

**Comments Template on EIOPA-CP 13/017  
Consultation Paper on a Draft Report on Good Practices  
on Comparison Websites**

**Deadline  
23 September 2013  
12:00 CET**

Company name:

Insurance Europe

Disclosure of comments:

EIOPA will make all comments available on its website, except where respondents specifically request that their comments remain confidential.

Public

*Please indicate if your comments on this CP should be treated as confidential, by deleting the word **Public** in the column to the right and by inserting the word **Confidential**.*

**Please follow the instructions for filling in the template:**

- ⇒ Do **not** change the numbering in column "Reference", or any other formatting in the file.
- ⇒ Please fill in your comment in the relevant row. If you have no comment on a paragraph, keep the row empty. Please do not delete rows in the table.
- ⇒ Our IT tool does not allow processing of comments which do not refer to the specific paragraph numbers below.
  - If your comment refers to multiple paragraphs, please insert your comment at the first relevant paragraph and mention in your comment to which other paragraphs this also applies.
  - If your comment refers to sub-bullets/sub-paragraphs, please indicate this in the comment relating to the corresponding paragraph.

**Please send the completed template to [CP-13-017@eiopa.europa.eu](mailto:CP-13-017@eiopa.europa.eu), in MS Word Format, (our IT tool does not allow processing of any other formats).**

**For your convenience, the complete list of questions is outlined below:**

Q1. : Are in your view the description and categories of comparison websites outlined in the report complete or would you see any further types or other relevant aspects that have not been captured? If so, please provide further details.

Q2.: Do you agree that "information about the website" as described in the report may be a potential issue for consumer protection? Have all relevant aspects been captured? If not, please provide further details as well as evidence if available.

Q3.: Is in your view the list of good practices related to "information about the website" complete? If not, please provide further details as well as reasoning

Q4.: Do you agree that "market coverage" as described in the report may be a potential issue for consumer protection? Have all relevant aspects been captured? If not, please provide further details as well as evidence if available.

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- Q5.: Is in your view the list of good practices related to “market coverage” complete? If not, please provide further details as well as reasoning
- Q6.: Do you agree that “presentation of information” as described in the report may be a potential issue for consumer protection? Have all relevant aspects been captured? If not, please provide further details as well as evidence if available.
- Q7.: Is in your view the list of good practices related to “presentation of information” complete? If not, please provide further details as well as reasoning.
- Q8.: Do you agree that “criteria used to make the ranking” as described in the report may be a potential issue for consumer protection? Have all relevant aspects been captured? If not, please provide further details as well as evidence if available.
- Q9.: Is in your view the list of good practices related to “criteria used to make the ranking” complete? If not, please provide further details as well as reasoning.
- Q10.: Do you agree that “frequency of updating information” as described in the report may be a potential issue for consumer protection? Have all relevant aspects been captured? If not, please provide further details as well as evidence if available.
- Q11.: Is in your view the list of good practices related to “frequency of updating information” complete? If not, please provide further details as well as reasoning.
- Q12.: Do you agree that “dealing with potential conflicts of interest” as described in the report may be a potential issue for consumer protection? Have all relevant aspects been captured? If not, please provide further details as well as evidence if available.
- Q13.: Is in your view the list of good practices related to “dealing with potential conflicts of interest” complete? If not, please provide further details as well as reasoning.
- Q14.: In your view, is the list of consumer protection-related issues outlined in the report complete? Would you see any other areas to be addressed? If so, please provide further details.
- Q15.: Do you think the order in which the consumer protection related issues are listed is relevant? If so, what order would you recommend?

Reference	Comment	
General Comment	Insurance Europe welcomes this consultation and supports the objective of EIOPA to promote transparency, simplicity and fairness for internet users in the market for online comparisons of insurance products. Comparison websites can play a key role in the delivery of information to consumers on insurance products and in their distribution. Consumers should be able to benefit from the same level of information and fair practices regardless of the nature of the comparison website (ie whether it is commercial or non-commercial). Regardless of this, we believe that further clarification of the intention and scope of this	

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	<p>paper might be a useful step before adopting any good practices.</p> <p>Where rankings or recommendations are provided, it is important that information about the extent of market coverage and the criteria used to make the ranking are provided.</p> <p>We believe that comparison websites where the consumer is able to directly conclude an insurance contract at the end of the comparison process should be regarded as insurance intermediaries and therefore be subject to the requirements of IMD, as opposed to websites that simply enable consumers to compare information from various providers. We question therefore whether EIOPA has a mandate to produce good practices that cover non-financial services or unregulated firms, particularly before the review of the IMD has even been completed. We also question whether there is indeed a need to develop prescriptive suggestions for “good practice” at European level when the same has not been done for insurance brokers or other insurance intermediaries – which have a much more wide-reaching impact on consumers across the EU, and who can conduct a similar type of activity.</p> <p>We would question the assumption that comparison websites may not necessarily be suitable for certain types of insurance products, such as life insurance products, at a time when the PRIPs Regulation is being discussed, the primary purpose of which is to facilitate comparison between different PRIPs products, including life insurance PRIPs. In addition, innovative market tools are already under development for other types of insurance products, which can be extremely beneficial for consumers, empowering them to be able to compare products and take more responsibility for their financial decisions.</p> <p>We believe that it is important to note that all comparison websites, regardless of whether they are commercial or not, are subject to the requirements of European data protection law and therefore the information requested from consumers should be proportionate to the aim of the comparison service being provided.</p>	
Q1.	<p>We would agree that the types of comparison website listed seem to correspond generally with those currently in existence. However, EIOPA’s definition of comparison website is potentially wider than what might otherwise be considered as a “comparison website”. Aside from commercial insurance comparison websites, there are a wide range of other “interfaces, the objective of which is to display to internet users a number of insurance</p>	

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	<p>offers, and compare their prices and/or what is covered.” These may be run by quite different types of organisations (including non-profit organisations), with differing aims, funding and governance structures. The comparison tool may form only a part of their main purpose and activities. Therefore, we strongly urge EIOPA to take more time to investigate and understand the different business models and online tools in use across the EU before settling on a definition of “comparison website”, and any connected “best practice”.</p> <p>For example EIOPA might wish to distinguish between comparison websites whose purpose is to lead to the conclusion of a contract with a consumer, and those where a comparison tool is available purely for information purposes or for wholesale comparison. The former would automatically fall under the scope of the IMD, and thus already have to comply with rules about information disclosure, the management of conflicts of interest etc. In fact, many of the “good practice” recommendations in this report could easily apply to all insurance intermediaries. It seems strange therefore for EIOPA to focus on only one type of intermediary, particularly one that remains undeveloped in the majority of EU Member States. It is also important to bear in mind that comparison websites also often sell non-financial services/insurance products, eg flights/holidays, utilities etc, and this may have a further impact on how they are defined.</p> <p>Given the diverse range of practices and set-up of comparison websites across the EU, we believe that Member States are best placed to determine the most appropriate rules or “good practice” of websites that compare and/or sell insurance products.</p>	
Q2	<p>We agree it is important that consumers have access to certain types of basic information about the website comparing products, and about the products themselves. However, for those that would be considered as intermediaries, they must already comply with these rules under the IMD, and Member States have the responsibility of implementing the Directive to suit their respective markets.</p> <p>As regards the last bullet point, we believe that information about who to contact with complaints about products should be delivered once a product is selected, as this information is already required to be available on the product documentation itself. Given the range of products that can be compared, providing this information before the consumer has even made a choice of product is more likely to confuse the consumer than enable them to make an informed choice.</p>	

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<p>Q3.</p>	<p>We have no comments on the content of the information to be provided. However what can be more of a challenge to the internet user is how this information is displayed and accessed. However, as per our response to question 1, this is something best managed at Member State level to allow for flexibility and recognition of the differences between markets and consumers across the EU.</p> <p>We would also suggest that information about personal data protection should be provided.</p>	
<p>Q4.</p>	<p>Insurance Europe agrees that it should be clear which firms a comparison website works with, and the fact that they may not cover the whole of the market. Many insurance comparison websites do have a list of the firms they work with on their website, although it may not be easy to find. However, this is something we believe would best be arranged at Member State level by national regulators who have a closer understanding of the firms they are supervising.</p>	
<p>Q5.</p>	<p>While we understand the objective behind requiring a website to list the number of products it compares per type of policy, this may not be practically possible in many cases as this number will depend on the responses provided by the consumer based on its demands and needs. As we understand it, the website collects information from the consumer and this is sent real-time in an electronic file to the insurers and intermediaries on its panel, who will then return quotes for all the products they might offer that fit the criteria they have been provided with. This means that one insurer may return more than one quote for different products. Many firms listed on price comparison website panels are in fact intermediaries themselves, which means they have access to an additional range of different products and providers. It is almost impossible therefore for the comparison website to know how many products are being compared for any given customer request. We would recommend that rather than disclosing the number of insurers/intermediaries on the panel, the percentage of total market coverage would be a more useful tool for internet users.</p> <p>Finally, EIOPA may wish to bear in mind that for commercial comparison websites, the "criteria" for selecting what firms can quote on their websites is fairly wide. Most websites will want to have partnerships with as many providers as possible in order to provide the greatest choice to consumers. It is not a question of the comparison website setting criteria</p>	

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	for who can sell through them, but rather the other way around: the insurer or intermediary decides whether or not they wish to distribute through the comparison website channel.	
Q6.	Providing precontractual information in a "uniform manner" suggests that it will lead insurers to develop pre-contractual information by using a standard model for all insurance products. We do not believe this is a requirement that should be determined by EIOPA, but rather is a legislative decision that should be decided at national level.	
Q7.	We would question whether EIOPA has the remit to set out such "good practices" ahead of IMD 2. We would also suggest that most of the "good practices" listed would apply to any intermediary that compares products – whether via comparison website or not.	
Q8.	Insurance Europe agrees that price should not be the sole criterion used as the basis for comparison and that consumers should be easily able to choose factors other than price when comparing products against one another. All of the quotes received by the comparison website on the basis of the consumer's responses should be provided – otherwise, the criteria used by the website to make any selection should be explained.  However, it is important to note that the main purpose of many of these websites is to compare price. It is the one common factor for policy comparison and tends to be the consumer's main driver. We believe member state regulators are better placed to set standards for an area that is potentially very complex.	
Q9.	While we share EIOPA's view regarding the list, we question whether EIOPA has the remit to set out such "good practices" ahead of IMD 2. We would also suggest that most of the "good practices" listed would apply to any intermediary that compares products – whether via comparison website or not.	
Q10.	We believe it should be "good practice" for all intermediaries and insurers to publish accurate and up-to-date information. It is difficult to understand the logic behind this focus on comparison websites.	

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Q11.	<p>We agree that it should be good practice for all intermediaries to publish as up-to-date information as possible, and where it is not up-to-date, to inform the internet user. However, for commercial price comparison websites, it is not always possible at the point of comparison to supply a date for when the information was last updated. For commercial comparison websites, the intention is for the comparison to lead to a sale, so the price should always be correct at the time the user receives it. For the majority of insurance products, these prices are generated in real-time, and can be updated daily or even hourly. This is not usually done by the comparison website (apart from in limited circumstances), but by the insurer. We believe it would be more practical to require a notification for the consumer only where the information is known to be not up-to-date.</p>	
Q12.	<p>We agree that information about ownership links between the comparison website and service providers can be important to appreciate the value of the comparison. We believe that internet users may wish to be aware when websites are owned by other firms, particularly other insurance or financial services firms. However, while we understand the intention behind EIOPA's concern for consumer protection, we struggle to understand the difference between these practices and what is already included under IMD, and which therefore already applies to all insurance intermediaries, whether comparison websites or not, particularly as such information is only important when a sale is being concluded (and therefore already subject to the requirements of IMD).</p>	
Q13.	<p>We believe this level of prescriptive recommendation is better developed by member state regulators who are more familiar with the business models and consumers of the particular markets affected.</p>	
Q14.		
Q15.		