

**CONSULTATION RESPONSE FROM ALLIANZ PLC, CBI REGISTER NUMBER 143108, TO THE CENTRAL BANK OF IRELAND RE: CONSULTATION PAPER 114 – ‘AMENDMENTS TO THE NON-LIFE INSURANCE (PROVISION OF INFORMATION) (RENEWAL OF POLICY OF INSURANCE) REGULATIONS 2007 (S.I. NO. 74 OF 2007)’**

Allianz plc welcome the opportunity to respond to the above referenced Consultation Paper. Allianz plc support the efforts of the Central Bank of Ireland (CBI) and Cost of Insurance Working Group (CIWG) in protecting the consumer and providing greater transparency to motor insurance policyholders. It is important, however, that the potential benefits offered by the proposed solutions are phased in over a proportionate timeline, taking into account not only the IT/systems changes that these proposals would require but also the on-going investment and focus that insurers have during 2018 on implementing the significant new European Regulations and Directives by way of the General Data Protection Regulation and Insurance Distribution Directive and its associated Regulations.

Allianz plc representatives are available to discuss this submission with the CBI, should clarification be required.

**Allianz plc Responses:**

**Question 1: Do you agree that motor insurers should provide additional information to consumers on the breakdown of premiums (when a person first gets a quote for a policy as well as at renewal notice stage), setting out the element of the premium related to the mandatory motor insurance (third party) in addition to the non-mandatory element (e.g., comprehensive)? Please outline the reasons for your view.**

Yes we agree with these proposals for Private Motor/ Personal Consumers, which not only ensure firms act in the best interests of personal consumers but which will allow personal consumers to have confidence in the financial decisions they are making. However it is important that there is an agreed template to ensure consistency across the market and ease of comparison for personal consumers, much like the new Insurance Product Information Document (IPID) as prescribed under the Insurance Distribution Directive and Regulation 2017/1469.

In order to break-down the mandatory vs. non-mandatory elements of cost for personal consumers it is necessary to also breakdown the word ‘Comprehensive’. The word ‘Comprehensive’, in the context of motor insurance, includes *both* mandatory and non-mandatory elements. Consequently we recommend that the premium breakdown refer to ‘Third party’, ‘Fire & Theft’ and ‘Accidental Damage’.

**Question 2: Is there any other formulation of the premium breakdown proposal, outlined in Question 1, that would better inform consumers on their level of cover and its cost? Please outline the reasons for your view.**

No further comments, covered in Q 1 above.

**Question 3: What do you consider to be an appropriate lead-in time for any necessary system changes for motor insurers to reflect the requirements for the additional breakdown in the premium make up? Please outline the reasons for your view.**

Allianz Classification:

It is important that the potential benefits offered by the proposed solutions are phased in over a proportionate timeline, such as twenty four months, taking into account not only the IT/systems changes that these proposals would require but also the on-going investment and focus that insurers have during 2018 on implementing the significant new European Regulations and Directives by way of the General Data Protection Regulation and Insurance Distribution Directive and its associated Regulations.

**Question 4: Do you agree that the current renewal notification of a policy of motor insurance should be extended from 15 working days to 20 working days to allow motorists to compare pricing when purchasing motor insurance? Please outline the reasons for your view.**

We believe that the current 15 working days affords consumers sufficient time to shop around and compare pricing.

**Question 5: What do you consider to be an appropriate lead-in time for any necessary system changes for the application of this increased timeframe? Please outline the reasons for your view.**

No further comments, covered in Q 3 above.

**Question 6: Please provide your views on extending the current renewal notification from 15 working days to 20 working days for all other classes of non-life insurance that fall within scope of S.I. No. 74. Please outline the reasons for your view.**

Where a decision is made to extend the notification for Motor from 15 working days to 20 working days it would be best to extend it for all relevant lines of business to ensure consistency.

**Question 7: Do you believe that the lead-in time for any necessary system changes for the application of this increased timeframe should differ to any views expressed in Question 5? Please outline the reasons for your view.**

No further comments, covered in Q 3 above.

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