Past issues
IUMI Political Forum

EU Insurance Block Exemption Regulation (IBER)

Brief description

The European Commission has completed a public consultation on the functioning and future of the new Insurance Block Exemption Regulation (IBER) adopted in 2010. The IBER expires 31 March 2017. The IBER allows insurers and reinsurers to benefit from an exemption to the prohibition of anti-competitive arrangements laid down in Article 101(1) of the Treaty on the Functioning of the European Union (TFEU).

The Commission consulted on how the IBER is being used and on stakeholders' experience in applying it. The Commission was also interested to hear about market developments and views on whether the regulation should be renewed, partially renewed or not renewed at all.

The exemption covers two types of agreements between insurance and reinsurance companies:

a) Agreements with respect to joint compilations, joint tables and studies; and
b) Common coverage of certain types of risks (co-insurance or co-reinsurance pools)

Two studies were also completed as part of the review:

- Switching of tangible and intangible assets between different insurance products.
- Different forms of cooperation between insurance companies and their respective impact on competition.

The European Commission published in March 2016 its preliminary findings. At this stage, the EC finds that the renewal is no longer justifiable due to market conditions, its limited use and the new Horizontal Guidelines that were adopted after the entry into force of the IBER. If necessary, the Commission suggests that it can provide specific guidance to the insurance industry as a more

flexible alternative to the IBER. This preliminary conclusion was affirmed in December 2016, and the IBER will expire 31 March 2017.

Relevant authority / organisations and documents

- **European Union**
  - Insurance Block Exemption (IBER), 24 March 2010 (http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32010R0267&from=EN)
  - Guidelines on the applicability of Article 101 of the Treaty on the Functioning of the European Union to horizontal co-operation agreements (http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:52011XC0114(04))

- Consultation document, 5 August 2014 (http://ec.europa.eu/eusurvey/runner/Public_Consultation_Insurance_Block_Exemption_Regulation)
- Report from the EC to the EU Parliament and Council, COM(2016) 153, 17 March 2016 & EC staff working document.
- Studies on issues pertaining to the insurance production process with regard to the application of the IBER:
  - Different forms of cooperation between insurance companies and their respective impact on competition.
  - Switching of tangible and intangible assets between different insurance products.
- EC Daily News 13 December 2016.
- IBER Impact Assessment Report 13 December 2016.

- **IUMI:** Consultation input to EC – DG Competition, 14 November 2014.

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About IUMI The International Union of Marine Insurance e.V. (IUMI) is a non-profit association established for the purpose of protecting, safeguarding and advancing insurers‘ interests in marine and all types of transport insurance. It also provides an essential forum to discuss and exchange ideas, information and statistics of common interest for marine underwriters and in exchange with other marine professionals. IUMI currently represents 46 national and marine market insurance and reinsurance associations.

The roles of IUMI are to
– act as a focal point and representative voice on behalf of the marine and transport insurance industries in dialogue with all interested parties,
– share information and research that are non-commercially sensitive with regard to marine and transport insurance,
– bring together marine insurance practitioners to facilitate the exchange of technical information and best practice, and
– provide information on positions taken by IUMI.

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