



## European Insurance — Key Facts

August 2013

Insurance Europe is the European insurance and reinsurance federation. Through its 34 member bodies — the national insurance associations — Insurance Europe represents all types of insurance and reinsurance undertakings, eg pan-European companies, monoliners, mutuals and SMEs. Insurance Europe, which is based in Brussels, represents undertakings that account for around 95% of total European premium income. Insurance makes a major contribution to Europe's economic growth and development. European insurers generate premium income of more than €1 100bn, employ almost one million people and invest more than €8 300bn in the economy.

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All figures in this booklet are the latest available, with 2012 data being provisional.

### Abbreviations

GDP = gross domestic product

GWP = gross written premiums

P&C = property and casualty



## Member associations and country codes

**Austria (AT)** — Versicherungsverband Österreich (VVO)

**Belgium (BE)** — Assuralia

**Bulgaria (BG)** — Association of Bulgarian Insurers (ABZ)

**Croatia (HR)** — Hrvatski ured za osiguranje

**Cyprus (CY)** — Insurance Association of Cyprus

**Czech Republic (CZ)** — Česká asociace pojišťoven (ČAP)

**Denmark (DK)** — Forsikring & Pension (F&P)

**Estonia (EE)** — Eesti Kindlustusseltside Liit

**Finland (FI)** — Finanssialan Keskusliitto

**France (FR)** — Fédération Française des Sociétés d'Assurances (FFSA)

**Germany (DE)** — Gesamtverband der Deutschen  
Versicherungswirtschaft (GDV)

**Greece (GR)** — Hellenic Association of Insurance Companies

**Hungary (HU)** — Magyar Biztosítók Szövetsége (MABISZ)

**Iceland (IS)** — Samtök Fjármálafyrirtækja (SFF)

**Ireland (IE)** — Insurance Ireland

**Italy (IT)** — Associazione Nazionale fra le Imprese Assicuratrici (ANIA)

**Latvia (LV)** — Latvijas Apdrošinātāju asociācija (LAA)

**Liechtenstein (LI)** — Liechtensteinischer Versicherungsverband

**Luxembourg (LU)** — Association des Compagnies d'Assurances du  
Grand-Duché de Luxembourg (ACA)

**Malta (MT)** — Malta Insurance Association

**Netherlands (NL)** — Verbond van Verzekeraars

**Norway (NO)** — Finans Norge (FNO)

**Poland (PL)** — Polska Izba Ubezpieczeń (PIU)

**Portugal (PT)** — Associação Portuguesa de Seguradores (APS)

**Romania (RO)** — Uniunea Națională a Societăților de Asigurare și  
Reasigurare din România (UNRAR)

**Slovakia (SK)** — Slovenská asociácia poisťovní (SLASPO)

**Slovenia (SI)** — Slovensko Zavarovalno Združenje (SZZ)

**Spain (ES)** — Unión Española de Entidades Aseguradoras y  
Reaseguradoras (UNESPA)

**Sweden (SE)** — Svensk Försäkring

**Switzerland (CH)** — Schweizerischer Versicherungsverband  
(ASA/SVV)

**Turkey (TR)** — Türkiye Sigorta ve Reasürans Şirketleri Birliği

**United Kingdom (UK)** — The British Insurers' European Committee:  
Association of British Insurers (ABI)  
International Underwriting Association of  
London (IUA)  
Lloyd's



**Insurance makes a major contribution to economic growth and development.**

**It facilitates economic transactions by providing risk transfer and indemnification.**

**It encourages risk management and the promotion of safe practices.**

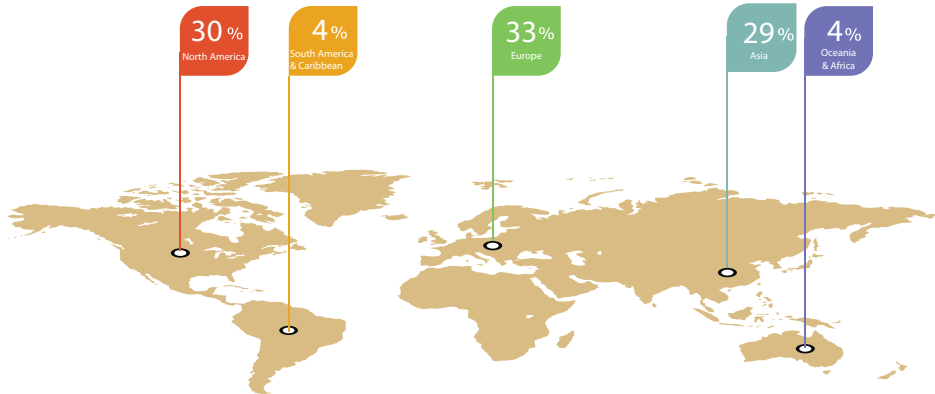
**It promotes financial stability by providing long-term investment in the economy.**

**It encourages stable and sustainable savings and pension provision.**

## I. European insurance in the world

With a 33% share of the global market, the European insurance industry is the largest in the world, followed by North America (30%) and Asia (29%).

### Distribution of insurance premiums — 2012



Source: Swiss Re, Sigma No.3/2013: "World insurance in 2012"

NB: "Europe" covers western, central and eastern Europe and therefore includes Russia and Ukraine (which together account for 1% of global premiums)



## II. Premiums and claims paid in 2012



Total European gross written premiums have increased by an average of around 2.5% a year over the last decade. They amounted to more than €1 100bn in 2012, with life premiums amounting to more than €651bn and non-life premiums to €452bn.

Life insurers paid out €646bn in benefits to insureds in 2012, providing them with capital, annuities, pension revenue and death benefits. Non-life insurers paid out €313bn in claims to insureds in 2012, of which around €100bn was for motor insurance, €92bn for health insurance and almost €53bn for property insurance claims.

## Total European GWP — 2012



Life insurance makes up the largest share of European gross written premiums. However, the premium breakdown varies widely between countries.

In 2012 the premium to GDP ratio slightly increased to 7.7%. This ratio varies considerably from country to country, ranging from 1.3% in Romania to 13.2% in the UK.

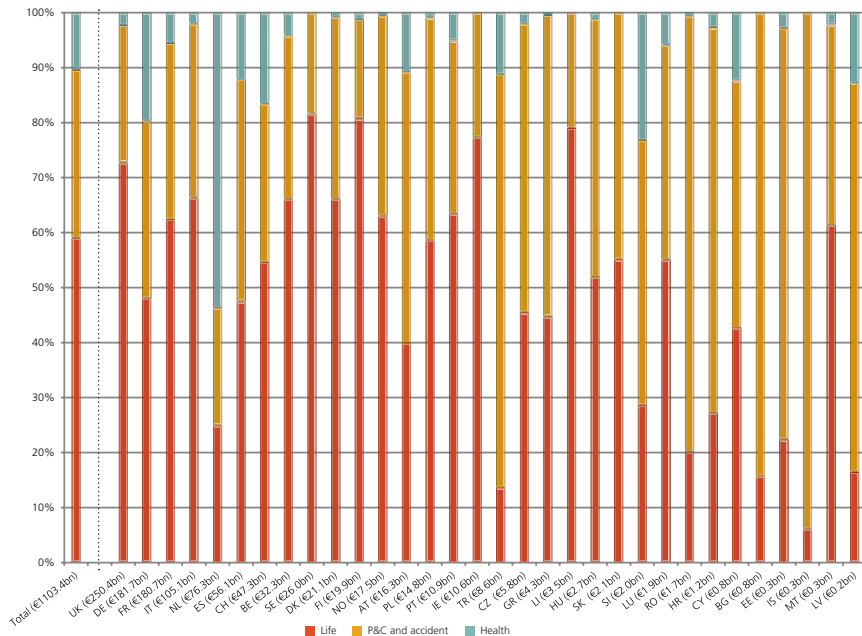
## Average premium per capita — 2012



In 2012 an average of €1 861 was spent on insurance in Europe compared to €1 539 ten years earlier (in nominal terms). Of the per capita spent in 2012, €1 098 was on life insurance and €763 on non-life. Roughly a quarter of EU citizens are covered by private medical insurance.

## European insurance premiums by country — 2012

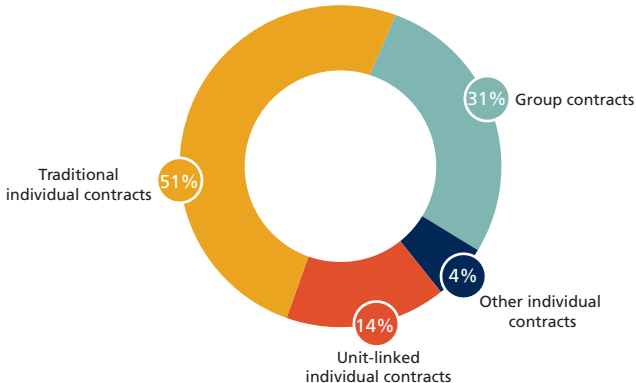
See p26 for notes



## II.1 Life insurance

Life insurance policies can be either “pure insurance” products, savings products or a combination of both. Life insurance policies can be in the form of an individual or a group contract.

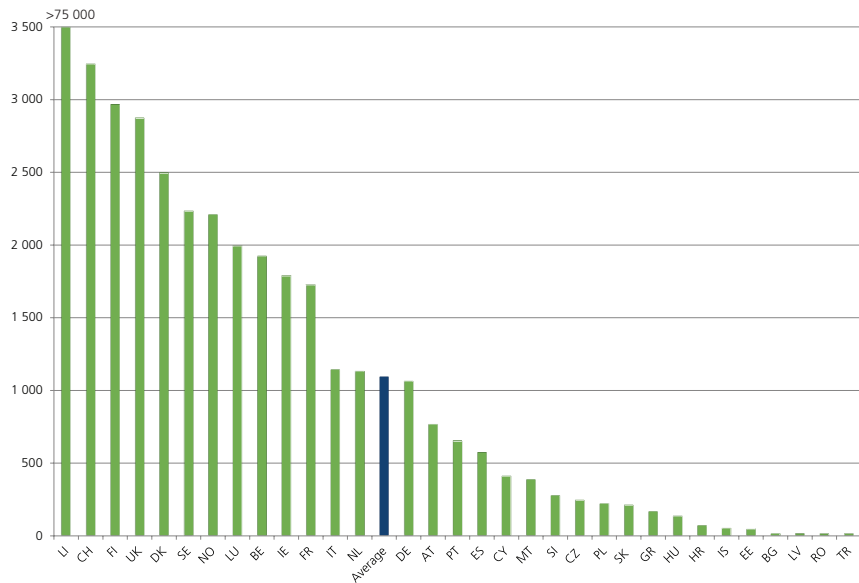
### European life premiums by type of contract — 2011



In Europe in 2011:

- Individual contracts accounted for nearly 69% of life premiums.
- Almost three quarters of individual premiums related to traditional life products, which offer capital and/or return guarantees, while the remaining individual life premium income stemmed mainly from unit-linked products, in which the risk is borne by the policyholder.

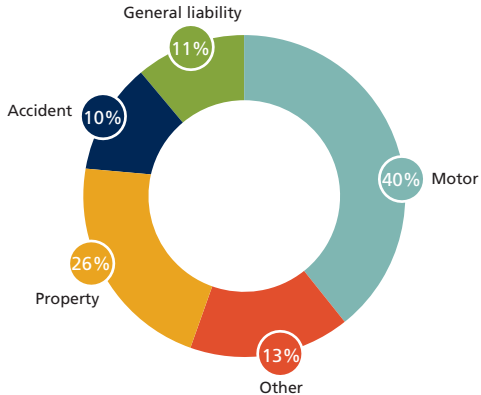
## Life premiums per capita — 2012 (€)



## II.2 Property, casualty and accident insurance

P&C insurance includes a wide range of cover for homes, cars and businesses.

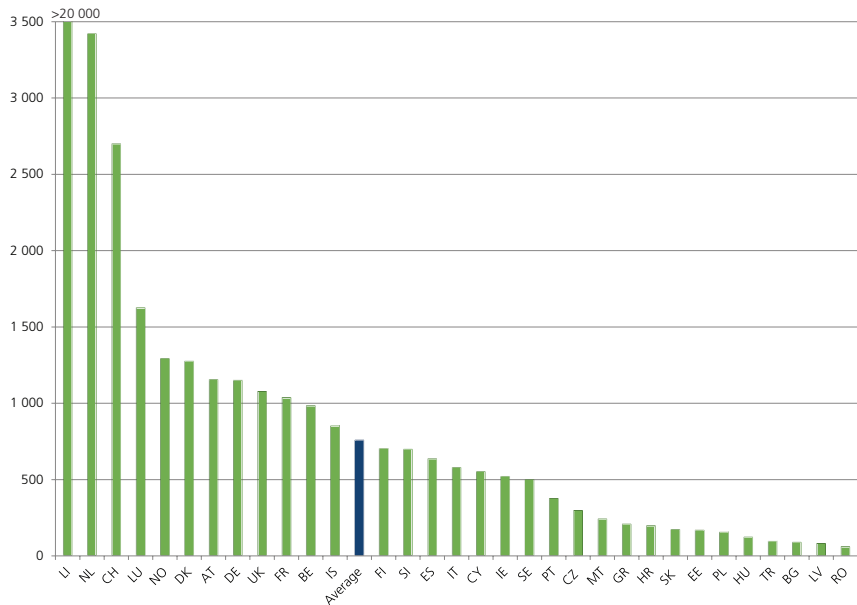
### European P&C and accident premiums by product — 2012



In 2012 motor insurance was the biggest class of P&C and accident business in Europe, with €134bn of premium income, accounting for 40% of premiums.

*NB: "Other" includes marine, aviation and transport (MAT), legal expenses, credit insurance and travel insurance*

## Non-life premiums per capita — 2012 (€)





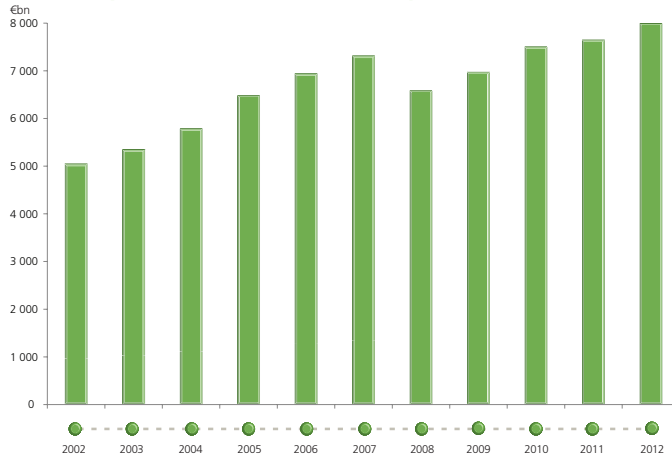
The insurance sector has the largest pool of investment funds in the European Union, with more than €8 300bn invested in the global economy in 2012.

This is equal to 58% of the GDP of the EU.

### III. Insurers' investment portfolio

As at 31 December 2012, the European insurance industry had more than €8 300bn invested in bonds, company shares and other assets on behalf of millions of savers and non-life insurance customers.

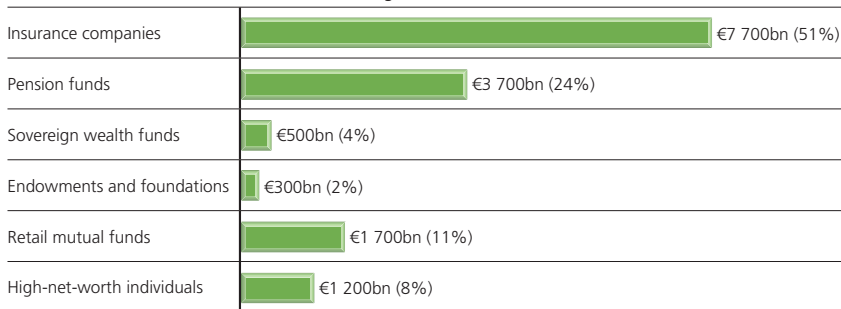
#### Total European insurers' investment portfolio — 2002–2012 (€bn)



The insurance sector is a key source of the investment needed to support growth in the economy and to supply the funds required to pay for the present working generation's retirement. It is the largest institutional investor in Europe, with more than 50% of all European institutional assets under management in 2011<sup>1</sup>.

## European institutional assets under management — 31 December 2011

Total assets under management — €15.1trn at 31 December 2011



Source: "Funding the future: insurers' role as institutional investors", Insurance Europe and Oliver Wyman, June 2013

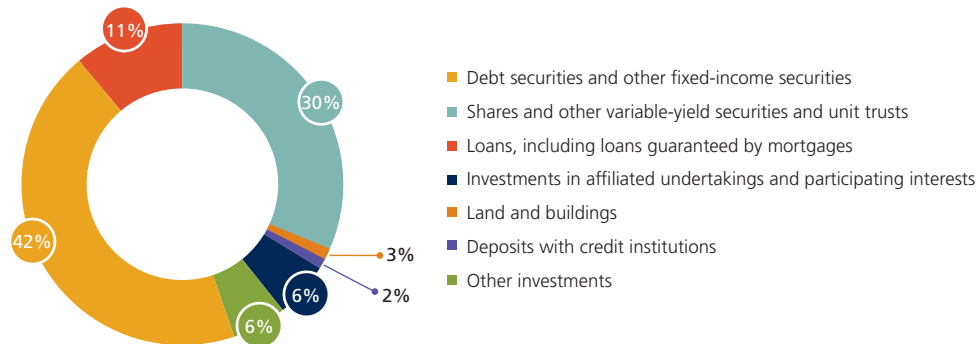
<sup>1</sup> Banks had lending assets of approximately €46trn but are not considered institutional investors. The Organisation for Economic Co-operation and Development statistical yearbook identifies institutional investors as pension funds, insurance companies and investment companies, such as sovereign wealth funds.

Developments in the total investment portfolio are mainly driven by life business, since the investment holdings of the life insurance industry account for more than 80% of the total.

The UK, France and Germany jointly account for over 60% of all European life insurers' investments.

In 2011 the largest components of European insurers' investment portfolio were debt securities and other fixed income assets (42%), followed by shares and other variable-yield securities (30%). Loans represented 11% of the total.

### European insurers' investment portfolio — 2011





**The European insurance sector is a significant employer,  
both in terms of direct and indirect employment.**

## IV. Companies and employees



**5 300**  
insurance companies  
in Europe



**930 000**  
direct employees in  
Europe

More than 5 300 insurance companies<sup>2</sup> were operating in Europe in 2012. The majority were joint stock companies and mutual insurers, but they can also be public institutions, cooperatives, etc.

The European insurance industry employs more than 930 000 people directly. There are also around 1 million outsourced employees and independent intermediaries.

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<sup>2</sup> Not including the small regional German insurance associations, France's "Mutuelles 45", Belgium's "mutuelles" and Spain's regionally supervised insurers



Distribution structures across EU markets are diverse,  
adapted to consumers' needs and constantly evolving.

## V. Distribution channels

Insurers sell their products either directly or through a variety of other distribution channels, of which the most familiar are brokers, agents and bancassurance.

The diversity of distribution channels benefits consumers, whose cultures, needs and preferences vary across markets. It ensures that consumers have better access to insurance products and stimulates competition in the price and quality of products between providers and distributors.

Bancassurance has developed in parallel with life insurance business over the last decade and is today the main life distribution channel in many European countries. Agents and brokers also play an important role in the distribution of life policies. However, direct sales through employees or distance-selling are less developed in life than in non-life insurance. The distribution of non-life policies in Europe is mainly through intermediaries (agents and to a lesser extent brokers) and direct sales by employees and distance-selling.



### Bancassurance

is the main life distribution channel

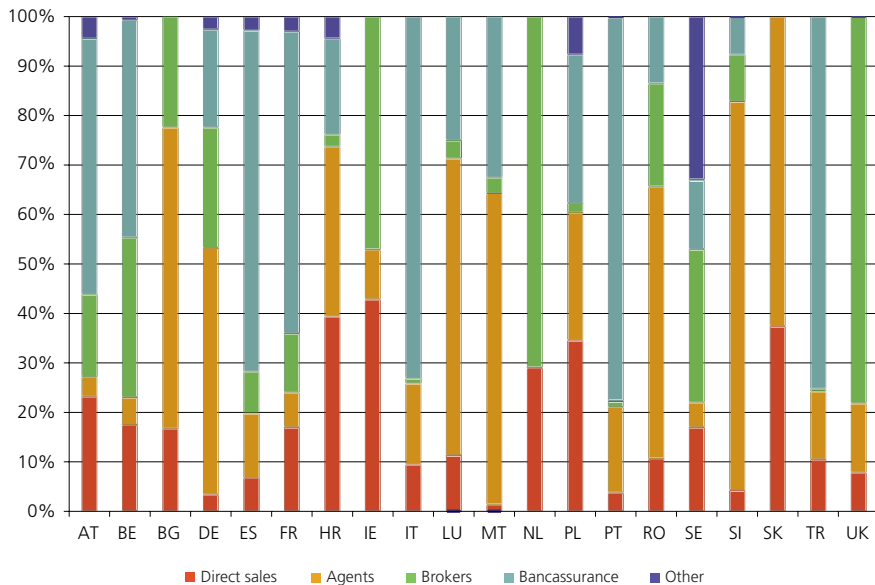


### Agents and brokers

are the main non-life  
distribution channel

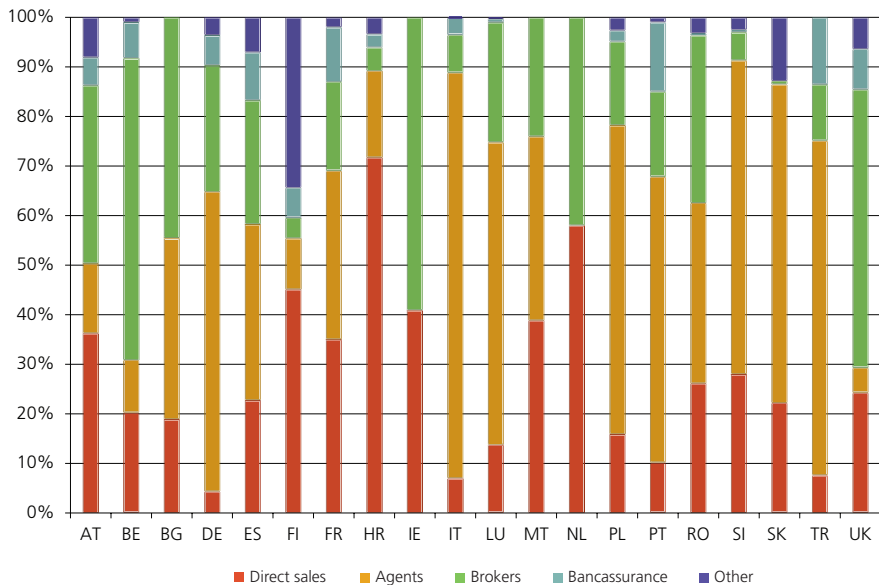
## Life distribution channels (% of GWP) — 2011

See p26 for notes



## Non-life distribution channels (% of GWP) — 2011

See p26 for notes



## Notes to charts

p9: European insurance premiums by country — 2012

*BL and IS data are from the supervisory authorities*

*GR includes a large part of health business in life*

*IT data are not net of reinsurance*

*NL premiums include direct and indirect, domestic and foreign business*

*SE 2012 health premiums were negative due to a large repayment of premiums by AFA Insurance, a mutual that insures almost 90% of the working population.*

p20: Life distribution channels (% of GWP) — 2011

*DE, SE and UK data are new business only*

*ES, RO and UK data are from 2010*

*NL includes agents with brokers*

*UK bancassurance sales are included in the other channels*

p20: Non-life distribution channels (% of GWP) — 2011

*ES, IE and RO data are from 2010*

*NL includes agents with brokers*

“European Insurance – Key Facts” is available to download from the Insurance Europe website. Also available at [www.insuranceeurope.eu](http://www.insuranceeurope.eu) is the annual detailed statistical publication “European Insurance in Figures”.

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