


Procedure file

Basic information	
COS - Procedure on a strategy paper (historic) 1999/2183(COS)	Procedure completed
Insurance: agreements, decisions and concerted practices (Regulation (EEC) No 3932/92)	
Subject 2.50.05 Insurance, pension funds 2.60 Competition	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	ECON Economic and Monetary Affairs		25/10/1999
		PPE-DE LANGEN Werner	
	Committee for opinion	Rapporteur for opinion	Appointed
	JURI Legal Affairs and Internal Market		30/11/1999
		V/ALE MACCORMICK Professor Sir Neil	
Council of the European Union			

Key events			
12/05/1999	Non-legislative basic document published	COM(1999)0192	Summary
19/11/1999	Committee referral announced in Parliament		
04/04/2000	Vote in committee		Summary
04/04/2000	Committee report tabled for plenary	A5-0104/2000	
19/05/2000	Debate in Parliament		
19/05/2000	Decision by Parliament	T5-0250/2000	Summary
19/05/2000	End of procedure in Parliament		
23/02/2001	Final act published in Official Journal		

Technical information	
Procedure reference	1999/2183(COS)
Procedure type	COS - Procedure on a strategy paper (historic)
Procedure subtype	Commission strategy paper

Legal basis	Rules of Procedure EP 142
Stage reached in procedure	Procedure completed
Committee dossier	ECON/4/11001

Documentation gateway

Non-legislative basic document	COM(1999)0192	12/05/1999	EC	Summary
Economic and Social Committee: opinion, report	CES1139/1999 OJ C 051 23.02.2000, p. 0105	08/12/1999	ESC	
Committee report tabled for plenary, single reading	A5-0104/2000 OJ C 041 07.02.2001, p. 0004	04/04/2000	EP	
Text adopted by Parliament, single reading	T5-0250/2000 OJ C 059 23.02.2001, p. 0295-0316	19/05/2000	EP	Summary

Insurance: agreements, decisions and concerted practices (Regulation (EEC) No 3932/92)

PURPOSE: Commission report on the operation of Commission Regulation 3932/92 concerning the application of Article 81.3 of the EC Treaty (former Article 85.3) on certain categories of agreements, decisions and concerted practices in the field of insurance. **CONTENT:** Regulation 3932/92 applies to two types of agreements concerning the competition parameters which, at the time of the adoption of the Regulation, had just been the subject of deregulation at Community level, such as premia and policy conditions. The objective of the Regulation was to accompany this deregulation process and to ensure that newly created competition would not be restricted by self-regulatory initiatives going beyond the limits of what is justified because of the particularities of the insurance sector. Experience shows that the implementation of Title II relating to the calculation of commercial premia is not easy because of the technical nature of the subject. In those cases where data regarding (gross) commercial premia operated by insurers were collected, the Commission's services were reassured by the differentiation in these premia. As far as policy conditions are concerned, experience demonstrates that there is an application problem of another nature. Among the so-called 'black' clauses, those that are most damaging to competition, there are in fact several that will become exempt from the moment when their authors declare that they are not binding on the insurers. The Commission indicates that the examination of co-insurance 'pools' in regard to title IV of the Regulation will remain a priority. As far as agreements that fall under title V (safety equipment) as well as those mentioned in the Council's enabling Regulation, the Commission specifies that it will only take action in the case of claims and solely to the extent that the national jurisdictions or competition authorities are not better placed to examine them. A hearing on these questions could, if deemed appropriate, be foreseen.?

Insurance: agreements, decisions and concerted practices (Regulation (EEC) No 3932/92)

The committee adopted the report by Werner LANGEN (EPP/ED, D) on the Commission report on the operation of the block exemption regulation for the insurance industry. The report welcomed the fact that the regulation was contributing to decentralised application of Community competition law, although it agreed with the Commission that a systematic overview of national implementing practices was needed in order to further enhance the regulation. It called on the Commission to extend block exemption as only a small proportion of co-insurance and co-reinsurance pools came under the existing exemption arrangements. For co-insurance and co-reinsurance groups, it advocated amending the regulation as regards thresholds and establishing the lead insurer, defining the relevant world market, if foreign risks accounted for more than 20% of the risks covered, and increasing the notice period for withdrawing from a pool from six months to one year. The committee also urged the Commission to take account of the work of European insurers on safety equipment and proposed that those harmonised specifications at European level be assimilated to CEN and CENELEC standards. Lastly, it called for the claims settlement area to be incorporated in the block exemption regulation when it came up for review in 2003 in order to secure consumer-friendly arrangements in the single market, although it warned that claims settlement agreements should not push up premiums.?

Insurance: agreements, decisions and concerted practices (Regulation (EEC) No 3932/92)

The European Parliament adopted its report drafted by Werner LANGEN (EPP/ED, Germany) on the Commission report on the operation of the block exemption regulation of the insurance industry. It called on the Commission to extend block exemption in line with the three-tier economic approach it has developed. It advocated the amendment of the regulation in connection with co-insurance and co-reinsurance groups, with regard to thresholds and factoring out the lead insurer, and the definition of relevant world market, if foreign risks account for more than 20% of the risks covered. On insurance companies' right of termination, the six-month period should be extended to one year. The Parliament took the view that the claims settlement area should be incorporated into the block exemption Regulation when the review scheduled for 2003 takes place and in consumers' interests, direct settlement by a persons' own insurer should be allowed. Claims settlement agreements should not lead to an increase in premiums.?