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EIOPA issues Discussion Paper on (Re)Insurance Value Chain and New Business Models arising from Digitalisation for public consultation

Insurance undertakings and intermediaries are developing new business models and, products and services offerings, often through outsourcing and co-operation with third parties, such as Big Technology ('BigTech') firms and Financial Technology ('FinTech') companies.

This increased reliance on outsourcing brings both potential benefits and a new set of emerging risks that need to be considered. Technological innovation is transforming the way customers access insurance products and engage with insurance undertakings. However, this may also create new conduct and prudential risks, amplify the conventional risks, lead to legal and compliance issues, or potentially create concentration risks on third party providers.

In this light, the European Insurance and Occupational Pensions Authority ('EIOPA') has issued a [Discussion Paper on \(Re\)Insurance Value Chain and New Business Models arising from Digitalisation](#) ('Discussion Paper') for public consultation to obtain industry feedback on possible fragmentation of the insurance value chain and supervisory challenges related to new business models arising from digitalisation.

The consultation is open to the public until 7 September 2020. Industry participants and interested parties are invited to send their responses through the dedicated [online questionnaire](#) by not later than the said date.

Any queries in relation to the above and the MFSA's FinTech initiatives may be directed to FinTech@mfsa.mt whilst updates and developments may be found on the MFSA website at mfsa.mt/fintech/.