



Action Plan for Insurance Reform

Implementation Report
November 2022



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Foreword by An Tánaiste, Leo Varadkar T.D.

For far too long, the cost and availability of insurance has been a problem for businesses, consumers, community, and voluntary groups. This Action Plan shows that the Government is serious about reform, and I'm pleased to report that nearly all of its actions are now considered complete, including:

- The Personal Injuries Guidelines have been given effect.
- Legislation to strengthen the laws on perjury has been enacted.
- The Insurance Fraud Coordination Office has been established.
- The Competition Authorities have been given new powers to challenge anti-competitive practices by businesses and protect consumers.

Some important actions are still being worked on. The Minister for Justice is progressing legislative proposals to reform the law relating to occupier's liability. This is designed to strike a new, fairer and more reasonable balance, between the steps an owner or operator of a premises must take to keep their customers and visitors safe, and what individuals themselves can be expected to take responsibility for when entering a business, club or community building.

Minister Fleming is working to increase competition in the market and Minister Calleary intends to finalise legislation to reform the Personal Injuries Resolution Board before the end of the year.

As chairperson of the Subgroup, I have always said success of this Plan will not be measured by the number of completed actions but rather whether the reforms, implemented over the lifetime of this Government, result in reduced premiums and increased availability of insurance.

Despite the current trend in headline inflation, CSO data indicates that motor insurance is 10.5% lower than a year ago and 43% lower than its July 2016 peak.

PIAB data shows a significant 44% reduction in award values for general damages. It is encouraging to see an increasing proportion of PIAB assessments being accepted, with the acceptance rate now at 48% up from 36% when the Guidelines were introduced. Central Bank data shows the average earned premium for the EL and PL components of package policies has increased by 6% whereas PL decreased by 2% and Commercial Property average premiums decreased by 1%.

Government acknowledges that in certain sectors some issues persist in relation to the cost of businesses insurance and the provision of adequate and affordable cover. For employers' liability and public liability insurance, the average cost of premiums varies considerably because of the different type and size of policies bought by different sectors and businesses.

This is an area of the market that we need to see progress on in terms of availability and price and Government will continue to closely monitor the situation.

We now expect to see the effect of these reforms take hold. We need less litigation and greater use of a reformed Personal Injuries Resolution Board by claimants, respondents and their advisors. We need to see adherence to the Personal Injuries Guidelines, and above all we need to see savings arising from the Guidelines and the reductions in claim volumes being passed on to customers.

While our Plan is largely complete, Government will continue to focus on creating the conditions for the provision of affordable insurance. The Subgroup on Insurance Reform will continue to meet to review developments in the sector, monitor price changes and actively engage with stakeholders to resolve issues in the market.

Leo Varadkar, T.D.

Tánaiste and Minister for Enterprise, Trade and Employment

Joint opening remarks by Minister for Finance, Paschal Donohoe T.D. and Minister of State, Seán Fleming T.D.

This third Implementation Report of the *Action Plan for Insurance Reform* highlights the broad spectrum of measures delivered by Government through our targeted insurance reform agenda.

These reforms have been sought by insurance stakeholders and the Government has delivered. It is now important the savings and benefits generated from these reforms are passed on to the public, in terms of reduced premiums and increased risk appetite. In just under two years, we have witnessed significant reductions in motor insurance premiums, running counter to general inflation. This has been positive and it is important that the same savings are passed onto consumers and businesses.

The Government's reforms have significantly changed the personal injuries award landscape, insurers' pricing practices, competition law, and insurance fraud reporting. These headline reforms, along with the many other achievements highlighted in the report, represent delivery of a critical mass of Programme for Government commitments. Taken together, these whole-of-Government actions are paving the way for a more sustainable, resilient insurance sector, one that stands to benefit consumers and businesses, as well as a range of community, voluntary and sporting groups.

Among the notable achievements of recent months has been the commencement of the ban on price walking for motor and home insurance. This has positioned Ireland as a leader among EU Member States in putting this key consumer protection measure in legislation. This will ensure that the Government's desired policy objective is met to shield consumers from unfair pricing practices. Improving the culture within the sector is a key focus to embed a more pro-customer and competition-orientated approach. In the interest of increasing consumer choice and improving affordability, IDA Ireland and brokers play an active role in encouraging greater competition in the market. We understand that existing market incumbents are expanding their risk appetite and interest from new entrants is also happening in some sectors.

Building on this momentum and ensuring the full benefits of the *Action Plan* are realised is critical. We are confident that the series of reforms achieved have laid a solid foundation to deliver real, meaningful improvements in the overall insurance environment

Paschal Donohoe, T.D.
Minister for Finance

Seán Fleming, T.D.
**Minister of State with special responsibility for
Financial Services, Credit Unions and Insurance**

Section 1 – Principal Actions for 2022

The Action Plan for Insurance Reform was launched on December 8, 2020. It set out 66 actions to deliver on commitments made in the Programme for Government to bring down the costs of insurance for consumers and business. This report is the third progress report on implementation of the Action Plan. The Action Plan set out 13 principal actions of which 11 are now considered complete: the Consumer Insurance Contracts Act has been commenced; the Office to Promote Competition in the Insurance Market has been established; a ban on price walking has taken effect; the Perjury and Related Offences Act has commenced; measures to improve the reporting of insurance fraud have been introduced; and the Personal Injuries Guidelines have been delivered. Legislation to complete the remaining principal actions in respect of reform of the Personal Injuries Assessment Board and legislation to reform the Occupiers' Liability Act 1995 in line with the Government policy objective of restricting the liability of occupiers are being progressed through the Oireachtas.

Progress on actions to be completed in 2022 is set out below.

1. Enhance and reform the role of the Personal Injuries Assessment Board including through legislative proposals.

The Personal Injuries Resolution Board Bill 2022 was published in August 2022. The policy objective of the Bill is to amend the Personal Injuries Assessment Board Acts 2003-2019 to facilitate an increase in the number of personal injury claims that may be resolved through the Board's process and without recourse to litigation. Amongst other things, the Bill provides for a new function for the Board – mediation. The Bill also contains several amendments to enhance the role of the Board regarding promotion of its work; data analysis and reporting functions; and measures to help prevent fraud. The Bill provides for a change of name for the Board to become the Personal Injuries Resolution Board to reflect its new duties.

The legislation is included in the Government's Priority Legislation Programme with Dáil second and committee stages completed in October 2022. Minister Calleary intends to progress the legislation to enactment at the earliest opportunity in Q4 2022.

2. Examine changes to the Occupiers' Liability Act 1995 to strengthen waivers and notices to increase protections for consumers and businesses. Taking account of the Programme for Government commitment, make proposals to Government to implement any changes deemed necessary.

Minister McEntee received Government approval to reform duty of care legislation in May 2022. The proposed amendments, contain four key developments:

1. They will reflect in primary legislation several recent court decisions which rebalance the duty of care owed by occupiers to visitors and recreational users.

2. They change the standard to clarify that when the occupier of a property has acted with reckless disregard for a recreational user or trespasser, the standard of reckless disregard rather than that of reasonable grounds should apply in relation to any consideration of liability.
3. They limit the circumstances in which a court can impose liability on the occupier of a premises where a person has entered onto premises for the purpose of committing an offence and,
4. They allow for a broader range of scenarios where it can be shown that a visitor or recreational user has voluntarily assumed a risk.

It is intended that legislative provisions which will be included as amendments to the Courts and Civil Law (Miscellaneous Provisions) Bill 2022.

3. Legislate to provide for the reform of competition enforcement including the transposition of the ECN+ Directive which makes national competition authorities more effective enforcers.

The Competition (Amendment) Act 2022 was signed into law on the 29 June 2022. The Act provides that breaches of competition law can be enforced through administrative sanctions with maximum fines of up to €10 million or 10 per cent of total worldwide turnover, whichever is the greater. The legislation includes powers for competition authorities (CCPC and ComReg) to avail of administrative / civil sanctions and leniency / immunity measures as well as the imposition of interim measures for breaches of EU competition law.

4. Discount Rate

The discount rate is the rate used by the courts to determine the size of an award necessary to compensate a person for damages in respect of future financial loss, typically in personal injury cases with serious long-term implications for the person concerned. The Minister for Justice has decided to address the issue by establishing an Expert Group to provide advice in respect of an appropriate discount rate. On receipt of their recommendations, Minister McEntee will consider the setting of the rate under section 24 of the Civil Liability and Courts Act 2004.

5. Actions on Fraud

The Garda National Economic Crime Bureau (GNECB) plays an important role in the fight against insurance fraud. With the benefit of increased resourcing provided to GNECB in 2021 (from 95 personnel at the end of 2020 to a total of 127 at the end of 2021), an Insurance Fraud Coordination Office was opened in July 2021. The GNECB is also providing training and support to all Garda Divisions in how to investigate fraud. An Garda Síochána has put in place reporting mechanisms between GNECB and the insurance sector (Actions 31-32). An Garda Síochána has drafted Memorandums of Understanding in association with Insurance Ireland and the Alliance for Insurance Reform, which once formally signed off will

formalise the improved coordination and cooperation between An Garda Síochána and the insurance industry that is taking place already operationally.

In 2023, further progress is expected to be delivered in respect of more cooperation between the insurance sector and AGS through the roll out of Memorandums of Understanding, and in respect of the production of insurance fraud data.

Section 2 – Delivering Reform- Programme for Government Commitments

The following table lists the Programme for Government (PFG) commitments relating to insurance reform and reports on the status of actions set out in the Action Plan for Insurance Reform.

PFG Commitment	Actions to facilitate delivery	Responsible Body	Timeline	Status
Establish a ‘whole-of-Government’ approach to oversee the implementation of the insurance reform agenda.	1. Establish a Sub-Group of the Cabinet Committee on Economic Recovery and Investment.	Department of An Taoiseach	Done	Completed. Established in September 2020. The Sub-Group has met 8 times since establishment.
	2. Sub-Group of the Cabinet Committee on Economic Recovery and Investment to agree and publish an Action Plan.	Departments of An Taoiseach; Finance; Enterprise, Trade and Employment; Justice	December 2020	Completed. Action Plan on Insurance Reform published 8 December 2020.
	3. Sub-Group of the Cabinet Committee on Economic Recovery and Investment to make a report to Government on progress by end of 2020.	Department of Enterprise, Trade & Employment	December 2020	Completed. The Sub-Group has updated Government on progress on a regular basis.
	4. Sub-Group of the Cabinet Committee on Economic Recovery and Investment to meet regularly, engage with stakeholders and publish progress of actions every six months.	Departments of An Taoiseach; Finance; Enterprise, Trade and Employment; Justice	Ongoing	Ongoing. Regular engagement by Ministers with stakeholders. 2nd six-monthly progress report published February 2022, and 3 rd report published in November 2022.
Work to protect customers during and after the COVID-19 crisis, with particular emphasis on business disruption insurance, travel insurance and rebates for	5. Commence Consumer Insurance Contracts Act 2019 with most provisions coming into effect from 1 Sept 2020 and remaining ones to come into effect and be overseen from 1 Sept 2021.	Department of Finance	Done	Completed. The Consumer Insurance Contracts Act 2019 consolidates and reforms law on insurance contracts for individual consumers and SMEs. It was commenced in September 2020, with the remaining provisions coming into effect from September 2021.

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motor insurance customers.	<p>6. Publish Oireachtas Post-Enactment Scrutiny Report in relation to the Consumer Insurance Contracts Act 2019.</p> <p>7. Engage with industry and consumer stakeholders to ensure issues arising from implementation of the Act are examined.</p>	<p>Department of Finance</p> <p>Department of Finance / Central Bank of Ireland</p>	<p>December 2020</p> <p>Ongoing</p>	<p>Completed. Post-Enactment Scrutiny Report published on 17 December 2020.</p> <p>Completed. Following stakeholder engagement, to clarify certain issues a number of technical amendments to the Act were included in the Insurance (Miscellaneous Provisions) Act 2022.</p>
Support the Central Bank's direction on compensating businesses with disruption cover for infectious diseases.	<p>8. Continue to engage with the insurance industry in relation to how it responds to the needs of its customers during the pandemic, particularly with regard to the handling of business interruption claims and forbearance measures to consumers.</p> <p>9. Support the Central Bank's COVID-19 and Business Interruption Insurance Supervisory Framework.</p> <p>10. Monitor developments, including relevant legal cases, and respond accordingly.</p>	<p>Department of Finance / Central Bank of Ireland</p>	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>	<p>Completed. The Department of Finance engaged regularly with relevant stakeholders throughout the pandemic period. It continues to monitor developments in relation to business interruption claims. The Insurance (Miscellaneous Provisions) Act 2022 contains provisions to allow the Central Bank to collect information, through the National Claims Information Database, on any State supports deducted from final claim settlements. In addition, from 1 January 2023, insurers will be required to inform policyholders of any deductions of State supports made from insurance claim settlements.</p> <p>Completed. The Department of Finance and the Central Bank of Ireland continue to monitor developments and do not comment on active legal cases</p>
Recognising the work of the Personal Injuries Guidelines Committee, under the Judicial Council, in providing guidance on personal injury claims.	<p>11. Make relevant legislative amendments to the Judicial Council Act 2019 to have the Personal Injuries Guidelines adopted by 31 July 2021.</p>	<p>Department of Justice</p>	<p>Done</p>	<p>Completed. In October 2020, the Government amended the Judicial Council Act 2019, to ensure the Personal Injuries Guidelines would be adopted and published by, at the latest, 31 July 2021, three months earlier than originally required under the Act.</p>

PFG Commitment	Actions to facilitate delivery	Responsible Body	Timeline	Status
	<p>12. Report to the Cabinet Committee Sub-Group on the progress made on preparing the new Personal Injuries Guidelines by the Judicial Council.</p> <p>13. The Judicial Council to adopt and publish Personal Injuries Guidelines to replace the Book of Quantum.</p> <p>14. Commence Sections 98 and 99 of the Judicial Council Act 2019. These provide that: (a) PIAB will no longer be responsible for preparing a Book of Quantum, and (b) the court shall, in assessing damages in a personal injuries action, have regard to the Personal Injuries Guidelines.</p> <p>15. Report on the implementation and early impact of the Personal Injury Guidelines and examine relevant policy response.</p>	<p>Department of Justice</p> <p>Department of Justice</p> <p>Department of Justice</p> <p>Department of Justice</p>	<p>November-December 2020</p> <p>July 2021</p> <p>July 2021</p> <p>December 2021</p>	<p>Completed. On 9 March 2021, Government approved amendments to the Judicial Council Act 2019 and the Personal Injuries Assessment Board Act 2003 to bring the Guidelines into effect.</p> <p>Completed. Personal Injuries Guidelines were adopted by the Judicial Council on 6 March 2021.</p> <p>Completed. Under legislation commenced by the Minister for Justice the Personal Injuries Guidelines came into effect on 24 April 2021.</p> <p>Completed. Report published in Appendix 1 of the second Implementation Report March 2022.</p>
<p>Enhancing and reforming the role of the Personal Injuries Assessment Board.</p>	<p>16. Report on future role of the Personal Injuries Assessment Board (PIAB).</p> <p>17. Develop proposals for reform and enhancement of the PIAB.</p> <p>18. Commence Public Consultation.</p>	<p>Department of Enterprise, Trade and Employment / PIAB</p>	<p>Done</p> <p>December 2020</p> <p>March 2021</p>	<p>Completed. PIAB submitted report to the Department of Enterprise, Trade and Employment on 4 September 2020.</p> <p>Completed. Proposals on PIAB reform submitted to Minister Troy on 23 December 2020.</p> <p>Completed. Minister Troy launched a public consultation on PIAB reform on 22 March 2021. The Department has considered the 240 responses received and drafted a Report on same.</p>

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	<p>19. Enhanced role in place and legislative proposals developed.</p>		June 2021	<p>Completed. The Personal Injuries Resolution Board Bill 2022 was published on 2 August 2022 and is progressing through the Oireachtas. Legislative amendments to the PIAB Acts 2003-2019 and the Judicial Council Act 2019 have been enacted to provide for PIAB assessments under the Personal Injuries Guidelines. In addition, the Minister for Justice has progressed legislation to bring Garda compensation claims within PIAB.</p>
<p>Regulating claims management companies and claims harvesters.</p>	<p>20. Set out proposed methods to regulate claims harvesters / claims management companies.</p> <p>21. Introduce legislation if required.</p>	<p>Department of Finance / Department of Justice</p> <p>Department of Finance / Department of Justice</p>	<p>June 2021</p> <p>January 2022</p>	<p>Completed. The Sub-Group noted that claims management companies are already regulated by the Central Bank of Ireland for certain activities. A scoping exercise was undertaken with regard to the regulation of claims harvesters in Ireland and other jurisdictions. On the basis of that exercise, it was considered that further legislative measures are not required.</p> <p>Completed. Further legislation is not required with regard to creating a regulatory regime for claims harvesters.</p>
<p>Considering changes to the Occupiers' Liability Act and the Civil Liability Act (duty of care) to strengthen waivers and notices to increase protections for consumers, businesses, sporting clubs and community groups.</p>	<p>22. Examine changes to the Occupiers' Liability Act 1995 to strengthen waivers and notices to increase protections for consumers; businesses.</p> <p>23. Indicate Preferred Policy Proposals to Government.</p> <p>24. Taking account of the PFG commitment, make proposals to Government to implement any changes deemed necessary.</p>	<p>Department of Justice</p>	<p>December 2020</p> <p>February 2021</p> <p>June 2021</p>	<p>Completed. Review undertaken of current legislation in Ireland and other common law jurisdictions as well as an examination of "duty of care" provisions in those jurisdictions.</p> <p>Completed. Minister for Justice reported to Government 27 April 2021.</p> <p>Ongoing. On 17 May 2022 the Government approved the drafting of additional provisions to the Courts and Civil Law (Miscellaneous Provisions) Bill 2022 for the purpose of the amendment of the Occupiers' Liability Act 1995. These provisions have been approved by the Government for</p>

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				inclusion in the Bill and an outline scheme of the proposals has been published on the website of the Department of Justice. Drafting of amendments has begun in the Office of the Parliamentary Counsel and it is likely that the proposals will be introduced by way of Committee Stage amendments.
Strengthening the Solicitors Advertising Regulations 2019.	<p>25. Reinforce the existing ban on solicitors advertising 'no win, no fee' cases in the Solicitors Advertising Regulations 2019.</p> <p>26. The Legal Services Regulatory Authority (LSRA) to introduce new regulations in this area.</p>	<p>Department of Justice</p> <p>LSRA</p>	<p>Ongoing</p> <p>December 2020</p>	<p>Completed. LSRA Regulations came into operation December 2020</p> <p>Completed. Advertisements by solicitors and barristers of their legal services are regulated by the LSRA under the Legal Services Regulation Act 2015 (Advertising) Regulations 2020 which came into operation on 18 December 2020.</p>
Considering the need for constitutional amendment to enable the Oireachtas establish guidelines on award levels.	<p>27. Law Reform Commission Report on Capping Award Levels published.</p> <p>28. Report to Cabinet Committee Sub-Group on matters arising from the Law Reform Commission's report and proposals on how to implement them.</p> <p><i>See also Action 15</i></p>	<p>Department of Justice</p> <p>Department of Justice</p>	<p>Done</p> <p>November / December 2020</p>	<p>Completed. The LRC published its Report on Capping Damages in Personal Injuries Actions on 30 September 2020.</p> <p>Completed. Minister reported to Sub-Group on matter in March 2021. Progress on this issue is dependent on an assessment of the impact of the introduction of the Personal Injury Guidelines.</p>
Seek to increase coordination and cooperation between An Garda Síochána and the insurance industry. We will seek to expand the Garda	29. Further increase coordination and cooperation between An Garda Síochána (AGS) and the insurance industry.	Department of Justice / AGS	Ongoing	Ongoing. AGS has put in place reporting mechanisms between GNECB and the Insurance Industry. AGS have drafted Memoranda of Understanding in association with Insurance Ireland and the Alliance for Insurance Reform, which are awaiting formal sign off and once approved they will be rolled out thereafter.

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Economic Crime Bureau, which deals with fraud.	30. Examine the role and requirements of the Garda National Economic Crime Bureau (GNECB). Under new structures, it will train and support Gardaí in every division, to ensure that expertise and skills are disseminated across the State.	AGS	Ongoing	Completed. In respect of insurance, the significant increased resourcing provided to GNECB in 2021 of approximately one third, up from 95 at the end of 2020 to a total now of 127 at the end of 2021, allowed for the Insurance Fraud Coordination Office to be opened in July. This will bring consistency to the handling and investigation of insurance fraud referrals and improve on subsequent referrals to the DPP for prosecution. The GNECB is also providing training and support to all Garda Divisions in how to investigate fraud.
Reviewing and increasing the penalties for fraudulent claims.	31. Provide recommendations regarding changes to be made to reduce insurance fraud. This will include examination of penalties for insurance fraud.	Department of Justice	June 2021	Completed. The Department of Justice has examined changes to reduce insurance fraud (Actions 31-32), including penalties for insurance fraud, in consultation with relevant agencies. While concluding that no further legislative penalties are required at this time, it is anticipated that the measures referred to under Action items 29 & 30 will improve reporting of insurance fraud cases to An Garda Síochána's Insurance Fraud Coordination Office. The enactment and commencement of the Perjury and Related Offences Act 2021 has increased the range of options for investigation, prosecution and penalties on conviction which can be considered of those making False and misleading claims. Current penalties available under both the Civil Liability and Courts Act 2004 Act and the Perjury and Related Offences Act 2021 are sufficient and that greater penalties in the area of insurance fraud in respect of false or exaggerated claims or lying under oath are not required at this time.

PFG Commitment	Actions to facilitate delivery	Responsible Body	Timeline	Status
	<p>32. Implement recommendations including through the introduction of legislation if required.</p>	Department of Justice	December 2021	Completed. Review recommended no legislative changes
<p>Placing perjury on a statutory footing, making the offence easier to prosecute. We will broaden the scope of the Perjury and Related Offences Bill, ensuring that the maximum penalty for indictment should be harmonised with the equivalent maximum penalties for largely similar offences in the Civil Liability and Courts Act 2004.</p>	<p>33. Publish Committee Stage amendments to the Perjury and Related Offences Bill 2018. Ensure that the maximum penalty for perjury is harmonised with the equivalent maximum penalties for similar offences in the Civil Liability and Courts Act 2004.</p> <p>34. Enact and commence the Perjury and Related Offences Bill 2018.</p> <p>35. Once enacted, the Department to communicate changes to relevant stakeholders within relevant sectors.</p>	<p>Department of Justice</p> <p>Department of Justice</p> <p>Department of Justice</p>	<p>January 2021</p> <p>March 2021</p> <p>March 2021</p>	<p>Completed. The amendments were published and the Committee stage in the Dáil was completed on 11 May 2021. The Bill provides clear penalties to be applied, depending on the nature of the offence in line with the Civil Liability and Courts Act 2004 regarding false evidence and fraudulent claims.</p> <p>Completed. The Act was commenced in June 2021 and provides a statutory definition of perjury and should enable the offence and related offences to be more easily prosecuted in the courts. The penalties are in line with that of the Civil Liability and Courts Act 2004 regarding false evidence and fraudulent claims.</p> <p>Completed. Criminal justice agencies including the Office of the DPP, the Courts Service and An Garda Síochána have all been advised of commencement of the Act</p>
<p>Ensuring that fraudulent claims are forwarded to the Director of Public Prosecutions (DPP).</p>	<p>36. Examine and provide recommendations regarding changes to ensuring that fraudulent claims are forwarded to the Director of Public Prosecutions.</p> <p>37. Implement recommendations including through the introduction of legislation where required.</p>	Department of Justice	<p>June 2021</p> <p>December 2021</p>	<p>Completed. A review has been undertaken which concluded that, as the DPP is not an investigative body, it would not be the appropriate channel for investigation of alleged insurance fraud. Measures under action items 29 & 30 should result in increased referrals for investigation to AGS & subsequent referrals to the DPP for prosecution.</p> <p>Completed. As set out above the review found that DPP is not an investigative channel and thus referral would be inappropriate accordingly legislation is not required.</p>

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Publishing insurance fraud data.	38. Examine and provide recommendations regarding changes to ensuring insurance fraud data is published.	Department of Justice	June 2021	Ongoing. Actions 29 & 30 address measures which will improve the accurate recording of suspected insurance fraud cases. The establishment of the Insurance Fraud Coordination office in GNECB is an important step in bringing a level of consistency to the coordination, recording and collation of insurance fraud data. Data on suspected insurance fraud is now being captured by the Fraud Coordination office and is available for engagement with stakeholders.,
	39. Implement recommendations including through the introduction of legislation where required.		December 2021	Ongoing. No legislation required.
Exploring the feasibility of obliging fraudulent claimants to pay the legal expenses for defendants.	40. Examine and report on the feasibility of obliging fraudulent claimants to pay the legal expenses for defendants.	Department of Justice	June 2021	Completed. DOJ examined the existing principle that “costs follow the event”, current Irish legislation regarding payment of costs, payment of costs in other jurisdictions, recent Irish case law, and considered options for change.
	41. Implement recommendations including through the introduction of legislation where required.		December 2021	Completed. Recommendation is to let s.169 of Legal Services Regulation Act – which provides that “a party who is entirely successful in civil proceedings is entitled to an award of costs against a party who is not successful in those proceedings, unless the court orders otherwise, having regard to the particular nature and circumstances of the case, and the conduct of the proceedings by the parties” – take effect. Thus, it has been determined that no further legislation is required at this time.
Giving the Competition and Consumer Protection Commission more effective enforcement	42. Provide legislative recommendations in relation to strengthening Competition and Consumer Protection Commission (CCPC) enforcement powers.	Department of Enterprise, Trade and Employment	December 2020	Completed. The Competition (Amendment) Act 2022 was signed into law on the 29 June 2022. The Act provides that breaches of competition law can be enforced through administrative sanctions with maximum fines of up to €10

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powers to punish and deter anti-competitive conduct.	43. Legislate to provide for the reform of competition enforcement including the transposition of the ECN+ Directive. Included in the provisions are a new civil enforcement regime for the CCPC (as well as ComReg) with the power to levy significant administrative sanctions, arrange for statutory immunity and leniency and other measures.		February 2021	million or 10 per cent of total worldwide turnover, whichever is the greater. Completed. The Competition (Amendment) Act 2022 was signed into law on the 29 of June 2022. The Act represents a step change in competition enforcement for Ireland. It provides for a new civil enforcement regime for the CCPC and ComReg with the power to levy significant administrative sanctions.
Requesting the industry and stakeholders to give an assessment of the expected impact on premium levels of the key reforms being fully introduced.	44. Industry and stakeholders requested to give an assessment of the expected impact on premium levels arising from key Action Plan reforms being fully introduced.	Department of Finance	December 2020	Completed. Minister of State Fleming wrote to individual insurers and relevant stakeholders to request this assessment and followed up with three series of meetings with individual insurers, as well as engagements with relevant stakeholders, to discuss same.
Expanding, with urgency, the National Claims Information Database to employer liability and public liability to track the level of claims.	45. Central Bank of Ireland to expand the scope of the National Claims Information Database (NCID) to allow it to begin gathering data on both Employer and Public Liability insurance. 46. Central Bank of Ireland to publish the second Private Motor Report by the NCID, and where necessary the Department of Finance to make recommendations to the Cabinet Committee Sub-Group on foot of key findings. 47. Publish the first Report by the NCID on Employer and Public Liability Insurance Claims.	Department of Finance / Central Bank of Ireland Department of Finance / Central Bank of Ireland Central Bank of Ireland	Done Done June 2021	Completed. Data collection commenced in the first half of 2020 on Employer Liability and Public Liability insurance. Completed. The Central Bank of Ireland published the second annual Private Motor Insurance Report of the National Claims Information Database (NCID) on 3 November 2020. Completed. The Central Bank of Ireland published the first annual Employers' Liability, Public Liability and Commercial

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	<p>48. Central Bank of Ireland to engage with relevant stakeholders on reviewing the NCID with a view to developing the NCID going forward.</p> <p>49. Central Bank of Ireland to publish the third Private Motor Report of the NCID.</p>	<p>Central Bank of Ireland (Departments of Finance, Enterprise, Trade and Employment PIAB, State Claims Agency, CSO)</p> <p>Central Bank of Ireland</p>	<p>Ongoing</p> <p>October 2021</p>	<p>Property Insurance Report of the NCID on 14 July 2021. The second report was published on 22 June 2022.</p> <p>Ongoing. The Insurance (Miscellaneous Provisions) Act 2022 contains provisions to allow the NCID to collect data in relation to the deduction of State supports from final claim settlements.</p> <p>Following the implementation of the Personal Injuries Guidelines, the Central Bank has amended the NCID data specification and will collect further claim settlement data.</p> <p>In addition, the Central Bank has commenced collecting data on Private Motor Insurance on a biannual basis.</p> <p>Completed. The Central Bank of Ireland published the third Private Motor Report of the NCID in November 2021, with the fourth report due in Q4 2022.</p>
<p>Establishing a databank within the Central Bank for new entrants.</p>	<p>50. Explore and develop options on establishing an insurance databank for new entrants within the Central Bank of Ireland, including what information it should hold.</p> <p>51. Determine next steps on establishing such a databank based on the options analysed.</p>	<p>Department of Finance / Central Bank of Ireland</p> <p>Department of Finance / Central Bank of Ireland</p>	<p>June 2021</p> <p>December 2021</p>	<p>Completed. The Department of Finance with the Central Bank of Ireland developed a proposal outlining options for an insurance databank.</p> <p>Completed. The Central Bank has created a databank consisting of a Key Insurance Overview, detailing the regulatory/supervisory environment, and links to both the NCID and SFCR (Solvency and Financial Condition Reports) data. It is published on the website of the Central Bank and www.gov.ie.</p>

PFG Commitment	Actions to facilitate delivery	Responsible Body	Timeline	Status
	52. Taking account of the NCID reports and stakeholder's consultations, highlight the costs that insurers incur, including claims costs, brokers fees/commissions, reinsurance costs, MIBI costs, legal costs, and other costs, etc., and other factors that are currently influencing the cost of motor and public liability insurance premiums.	Department of Finance (Central Bank of Ireland, PIAB, State Claims Agency)	December 2021	Completed. The Department of Finance, with support from the Central Bank, has used NCID data to complete a paper examining the costs that insurers incur and how these impact on premium prices.
Prioritising the establishment of a fully functioning European-wide single insurance market.	53. Support the establishment of a fully functioning European-wide single insurance market by actively participating in the review of the Solvency II Directive.	Department of Finance / Central Bank of Ireland	Ongoing	Completed. In September 2021, the Commission published proposals for Review of the Solvency II Directive. The Department of Finance, supported by officials from the Central Bank of Ireland, participated at Council level meetings. Compromise text and negotiating mandate was agreed by the Council on 14 June 2022. Ireland is broadly supportive of this text. The Trilogues are expected to commence in 2023.
Working to remove dual pricing from the market.	54. Review of Differential Pricing in the Motor and Home Insurance Markets – Central Bank of Ireland to complete its first phase of the review.	Central Bank of Ireland	Done	Completed. The Central Bank of Ireland published the first phase of its research on 9 September 2020 and its interim report on Differential Pricing in the Motor and Home Insurance Markets on 14 December 2020.
	55. Central Bank of Ireland to complete its Review of Differential Pricing in the Motor and Home Insurance Markets and publish final report.	Central Bank of Ireland	September 2021	Completed. The Central Bank of Ireland published its Final Report and Public Consultation on 21 July 2021, including a series of proposed measures to strengthen the consumer protection framework.
	56. Examine the Central Bank's Review of Differential Pricing in the Motor and Home Insurance Markets and take any appropriate actions as deemed necessary in light of the findings of the Central Bank of Ireland in their final report.	Department of Finance	December 2021	Completed. The Department of Finance has examined the Central Bank's Review. The Central Bank implemented new Regulations to ban price walking from 1 July 2022. Also, the Insurance (Miscellaneous Provisions) Act 2022 requires the

PFG Commitment	Actions to facilitate delivery	Responsible Body	Timeline	Status
				Bank to report to the Minister for Finance within 18 months on a range of measures set out in these Regulations.
<p>Creating an office within Government tasked with encouraging greater competition in the Irish insurance market.</p>	<p>57. Make proposals to the Cabinet Committee Sub-Group in relation to creating an office within Government tasked with encouraging competition in the Irish insurance market, on the basis of a joint-Department of Finance/Department of Enterprise, Trade and Employment paper.</p> <p>58. Establish Office within Government to encourage greater insurance market competition.</p> <p>59. Competition and Consumer Protection Commission (CCPC) to publish its Market Study on public liability insurance.</p>	<p>Department of Finance; Department of Enterprise, Trade and Employment</p> <p>Department of Finance</p> <p>CCPC</p>	<p>Done</p> <p>December 2020</p> <p>December 2020</p>	<p>Completed. The Cabinet Committee Sub-Group agreed to the establishment of the Office.</p> <p>Completed. The Office was established in December 2020 and is chaired by the Minister of State at the Department of Finance. As part of its work, the Office continues to engage with insurance sector stakeholders, relevant Government Departments, and agencies, to understand gaps, identify entry impediments, market dynamics and promote competition. The Office held over 80 meetings to date in 2022 and has identified ways for improvements in risk mitigation. It has seen some expansion in supply.</p> <p>Completed. The CCPC published its market study on the public liability insurance market on 23 December 2020.</p>

Section 3 – Update on actions arising from the Cost of Insurance Working Group

The eleventh and final Cost of Insurance Working Group Progress Update Report was published in October 2020. The status of the remaining actions arising from the work of the Group is set out below.

Steps Necessary for Delivery	Lead Policy Department and Relevant Bodies	Timeline	Status
60. Publish <i>Eleventh and Final Progress Update Report of the Cost of Insurance Working Group</i> .	Department of Finance	Done	Completed. The eleventh and final Cost of Insurance Working Group Progress Update Report was published in October 2020
61. Ascertain and set out the measures necessary to implement Pre-Action Protocols for personal injury cases.	Department of Justice	September 2021	Ongoing. Discussions to resolve legal issues in relation to the statutory basis for making pre-action protocol regulations in clinical negligence cases are in train between DOJ and the Office of the Attorney General. Once these issues have been resolved, the group established to oversee implementation of the Civil Justice Efficiencies and Reform Measures plan will inform the development of pre-action protocols.
62. Examine the impact of legal and other fees on personal injury awards, using both the National Claims Information Database reports and Office of the Legal Costs Adjudicators data.	Department of Justice	June 2022	Ongoing. Scoping work completed June 2022. This action will not progress until such time that sufficient data relating to the impact of the Judicial Council personal injuries guidelines is available.
63. Examine the setting of the discount rate (in personal injury lump sum awards), without prejudice to the outcome of relevant proceedings, review it at regular intervals thereafter.	Department of Justice	June 2021 (ongoing)	Completed. The setting of the Discount Rate has been examined. An expert group will be established to advise the Minister on the appropriate rate.
64. Explore the feasibility of establishing a fully functioning integrated insurance fraud database for industry to detect patterns of fraud.	Department of Justice	June 2021	Completed. The Department of Justice completed a review of the feasibility of extending the existing Insurance Link database in order to establish a fully integrated insurance fraud database. That review has deemed that it is not feasible to establish a fully integrated insurance fraud database as proposed. Data protection concerns raised with the

Steps Necessary for Delivery	Lead Policy Department and Relevant Bodies	Timeline	Status
			industry around the proposed expanded insurance link database remain. Notwithstanding the GDPR constraints involved, a business case to establish an insurance fraud database on a wider statutory basis has not been established, given the small number of referrals from the Insurance Industry to AGS.
65. Oversee and monitor the implementation of the remaining Personal Injury Commission's recommendations.	Department of Enterprise, Trade and Employment	Ongoing	Completed. Detail provided in July 2021 Implementation Report.
66. Monitor developments in relation to updating relevant civil justice legislation and procedures and examine any potential impacts they may have on the insurance reform agenda.	Department of Justice	Ongoing	Ongoing. The Department of Justice continues to engage with other departments and stakeholders regarding the insurance reform agenda, with a view to identifying and assessing issues relating to it.

Appendix 1: Other Recent Developments in the Insurance Sector

Over the past two years, we have witnessed a series of additional positive developments that complement progress under the *Action Plan for Insurance Reform* and will serve to further enhance the insurance environment. These are set out below:

Increased Risk Appetites and Competition

- Group schemes have increasingly proven a viable solution to enable certain niche sectors obtain cover. By coming together, a number of small operators can pool their 'buying power' with insurance companies by offering a combined 'book' of premium and have the ability to centrally identify and then mitigate risks through disseminating best practice.
- Taking account of the delivery of various *Action Plan* reforms, particularly the Personal Injuries Guidelines, there is now evidence of a growing number of groups schemes in sectors that previously could not access insurance, or were dependent on a single underwriter, that now have competing under-bidders. For instance, such arrangements are now providing cover in 'pinch point' sectors such as childcare, inflatables and bouncy castles, as well as for certain equestrian activities. The role of insurance brokers has been key in establishing many of these schemes, in conjunction with an emerging underwriter risk appetite in response to the reforms. While much of the focus has been on the level of insurance premiums, competitive supply of insurance in such sectors is equally important.
- In addition, the Office to Promote Competition in the Insurance Market is aware of improvements in supply in several other prominent 'pinch point' areas, including insurance for thatched homes, ice rinks, and delivery drivers.

IDA Ireland – Cooperation and Promotion

- Work has been undertaken to clearly communicate the various reform measures that have been delivered. In a phased engagement programme with selected overseas insurance companies and prospective clients, IDA Ireland is now able to set out a positive message that there is increasing certainty and clarity in the Irish insurance market. This work promotes the significant progress of the reform agenda and the Irish market as an attractive location for investment.

Measures to Tackle Uninsured Driving

- Reducing uninsured driving is important, not only to tackle insurance costs, but also to improve road safety. Uninsured driving contributes an estimated €30-€35 to annual motor insurance premiums.
- The Department of Transport is currently progressing legislation – the *Road Traffic and Roads Bill 2021* – which will include provisions to help tackle this issue through the operation of the new Motor Third Party Liability (MTPL) database.
- The creation of a database for motor insurance policies in the State will in turn assist roadside identification of uninsured vehicles by An Garda Síochána and should yield future dividends in terms of reduced premiums.

Insurance (Miscellaneous Provisions) Act 2022

- In order to address certain issues beyond the scope of the Action Plan, Minister of State Fleming introduced the *Insurance (Miscellaneous Provisions) Act 2022*, a pro-consumer piece of legislation which will further enhance transparency in the insurance market.
- From 1 July 2022, the Central Bank implemented Regulations to end the practice of some long-term customers being overcharged a higher premium. To ensure timely oversight of this consumer protection measure, which is the first of its kind in the EU, the Act requires the Central Bank to report to the Minister for Finance on its impact within 18 months.
- Furthermore, the Act provides a legislative basis for the collection of data by the Central Bank of Ireland, via its National Claims Information Database, on State supports deducted from claim settlements, bringing welcome clarity to this issue.
- The Act also protects consumer interests by enabling some UK firms to provide service continuity to existing Irish policyholders following the UK's departure from the EU.

Insurance Fraud Database (InsuranceLink)

- Following the European Commission's antitrust investigation into InsuranceLink – a database and data pooling system – a series of robust commitments to overhaul access to the database were provided by Insurance Ireland, which has responsibility for its ownership and administration.
- The agreed amendments to the governance of the system will now ensure a pro-competitive, equitable and transparent access to the information contained within the InsuranceLink database.

- The agreement arrived at between the European Commission and Insurance Ireland removes a potential barrier to entry and should both maintain market competition and protect customer choice in the private motor insurance market.

Protecting Consumers from Risk of Under-Insurance

- Ensuring a strong consumer-focused culture within the insurance industry is vital in order to protect customer's interests. In this vein, the Government welcomes the Central Bank of Ireland's (CBI) recent Review on the risk posed by having insufficient home insurance cover, or 'under-insurance'. This issue is particularly important in the context of higher inflation, with construction/rebuild costs rising.
- The CBI found that the rate of under-insurance in the home insurance market has been steadily increasing, from an average of 6.5 per cent of paid claims in 2017, up to 16.5 per cent in 2021. For those that had their claim reduced due to under-insurance, the average reduction in payment was approximately 20 per cent in 2021, meaning that those customers would have incurred substantial costs to fully meet their claim.
- On foot of the Review, in September 2022, the CBI published a 'Dear CEO' letter that it had issued to relevant insurers. The CBI considers the consequences of being under-insured as key consumer information and must be brought to their attention. It expects insurance firms to take responsibility for monitoring price developments and to consider the effectiveness of any indexation levels used in mitigating these effects for consumers.

Protecting Taxpayers' Interests

- Following the experience of certain COVID-19-related State supports being deducted from business insurance claim settlements, the Government has learned important lessons.
- From now, legislation will be 'future-proofed' to ensure that taxpayers' interests are protected. An example of this is the *Remediation of Dwellings Damaged by the use of Defective Concrete Blocks Act 2022*.
- The Act contains a provision that would require a refund of compensation made under the Act where the "relevant owner receives monies from another person" (i.e., including insurers) in relation to the cost of remediation works. The Act also assigns to the Minister for Housing, Local Government and Heritage all rights of action that the owner of such a property may have, including the right to make an insurance claim or take legal action.

Insurtech

- The growth of the Insurtech sector through initiatives such as [InsTech.ie](https://www.irstech.ie) aims to make Ireland a leading European Insurtech hub. Insurtech uses technology innovations designed to make cost savings and efficiencies. The collaboration between established firms, start-ups and third-level institutions is very positive and a critically important factor in further pursuing digitalisation of insurance services and improving customer experience.
- The Insurtech Network Centre in South East Technological University's Carlow campus is another highly effective way that insurance skills are being kept up to date for example, in data science, design thinking and distributed ledger technology. Furthermore, through greater application of data and information, better and more informed decision-making is made by firms, thus assisting in the provision of cover.



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