process be simplified?*

See above.

Technology can also help improve the speed and efficiency of transactions, with the potential for lower costs. It makes it possible to reach a wider section of the public, such as younger "digital natives", which would lead to higher levels of financial inclusion in the population as a whole.

New technologies also offer the possibility of developing more tailored products, providing faster services (e.g. speedier claims-handling and claims-related services, better fraud detection, etc.), and so enhancing insurability and risk prevention (e.g. through personalised advice or premium discounts rewarding virtuous behaviour, etc.).

However, this requires an EU regulatory and supervisory framework that is conducive to innovation and enables consumers and companies to benefit from the opportunities that technologies can offer.

Q15 *Do you think POG can be used as a tool to ensure manufacturers put in place a purchasing process which is in line with consumers' needs?*

The IDD POG rules already ensure that the distribution strategy is in line with consumers' needs. Manufacturers are required to carefully select the distribution channels that are appropriate for the target market, taking into account the particular characteristics of the relevant insurance products. They are also required to provide insurance distributors with all appropriate information on the insurance products.

Q16 *In your views, which specific measures could be further explored and tested by EIOPA?*

N/A.

Q17 *In your views, how can it be ensured that the implementation of mandatory coverage does not lead to an over-focus on price/perception of insurance as an obligation rather than a benefit?*

It is essential to consider the specific context and market conditions (e.g. divergence in size, construction, quality of building materials, equipment, and technical condition of properties), as mandatory coverage may be suitable in some cases but be counter-productive in others.

In addition, it is important that before enforcing mandatory insurance in a market, the state takes the following actions:

- educate consumers about the risks they face;
- inform consumers of the solidity of its insurance market;
- consider the provision of tax incentives to those who insure their property;
- decide and clearly communicate to citizens the level of post-event aid and any limitations that may apply.

In cases where mandatory insurance is considered necessary, taking into account socio-economic conditions and market factors like public attitudes, it is crucial that the implementation includes all key stakeholders – private insurers, various levels of public authorities and policyholders – ensuring everyone has a vested interest in the process.

At the same time, it must be stressed that (mandatory) nat cat insurance plays an important role in holistic risk management. By financially compensating for damages that were unavoidable despite consumers' risk-appropriate behaviour, nat cat insurance is one among several necessary measures, such as structural building prevention, that can jointly mitigate the negative impact of natural catastrophes on consumers' lives.

7. Options to address price and insurability – reducing the price and risk

Q18 *In your views, which price reduction mechanisms can be more effective?*

Those that link a reduced premium to reasonable prevention measures.

Q19 *While not explored in this paper, as it focuses on demand-side aspects, mandatory coverage can also reduce the price by further mutualizing the risks. Do you see demand-side related barriers and risks with mandatory coverage? If so which ones?*

Yes, when implementing mandatory coverage, it is essential to apply mutualisation principles by smoothening the price range.

A higher number of insurance policies in a particular area may not actually lead to mutualisation - in the sense of lowering insurance premium for a single insured entity - but rather to higher total loss exposure, for instance if a severe nat cat event affects a wide area. In such cases, according to the Solvency II rules, insurance premiums could remain at the same level or even increase. Notwithstanding this, in some countries, such as Spain, the diversification of risks and zones allows offering coverage at affordable prices.

In addition, since there is no reliable estimate of the development of the intensity, frequency, and spatial distribution of nat cat in the coming years, a supportive intervention by the state in the event of a catastrophic accumulated loss (stop-loss regulation) is essential in order to limit the impact on the market. The occurrence threshold of this rule is high and no ad hoc state subsidy is required.

Q20 *How do you think the perception of insurance as a more affordable product can be improved?*

The price of insurance products could be put into perspective. For example, comparing the price of an insurance product to the price of other products, such as, for instance the price of streaming platform subscriptions or food take-out/delivery.

A more general point that should be stressed, is that recent inflationary trends in Europe coupled with escalating nat cat risks, have put significant pressure on insurers. To remain resilient and reliable partners for their clients in the face of these challenges, insurers must adjust pricing for nat cat products. For this reason, it is crucial to increase efforts to limit natural hazard events and their impact that turn them into disasters. This requires stepping up efforts to drastically and urgently reduce greenhouse gas emissions as well as for society to step up their adaptation efforts to climate change, notably in the residential housing area.

Q21 *What can be explored/done, in your views, to provide more information and clarity on the value/utility products offer in a way in which consumers can understand the benefit of insurance?*

See examples quoted in answers to previous questions.

Q22 *In your opinion, what could be more effective to address the protection gap while taking into account the affordability issue: a reduction in the risk-based premium following the implementation of risk mitigation measures, or a cheaper by default flat rate premium for all perils introduced as a mandatory offer (to increase uptake by consumers?)*

As an overarching principle, pricing must reflect the underlying risks to avoid masking the true costs and inducing moral hazard. Therefore, a reduction in the risk-based premium following the implementation of risk reduction measures would be the preferable option.

Some forms of financial support to preserve the affordability of the insurance policies such as the introduction of mandatory coverage with an element of mutualisation, could be explored. For instance, it could be assessed in areas of lower-income levels and/or high exposure to risks, in order to ensure that insurance also caters for the more vulnerable and following the principle of "leaving no-one behind". However, such "subsidies" or financial aids should not hide the true level of risk, but help customers afford the corresponding premiums such as through vouchers or tax incentives. There also must be a mechanism in place alongside this to ensure how the actual risk can then be reduced, and the subsidy/support be removed. Such as, for example the original principles of when "FloodRe" in the UK was established – to return to true actuarial rates that reflect risk in a given time period.

That said, it is important to emphasise once again that price isn't the primary issue when addressing the protection gap. Customers are more likely to buy nat cat insurance when they recognise the actual risk, its potential occurrence, and when the premium aligns with that risk. Existing customers who have not experienced nat cat events in years often deny being at risk, seeing intermediary advice as economically driven, resulting in low sign-up rates. However, well-informed consultations can convince even sceptical customers, increasing



willingness to buy. New customers investing heavily in properties assess risk objectively, making them more receptive to information, and leading to higher sign-up rates.

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