

EIOPA'S 5TH ANNUAL REPORT ON ADMINISTRATIVE SANCTIONS AND OTHER MEASURES UNDER THE INSURANCE DISTRIBUTION DIRECTIVE (IDD) (2023)

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EXECUTIVE SUMMARY

This Report provides an overview of the administrative sanctions and other measures (hereinafter referred to simply as “sanctions”) imposed by national competent authorities (NCAs) under the Insurance Distribution Directive (IDD)¹ during the course of 2023. It is EIOPA’s fifth annual report on sanctions imposed by NCAs following the entry into force of the IDD in 2018.

As in its previous reports, EIOPA would like to highlight that the imposition of sanctions is just one of the tools available to NCAs to ensure adequate application of national provisions implementing the IDD and to take measures when instances of misconduct and instances of no implementation, or inadequate implementation, of the IDD, are identified. Even if the IDD does not require national competent authorities to impose sanctions in all cases of a failure to comply with the national provisions implementing IDD, sanctions are an essential tool to dissuade firms from misconduct. However, given that they are generally targeted at individual companies or individuals, other measures can also be an efficient and effective tool to address broader market failures. In addition, there are significant divergences in approaches across Member States, such that differences in the numbers of sanctions can be the result of procedural differences. For example, certain types of IDD breaches may result in a sanction being imposed in one Member State, but a different supervisory measure being taken in another Member State.

Sanctions data can reveal relevant aspects, such as areas of IDD where there has been significant non-compliance. However, it provides only a partial perspective of conduct or supervisory issues. Hence, full conclusions regarding the effectiveness of supervision of IDD requirements, cannot be drawn based only on the number of sanctions.

EIOPA’s report seeks to draw out themes and trends in terms of sanctions, whilst taking into account the limitations of the data. In addition, as EIOPA continues to gather more data and experience in this area with each annual report, EIOPA aims to better contextualise the sanctions data.

Based on the data on sanctions imposed during 2023, as well as the previous years’ data, the main themes are the following:

- ▶ Since 2021, stemming out of increased and more intensive supervisory scrutiny at the national and European level of compliance with Product Oversight and Governance (POG) requirements under the IDD, POG-related sanctions have increasingly been imposed on both insurance undertakings and insurance intermediaries.

Formal process-related requirements (e.g. existence of POG policies) and content and implementation-related requirements (e.g. inadequate target market identification, no product review or insufficient product review) have been sanctioned, notably via orders to cease and desist or other administrative measures or sanctions.

¹ DIRECTIVE (EU) 2016/97 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 20 January 2016 on insurance distribution (recast), OJ L26, 2.2.2016, p. 19.

This sanctioning approach remains, at this stage, informative and aims to highlight to insurance distributors and insurance product manufacturers how POG requirements should be applied in the most efficient way to ensure a consistent and robust protection of customers' interests.

In particular, NCAs have focused on ensuring customer centricity across the entire value chain and have also sanctioned instances of a lack of customer centricity. This increased focus on customer centricity can be observed not only by the increased guidance for the implementation of POG requirements, but also by the content of the sanctions imposed.

- ▶ After more than five years of IDD implementation, EIOPA has observed the following trends in terms of the use of specific sanctions tools:
 - 1) Even though orders to cease and desist have been only used in 14 Member States, it can be observed that these types of measures can enable pre-emptive interventions to limit or completely avoid some business activities before they become detrimental for consumers. Such measures can be used, for example, before the use of a formal sanctioning process such as a withdrawal of registration, a public statement or the imposition of fines. It also can be imposed as a separate measure in a formal sanctioning process.
 - 2) Since 2018, withdrawal of registration and administrative pecuniary sanctions are the most common tools used by Member States. In particular, they are used to tackle breaches related to Articles 3 and 10 of the IDD.
 - 3) Although a decrease can be observed over 2023, from 2018 to 2023 more than 8,000 withdrawals of registration and more than 3,800 administrative pecuniary sanctions were imposed in the entire European Economic Area (EEA).
- ▶ Finally, as initially observed in EIOPA's fourth IDD sanctions report, sanctions imposed on the basis of more general conduct of business requirements in the IDD, such as the provision of advice, are increasing and it is worth noting that even very broad principle-based requirements such as Article 17(1), IDD (the duty to act honestly, fairly and professionally in accordance with the best interests of customers), are the subject of sanctioning activities.

As in 2022, this report includes a case study from one NCA on how it applied Article 17(1), IDD.

1. INTRODUCTION AND CONTEXT

- 1.1. Administrative sanctions or other measures (hereafter generally referred to as “sanctions”) may be imposed by NCAs when insurance undertakings or insurance intermediaries are in breach of national provisions implementing the IDD.
- 1.2. This Report is drafted pursuant to Article 36(2), IDD, according to which, NCAs within the 30 EU/EEA Member States shall provide EIOPA annually with aggregated information regarding all sanctions imposed and EIOPA shall publish that information in an annual report.
- 1.3. The information on sanctions is shown for 2023, as well as the previous reporting periods since the introduction of IDD – 2022², 2021³, 2020⁴ and 2018-2019⁵ - in order to show the development in the number of sanctions being imposed.
- 1.4. This Report is divided into the following sections:
 - ▶ Section 1 which introduces the report and provides some contextual elements;
 - ▶ Section 2 presents an overview of the sanctions imposed; and
 - ▶ Section 3 develops an analysis of the sanctions imposed notably for breaches of different IDD requirements:
 - A) Sanctions related to breaches of Product Oversight and Governance Requirements (Article 25 and the relevant EU delegated regulation 2017/2358);
 - B) Sanctions related to breaches of Registration and Organisational Requirements under the IDD⁶;
 - C) Sanctions relating to breaches of the Information Requirements and Conduct of Business rules in Chapter V and additional requirements in relation to insurance-based investment products in Chapter VI of the IDD.
 - ▶ Section 4 shows the different types of sanction used by Member States.
 - ▶ Annex I provides background information, including on the legislative provisions and other relevant context and on the methodology used to report and aggregate the information on sanctions;
 - ▶ Annex II includes more detailed aggregate information on sanctions, including breakdown by Member State.
- 1.5. All Articles referenced in this Report are IDD Articles unless otherwise stated.

² [EIOPA publishes annual report on sanctions under the Insurance Distribution Directive in 2022 - EIOPA \(europa.eu\)](#)

³ [Annual report on sanctions under the Insurance Distribution Directive during 2021 - EIOPA \(europa.eu\)](#)

⁴ [EIOPA publishes annual report on sanctions under the Insurance Distribution Directive in 2020 - EIOPA \(europa.eu\)](#)

⁵ The first annual report covered the period from the application of the IDD in 2018 until the end of 2019 rather than a normal calendar year : [first-annual-report-idd-sanctions_0.pdf](#)

Taking into account that, in most Member States, IDD was only applicable for several months of 2018, it was decided that EIOPA’s first report on sanctions should cover the period until the end of 2019, rather than only until the end of 2018. The second and third annual reports covered sanctions imposed in 2020 and 2021 respectively.

⁶ Breaches related notably to articles 3, 10, 14-16 of IDD.

- 1.6. It should first be noted that this report covers only sanctions imposed as a result of IDD infringements. It does not include sanctions imposed for breaches of the EU legislation preceding the IDD, namely the Insurance Mediation Directive (IMD)⁷, which may have been imposed even following the entry into application of the IDD in 2018, given the considerable amount of time, sometimes more than one year, that sanction proceedings can take. In addition, it should be noted that NCAs may have imposed sanctions on insurance undertakings or insurance intermediaries concerning national conduct or consumer protection rules that are outside the scope of the IDD.
- 1.7. It is also relevant to take into account that there is currently no harmonised sanctioning regime under the IDD. The IDD sets out essential requirements that sanctions need to satisfy, but certain substantive and, in particular, procedural aspects of the sanctioning regime, remain subject to national law. In particular, the IDD, as a minimum harmonisation directive, requires Member States to ensure that NCAs have the power to impose sanctions. It does not oblige NCAs to impose sanctions in all cases of a failure to comply with the national provisions implementing IDD.
- 1.8. In addition, in some Member States, not all registration withdrawals are due to sanctions imposed for breaches of national provisions implementing the IDD⁸, and these cases are therefore not within the scope of this Report. Similarly, it is important to note that there may be differences between the requirements of the IDD and national legislation on sanctions, that either goes beyond or is outside the scope of IDD. For some jurisdictions, this may result in certain NCA activities (e.g. pre-emptive activities) that are reported as sanctions under the national legal framework, not qualifying as a sanction under the IDD.⁹

⁷ Directive 2002/92/EC of the European Parliament and of the Council of 9 December 2002 on insurance mediation OJ L 9, 15.1.2003, p. 3–10.

⁸ There may be additional national rules regarding registration that are not within the scope of IDD. For example, in some Member States, a failure to pay taxes or to carry on business for a certain period of time without good reasons, results in a withdrawal of the registration.

⁹ This might be because the sanction, while a formal measure following an infringement, is a “persuasive” rather than strictly enforceable measure, and, therefore, for example, is not subject to a right of appeal as required by the IDD. In this case, an enforceable measure may be used by the NCA if the company or individual does not follow the initial persuasive measure.

2. OVERVIEW OF SANCTIONS IMPOSED

2.1. The information reported to EIOPA reveals that, in 2023, in 20 Member States, NCAs imposed 1,510 IDD-related sanctions. Of the sanctions that resulted in fines, an aggregate value of EUR 326 073 was reported. This figure does not include the total value of the fines reported in one case¹⁰, since it was reported that the value of fines imposed by some competent authorities in that Member State is not available.

2.2. There was a notable decrease in terms of sanctions at EU/EEA level from 2022 to 2023 (-1,250) which is explained by two reasons:

- A significant decrease (-1033) in one NCA of sanctions related to Article 10 (Professional and organisational requirements)¹¹, which is associated with the absence of sanctions taken based on Article 10(1) in 2023, in comparison with 1,099 sanctions reported in 2022. However, it is worth noting at the same time that, in contrast to this significant decrease, the number of sanctions imposed by that NCA in relation to the minimum amounts of professional indemnity insurance required by insurance and reinsurance intermediaries under Article 10(4), has increased (248 in 2023 versus 187 in 2022).
- A slight decrease of sanctions (-142), particularly in relation to Article 10 in one NCA¹².

2.3 Table 1 below provides an overview of the number of sanctions and total amount of fines by Member State since the introduction of the IDD in 2018¹³. With five sets of sanctions data now available, some trends begin to emerge:

- ▶ Sanctions based on the IDD are being imposed in an increasing number of Member States since 2020 (with an exception in 2023): (18 Member States imposed sanctions by the end of 2020, 19 Member States by the end of 2021, 21 Member States by the end of 2022, 20 Member States by end of 2023).

Taking into account the fact that, in various Member States, sanctions have not been imposed every year, the number of Member States that have now imposed a sanction under the IDD (in at least one year) is 27 and since the application of the IDD in 2018, only three Member States have not imposed any sanction under the IDD¹⁴.

- ▶ At EU/EEA level, the overall number of sanctions has fluctuated during the reporting periods. However, there is no balanced picture across Member States, such that this development at EU/EEA level does not reflect the position in most Member States. Therefore, it is important to further break the figures down.

¹⁰ Germany.

¹¹ Portugal. From 2022 to 2023 the difference in terms of total number of sanctions is -1033.

¹² Germany.

¹³ To avoid duplicating tables, we have gathered in one row figures for 2018-2019 and 2020. These figures come from the addition of figures from the first IDD sanctions report (2018-2019) and the Second IDD sanctions report (2020).

¹⁴ Estonia, Latvia, and Norway (noting however that one sanction had been imposed by the Norwegian NCA in 2020 under the IMD framework).

- ▶ In 10 Member States there was an increase in the number of sanctions between 2022 and 2023, while in 12 Member States there was a decrease in the number of sanctions over this period. As already noted, the overall decrease in terms of the number of sanctions reported is mainly explained by the decrease observed in one Member State¹⁵ about sanctions imposed under Article 10(1). In addition, minor increases or decreases in terms of number of sanctions have been observed in two other Member States¹⁶.
- ▶ With a few exceptions¹⁷, in most Member States, sanctions imposed are no more than 20 in total. Two Member States¹⁸, in particular, have imposed a significantly large number of sanctions, especially since 2021, leading to a much larger figure in total. However, it is relevant that the trends in the sanction figures in these Member States have a significant impact on the trend at EU/EEA level, despite the diminishing importance observed in one of these Member States in 2023¹⁹.
- ▶ As in previous reports, it is interesting to look at the trend across the other EU/EEA Member States collectively. Here, there is an overall upward trend in the number of sanctions over the time period: 335 (2018-2019), 380 (2020), 498 (2021), 511 (2022) and 458 (2023).
- ▶ As regards to administrative pecuniary sanctions or fines, there was a decrease in the total value of fines in 2023 compared to 2022 (- EUR 202 734). This decrease could be explained by the fact that, in 2022, in one Member State²⁰, a significantly high fine was imposed. In addition, the number of Members States who took administrative pecuniary sanctions in 2023 is slightly decreasing in comparison with 2022 (-2).

15 Portugal

16 Germany and Italy

17 Belgium, France, Germany, Italy and Portugal.

18 Germany and Portugal.

19 Portugal

20 Luxembourg, 200 000€

Table 1 – Overview of number of sanctions per Member State²¹

EU/EEA Member State	2018-2019-2020			2021			2022			2023			Evolution in number of sanctions 2022 to 2023
	Total number of sanctions	Total value of fines	No sanctions imposed	Total number of sanctions	Total value of fines	No sanctions imposed	Total number of sanctions	Total value of fines	No sanctions imposed	Total number of sanctions	Total value of fines	No sanctions imposed	
Austria	3	€210		4	€11 600		4	€20 500		1	€218		-3
Belgium	321	€962 500		87	n/a ²²		203	€102 500		148	€n/a		-55
Bulgaria	11	€7 158		17	€7 158		9	€10 277		17	€6 852		+8
Croatia	4	n/a		5	n/a		4	n/a		4	€11 950		0
Cyprus			X			X	2	€27 715		8	€13 200		+6
Czech Republic	7	€ 31 244		8	€81 255		5	€37 857		15	€114 482		+10
Denmark	36	n/a		43	n/a		11	n/a		18	n/a		+7
Estonia			X			X			X			X	0
Finland			X			X	1	n/a				X	-1
France	235	n/a		152	n/a		67	€50 000		69	n/a		+2
Germany	3150	n/a		1132	n/a		965	n/a		823	n/a		-142
Greece			X			X	3	€11 000		12	€83 175		+9
Hungary	47	€349 404		14	€79 694		32	€50 737		24	€59 975		-8
Ireland			X	1	n/a				X	3	n/a		+3
Italy			X	110	€15 000		106	€5 000		51	5000		-55
Latvia			X			X			X			X	0

²¹ Iceland reported that the amount of an administrative pecuniary sanctions imposed in 2020 was lowered from €224 215 (35 000 000 KR) to €62 211 (9 000 000 KR) following an appeal decision in 2023. Consequently, the total value of fines at EU/EEA level for 2020 is reduced from €793 571 to €631 567.

²² Wherever “n/a” is used, this refers to the situation of no amount of fines being communicated in a Member State which imposed sanctions or no fines being imposed.

EU/EEA Member State	2018-2019-2020			2021			2022			2023			Evolution in number of sanctions 2022 to 2023
	Total number of sanctions	Total value of fines	No sanctions imposed	Total number of sanctions	Total value of fines	No sanctions imposed	Total number of sanctions	Total value of fines	No sanctions imposed	Total number of sanctions	Total value of fines	No sanctions imposed	
Lithuania	3	€8 000		1	n/a				X			X	0
Luxembourg			X			X	3	€200 000				X	-3
Malta	21	€138 550				X			X	4	n/a		+4
Netherlands			X			X	1					X	-1
Poland	1			1	€21 754		4	n/a		1	n/a		-3
Portugal			X	3530	n/a		1286	n/a		253	n/a		-1033
Romania	8	€ 14 000		19	€27 428		9	€13 221		25	€28 221		+16
Slovenia			X	13	n/a		34	n/a		29			-5
Slovakia	11	€ 4000		10	€56 000		1	n/a		1	€3 000		0
Spain			X	2	€ 36 000				X			X	0
Sweden	1	n/a				X			X			X	0
Iceland	2	€62 211				X			X			X	0
Liechtenstein	4	n/a		2	n/a		10	n/a		4	n/a		-6
Norway			X			X			X			X	0
Total	3865	€1 577 277	13	5151	€351 175	11	2760	€528 807	9	1510	€326 073	10	-1250

3. ANALYSIS OF SANCTIONS IMPOSED FOR BREACHES OF DIFFERENT IDD REQUIREMENTS

A. SANCTIONS RELATED TO BREACHES OF PRODUCT OVERSIGHT AND GOVERNANCE REQUIREMENTS (ARTICLE 25) AND ITS SPECIFIC DELEGATED REGULATION (EU 2017/2358)

- 3.1 In 2023, following the trend which started in 2021, more and more NCAs have sanctioned POG-related breaches, either based on Article 25 of the IDD and/or the Delegated Regulation (EU 2017/2358). This delegated regulation provides for specific requirements applying to insurance product manufacturers (Chapter II) or to insurance distributors (Chapter III), such as product testing, target market, product review and product monitoring.
- 3.2 From 2021 to 2023, the number of breaches of POG-related requirements leading to sanctions, has significantly increased. The increase has been most notable from 2021 to 2022, (from 1 to 46 breaches). They also increased – albeit not in the same level of magnitude – between 2022 and 2023 (58).
- 3.3 Since 2021, breaches leading to sanctions on POG requirements have been observed in 9 Member States (Belgium, Croatia, Czech Republic, Denmark, Hungary, Liechtenstein, Luxembourg and Romania, Slovenia). Amongst these Member States, two have taken sanctions in both 2022 and 2023 (Belgium and Romania). Table 2 below shows, per Member States, the specific POG requirements which have been breached and have led to sanctions from 2021 to 2023.

Table 2 – Breaches of POG requirements (Article 25 and POG delegated regulation) resulting in sanctions.

Member State	2021	2022	2023
	Austria	0	0
Belgium	0	9	39
<i>Article 25(1) of IDD (Product approval process)</i>	<i>0</i>	<i>1</i>	<i>10</i>
<i>Article 3.1 POG Delegated Regulation (insurance intermediaries as product manufacturers)</i>	<i>0</i>	<i>0</i>	<i>1</i>
<i>Article 3.2 POG Delegated Regulation (decision-making role as insurance intermediary)</i>	<i>0</i>	<i>0</i>	<i>1</i>
<i>Article 3.3 POG Delegated Regulation (exemption of manufacturing activities)</i>	<i>0</i>	<i>0</i>	<i>1</i>
<i>Article 3.4 POG Delegated Regulation (written agreement between insurance intermediary and insurance undertaking if both product manufacturer)</i>	<i>0</i>	<i>0</i>	<i>2</i>
<i>Article 4 POG Delegated Regulation (Product approval process)</i>	<i>0</i>	<i>0</i>	<i>1</i>
<i>Article 4.1 POG Delegated Regulation (Maintaining, operating and reviewing a product approval process)</i>	<i>0</i>	<i>0</i>	<i>4</i>
<i>Article 4.2 POG Delegated Regulation (written document for product approval process)</i>	<i>0</i>	<i>0</i>	<i>1</i>
<i>Article 4.3 POG Delegated Regulation (features of product approval process)</i>	<i>0</i>	<i>0</i>	<i>2</i>
<i>Article 5 POG Delegated Regulation (target market)</i>	<i>0</i>	<i>0</i>	<i>2</i>
<i>Article 5.1 POG Delegated Regulation (identification of target market)</i>	<i>0</i>	<i>0</i>	<i>1</i>
<i>Article 5.3 POG Delegated Regulation (necessary skills of staff involved in designing and manufacturing insurance products)</i>	<i>0</i>	<i>0</i>	<i>1</i>
<i>Article 6 POG Delegated Regulation (Product testing)</i>	<i>0</i>	<i>0</i>	<i>2</i>
<i>Article 6.1 POG Delegated Regulation (features of product testing)</i>	<i>0</i>	<i>0</i>	<i>3</i>
<i>Article 7.2 POG Delegated Regulation (intervals for the regular review of insurance products)</i>	<i>0</i>	<i>0</i>	<i>2</i>
<i>Article 8.1 POG Delegated Regulation (appropriate distribution channels)</i>	<i>0</i>	<i>0</i>	<i>3</i>
<i>Article 9 POG Delegated Regulation (Documentation)</i>	<i>0</i>	<i>0</i>	<i>2</i>
<i>Article 10(1) POG Delegated Regulation (content of the product distribution arrangements)</i>	<i>0</i>	<i>1</i>	<i>0</i>
<i>Article 10(2) POG Delegated Regulation (format of the product distribution arrangements)</i>	<i>0</i>	<i>2</i>	<i>0</i>
<i>Article 10(3) POG Delegated Regulation (The product distribution arrangement should ensure that a specific information is obtained from the product manufacturer)</i>	<i>0</i>	<i>1</i>	<i>0</i>
<i>Article 10(4) POG Delegated Regulation (Distribution strategy (DS) set-up by insurance distributor shall be in accordance with the DS and target market identified by the manufacturer)</i>		<i>1</i>	<i>0</i>
<i>Article 10(6) POG Delegated Regulation (Regular review of the product distribution arrangement by insurance distributors)</i>		<i>1</i>	<i>0</i>

Member State	2021	2022	2023
	<i>Article 11 POG Delegated Regulation (Informing the manufacturer)</i>		1
<i>Article 12 POG Delegated Regulation (Documentation)</i>		1	0
Bulgaria	0	0	0
Croatia	0	1	0
<i>Article 25 of IDD (Product oversight and governance requirements)</i>	0	1	0
Cyprus	0	0	0
Czech Republic	0	1	0
<i>Article 25(2) (Product approval process shall be proportionate and appropriate to the nature of the insurance product)</i>	0	1	0
Denmark	0	0	12
<i>Article 4 POG Delegated Regulation (Product approval process)</i>	0	0	2
<i>Article 5 POG Delegated Regulation (Target market)</i>	0	0	4
<i>Article 6 POG Delegated Regulation (Product testing)</i>	0	0	4
<i>Article 7 POG Delegated Regulation (Product monitoring and review)</i>	0	0	2
Estonia	0	0	0
Finland	0	0	0
France	0	0	0
Germany	0	0	0
Greece	0	0	0
Hungary	0	0	2
<i>Article 25(1), subparagraph 4 (Insurance undertaking shall understand and regularly review the insurance products it offers or markets)</i>	0	0	2
Ireland	0	0	0
Italy	0	0	0
Latvia	0	0	0
Lithuania	0	0	0
Luxembourg	0	18	0
<i>Article 25 (Product Oversight and Governance Requirements)</i>		3	
<i>Article 4 POG Delegated Regulation (Product approval process)</i>		3	
<i>Article 5 POG Delegated Regulation (Target market)</i>	0	3	0
<i>Article 6 POG Delegated Regulation (Product testing)</i>	0	3	0

Member State	2021	2022	2023
	<i>Article 7 POG Delegated Regulation (Product monitoring and review)</i>	0	3
<i>Article 8 POG Delegated Regulation (Distribution channels)</i>	0	3	0
Malta	0	0	0
Netherlands	0	0	0
Poland	0	0	0
Portugal	0	0	0
Romania	1	1	2
<i>Article 8(2) POG Delegated Regulation (Manufacturers shall provide insurance distributors with all appropriate information on the insurance products)</i>	1	0	1
<i>Article 25(1), subparagraph 5 IDD</i>	0	1	1
Slovenia	0	16	0
<i>Article 25(1) IDD</i>		16	
Slovakia	0	0	0
Spain	0	0	0
Sweden	0	0	0
Iceland	0	0	0
Liechtenstein	0	0	3
<i>Article 25 IDD (Product Oversight and governance requirements)</i>	0	0	3
Norway	0	0	0
Totals	1	46	58

3.4 The following sub-sections include a more detailed analysis regarding sanctions relating to POG requirements and notably the different requirements from the Delegated Regulation which have been breached.

3.5 Both insurance product manufacturers (Articles 4-9 of the POG Delegated Regulation) and distributors (Articles 10-12 of the POG Delegated Regulation) have been subjected to sanctions.

3.6 Beyond EIOPA's work on ensuring more consistent and intensive supervision of POG looking at different aspects²³, including the Value for Money framework²⁴, NCAs activities²⁵ have also

²³ [EIOPA's Approach to the Supervision of Product Oversight and Governance \(europa.eu\)](https://eioipa.europa.eu/eioipa-approach-to-the-supervision-of-product-oversight-and-governance)

²⁴ [Supervisory statement on assessment of value for money of unit-linked insurance products under product oversight and governance - EIOPA \(europa.eu\)](https://eioipa.europa.eu/supervisory-statement-on-assessment-of-value-for-money-of-unit-linked-insurance-products-under-product-oversight-and-governance)

²⁵ Notably an EIOPA Peer review on Product Oversight and Governance: [Peer Review on Product Oversight and Governance \(POG\) - EIOPA](https://eioipa.europa.eu/peer-review-on-product-oversight-and-governance)

increased. In particular, NCAs have focused on ensuring customer-centricity across the entire value chain. NCAs have also sanctioned instances of a lack of customer centricity.

3.7 This increased focus on customer centricity can be observed, not only by the increased guidance for the implementation POG requirements²⁶, but also when looking at the content of the sanctions.

3.8 Since 2021, most breaches (more than 60) of POG requirements relate to the insurance product manufacturer, indicating that there is a gradual shift in NCAs using POG as a tool to ensure that insurance product manufacturers take more responsibility for ensuring good outcomes for consumers.

3.9 Two main trends can be observed in terms of sanctions taken against insurance undertakings as product manufacturers in case of non-compliance with POG requirements:

1) Sanctions imposed for non-compliance with internal procedural requirements

Several sanctions relate to insufficient POG internal policies (e.g. insufficient rules and criteria on how POG should be implemented, notably for specific products), whereas Article 9 of the POG Delegated Regulation states that *“Relevant actions taken by manufacturers in relation to their product approval process shall be duly documented, kept for audit purposes and made available to the competent authorities upon request.”*

2) Sanctions imposed for specific deficiencies in how products are designed and/or distributed

These sanctions relate to specific deficiencies in the application of POG which could lead to consumer detriment and poor product design. Examples include:

- Product approval process (e.g. rules and criteria are not defined sufficiently);
- Target market (e.g. absence of a sufficiently granular target market being identified);
- Distribution channels (e.g. the distribution strategy shared by the insurance product manufacturer with the insurance distributor is not appropriate for the identified target market); and
- Product monitoring and review (e.g. the insurance product manufacturer does not do enough in terms of regularly reviewing the insurance product to ensure that it does not cause consumer detriment or to mitigate that risk).

3.10 In terms of categories of sanction taken for breaches of POG requirements, most of these sanctions since 2021 have been Orders to cease or desist or other administrative sanctions or measures. This could be explained by the novelty of such requirements and its principle-based regime. Indeed, before taking stronger sanctions, some NCAs have chosen to take more of a “pedagogical approach”

²⁶ From ACPR : [20241906_2024-r-01.pdf \(banque-france.fr\)](#) notably paragraph 4.1.1

From BAFIN : [BaFin - Expert Articles - Product approval process: Requirements for product manufacturers and ...](#)

Guidance Notice on Aspects of Conduct of Business Supervision for Savings Products: <https://www.bafin.de/ref/19618328>

From FSMA : [The FSMA publishes its vade-mecum on Product Oversight and Governance \(POG\) regarding insurance | FSMA](#)

From IVASS : [Letter to the market of 27 March 2024](#)

with insurance undertakings and insurance intermediaries, to remind them of the main principles of POG requirements and how they should be implemented.

- 3.11 Notwithstanding this, as noted in our 4th sanction IDD sanctions report, in 2022, one Member State²⁷ took a substantial sanction against an insurance undertaking imposing a fine of EUR 200,000 and a ban on the distribution of a specific category of insurance-based investment products which did not offer value for money that had been distributed after the entry into force of IDD or sold before, but subject to significant adaptation.

B. SANCTIONS RELATING TO BREACHES OF REGISTRATION AND ORGANISATIONAL REQUIREMENTS UNDER THE IDD

- 3.12 This sub-section addresses IDD breaches that resulted in sanctions related to:

- registration requirements (Article 3),
- rules on freedom to provide services and freedom to establishment (Chapter III, notably Article 4),
- professional and organisational requirements (Article 10),
- other organisational requirements (Articles 14-16).

- 3.13 As stressed in the Table 3 below, in 2023, in the same vein as previous years, most of the IDD breaches related to registration and organisational requirements concern insurance intermediaries where sanctions have been imposed due to non-compliance with Articles 3 and 10.

- 3.14 Even, if for 2023, a significant decrease in sanctions related to Article 10 is observed in comparison with previous years and more especially, 2021 and 2022 (for further explanation, we refer to paragraph 2.2), Articles 3 and 10 remain the most common requirements for which IDD breaches are sanctioned.

- 3.15 As already explained in previous editions, the high number of sanctions relating to registration and organisational requirements can be explained by often automatic sanctioning processes in some Members States, notably concerning minimum amounts of Professional Indemnity Insurance (PII) coverage (Article 10(4))²⁸.

- 3.16 Concerning breaches related to other organisational requirements (Articles 14-16), even if the number of breaches observed at EEA level is limited (18) and only from a very limited number of Member States (4)²⁹, this number remains stable since 2018.

- 3.17 In 2023, most of the breaches related to these additional organisational requirements concerned Article 15 (out-of-court redress, 11). These 11 breaches had been sanctioned in the same Member

²⁷ Luxembourg.

²⁸ See notably paragraphs 3.7, 3.8, 3.9 and 3.10 of our 4th IDD sanctions report 2022.

²⁹ Belgium, Hungary, Italy, Slovenia.

State³⁰. Thus, based on the IDD national transposition, the absence of a reply by an insurance intermediary to questions posed by the Insurance ombudsman concerning an ongoing consumer complaint, was sanctioned.

- 3.18 In parallel to sanctions related to out-of-court redress, it is interesting to observe additional supervisory actions taken by NCAs to ensure the efficiency of out-of-court redress and allow consumers to receive an adequate and timely reply from the insurance ombudsman and/or customer service³¹.
- 3.19 Moreover, NCAs are being more proactive in terms of the supervision and sanction of these additional organisational requirements, notably based on the increase of the use of out-of-court redress mechanisms during the past years.
- 3.20 Thus, in 2023, the French Insurance Ombudsman observed an increase of 26% of resolved litigation in comparison with 2022. This important increase is mainly explained by two factors: (1) new supervisory expectations developed by the French NCA in its recommendations related to claims management and (2) a consultative financial public body (CCSF)³² which, most importantly, allows the possibility for the insurance policyholder to directly contact the Insurance Ombudsman only 2 months after the sending of the first written complaint³³.

³⁰ Belgium

³¹See for example the recommendation of ACPR related to complaints management, last version published on 2 July 2024 : [20240702_recommandation_2024-r-02.pdf](#) which requires insurance distributors to formally acknowledge in writing the reception of a complaint within 10 working days after its sending date.

³² Please see the report of this Public consultative body about Ombudsman activities in Banking and Insurance sector (notably about delay to deal with complains (P46) : [2021_mediation.pdf](#)

³³ For additional elements, please see the press release of the French Insurance Ombudsman about 2023 activity : [Rapport-annuel-2023-LMA_Communique-de-presse.pdf \(mediation-assurance.org\)](#) and its annual report : [- \(mediation-assurance.org\)](#)

Table 3 – Number of breaches resulting in sanctions of other (besides Article 10) registration and organisational requirements

IDD provision	Number of breaches				
	2018-2019	2020	2021	2022	2023
Registration requirements (Chapter II, Article 3)	394	147	201	139	145
Exercise of the freedom to provide services (Chapter III, Article 4)	1	-	-	1	1
Organisational requirements (Article 10)	1603	1757	4828	2246	1233
Other organisational requirements (Chapter IV, Articles 14-16)	18	21	13	22	18

C. SANCTIONS RELATING TO BREACHES OF THE INFORMATION REQUIREMENTS AND CONDUCT OF BUSINESS RULES IN CHAPTER V AND ADDITIONAL REQUIREMENTS IN RELATION TO INSURANCE-BASED INVESTMENT PRODUCTS IN CHAPTER VI

- 3.21 The most important element to observe in 2023 in terms of sanctions relating to breaches of the information requirements and conduct of business rules in Chapter V of the IDD and additional requirements in relation to IBIPs, is the significant decrease in breaches related to additional requirements for IBIPs (-263 breaches in comparison with 2022), which can be explained by a high sanctioning activity in one Member State in 2022 related to IBIPs³⁴.
- 3.22 In addition to observations developed below, it is noticeable that, in addition to IDD requirements in some Member States, information requirements breaches have been observed and sanctions imposed on insurance distributors, based on additional EU consumer protection rules or national insurance contract law provisions. For example, in a report published on 21 June 2023, the French Consumer Protection Authority reported the imposition of 49 sanctions after investigation of 147

³⁴ Belgium with more than 200 breaches related to Articles 27-30 and EU delegated regulation 2017/2359.

insurance distributors. Different breaches had been observed such as misleading practises related to phone canvassing, legal fees insurance coverage or incomplete refund after an anticipated cancelling of an insurance contract³⁵. However, as not formally considered as IDD breaches, such measures are not included in the official figures of NCA sanctions mentioned in this report.

³⁵ [Bilan 2021/2022 des enquêtes de la DGCCRF dans le secteur des assurances : près d'un tiers des établissements contrôlés en anomalie | Ministère de l'Économie, des Finances et de l'Industrie et Ministère chargé du Budget et des Comptes publics \(economie.gouv.fr\)](#)

Table 4 – Number of breaches of information and conduct rules resulting in sanctions³⁶

IDD provisions	Number of breaches				
	2018-2019	2020	2021	2022	2023
General principle, general information and conflicts of interest and transparency (Articles 17-19)	35	66	201	194	128
Advice, and standards for sales where no advice is given (Article 20, IPID Implementing Regulation³⁷)	4	67	53	82	32
Information conditions (Article 23)	0	19	24	13	4
Product oversight and governance (Article 25 and POG Delegated Regulation³⁸)	0	0	1	47	58
Additional requirements for insurance-based investment products (Articles 27-30 and IBIP Delegated Regulation³⁹)	51	93	32	311	48
Totals	90	245	311	647	270

³⁶ The total number of breaches reported in this table does not add up to the table number of sanctions imposed because some sanctions may relate to multiple legislative provisions – see Annex I for further information.

³⁷ Commission Implementing Regulation (EU) 2017/1469 of 11 August 2017 laying down a standardised presentation format for the insurance product information document, OJ L 209, 12.8.2017, p. 19–23.

³⁸ COMMISSION DELEGATED REGULATION (EU) 2017/2358 of 21 September 2017 supplementing Directive (EU) 2016/97 of the European Parliament and of the Council with regard to product oversight and governance requirements for insurance undertakings and insurance distributors), OJ L341, 20.12.2017, p. 1.

³⁹ COMMISSION DELEGATED REGULATION (EU) 2017/2359 of 21 September 2017 supplementing Directive (EU) 2016/97 of the European Parliament and of the Council with regard to information requirements and conduct of business rules applicable to the distribution of insurance-based investment products, OJ L341, 20.12.2017, p. 8.

Table 5 – Number of breaches of the information and conduct rules⁴⁰ per Member State

Member State	2018-2019		2020		2021		2022		2023	
	Total number of breaches	No sanctions imposed	Total number of breaches	No sanctions imposed	Total number of breaches	No sanctions imposed	Total number of breaches	No sanctions imposed	Total number of breaches	No sanctions imposed
Austria		x	13		4		8			x
Belgium	35		43		18		308		88	
Bulgaria		x	3		3		4		4	
Croatia		x	4		58		16		5	
Cyprus		x		x		x	1			x
Czech Republic		x	12		13		9		9	
Denmark	15		29		50		11		18	
Estonia		x		x		x		x		x
Finland		x		x		x		x		x

⁴⁰ Related Legal basis are articles 17-articles 19, article 20 + IPID Implementing regulation, information conditions (article 23), Product Oversight and Governance (article 25 + POG Delegated Regulation) + additional requirements for IBIPS (article 27-30 + IBIP Delegated Regulation). Please note that for the list of breaches during the years 2018-2021 and 2022, a different legal scope was used compared to this report.

Member State	2018-2019		2020		2021		2022		2023	
	Total number of breaches	No sanctions imposed	Total number of breaches	No sanctions imposed	Total number of breaches	No sanctions imposed	Total number of breaches	No sanctions imposed	Total number of breaches	No sanctions imposed
France		x		x		x	6		3	
Germany		x		x		x		x		x
Greece		x		x		x	3		2	
Hungary	60		119		37		115		37	
Ireland		x		x		x		x		x
Italy		x		x	121		124		55	
Latvia		x		x		x		x		x
Lithuania	4		2		1			x		x
Luxembourg		x		x		x	21			x
Malta		x		x		x		x		x
Netherlands		x		x		x	1			x
Poland		x	2		2		3		1	
Portugal		x		x		x		x		x

Member State	2018-2019		2020		2021		2022		2023	
	Total number of breaches	No sanctions imposed	Total number of breaches	No sanctions imposed	Total number of breaches	No sanctions imposed	Total number of breaches	No sanctions imposed	Total number of breaches	No sanctions imposed
Romania		x		x	3		13		19	
Slovenia		x		x	13		33		26	
Slovakia		x		x	1			x		x
Spain		x		x	2			x		x
Sweden		x	4			x		x		x
Iceland		x	6			x		x		x
Liechtenstein		x		x		x		x	3	
Norway		x		x		x		x		x
Totals	114 breaches	26 Member States	245 breaches	19 Member States	326 breaches	16 Member States	676 breaches	14 Member States	270 breaches	17 Member States

- 3.24 From Table 4, for 2023, there is confirmation of an overall upward trend in terms of breaches resulting in sanctions about requirements related to general principles, general information and conflicts of interest and transparency. Even if the number of related breaches is lower than in 2022 (-66), such requirements have been increasingly sanctioned since the entry into application of the IDD.
- 3.25 Bearing in mind the first case studies developed in the 2022 report, it is important for EIOPA to continue to focus on how the main IDD core principle, “insurance distributors shall always act honestly, fairly and professionally in accordance with the best interests of their customers”, is implemented at national level. Indeed, from time to time, criticism has been levelled at the difficulties surrounding sanctioning some insurance distributors on the basis of such principle-based practices. The case study from Croatia (please see relevant blue box below) provides examples of how this main conduct of business principle is implemented in practice by some NCAs and can lead to sanctions in case of breaches:

Case study from Croatia:

Sanctions imposed in Croatia based on Article 17(1) and (2), IDD – acting honestly, fairly and professionally in accordance with the best interests of customers in relation to marketing communications.

- **Background**

During an insurance market off-site analysis in 2021 (thematic review), it was observed that an insurance undertaking had the largest share of surrendered life insurance contracts that were reinvested into new life insurance contracts. This resulted in an *ad hoc* on-site inspection of the undertaking by the Croatian supervisor, HANFA. The subject of this inspection was, among others, distribution and management of life insurance portfolios, related to this targeted analysis.

- **Main findings**

It was found that the undertaking did not act in accordance with the best interests of its policyholders, as it carried out promotional activities to entice clients to surrender their insurance policies, which had been sold with high technical interest rates.

During the period under review (2020 and 2021), the undertaking had an increasing number of surrendered and reinvested contracts, which were closely related to the undertaking's strategic initiative of restructuring its life insurance portfolio (legacy portfolio, which was the result of several mergers of life insurance undertakings). In particular, surrendered contracts were mostly whole-of-life contracts concluded during the 1990s and 2000s with very high technical interest rates (5%), while reinvested contracts (mostly endowment insurance, contracted during 2020 and 2021) had technical rates in the range of 1,0% - 1,25%.

Furthermore, during 2020, the undertaking approved surrenders of these whole-of-life contracts under preferential conditions (hereinafter: “favourable” surrenders), where the increase in the surrender value amounted to up to 95% of the mathematical reserve. This practice escalated in December 2020 when the undertaking sent a letter to its policyholders offering them surrenders under favourable conditions and presenting it as “one-time special offer valid until 31 January 2021” - although the undertaking continued with favourable surrenders during 2021, even after mentioned date.

In addition, the above-mentioned letter did not include complete, accurate, clear and true information in relation to the benefits and losses for policyholders in case of surrender, especially considering the fact that availability of key information, as well as financial and insurance literacy, are the priority when it comes to making informed decisions. So, in that way, the policyholders did not have all the necessary information to make a timely decision in their interest.

In particular, the undertaking did not provide information that would unambiguously and transparently indicate the relationship between the amount of the offered “favourable” surrender value and the insurance premiums paid to date, the insurance amount that the policyholder would receive in the case of maturity or in the case of insured event, and the information that, in the event of the surrender, the policyholder would terminate a contract with a historical (very high) technical interest rate - a rate that is no longer available in the current environment

Consequently, in this manner, the undertaking:

- reduced the previously agreed guarantees i.e. insured sums, which directly affected the reduction of the capital requirement in underwriting life insurance;
- significantly reduced the longevity risk it was exposed to;
- collected additional premiums through reinvested contracts (endowment insurance);
- by enticing certain customers to surrender their whole-of-life policies under “favourable” terms, the undertaking did not act fairly, justly and professionally nor in accordance with the best interests of its clients, considering that it failed to provide complete, accurate, clear and true information to policyholders.

- **Outcomes of on-site inspection**

The Inspection resulted in an Inspection report (October 2022) followed by the Decision on elimination of illegalities and irregularities (January 2023).

In order to eliminate determinate illegalities and irregularities regarding “favourable” surrenders, the undertaking, was ordered to terminate, without delay, any form of initiative or promotional activities aimed at promoting the termination of life insurance contracts by offering surrenders, as well as to carry out surrenders only at the request or initiative of the policyholder, whereby the undertaking was obliged to act:

- fairly, honestly and professionally in accordance with the best interests of its customers,

- equally to all policyholders who request a surrender of their policy.
- in a timely manner and without exception, provide the policyholders in writing with complete, accurate, clear and true information regarding the advantages and disadvantages of the requested surrender.

Further to the subject matter, HANFA filed an indictment against the undertaking and its Board members (the process is ongoing).

During 2023 Hanfa monitored the undertaking's actions taken to comply with the Decision - which the undertaking carried out without delay and terminated all actions related to "favourable" surrenders. It also improved the process of surrenders in general, including providing all relevant information to policyholders in a timely manner and without exception. In addition, continuous decrease in undertaking's surrender rate has been noted.

Consequently, the Decision on eliminated illegalities and irregularities was issued in March 2024, so the administrative procedure is completed.

- **Follow-up actions**

Based on the order given to the undertaking, in March 2023, Hanfa issued a circular letter to all life insurance distributors (including insurance undertakings, as well as insurance intermediaries) providing clear supervisory expectations and inviting them to act honestly, fairly and professionally in accordance with the best interests of customers when carrying out surrenders, especially having in mind not to encourage surrenders by any means and, if a request for surrender was already received, to provide policyholders with complete, accurate, clear and true information in relation to all benefits and disadvantages of the requested surrender.

The Circular letter was well received and followed by written feedback from insurance undertakings, as well as by mutual meeting of representatives of Hanfa, Croatian Insurance Bureau and several insurance companies where, amongst other, clear and transparent definition of technical interest rates (that will be communicated towards policyholders in the case of requested surrender) was agreed.

4. THE DIFFERENT TYPES OF SANCTIONS USED BY MEMBER STATES

4.1 Table 6 below provides a split by the type of sanction imposed, as well as indicating in which Member States this type of sanction was imposed. The types of sanctions follow those in paragraphs 2 and 3 of Article 33⁴¹; the category “other administrative sanctions or measures” captures any other type of sanction not referred to in Article 33, given that the lists are non-exhaustive.

4.2 As observed during previous years, the withdrawal of registration remains the main type of sanction taken by NCAs at national level (712 in 2023), even though we see a decline in the number of withdrawals of registration from 2022 to 2023 (-1103). This decline is mainly explained by the specific supervisory action taken in 2022 in one Member State related to professional requirements (Article 10(1)) applied to insurance intermediaries which resulted in the withdrawal of registration (1099)⁴².

In 2022, this Member State reported, for the first time, a significant number of sanctions related to Article 10(1). This significant amount of reporting of sanctions on such requirements followed a review by the NCA of the types of national measures that fall within the scope of IDD sanctions, as a result of which it was concluded that certain administrative measures, which had not previously been reported to EIOPA, fulfil the criteria for IDD sanctions in accordance with the rules in Chapter VII of the Directive. That significant number of sanctions reported in relation to Article 10(1) is mainly explained by the fact that stricter regulatory requirements, compared to those under the IMD, have entered into force under the IDD, notably in terms of knowledge requirements⁴³.

4.3 Administrative pecuniary sanctions are the second main type of sanctions used at European level in 2023 (544). This ranking is similar with previous years, even though there is a decline in comparison with 2022 (-86). This slight decrease can be partially explained by fewer sanctions imposed in one Member State in relation to Article 10 requirements⁴⁴.

4.4 In 2023, there is an increase in temporary bans on the exercise of management functions (3) when compared with previous years (in average, 1 temporary ban on exercise of management functions taken per year). This increase is explained by the fact that temporary bans on exercise of management functions have been imposed on two individual persons and one company in one Member State based on Article 10(3) subparagraph 1⁴⁵. In accordance with the national legislation of this Member State, the preventive suspension of one or more activities or functions developed by the perpetrator of the offence can be imposed (therefore, not only management functions are concerned by such measure, but also the activity itself).

⁴¹ Although Article 33 makes a split between breaches of the additional requirements concerning insurance-based investment products (paragraph 2) and other types of breaches (paragraph 3), given that all of the sanctions listed in Article 33(2) could also be applied in relation to the breaches referred to in points (a) to (d) and (f) of Article 33(1), it was not considered necessary to make a split for the purpose of this aggregate reporting.

⁴² Portugal.

⁴³ For additional information, consider also paragraph 3.30 of the Fourth IDD sanctions report (2022).

⁴⁴ Please see, second point of paragraph 2.2.

⁴⁵ Portugal.

- 4.5 For 2023, orders to cease and desist still remain stable (169) and are used by a limited number of Member States (8)⁴⁶ and the same trend could be observed with regard to other administrative sanctions or measures (71) taken in 6 Member States⁴⁷.
- 4.6 In a survey launched towards NCAs, EIOPA collected granular data on the precise content of orders to cease and desist and other administrative sanctions or measures as neither of these concepts are defined in the IDD and each national supervisor/regulator can develop its own supervisory approach in terms of sanctions and/or preventive measures prior to issuing a formal sanction.
- 4.7 Based on the responses of 22 NCAs to the survey, we observed some common trends in terms of use of such sanctions - since the entry into application of the IDD, 17 countries⁴⁸ have used either an order to cease and desist or other administrative sanctions or measures, or both.
- 4.8 Orders to cease and desist are mainly used as a pre-emptive measure in relation to non-compliance of IDD requirements, prior to the official launch of a sanction proceeding. The main purpose of these sanctions is to stop some ongoing conduct of business issues and avoid their spread amongst the different national insurance distribution markets. These sanctions can be taken in addition to, or separate from, other sanctions such as administrative pecuniary sanctions.
- 4.9 Other administrative sanctions or measures capture a broader group of measures. It could consist of orders other than orders to cease and desist, e.g. orders to establish a certain type of internal procedure, warnings, published or not on the NCAs website, towards insurance intermediaries or insurance undertakings, but also, in case of non-compliance with IDD requirements e.g. where a written reprimand is sent to an insurance distributor(s), reminding them how the legislation should be applied.
- 4.10 Ultimately, it should be noted that whether an “order to cease and desist” or “other administrative sanctions or measures” are used by the NCA, this does not imply a difference in terms of the degree of the sanction or the materiality of the breaches committed.

⁴⁶ Belgium, Croatia, Denmark, France, Greece, Hungary, Malta and Slovenia.

⁴⁷ Germany, Hungary, Italy, Liechtenstein, Malta and Romania.

⁴⁸ Austria, Belgium, Bulgaria, Croatia, Denmark, France, Germany, Greece, Hungary, Iceland, Italy, Liechtenstein, Luxembourg, Malta, Poland, Romania, Slovenia,

Table 6 – Different types of sanctions imposed.

Type of sanction	Number of sanctions	Member States	Number of sanctions	Member States	Number of sanctions	Members States	Number of sanctions	Member States
	2018-2019-2020		2021		2022		2023	
Public Statement	19	Denmark, Malta, Iceland	23	Austria, Denmark, Lithuania, Spain	9	Austria, Denmark, Poland	11	Denmark, Malta, Poland
Order to cease and desist	271	Austria, Belgium, Denmark, Hungary, Malta, Poland	92	Belgium, Denmark, Hungary, Slovenia	204	Belgium, Croatia, Denmark, Hungary, Luxembourg, Poland, Slovenia	169	Belgium, Croatia, Denmark, France, Greece, Hungary, Malta, Slovenia
Withdrawal of registration	1590	Belgium, Czech Republic, Bulgaria, France, Germany, Malta, Slovakia, Sweden	4066	Belgium, Bulgaria, Germany, France, Ireland, Italy, Portugal, Slovakia	1815	Belgium, Germany, Finland, France, Italy, Portugal, Slovakia	712	Belgium, France, Germany, Ireland, Italy, Malta, Portugal, Romania

Type of sanction	Number of sanctions	Member States	Number of sanctions	Member States	Number of sanctions	Members States	Number of sanctions	Member States
	2018-2019-2020		2021		2022		2023	
Temporary ban on exercise of management functions	1	Malta	0		1	France	3	Portugal
Administrative pecuniary sanction	1876	Austria, Belgium, Bulgaria, Czech Republic, Germany, Hungary, Lithuania, Malta, Romania, Slovakia, Iceland	798	Austria, Bulgaria, Czech Republic, Germany, Hungary, Italy, Poland, Romania, Slovakia, Spain	630	Austria, Belgium, Bulgaria, Cyprus, Czech Republic, France, Germany, Greece, Hungary, Italy, Luxembourg, Netherlands, Romania.	544	Austria, Bulgaria, Cyprus, Czech Republic, Germany, Greece, Croatia, Hungary, Italy, Romania, Slovakia
Other administrative sanctions or measures	101	Austria, Belgium, Croatia, Denmark, Germany, Hungary, Lithuania,	164	Belgium, Croatia, Denmark, Germany, Hungary, Italy, Liechtenstein, Romania	103	Belgium, Denmark, Croatia, Hungary, Italy, Liechtenstein, Luxembourg, Romania	71	Germany, Hungary, Italy, Liechtenstein, Malta, Romania

Type of sanction	Number of sanctions	Member States	Number of sanctions	Member States	Number of sanctions	Members States	Number of sanctions	Member States
	2018-2019-2020		2021		2022		2023	
		Malta, Liechtenstein						

4.11 The final summary table (Table 7) shows the total number of and average value of administrative pecuniary sanctions.

Table 7 – Administrative pecuniary sanctions

Member State	2018-2019-2020		2021		2022		2023		Evolution in number of fines from 2022 to 2023
	Total number of fines	Average value of fines	Total number of fines	Average value of fines	Total number of fines	Average value of fines	Total number of fines	Average value of fines	
Austria	1	€210	3	€3 867	2	€10 250	1	€218	-1
Belgium	10	€185 625	-	-	2	€51 250	-	-	-2
Bulgaria	6	€1 193	15	€1 500	9	€1 142	17	€403	+8
Croatia	4	Not available	5	Not available	4	Not available	3	€3989	-1
Cyprus	-	-	-	-	2	€13 858	8	€1650	+6
Czech Republic	6	€5 207	8	€10 158	5	€7 571	15	€7632	+10
France	-	-	-	-	1	€50 000	-	-	-1
Germany	1818	Not available	759	Not available	582	Not available	469	Not available	-113
Greece	-	-	-	-	3	€3 667	7	€11 882	+4
Hungary	17	€39 930	5	€15 927	15	€3 382	8	€7 497	-7
Italy	-	-	3	€5 000	1	€5 000	1	€5 000	0
Lithuania	1	€8 000	-	-	-	-	-	-	-
Luxembourg	-	-	-	-	1	€200 000	-	-	-1
Netherlands	-	-	-	-	1	Not available	-	-	-1

Member State	2018-2019-2020		2021		2022		2023		Evolution in number of fines from 2022 to 2023
	Total number of fines	Average value of fines	Total number of fines	Average value of fines	Total number of fines	Average value of fines	Total number of fines	Average value of fines	
Malta	6	€34 110	-	-	-	-	-	-	-
Poland	-	-	1	€21 754	-	-	-	-	-
Romania	8	€1 750	7	€3 918	3	€4 407	14	€2 016	+11
Slovakia	2	€2 000	5	€11 200	-	-	1	€3 000	+1
Spain	-	-	1	€36 000	-	-	-	-	-
Iceland	1	€62 211	-	-	-	-	-	-	-

5. ANNEX I – BACKGROUND AND METHODOLOGY

Legal framework for sanctions

5.1 The provisions in Article 36, which provide the basis for this Report, are part of Chapter VII of the IDD. This Chapter sets out an overall framework for how and what types of sanctions can be imposed, and covers *inter alia*:

- ▶ The need for NCAs to have the relevant powers to impose sanctions (Article 31).
- ▶ Procedural aspects, for example, concerning the need for sanctions to be subject to a right of appeal (Article 31).
- ▶ The requirement for sanctions to be published, unless certain conditions are met, such as that the publication jeopardises the stability of financial markets, in which case NCAs may decide to defer publication, not to publish, or publish sanctions on an anonymous basis (Article 32).
- ▶ A non-exhaustive list of the types of breaches of IDD that can result in sanctions, such as a failure of persons to register their distribution activities with the competent authority in the home Member State (Article 33).
- ▶ A non-exhaustive list of the types of sanctions that can be imposed⁴⁹, for instance, administrative pecuniary sanctions, i.e. fines. A distinction is made between the failure to comply with the conduct of business requirements set out in Chapters V and VI, in relation to the distribution of insurance-based investment products and other types of breaches of the IDD. For the former, a longer list of possible sanctions is specified; this includes provisions concerning the maximum amounts of administrative pecuniary sanctions (Article 33)⁵⁰;
- ▶ Requirements for NCAs to report information on sanctions to EIOPA (Article 36).

5.2 N.B. The IDD uses the term ‘administrative sanctions and other measures’. The same provisions in Chapter VII of the IDD apply to both ‘administrative sanctions’ and to ‘other measures’. Consequently, for the purposes of this Report, EIOPA has not made a distinction between whether or not a particular measure, such as a public statement or an order to cease and desist is deemed to be an ‘administrative sanction’ or ‘other measure’. Indeed, recital 65 of the IDD states that *‘This Directive should refer to both administrative sanctions and other measures irrespective of their qualification as a sanction or other measure under national law.’*

Published and non-published sanctions

5.3 As stated above, NCAs may decide in specified circumstances, not to publish sanctions that they have imposed. However, NCAs are required to report all sanctions to EIOPA, including those that were not published (Article 32(3)). This Annual Report covers all sanctions imposed, including those that were

⁴⁹ It is explicitly recognised in Article 33(4) that Member States may empower competent authorities to provide for additional sanctions or other measures to those listed in this Article.

⁵⁰ Nevertheless, in accordance with Article 33(4), Member States may empower competent authorities to impose administrative pecuniary sanctions which are higher than those provided for in this Article.

not published, or were published on an anonymous basis by NCAs, since the information in this Report is presented only in aggregate form.

5.4 As recognised in Article 32(2), IDD, national law may provide for the publication of a sanction, which is still subject to an appeal. In view of this, it is possible that sanctions that are reported to EIOPA and then published in this Annual Report could subsequently be annulled on appeal. Should this case arise in the future, EIOPA will consider how to appropriately reflect this in the figures published.

Multiple legal bases and specific issues for administrative pecuniary sanctions

5.5 Some sanctions may relate to multiple legislative provisions. In these cases, NCAs reported each particular sanction separately for each different legislative provision that had been infringed, in order to provide an aggregate overview of the different types of breaches of the IDD. However, in order to avoid duplication, such sanctions were only counted once when calculating the total number of sanctions⁵¹.

5.6 For the case of sanctions that were administrative pecuniary sanctions, it was also considered important to avoid duplication in the amounts recorded so that the total value of fines reported would correspond to the total value of fines imposed. Therefore, where an administrative pecuniary sanction was imposed for breaches of multiple legislative provisions, NCAs needed to consider the most appropriate way to allocate the value of the administrative pecuniary sanction to each of the legislative provisions that had been infringed. This could have been, for example, by allocating the sanction to the main provision breached, or alternatively dividing the amount of the pecuniary sanction between the different legal provisions.

5.7 In addition, for administrative pecuniary sanctions, these may have been imposed and reported to EIOPA in a currency different from the Euro. In this case, information on the equivalent value in Euro is also provided in the tables below (based on the average foreign exchange reference rates in 2022 calculated via the Euro foreign exchange reference rates tool provided by the European Central Bank⁵²).

Degree of harmonisation of sanctions framework and interaction with national law

5.8 It is relevant to take into account that there is not currently a harmonised sanctions regime under the IDD. The Directive sets out essential requirements that sanctions need to satisfy, but certain substantive and, in particular procedural aspects of the sanctioning regime remain subject to national law. In particular, IDD as a minimum harmonisation directive requires Member States to ensure that NCAs have the power to impose sanctions. It does not oblige NCAs to impose sanctions in all cases of a failure to comply with the national provisions implementing IDD. Instead, Member States are subject to a general principle that the use of sanctions shall be 'effective, proportionate and dissuasive'⁵³. This means that certain types of breaches may result in a formal sanction being imposed in one Member State, but a different measure in another Member State. This can depend, for example, on the application of proportionality principle and type of the procedure conducted at national level before imposing formal measures.

⁵¹ This means that the total number of sanctions shown for different breaches of IDD does not add up to the total number of sanctions imposed.

⁵² [Euro foreign exchange reference rates \(europa.eu\)](https://europa.eu/euro/foer/exchange/reference-rates).

⁵³ Article 31(1).

5.9 In addition, in some Member States, not all withdrawals of registration of distributors are due to sanctions imposed for breaches of the national provisions implementing the IDD⁵⁴, and these cases are therefore not within the scope of this Report. Similarly, it is relevant to note that there may be differences between the requirements of the IDD and national legislation on sanctions, that either goes beyond or is outside the scope of IDD. For some jurisdictions, this may result in certain NCA activities (e.g. pre-emptive activities) that are reported as sanctions under the national legal framework, not qualifying as a sanction under the IDD.⁵⁵

5.10 It is also relevant to note that the aggregated form for submitting information on sanctions is based on Article 33(2), IDD. This paragraph provides a non-exhaustive minimum list of the types of sanctions that NCAs need to be able to impose for breaches of the provisions concerning insurance-based investment products. However, it was decided to make use of this list of sanctions generally for the aggregated reporting of all sanctions, not only insurance-based investment products (for example, public statement, temporary ban on exercise of management functions). This is based on the fact that, in some Member States, these types of sanctions are used for products other than insurance-based investment products.

Interpretation of the scope of IDD sanctions

5.11 Since the IDD provides a non-exhaustive minimum list of sanctions that can be imposed, there can be some scope for interpretation as to whether specific national measures fall within the scope of IDD sanctions. Through discussions with NCAs, EIOPA has sought to promote a consistent approach to the reporting of measures, and this will continue to be relevant over time as further experience with IDD sanctions is gathered. At this stage, a number of points can be mentioned:

- ▶ Although this terminology is not used in the IDD, EIOPA understands that the scope of IDD sanctions (including “other measures”) is limited to “hard” measures taken by NCAs, i.e. formal measures that are directly enforceable and binding. EIOPA considers this to be inherent to the term or concept of sanctions. This interpretation is also supported, for example, by the requirement for sanctions to be subject to a right of appeal, since such a right would not seem applicable in the case of non-binding measures.
- ▶ One area where there can be some scope for interpretation concerns whether a sanction has been imposed for a breach of the *national provisions implementing the IDD*. For example, the fact that a national rule is contained within the legislative act that included the national provisions implementing IDD is not of itself decisive. On the other hand, there are considered to be cases where specific national provisions can be within the scope of the national IDD framework, even though it may not be straightforward to identify a single legal hook at EU level, because the specific subject matter is within the scope of IDD.

⁵⁴ There may be additional national rules regarding registration that are not within the scope of IDD. For example, in some Member States, a failure to pay taxes or to carry on business for a certain period of time without good reasons results in a withdrawal of the registration.

⁵⁵ This might be because the sanction, while a formal measure following an infringement, is a “persuasive” rather than strictly enforceable measure, and therefore for example is not subject to a right of appeal as required by the IDD. In this case, an enforceable measure may be used by the NCA if the company or individual does not follow the initial persuasive measure.

- ▶ Some examples of the types of additional administrative sanctions or other measures that have been used so far by NCAs are orders⁵⁶, warnings, reprimands, and the suspension of a registration⁵⁷.

Timing of sanction procedures and IDD implementation

5.12 Another element of context relates to the timing of sanctions and the implementation of IDD. Sanctions are reported to EIOPA at the conclusion of administrative proceedings, which may also include appeal processes. Due the considerable time that such proceedings can take, the reporting of sanctions may occur sometime after enforcement procedures were initiated or an initial decision was taken by the NCA. For example, during this period some NCAs may not have finalised any sanctions relating to breaches of IDD national implementing rules committed by distributors, but did initiate IDD proceedings. It can also be noted that in some Member States IDD was only transposed into national legislation during the course of 2019 or 2020.

Reporting period

5.13 When comparing the sanctions figures between those for 2023, 2022, 2021 and 2020 and those for 2018-2019, it is relevant to bear in mind the different reporting periods. Taking into account that in most Member States IDD was only applicable for several months of 2018 (from October), this is not considered to have a material impact for these Member States. However, where IDD was applicable significantly earlier in 2018, such as already from 23 February, this means that the reporting period for the first annual report was significantly longer than the one for the second annual report and this third annual report – up to 22 months (i.e. the period from the application of the IDD in 2018 until the end of 2019) compared to 12 months.

⁵⁶ i.e. different types of orders to an order to cease and desist, such as an order to establish a certain type of internal procedure.

⁵⁷ i.e. as opposed to a withdrawal of the registration.

6. ANNEX II – DETAILED AGGREGATE INFORMATION FOR SANCTIONS IMPOSED IN 2023

Compiled information across different Member States

The table below compiles the information for the NCAs that reported sanctions to EIOPA in 20 Member States per type of sanction and legislative provision breached. As above, the types of sanctions follow those in Article 33 (public statement, order to cease and desist, withdrawal of authorisation/registration, temporary ban on exercise of management functions, administrative pecuniary sanctions and other administrative sanctions or measures). The article references relate to a specific point or subparagraph of an article, where possible.

Legal Basis	Type of administrative sanction or other measure						Monetary amount of administrative pecuniary sanctions
	Public statement	Order to cease and desist	Withdrawal of authorisation	Temporary ban on exercise of management functions	Administrative pecuniary sanction	Other administrative sanctions or measures	Value of the imposed sanctions in €
Article 3 IDD	1	1	1		98	1	
Article 3(1) IDD		6			8	9	€ 69 521.3

Article 3(1) paragraph 6 IDD					5		€5 591
Article 3(4) IDD					1	1	€3 928,50
Article 3(6) (b) IDD					4	9	
Article 4(2) IDD		1					
Article 10 IDD					8		€13 200
Article 10 (1) IDD			50		2	3	€3 928.5
Article 10(2) IDD		2	12		359	23	€6 255.5
Article 10(2), first paragraph IDD							
Article 10 (3) IDD		2	50		2	3	€6 547.50
Article 10(3) subparagraph 1 IDD			2	3			
Article 10(3), 2nd paragraph IDD							

Article 10(4) IDD		82	577		8	1	€8 093.9
Article 10(6) IDD			4		31	2	€5,113
Article 10(8) IDD					5		
Article 14 IDD		1			1		€1571.40
Article 15 IDD		11					
Article 16 IDD		1				4	
Article 17 (1) IDD	4	9	22		4	27	€30985.8
Article 17(2) IDD		3			3	1	€4664.9
Article 17(3) IDD		4					
Article 18 IDD					1		€358
Article 18(a) IDD		5			4		€8 118.90
Article 18(b) IDD					2	1	€1285.9
Article 18(a)(ii) IDD		3					
Article 18(a)(iii) IDD		5					
Article 19 IDD					1		€358

Article 19(1) (a) IDD					1		€1 458
Article 19(1) b) IDD					1		
Article 19(1) (c) (ii) IDD						1	
Article 19(1) (c) (iii) IDD						1	
Article 19(1) (d) IDD					1		€1 458
Article 19(1) (e) of IDD					1		
Article 19(4) IDD					1	1	€261.90
Article 19(5) IDD		4					
Article 20 IDD					16		€ 104 842
Article 20(1) IDD		6	1			5	€16 425
Article 20(2) IDD		4					
Article 20(3) IDD		1			1		€7857.00
Article 20(4) IDD							

Article 20(5) IDD							
Article 20(7) IDD		2					
Article 20(7) (a) IDD					1		€1 823
Article 20(7) (e) IDD							
Article 20(8) IDD		2					
Article 23 IDD							€261.90
Article 23(1) IDD					1	1	
Article 23(1) (a) IDD		1					
Article 23(1) (c) IDD		1					
Article 25 (IDD)		9				3	
Article 25(1) IDD		7					
Article 25(1), subparagraph 4 IDD					1	1	€261.90

Article 25(1) subparagraph 5 IDD						1	
Article 27 IDD		4					
Article 28(1) IDD		3					
Article 28(2) IDD		3					
Article 29. (1) (a) IDD		1					
Article 29. (2) IDD		1					
Article 30 IDD					3		€11 950
Article 30. (1) IDD		3			1		€3142.80
Article 30. (2) IDD		3					
Article 30(4) IDD					1	1	€2619.00
Article 30.(5) IDD		4			2		€3535.65
Article 3.1 of Delegated		1					

Regulation 2017/2358							
Article 3.2 of Delegated Regulation 2017/2358		1					
Article 3.3 of Delegated Regulation 2017/2358		1					
Article 3.4 of Delegated Regulation 2017/2358		2					
Article 4 of Delegated Regulation 2017/2358	1	2					
Article 4.1 of Delegated Regulation 2017/2358		4					

Article 4.2 of Delegated Regulation 2017/2358		1					
Article 4.3 of Delegated Regulation 2017/2358		2					
Article 5 of Delegated Regulation 2017/2358	2	4					
Article 5.1 of Delegated Regulation 2017/2358		1					
Article 5.3 of Delegated Regulation 2017/2358		1					
Article 6 of Delegated	2	4					

Regulation 2017/2358							
Article 6.1 of Delegated Regulation 2017/2358		3					
Article 7 of Delegated Regulation 2017/2358	1	1					
Article 7.2 of Delegated Regulation 2017/2358		2					
Article 8.1 of Delegated Regulation 2017/2358		3					
Article 8(2) of Delegated Regulation 2017/2358						1	

Article 9 of Delegated Regulation 2017/2358		2					
Article 7(1) Delegated Regulation 2017/2359					1	1	€261.90
Article 8 Delegated Regulation (EU) 2017/2359		1					
Article 9. (2) Delegated Regulation (EU) 2017/2359		1					
Article 9. (2) (a) Delegated Regulation (EU) 2017/2359		1					
Article 9.2 (c) Delegated		1					

Regulation (EU) 2017/2359							
Article 10 Delegated Regulation (EU) 2017/2359		1					
Article 10 (b) Delegated Regulation (EU) 2017/2359		1					
Article 10 (c) Delegated Regulation (EU) 2017/2359		1					
Article 10 (d) Delegated Regulation (EU) 2017/2359		1					
Article 14.(1) Delegated Regulation (EU) 2017/2359		1					

Article 14.(1) a) and b) Delegated Regulation 2017/2359		1			1		€392.85
Article 15 Delegated Regulation (EU) 2017/2359		2					
Article 17.1 (b) Delegated Regulation (EU) 2017/2359		1					
Article 17.(4) Delegated Regulation (EU) 2017/2359		1					
Article 19 Delegated Regulation (EU) 2017/2359		1					
Total⁵⁸	11	169	712	3	544	71	€326 073

⁵⁸ The totals represent the actual number of sanctions imposed. Since some sanctions related to multiple infringements, this total is different to the sum of values in the columns.

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Information per Member State

The tables below show the same aggregate information as provided in the previous sub-section for each relevant Member State individually. In the row “Total”, the total number of sanctions is shown. Where there is a difference between the total number of sanctions and the total number of breaches, the number of breaches is also shown in brackets.

Austria

Legal Basis	Type of administrative sanction or other measure						Monetary amount of administrative pecuniary sanctions
	Public statement	Order to cease and desist	Withdrawal of registration	Temporary ban on exercise of management functions	Administrative pecuniary sanction	Other administrative sanctions or measures	
Article 10(2)	0	0	0	0	1	0	€218
Totals	0	0	0	0	1	0	€218

Belgium

	Type of administrative sanction or other measure						Monetary amount of administrative pecuniary sanctions
	Public statement	Order to cease and desist	Withdrawal of authorisation	Temporary ban on exercise of management functions	Administrative pecuniary sanction	Other administrative sanctions or measures	Value of the imposed sanctions
Article 3. (1) IDD		1					
Article 10. (3) IDD		1	1				
Article 10. (4) IDD		82	32				
Article 15 IDD		11					
Article 17. (1) IDD		4					

Article 17. (2) IDD		1					
Article 17. (3) IDD		4					
Article 20. (1) IDD		4					
Article 20. (2) IDD		3					
Article 25. (1) IDD		10					
Article 27 IDD		4					
Article 28. (1) IDD		3					
Article 28. (2) IDD		3					
Article 29. (1) (a) IDD		1					
Article 29. (2) IDD		1					
Article 30. (1) IDD		2					
Article 30. (2) IDD		3					
Article 30. (5) IDD		2					

Article 3. (1) of POG Delegated Regulation		1					
Article 3. (2) of POG Delegated Regulation		1					
Article 3. (3) of POG Delegated Regulation		1					
Article 3. (4) of POG Delegated Regulation		2					
Article 4 of POG Delegated Regulation		1					
Article 4. (1) of POG Delegated Regulation		4					

Article 4. (2) of POG Delegated Regulation		1					
Article 4. (3) of POG Delegated Regulation		2					
Article 5 of POG Delegated Regulation		2					
Article 5. (1) of POG Delegated Regulation		1					
Article 5. (3) of POG Delegated Regulation		1					
Article 6 of POG Delegated Regulation		2					

Article 6. (1) of POG Delegated Regulation		3					
Article 7. (2) of POG Delegated Regulation		2					
Article 8. (1) of POG Delegated Regulation		3					
Article 9 of POG Delegated Regulation		2					
Article 8 Delegated Regulation (EU) 2017/2359		1					
Article 9. (2) Delegated Regulation (EU) 2017/2359		1					

Article 9. (2) (a) Delegated Regulation (EU) 2017/2359		1					
Article 9. (2) (c) Delegated Regulation (EU) 2017/2359		1					
Article 10 Delegated Regulation (EU) 2017/2359		1					
Article 10 (b) Delegated Regulation (EU) 2017/2359		1					
Article 10 (c) Delegated Regulation (EU) 2017/2359		1					
Article 10 (d) Delegated		1					

Regulation (EU) 2017/2359							
Article 14.1 Delegated Regulation (EU) 2017/2359		1					
Article 15 Delegated Regulation (EU) 2017/2359		2					
Article 17. (1) (b) Delegated Regulation (EU) 2017/2359		1					
Article 17. (4) Delegated Regulation (EU) 2017/2359		1					
Article 19 Delegated Regulation (EU) 2017/2359		1					

Totals	0	115(183)	33	0	0	0	0 EUR
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Bulgaria

Legal Basis	Type of administrative sanction or other measure						Monetary amount of administrative pecuniary sanctions
	Public statement	Order to cease and desist	Withdrawal of authorisation	Temporary ban on exercise of management functions	Administrative pecuniary sanction	Other administrative sanctions or measures	
Article 10(6)	0	0	0	0	13	0	€5 113 (BGN 10 000)
Article 18	0	0	0	0	1	0	€358 (BGN 700)
Article 19	0	0	0	0	1	0	€358 (BGN 700)
Article 20	0	0	0	0	2	0	€1 023 (BGN 2 000)
Totals	0	0	0	0	17	0	€6 852 (BGN 13 400)

Croatia

Legal Basis	Type of administrative sanction or other measure						Monetary amount of administrative pecuniary sanctions
	Public statement	Order to cease and desist	Withdrawal of registration	Temporary ban on exercise of management functions	Administrative pecuniary sanction	Other administrative sanctions or measures	
Article 17(1)	0	1	0	0	0	0	0
Article 17(2)	0	1	0	0	0	0	0
Article 30	0	0	0	0	3	0	€11 950
Totals	0	1(2)	0	0	3	0	€11 950

Cyprus

Legal Basis	Type of administrative sanction or other measure						Monetary amount of administrative pecuniary sanctions
	Public statement	Order to cease and desist	Withdrawal of authorisation	Temporary ban on exercise of management functions	Administrative pecuniary sanction	Other administrative sanctions or measures	
Article 10	0	0	0	0	8	0	€13 200
Totals	0	0	0	0	8	0	€13 200

Czech Republic

Legal Basis	Type of administrative sanction or other measure						Monetary amount of administrative pecuniary sanctions
	Public statement	Order to cease and desist	Withdrawal of authorisation	Temporary ban on exercise of management functions	Administrative pecuniary sanction	Other administrative sanctions or measures	
Article 10(2)	0	0	0	0	2	0	
Article 10(4)	0	0	0	0	7	0	€ 7,832 (CZK 188,000)
Article 10(8)	0	0	0	0	5	0	0
Article 18(a)	0	0	0	0	1	0	0
Article 20	0	0	0	0	8	0	€106 650 (CZK 2 560 000)
Totals	0	0	0	0	15 (23)	0	€114 482 (CZK 2 748 000)

Denmark

Legal Basis	Type of administrative sanction or other measure						Monetary amount of administrative pecuniary sanctions
	Public statement	Order to cease and desist	Withdrawal of authorisation	Temporary ban on exercise of management functions	Administrative pecuniary sanction	Other administrative sanctions or measures	
Article 17(1)	3	3	0	0	0	0	0
Article 4 of POG delegated Regulation	1	1	0	0	0	0	0
Article 5 of POG delegated Regulation	2	2	0	0	0	0	0
Article 6 of POG delegated Regulation	2	2	0	0	0	0	0

Article 7 of POG delegated Regulation	1	1	0	0	0	0	0
<i>Totals</i>	9	9	0	0	0	0	0

France

Legal Basis	Type of administrative sanction or other measure						Monetary amount of administrative pecuniary sanctions
	Public statement	Order to cease and desist	Withdrawal of registration	Temporary ban on exercise of management functions	Administrative pecuniary sanction ⁵⁹	Other administrative sanctions or measures	
Article 10(1)	0	0	43	0	0	0	
Article 10(3)	0	0	19	0	0	0	
Article 10(4)	0	0	6	0	0	0	
Article 20(1)	0	1	0	0	0	0	
Article 20(4)	0	1	0	0	0	0	
Article 20(5)	0	1	0	0	0	0	

⁵⁹ In some cases, no monetary amount is recorded because the amount was allocated to the main provisions breached.

Totals	0	1(3)	68	0	0	0	€0
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Germany

Legal Basis	Type of administrative sanction or other measure						Monetary amount of administrative pecuniary sanctions
	Public statement	Order to cease and desist	Withdrawal of registration	Temporary ban on exercise of management functions	Administrative pecuniary sanction	Other administrative sanctions or measures	
Article 3	0	0	0	0	98	0	Not available
Article 10(1)	0	0	7	0	0	0	0
Article 10(2)	0	0	11	0	353	20	Not available
Article 10(3)	0	0	29	0	0	0	0
Article 10(4)	0	0	287	0	0	0	0
Article 10(6)	0	0	0	0	18	0	Not available

Totals	0	0	334	0	469	20	Not available
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Greece

Legal Basis	Type of administrative sanction or other measure						Monetary amount of administrative pecuniary sanctions
	Public statement	Order to cease and desist	Withdrawal of authorisation	Temporary ban on exercise of management functions	Administrative pecuniary sanction ⁶⁰	Other administrative sanctions or measures	
Article 17(1)	0	0	0	0	2	0	€25 725
Article 3(1)	0	5	0	0	5	0	€57 450
Totals	0	5	0	0	7	0	€83,175

⁶⁰ In some cases, no monetary amount is recorded because the amount was allocated to the main provisions breached.

Hungary

Legal Basis	Type of administrative sanction or other measure						Monetary amount of administrative pecuniary sanctions
	Public statement	Order to cease and desist	Withdrawal of registration	Temporary ban on exercise of management functions	Administrative pecuniary sanction ⁶¹	Other administrative sanctions or measures	
Article 3(1)	0	0	0	0	2	2	€7 071 (Ft 2 700 000)
Article 3(4)	0	0	0	0	1	1	€ 3 928 (Ft 1 500 000)
Article 10(1)	0	0	0	0	1	1	€3 928 (Ft 1 500 000)
Article 10(2)	0	0	0	0	1	1	€ 3 928 (Ft 1 500 000)
Article 10(3)	0	0	0	0	2	2	€6 547 (Ft 2 500 000)
Article 10(4)	0	0	0	0	1	1	€ 262 (Ft 1 000 000)

⁶¹ In some cases, no monetary amount is recorded because the amount was allocated to the main provisions breached.

Legal Basis	Type of administrative sanction or other measure						Monetary amount of administrative pecuniary sanctions
	Public statement	Order to cease and desist	Withdrawal of registration	Temporary ban on exercise of management functions	Administrative pecuniary sanction ⁶¹	Other administrative sanctions or measures	
Article 14	0	1	0	0	1	0	€1 571 (Ft 600 000)
Article 17(1)	0	1	0	0	1	0	€3 143 (Ft 1 200 000)
Article 17(2)	0	0	0	0	1	1	€262 (Ft 100 000)
Article 18 (a)	0	3	0	0	3	0	€8 119 (Ft 3 100 000)
Article 18 (b)	0	0	0	0	1	1	€262 (Ft 100 000)
Article 19(4)	0	0	0	0	1	1	€262 (Ft 100 000)
Article 20(1)	0	1	0	0	0	0	-
Article 20(3)	0	1	0	0	1	0	€ 7 857 (Ft 3 000 000)

Legal Basis	Type of administrative sanction or other measure						Monetary amount of administrative pecuniary sanctions
	Public statement	Order to cease and desist	Withdrawal of registration	Temporary ban on exercise of management functions	Administrative pecuniary sanction ⁶¹	Other administrative sanctions or measures	
Article 20(7)	0	2	0	0	0	0	-
Article 20(8)	0	2	0	0	0	0	-
Article 23(1)	0	0	0	0	1	1	€262 (Ft 100 000)
Article 25(1), subparagraph 4	0	0	0	0	1	1	€262 (Ft 100 000)
Article 30(1)	0	1	0	0	1	0	€ 3 143 (Ft 1 200 000)

Legal Basis	Type of administrative sanction or other measure						Monetary amount of administrative pecuniary sanctions
	Public statement	Order to cease and desist	Withdrawal of registration	Temporary ban on exercise of management functions	Administrative pecuniary sanction ⁶¹	Other administrative sanctions or measures	
Article 30(4)	0	0	0	0	1	1	€ 2 619 (Ft 1 000 000)
Article 30(5)	0	2	0	0	2	0	€3 536 (Ft 1 350 000)
Article 7(1) of IBIP Delegated regulation	0	0	0	0	1	1	€262 (Ft 100 000)
Article 14 (1) (a) and (b) of IBIP Delegated regulation	0	1	0	0	0	1	€393 (Ft 150 000)

Legal Basis	Type of administrative sanction or other measure						Monetary amount of administrative pecuniary sanctions
	Public statement	Order to cease and desist	Withdrawal of registration	Temporary ban on exercise of management functions	Administrative pecuniary sanction ⁶¹	Other administrative sanctions or measures	
Totals	0	8 (15)	0	0	8(25)	8(15)	59 975 € (Ft 22 900 000)

Ireland

Legal Basis	Type of administrative sanction or other measure						Monetary amount of administrative pecuniary sanctions
	Public statement	Order to cease and desist	Withdrawal of authorisation	Temporary ban on exercise of management functions	Administrative pecuniary sanction ⁶²	Other administrative sanctions or measures	
Article 10(4)	0	0	3	0	0	0	-
Totals	0	0	3	0	0	0	€0

⁶² In some cases, no monetary amount is recorded because the amount was allocated to the main provisions breached.

Italy

Legal Basis	Type of administrative sanction or other measure						Monetary amount of administrative pecuniary sanctions
	Public statement	Order to cease and desist	Withdrawal of registration	Temporary ban on exercise of management functions	Administrative pecuniary sanction	Other administrative sanctions or measures	
Article 3(1)	0	0	0	0	1	7	€5 000
Article 10(1)	0	0	0	0	0	2	0
Article 10(6)	0	0	4	0	0	2	0
Article 16	0	0	0	0	0	4	0
Article 17(1)	0	0	22	0	0	27	0
Article 20(1)	0	0	1	0	0	5	0
Totals	0	0	22(27)	0	1	28(47)	€5 000

Liechtenstein

Legal Basis	Type of administrative sanction or other measure						Monetary amount of administrative pecuniary sanctions
	Public statement	Order to cease and desist	Withdrawal of registration	Temporary ban on exercise of management functions	Administrative pecuniary sanction	Other administrative sanctions or measures	
Article 10(2)	0	0	0	0	0	1	0
Article 25	0	0	0	0	0	3	0
Totals	0	0	0	0	0	4	0

Malta

Legal Basis	Type of administrative sanction or other measure						Monetary amount of administrative pecuniary sanctions
	Public statement	Order to cease and desist	Withdrawal of authorisation	Temporary ban on exercise of management functions	Administrative pecuniary sanction	Other administrative sanctions or measures	
Article 3	1	1	1	0	0	1	-
Article 10(2)	1	1	1	0	0	1	-
Article 10(3)	1	1	1	0	0	1	-
Totals	1(3)	1 (3)	1(3)	0	0	1 (3)	-

Poland

Legal Basis	Type of administrative sanction or other measure						Monetary amount of administrative pecuniary sanctions
	Public statement	Order to cease and desist	Withdrawal of authorisation	Temporary ban on exercise of management functions	Administrative pecuniary sanction ⁶³	Other administrative sanctions or measures	
Article 17(1)	1	0	0	0	0	0	0
Totals	1	0	0	0	0	0	0

⁶³ The administrative pecuniary sanction concerned a breach of Article 23, IDD as well as breaches of provisions outside the scope of the IDD. No monetary amount was allocated to Article 23 because the main provisions breached were those outside the scope of the IDD.

Portugal

Legal Basis	Type of administrative sanction or other measure						Monetary amount of administrative pecuniary sanctions
	Public statement	Order to cease and desist	Withdrawal of authorisation	Temporary ban on exercise of management functions	Administrative pecuniary sanction	Other administrative sanctions or measures	
Article 10(3), subparagraph 1	0	0	2	3	0	0	-
Article 10(4)	0	0	248	0	0	0	-
Totals	0	0	250	3	0	0	-

Romania

Legal Basis	Type of administrative sanction or other measure						Monetary amount of administrative pecuniary sanctions
	Public statement	Order to cease and desist	Withdrawal of authorisation	Temporary ban on exercise of management functions	Administrative pecuniary sanction	Other administrative sanctions or measures	
Article 3 (1), subparagraph 6	0	0	0	0	5	0	€ 5 591 (RON 27 300)
Article 3(6) paragraph 2	0	0	0	0	4	9	€4 096 (RON 20 000)
Article 10 (2)	0	0	0	0	2	0	€ 2 109 (RON 10 300)
Article 10 (4)	0	0	1	0	0	0	-
Article 17 (1)	0	0	0	0	1	0	€ 2 118 (RON 10 343)
Article 17 (2)	0	0	0	0	2	0	€ 4 403

							(RON 21 500)
Article 18 (b)	0	0	0	0	1	0	€1 024 (RON 5 000)
Article 19 (1) a)	0	0	0	0	1	0	€1 458 (RON 7 118)
Article 19 (1) b)	0	0	0	0	1	0	-
Article 19(1) (c) ii)	0	0	0	0	0	1	-
Article 19(1) (c) iii)	0	0	0	0	0	1	-
Article 19 (1) (d)	0	0	0	0	1	0	€1 458 (RON 7 118)
Article 19 (1) (e)	0	0	0	0	1	0	
Article 20 (1)	0	0	0	0	6	0	€16 425 (RON 80 200)
Article 20(7) (a)	0	0	0	0	1	0	€1 823

							(RON 8 900)
Article 25(1) subparagraph 5	0	0	0	0	0	1	-
Article 8(2) POG Delegated regulation	0	0	0	0	0	1	-
Totals⁶⁴	0	0	1	0	14(26)	10(13)	€ 28 221 (RON 137 800)

⁶⁴ Please note that under Romanian legislation, in case of multiple breaches by an entity, there are sanctions calculated per each breach, but the total sanction imposed is the maximum of all individual sanctions.

Slovakia

Legal Basis	Type of administrative sanction or other measure						Monetary amount of administrative pecuniary sanctions
	Public statement	Order to cease and desist	Withdrawal of authorisation	Temporary ban on exercise of management functions	Administrative pecuniary sanction	Other administrative sanctions or measures	
Article 10(1)	0	0	0	0	1	0	€3,000
Totals	0	0	0	0	1	0	€ 3,000

Slovenia

Legal Basis	Type of administrative sanction or other measure						Monetary amount of administrative pecuniary sanctions
	Public statement	Order to cease and desist	Withdrawal of authorisation	Temporary ban on exercise of management functions	Administrative pecuniary sanction	Other administrative sanctions or measures	
Article 4(2)	0	1	0	0	0	0	-
Article 10(2)	0	1	0	0	0	0	-
Article 16	0	1	0	0	0	0	-
Article 17(2)	0	1	0	0	0	0	-
Article 18(a)	0	2	0	0	0	0	-

Legal Basis	Type of administrative sanction or other measure						Monetary amount of administrative pecuniary sanctions
	Public statement	Order to cease and desist	Withdrawal of authorisation	Temporary ban on exercise of management functions	Administrative pecuniary sanction	Other administrative sanctions or measures	
Article 18 (a) (ii)	0	3	0	0	0	0	-
Article 18 (a) (iii)	0	5	0	0	0	0	-
Article 19(5)	0	4	0	0	0	0	-
Article 20(1)	0	1	0	0	0	0	-
Article 20(2)	0	1	0	0	0	0	-
Article 23 (1) (a)	0	1	0	0	0	0	-

Legal Basis	Type of administrative sanction or other measure						Monetary amount of administrative pecuniary sanctions
	Public statement	Order to cease and desist	Withdrawal of authorisation	Temporary ban on exercise of management functions	Administrative pecuniary sanction	Other administrative sanctions or measures	
Article 23(1) (c)	0	1	0	0	0	0	-
Article 25(1)	0	7	0	0	0	0	-
Totals	0	29	0	0	0	0	-

EIOPA

Westhafen Tower, Westhafenplatz 1

60327 Frankfurt – Germany

Tel. + 49 69-951119-20

info@eiopa.europa.eu

<https://www.eiopa.europa.eu>