



## European Insurance — Key Facts

August 2016

Insurance Europe is the European insurance and reinsurance federation. Through its 34 member bodies — the national insurance associations — Insurance Europe represents all types of insurance and reinsurance undertakings, eg pan-European companies, monoliners, mutuals and SMEs. Insurance Europe, which is based in Brussels, represents undertakings that account for around 95% of total European premium income. Insurance makes a major contribution to Europe's economic growth and development. European insurers generate premium income of €1 200bn, directly employ over 975 000 people and invest nearly €9 800bn in the economy.

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All figures in this booklet are the latest available, with 2015 data being provisional, and are not adjusted for inflation. All figures follow the domestic market definition (see p35) unless otherwise stated. All premiums are direct gross written premiums. The growth rates of all euro-denominated values are calculated at constant (2015) exchange rates.

## Abbreviations

EEA = European Economic Area

EU = European Union

GDP = gross domestic product

GWP = gross written premium

## Member associations and country codes

**Austria (AT)** — Verband der Versicherungsunternehmen Österreichs (VVO)

**Belgium (BE)** — Assuralia

**Bulgaria (BG)** — Association of Bulgarian Insurers (ABZ)

**Croatia (HR)** — Hrvatski ured za osiguranje

**Cyprus (CY)** — Insurance Association of Cyprus

**Czech Republic (CZ)** — Česká asociace pojišťoven (ČAP)

**Denmark (DK)** — Forsikring & Pension (F&P)

**Estonia (EE)** — Eesti Kindlustusseltside Liit

**Finland (FI)** — Finanssialan Keskusliitto

**France (FR)** — Fédération Française de l'Assurance (FFA)

**Germany (DE)** — Gesamtverband der Deutschen Versicherungswirtschaft (GDV)

**Greece (GR)** — Hellenic Association of Insurance Companies

**Hungary (HU)** — Magyar Biztosítók Szövetsége (MABISZ)

**Iceland (IS)** — Samtök Fjármálafyrirtækja (SFF)

**Ireland (IE)** — Insurance Ireland

**Italy (IT)** — Associazione Nazionale fra le Imprese Assicuratrici (ANIA)

**Latvia (LV)** — Latvijas Apdrošinātāju Asociācija (LAA)

**Lichtenstein (LI)** — Liechtensteinischer Versicherungsverband

**Luxembourg (LU)** — Association des Compagnies d'Assurances et de Réassurances du Grand-Duché de Luxembourg (ACA)

**Malta (MT)** — Malta Insurance Association (MIA)

**Netherlands (NL)** — Verbond van Verzekeraars

**Norway (NO)** — Finance Norway

**Poland (PL)** — Polska Izba Ubezpieczeń (PIU)

**Portugal (PT)** — Associação Portuguesa de Seguradores (APS)

**Romania (RO)** — Uniunea Națională a Societăților de Asigurare și Reasigurare din Romania (UN SAR)

**Slovakia (SK)** — Slovenská asociácia poisťovní (SLASPO)

**Slovenia (SI)** — Slovensko Zavarovalno Združenje (SZZ)

**Spain (ES)** — Unión Española de Entidades Aseguradoras y Reaseguradoras (UNESPA)

**Sweden (SE)** — Svensk Försäkring

**Switzerland (CH)** — Schweizerischer Versicherungsverband (ASA/SVV)

**Turkey (TR)** — Türkiye Sigorta, Reasürans ve Emeklilik Şirketleri Birliği

**United Kingdom (UK)** — The British Insurers' European Committee:  
Association of British Insurers (ABI)  
International Underwriting Association of London (IUA)  
Lloyd's



## 1. European insurance in the world

With a 32% share of the global market, the European insurance industry is the largest in the world, followed by North America (31%) and Asia (30%).

### Distribution of insurance premiums — 2015



Source: Swiss Re Sigma No.3/2016: "World insurance in 2015"

NB: "Europe" covers western, central and eastern Europe and therefore includes Russia and Ukraine (which together account for about 1% of global premiums)



Insurance makes a major contribution to economic growth and development.

It facilitates economic transactions by providing risk transfer and indemnification.

It encourages risk management and the promotion of safe practices.

It promotes financial stability by providing long-term investment in the economy.

It encourages stable and sustainable savings and pension provision.

## 2. European premiums, claims and benefits paid



€1 200bn

Total premiums

€976bn

Total benefits and  
claims paid



€730bn

Life premiums

€649bn

Life benefits paid



€343bn

Non-life premiums

€222bn

Non-life claims paid



€124bn

Health premiums

€101bn

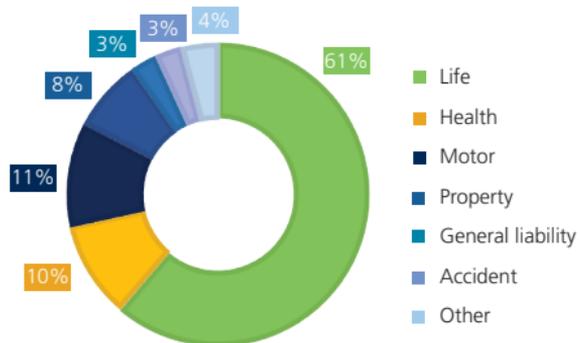
Health claims paid

Total European direct gross written premiums increased by 1.3% between 2014 and 2015 to reach €1 200bn. Life premiums grew 1.2% to €730bn, non-life premiums grew by 1.1% to €343bn and health premiums grew 1.5% to €124bn.

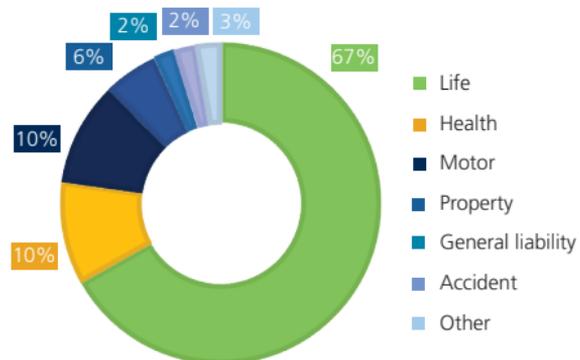
In 2015, insurance penetration (gross written premiums as a percentage of GDP) decreased by 0.2 percentage points to 7.4%, but ranged from 0.9% in Latvia to 11.4% in Finland. An average of €2 010 per capita was spent on insurance in Europe in 2015, compared to €1 993 in 2014. Of the per capita spent in 2015, €1 223 was on life insurance, €574 on non-life and €207 on health.

European insurers paid out €976bn in claims and benefits to insureds, a 2.0% increase on 2014. Life insurers paid out €649bn in benefits to insureds, providing them with capital and/or annuities. This represents a 1.7% increase year-on-year. Non-life claims paid increased by 2.3% to €222bn and health benefits paid increased by 4.3% to €101bn.

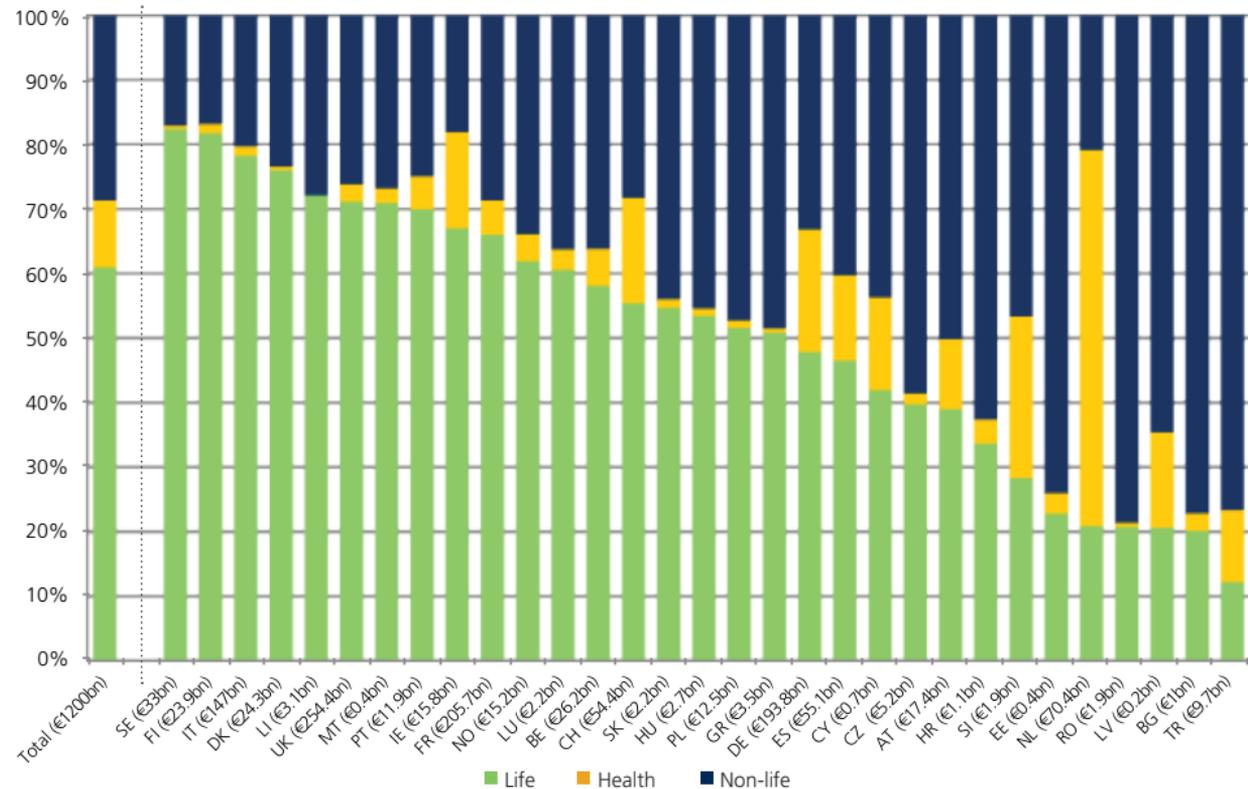
### Gross written premiums — 2015



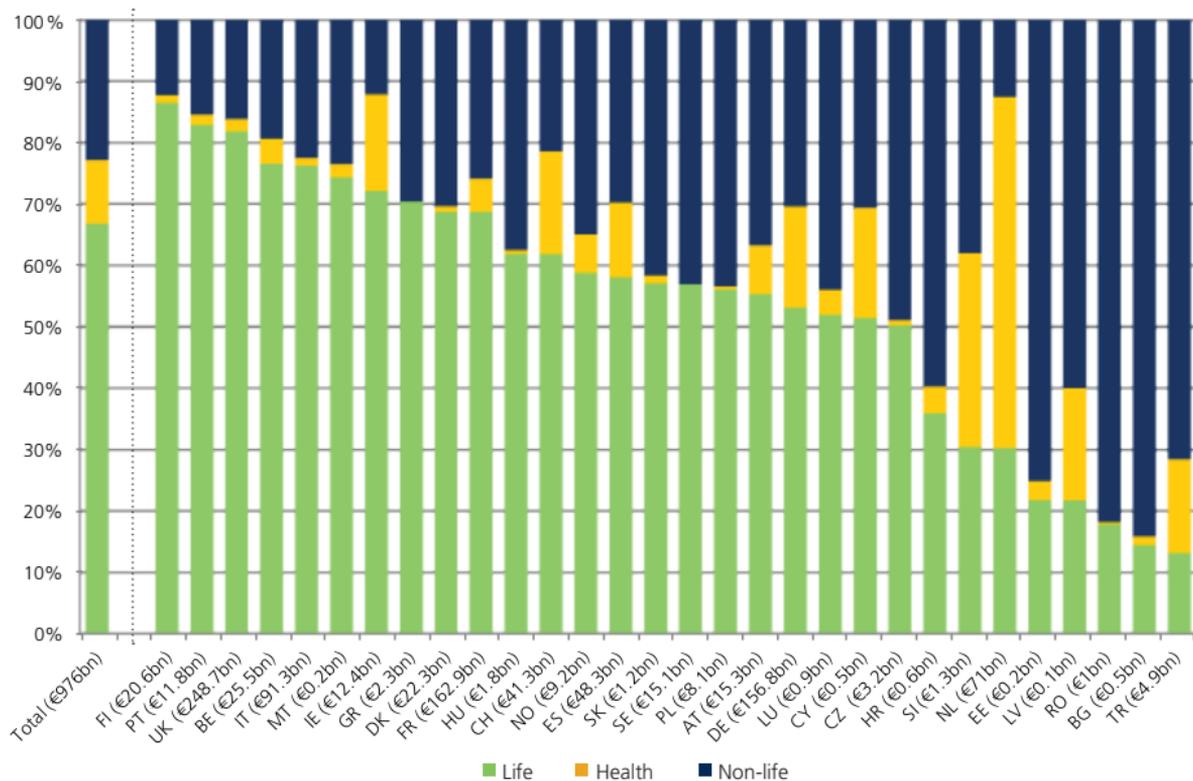
### Claims and benefits paid — 2015



## Gross written premiums by country — 2015



## Claims and benefits paid by country — 2015



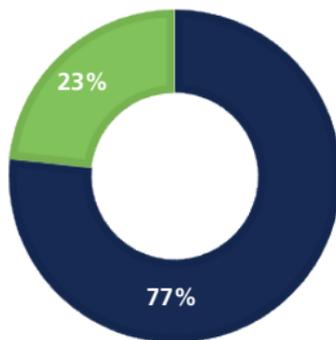
## 2.1 Life insurance

Life insurance policies can take the form of individual or group contracts, and they can be “pure insurance” products, savings products or a combination of both. In total, European life insurance premiums rose to €730bn in 2015, a 1.2% increase on 2014.

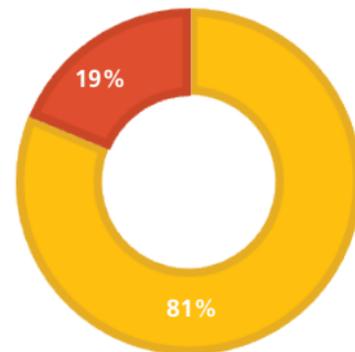
In 2014 (the latest year for which a breakdown is available), premiums from individual contracts grew by 12.0% and accounted for 76.7% of all life premiums, compared to 75.5% in 2013.

Premiums collected through group contracts grew at a slower pace than individual contracts (4.7%). In 2014, they accounted for 23.3% of all life insurance premiums, compared to 24.5% the year before.

### Life premiums by type of contract — 2014



■ Individual contracts  
■ Group contracts



■ Traditional life contracts  
■ Unit-linked contracts

Traditional life contracts<sup>1</sup> grew by 8.9% in 2014, representing 81.3% of all individual life premiums. Unit-linked contracts, which provide both risk cover and an investment element, grew at a faster pace than traditional contracts (14.1%). As a result, their share of total life premiums increased by 3.8% compared to the year before to 18.7%.

In 2015, life insurance penetration decreased slightly to 4.5% from 4.6% in 2014, but ranged from 0.2% in Iceland, Latvia and Turkey to 9.3% in Finland.

An average of €1 223 per capita was spent on life insurance in Europe in 2015, compared to €1 214 in 2014. Life insurance density varied in 2015 from less than €20 per capita in Turkey and Romania to more than €3 500 in Finland, Switzerland and Liechtenstein.

Life benefits paid increased by 1.7% to €649bn in 2015, or €1 088 per capita.



€1 223

Average life premium per capita



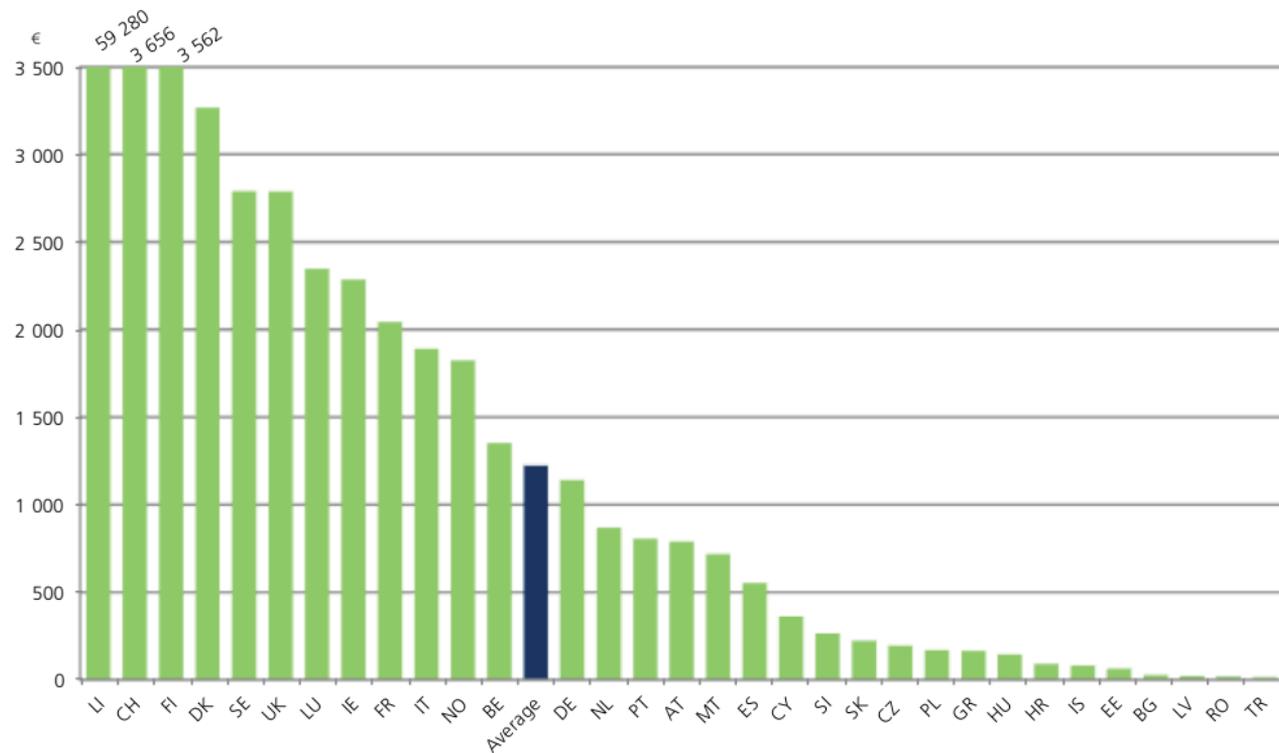
€1 088

Average life benefit paid per capita

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<sup>1</sup> Any contract that is not a purely unit-linked contract

## Life premiums per capita by country — 2015 (€)



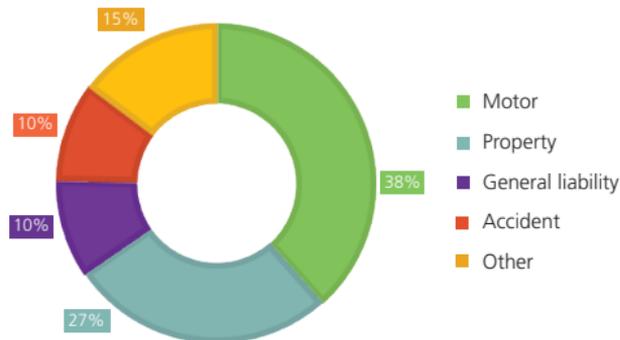
## 2.2 Non-life insurance

Non-life insurance, whose two main business lines are motor and property, includes a wide range of cover for individuals, property, vehicles and businesses. Non-life premiums grew by 1.1% in 2015 to total €343bn. Motor was the largest non-life business line in 2015, accounting for 38% of premiums. Motor premiums grew 1.0% in 2015 to €132bn. The property market grew 1.6% to €93bn, accounting for 27% of 2015 non-life premiums. Meanwhile accident premiums increased by 1.2% to €34.2bn and general liability premiums remained stable at €33.8bn.

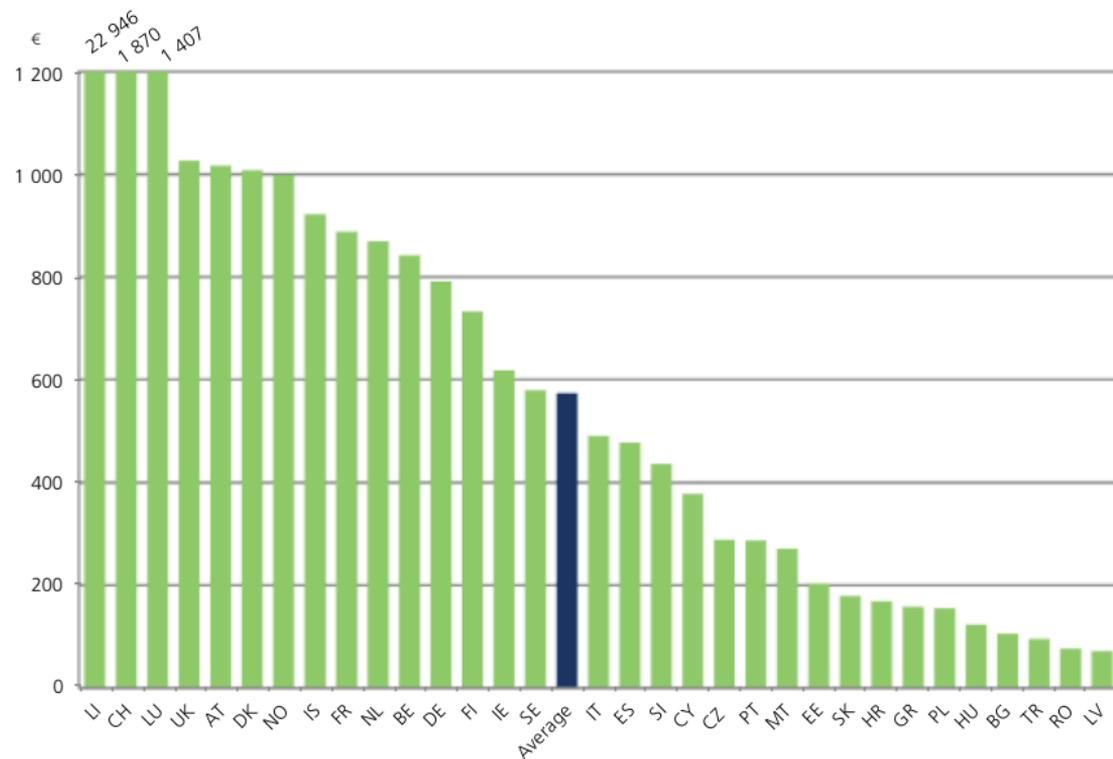
In 2015, non-life insurance penetration decreased slightly from 2.17% to 2.13%, ranging from 0.6% in Latvia to 2.7% in France. An average of €574 per capita was spent on non-life insurance in Europe in 2015, compared to €570 in 2014.

Non-life insurers paid out €222bn in claims in 2015, an increase of 2.3% on the year before. Motor claims paid increased 1.9% to €101bn and property claims grew 0.7% to €53bn. Accident claims paid rose 8.6% to €21.2bn, while general liability claims remained stable at €20.9bn.

Non-life premiums by business line — 2015



## Non-life premiums per capita by country — 2015 (€)



## 2.2.1 Motor insurance

Motor third-party liability (MTPL), compulsory at EU level, provides financial protection against claims for physical damage and/or bodily injury resulting from traffic collisions.

Additionally, comprehensive motor insurance offers financial protection for first-party losses and, in some cases, fire, theft and breakdown services.

In 2015, motor insurance premiums increased 1.0% to €132bn. This translates to €221 per capita, compared to €220 in 2014.

Claims paid by motor insurers increased by 1.9% to €101bn, or €170 per capita.



€221

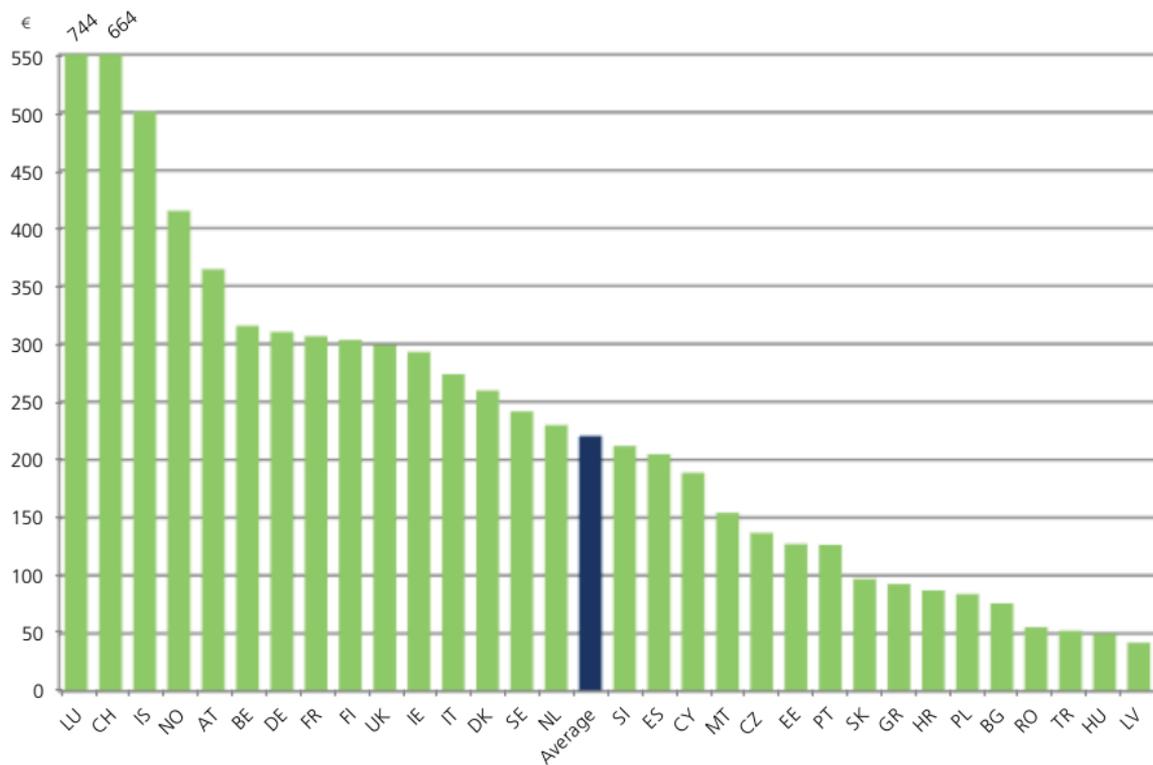
Average motor premium per capita



€170

Average motor claim paid per capita

## Motor premiums per capita by country — 2015 (€)



## 2.2.2 Property insurance

Property insurance provides protection against risks to property such as fire, theft and some weather damage. The business line includes specialised forms of insurance, such as fire, flood, earthquake or home insurance.

In 2015, property insurance premiums increased 1.6% to reach €93bn in Europe. This is equivalent to an average of €155 paid in property premiums per inhabitant, which is €2 more than in 2014.

Property claims paid increased by 0.7% to €53bn in 2015, or €90 per capita.



€155

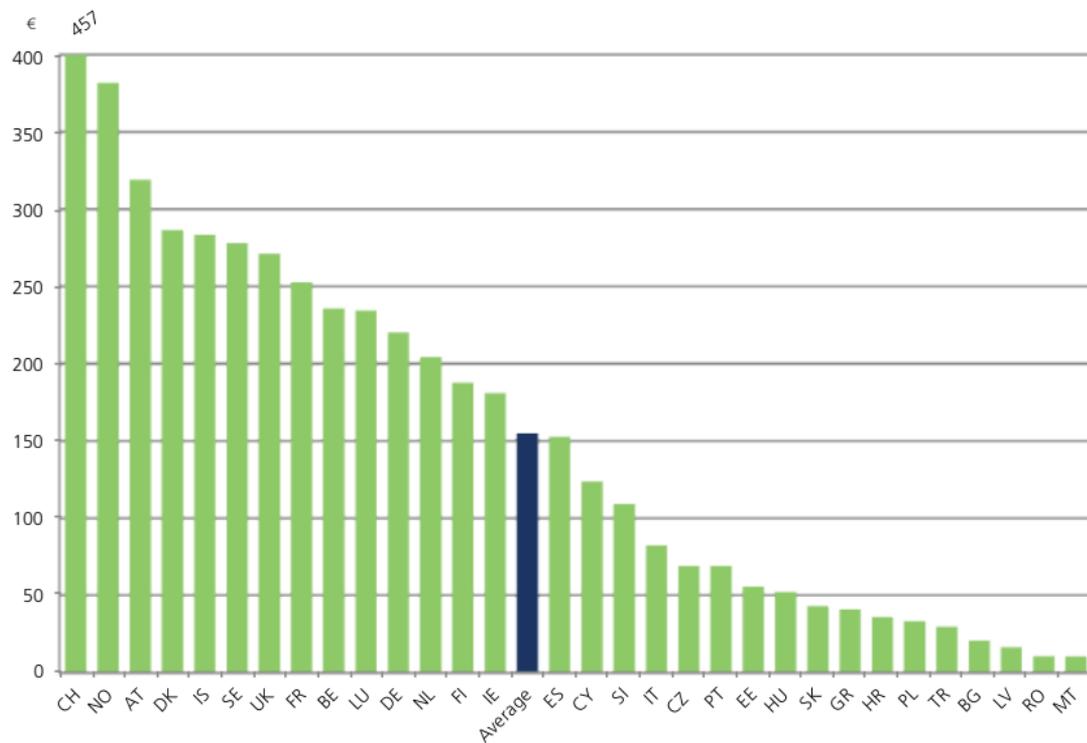
Average property premium per capita



€90

Average property claim paid per capita

## Property premiums per capita by country — 2015 (€)



## 2.3 Health insurance

Health insurance provides individuals or groups with cover for the medical costs of illness or accidents. Health insurers also offer other products, such as critical illness, disability or long-term care insurance. Total European health premiums grew by 1.5% to €124bn in 2015.

In 2015, health insurance penetration remained stable at 0.8%, but varied from 0.01% in Greece and Romania to 6.1% in the Netherlands. An average of €207 per capita was spent on health insurance in Europe in 2015, compared to €205 in 2014. Health insurance density varied in 2015 from less than €3 per capita in Greece and Romania to more than €1 000 in Switzerland and the Netherlands. The Dutch and the Swiss healthcare systems require individuals to purchase private health insurance, which is why they are top performers in terms of health premiums per capita.

Health insurance claims paid grew 4.3% in 2015 to reach €101bn. The average claim paid per capita amounted to €176, compared to €169 in 2014.



€207

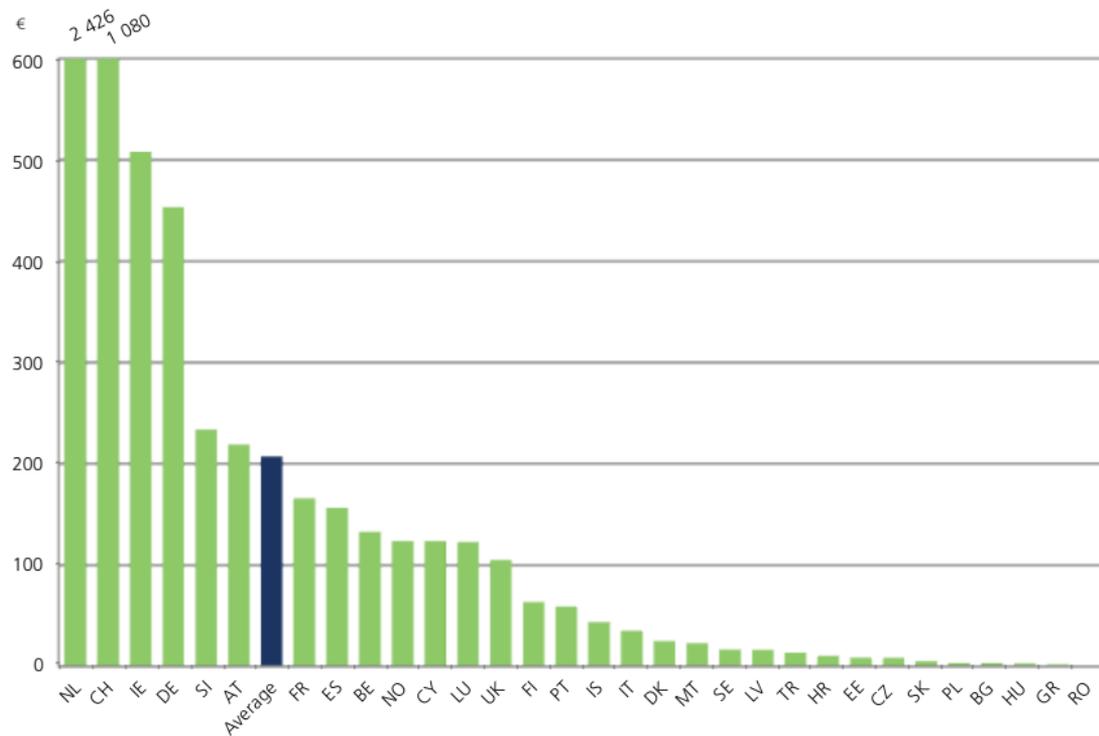
Average health premium per capita



€176

Average health claim paid per capita

## Health premiums per capita by country — 2015 (€)





The insurance sector is the largest institutional investor in the EU, with almost €9 800bn of assets under management invested in the economy in 2015.

This is equivalent to 61% of the GDP of the EU.

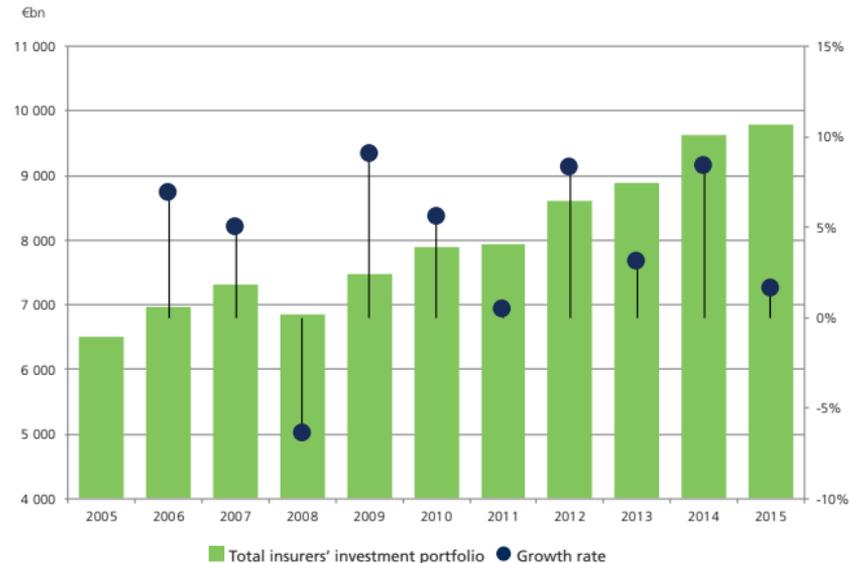
### 3. Insurers' investment portfolio

Investments are an integral part of the insurance business model, in which the premiums insurers receive are invested until claims or benefits become due. The insurance sector is the largest institutional investor in Europe and a key source of the investment needed to support growth in the economy.

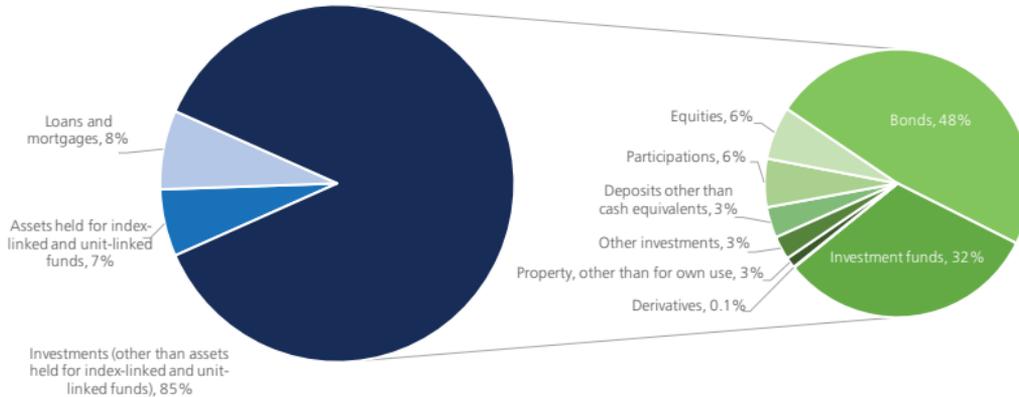
In 2015, the European insurance industry had almost € 9 800bn invested in bonds, company shares and other assets on behalf of millions of life and non-life insurance customers. This represents a 1.7% increase on 2014.

Developments in the investment portfolio are mainly driven by life business,

Insurers' investment portfolio — 2005–2015 (€bn)



## Breakdown of insurers' investment portfolio — 2014 (%)

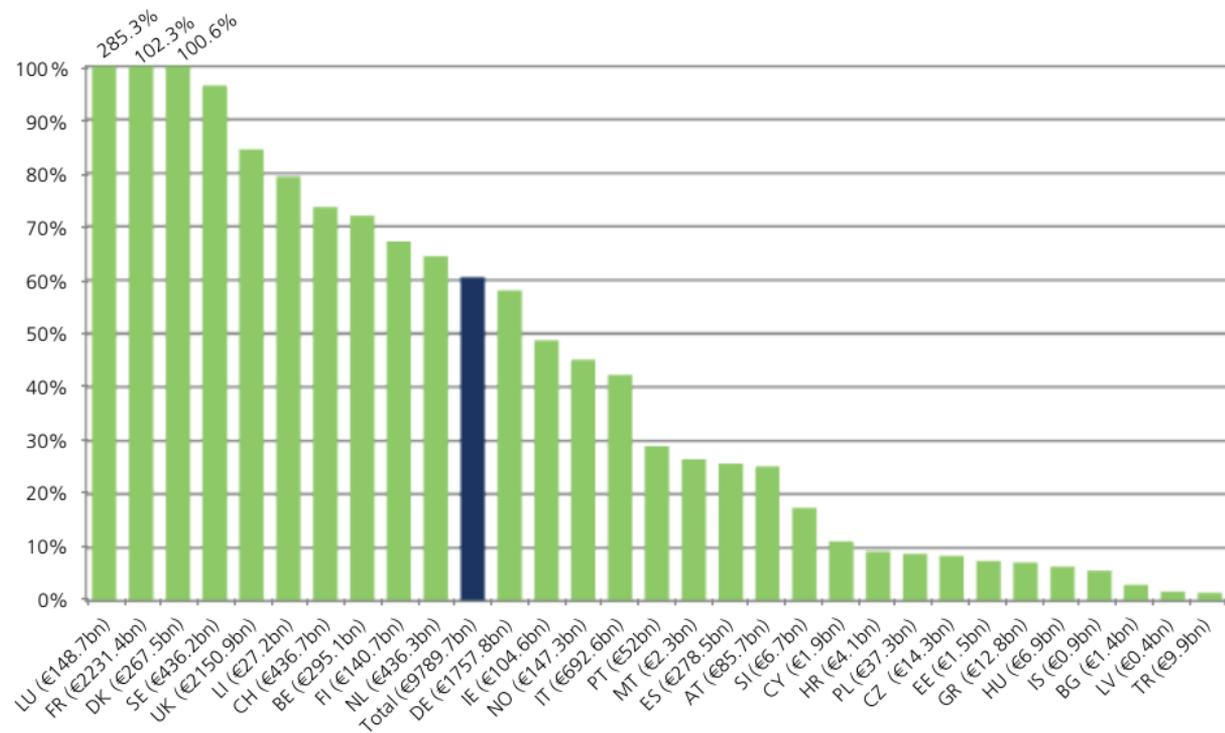


since the investment holdings of the life insurance industry account for more than 80% of the total.

The UK, France, Germany and Italy jointly account for 70% of all European life insurers' investments.

In 2014, European insurers' portfolio was made up of 8% in loans and mortgages and 7% in index-linked and unit-linked funds. The remaining 85% was in other investments, of which 48% was in bonds, 38% in investment funds and 6% in equities.

## Insurers' investment portfolio as share of GDP by country — 2015





**The European insurance sector is a significant employer,  
both in terms of direct and indirect employment.**

## 4. Companies and employees



**3 700**  
insurance companies  
in Europe



**975 000**  
direct employees in  
Europe

There were around 3 700 insurance companies operating in Europe in 2015, down 3.1% on the previous year. This is the number of domestic companies and branches of non EU/EEA country companies.

European companies can offer cross-border services either through freedom of establishment or freedom of services. In 2014, 578 branches of EU/EEA companies were operating in the EU and around 7 600 licensed insurance operations were overseen by national supervisory authorities on the basis of freedom of services.

The European insurance industry employs over 975 000 people directly. This figure excludes outsourced employees and independent intermediaries.



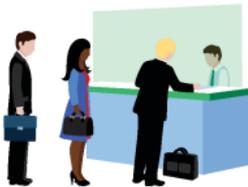
**Distribution structures across EU markets are diverse,  
adapted to consumers' needs and constantly evolving.**

## 5. Distribution channels

Insurers sell their products either directly or through a variety of other distribution channels, of which the most familiar are brokers, agents and bancassurance.

The diversity of distribution channels benefits consumers, whose cultures, needs and preferences vary between markets. It ensures that consumers have better access to insurance products and stimulates competition between providers and distributors on the price and quality of products.

Bancassurance is the main life distribution channel in many European countries today. Agents and brokers also play an important role, particularly in the distribution of life policies. However, direct sales through employees or distance-selling are less developed in life than in non-life insurance. The distribution of non-life policies in Europe is mainly through intermediaries (agents and, to a lesser extent, brokers) and direct sales by employees and distance-selling.



### Bancassurance

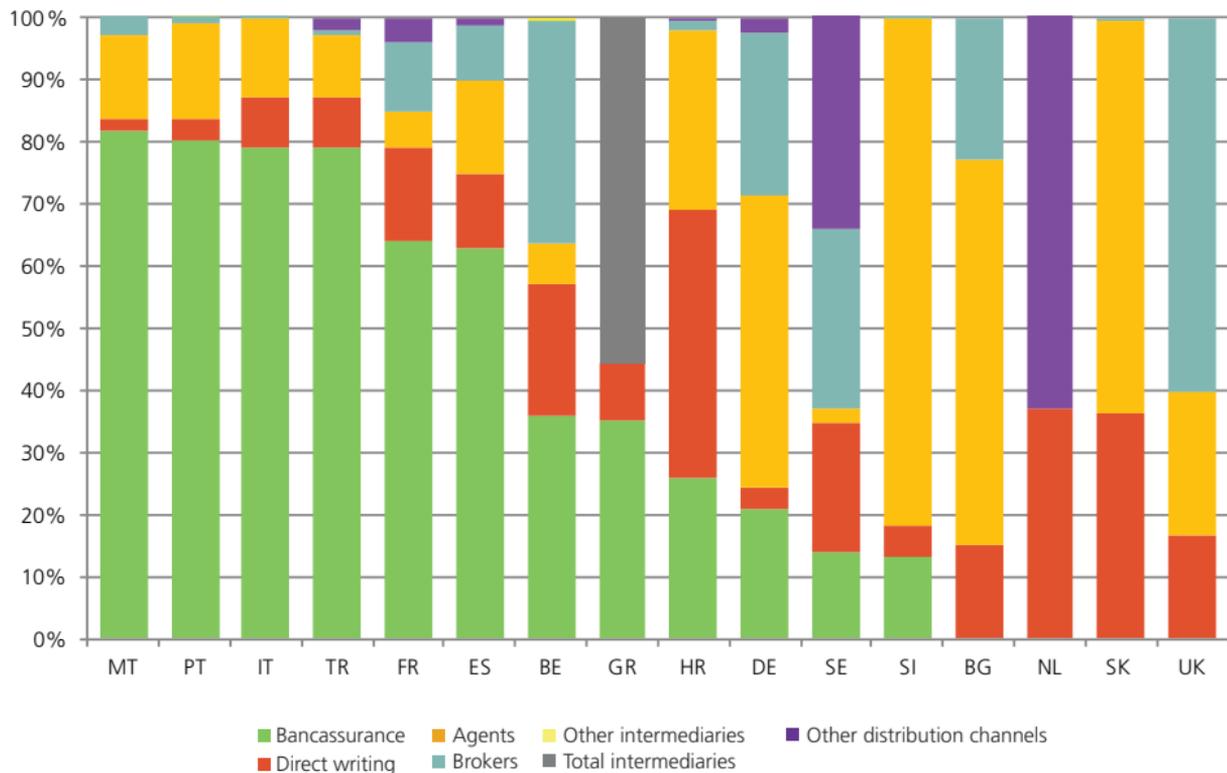
is the main life distribution channel



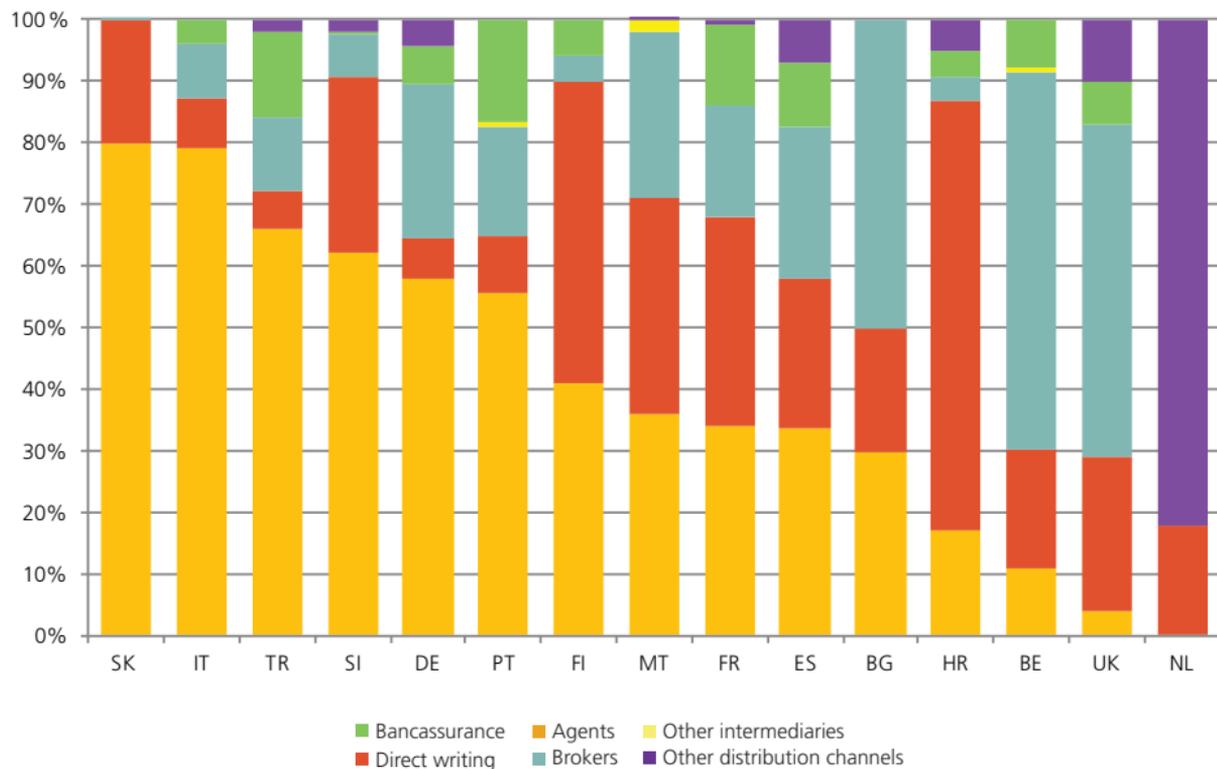
### Agents and brokers

are the main non-life  
distribution channels

## Life distribution channels by country (% of GWP) — 2014



## Non-life distribution channels by country (% of GWP) — 2014



## Explanatory notes

### 2. European premiums, claims and benefits paid

#### Total premiums — life, non-life and health

For DE, figures include “Pensionskassen” and pension funds. Also, figures refer not to the domestic market<sup>2</sup> but to the total market<sup>3</sup>.

For FR, health insurance refers to FFSA companies, which represent around 40% of the market (mutuals are more active in this line).

#### Total benefits paid — life, non-life and health

For DE, figures include “Pensionskassen” and pension funds.

For GR, 2015 figures are from the Hellenic Supervisory Authority (Bank of Greece).

#### Life claims paid

For DE, figures include “Pensionskassen” and pension funds.

#### Non-life claims paid

For DE, figures refer to gross claims expenditure (ie claims paid plus provision for claims).

### 3. Insurers' investment portfolio

#### Insurers' investment portfolio (domestic market)

For BE, figures follow the total market definition<sup>3</sup>.

For GR, figures for 2015 are provisional.

For LU, 2014 figures are from the Commissariat aux Assurances. 2015 figures are not yet available.

#### Life insurers' investment portfolio

For DE, figures exclude life insurers' unit-linked investment portfolio.

For LU, 2014 figures are from the Commissariat aux Assurances. 2015 figures are not yet available.

For SI, figures are estimates.

### Non-life insurers' investment portfolio

For LU, 2014 figures are from the Commissariat aux Assurances. 2015 figures are not yet available.

For SI, figures are estimates.

## 4. Companies and employees

### Number of companies

For DE, figures refer to companies under Federal supervision (including "Pensionskassen", funeral expenses funds and non-EEA branches). Figures exclude companies under Land supervision and pension funds. Also, figures follow the total market<sup>3</sup> definition.

For NL, licenced companies (active and not active) under Dutch supervision; excluding funeral in kind insurers.

### Number of direct employees

For DE, figures refer to employees subject to social security contributions in primary insurance and reinsurance companies and insurance intermediation firms as at 30 June 2015 of the respective year.

## General comments

For CH, 2015 figures are Swiss Insurance Association estimates.

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2 The domestic market definition covers:

- (a) all national enterprises with the head office in their country and operating on home territory (including subsidiaries of EU/EEA and non-EU/EEA enterprises)
- (b) branches of enterprises of third (non-EU/EEA) countries

3 The total market definition covers:

- (a) all national enterprises with the head office in their country and operating on home territory (including subsidiaries of EU/EEA and non-EU/EEA enterprises)
- (b) branches of enterprises from third (non-EU/EEA) countries
- (c) branches of enterprises from EU/EEA countries
- (d) enterprises operating through freedom of services (FOS)

## Reporting countries

Chapter	Indicator	Reporting countries	Sample size
2. European premiums, claims and benefits paid	Total premiums	Full sample	100%
	Total claims and benefits	Missing: LI	99.7%
	Life premiums	Full sample	100%
	Life benefits	Missing: LI	99.7%
	Non-life premiums (excluding health)	Missing: LI	99.7%
	Non-life claims (excluding health)	Missing: LI	99.7%
	Health premiums	Missing: LI	99.7%
	Health claims	Missing: GR, IS, LI, SE	95.7%
2.1 Life insurance	Life premiums	Full sample	100%
	Life benefits	Missing: LI	99.7%
	Life premiums, individual contracts	Missing: AT, BG, CY, CZ, DK, GR, HU, IE, IS, LI, LU, PL, RO, SI, SK, TR, UK	70.2%

	Life premiums, group contracts	Missing: AT, BG, CY, CZ, DK, EE, GR, HU, IE, IS, LI, LU, PL, RO, SI, SK, TR, UK	70.2%
	Life premiums, non-linked (traditional contracts)	Missing: BG, CY, DK, IE, IS, LI, LU, PL, RO, SK, UK	73.6%
	Life premiums, unit-linked contracts	Missing: BG, CY, DK, IE, IS, LI, LU, PL, RO, SK, TR, UK	72.8%
2.2 Non-life insurance	Non-life premiums (excluding health)	Missing: LI	99.7%
	Non-life claims (excluding health)	Missing: LI	99.7%
	Motor premiums	Missing: LI	99.7%
	Motor claims	Missing: LI	99.7%
	Property premiums	Missing: LI	99.7%
	Property claims	Missing: GR, LI	99.4%
	Accident premiums	Missing: CY, IE, LI, SE, SK	95.4%
	Accident claims	Missing: CY, FI, GR, IE, LI, RO, SE, SK	93.0%
	General liability premiums	Missing: LI	99.7%
	General liability claims	Missing: CY, GR, HU, LI, RO	99.0%
2.2.1 Motor insurance	Motor premiums	Missing: LI	99.7%
	Motor claims	Missing: LI	99.7%

2.2.2 Property insurance	Property premiums	Missing: LI	99.7%
	Property claims	Missing: GR, LI	99.4%
2.3 Health insurance	Health premiums	Missing: LI	99.7%
	Health claims	Missing: GR, IS, LI, SE	95.7%
3. Insurers' investment portfolio	Total investment portfolio	Missing: RO, SK	99.7%
	Life investment portfolio	Missing: RO, SK	99.7%
	Non-life investment portfolio	Missing: RO, SK	99.7%
4. Companies and employees	Insurance companies	Full sample	100%
	Branches of EU/EAA companies	Missing: CH, DK, HR, IS, LI, LU, NL, NO, PL, RO, SK, UK	63.1%
	Companies operating through FOS	Missing: AT, CH, DK, EE, GR, HR, HU, IE, IS, LI, LU, NL, NO, PL, RO, SE, SK, TR, UK	56.6%
	Number of employees	Missing: BG, EE, NO	98.6%

“European Insurance – Key Facts” is available to download from the Insurance Europe website.

Also available at [www.insuranceeurope.eu](http://www.insuranceeurope.eu) are the annual detailed statistical publication “European Insurance in Figures” and its dataset.

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