

"Insurance distribution in the Digital Age "Seminar 21-March-2019

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With participation of 70 participants, The Association in conjunction with Clyde & Co LLP have organized seminar on Thursday 21/03/2019 Dubai - Stella Di Mare Dubai Marina Hotel focusing on

"Insurance distribution in the Digital Age"

Recommendations

1 .The members of the EIA should consider the potential impact of the draft Electronic Insurance Regulations (the Draft Regulations) on the current operations noting that:

- a. the Draft Regulations apply to any offer of insurance products and related services via the Internet (a Digital Offering);**
- b. the Draft Regulations also apply to the outsourcing of services in relation to a Digital Offering and or the undertaking of a Digital Offering via third parties.**

2 .Members of the EIA should prepare a strategy in relation to their Digital Offering which should address the risks associated with such offering and the business continuity considerations.

3 .Members of the EIA should ensure that they have appropriate systems and controls in place in respect of their Digital Offering, including with regard to the oversight of third-party providers of outsourced services.

4 .The members of the EIA should provide their feedback to the Insurance Authority on the Draft Regulations given their potential far-reaching impact for insurance sector entities. In this regard, we suggest consideration should be given to:

- a. the fact that the Draft Regulations do not distinguish between different Digital Offerings and, in particular, do not distinguish between the roles of Insurers, Brokers, Agents, Consultants or TPAs. It is suggested that the requirements for the websites of these entities should differ based upon their respective activities.**
- b. whether different considerations should apply to the websites of insurers and insurance professions versus websites of third parties who may promote the products and services of insurers and insurance professionals.**
- c. whether it is appropriate to prohibit price comparison websites.**
- d. whether it is appropriate to require the IA's approval for: (i) any products and services to be offered via the Internet; (ii) any outsourcing**

arrangements in relation to a company's website; and (iii) any promotion of products and services on third party websites. As an alternative, should the Draft Regulations provide for the insurer / insurance professional to be responsible for the activities of the third parties and their compliance with the insurance law and regulations?

e. whether it is appropriate for Digital Offerings to be restricted to non-life business.

f. whether a 6-month implementation period will be sufficient.

5. Members of the EIA are advised to review the regulations in relation to the distribution of insurance products and services, noting in particular the draft regulations for Life Insurance and the draft regulations for Insurance Producers and their potential impact on the distribution of life insurance products and the use of referral agreements with individuals.