

9 March 2015

Mr Peter Baker
Competitions and Markets Authority
Victoria House
Southampton Row
WC1B 4AD

Dear Peter

**BIBA Response to CMA Private Motor Insurance Investigation Draft Order –
Consultation 2015**

The British Insurance Brokers' Association (BIBA) is the UK's leading general insurance intermediary organisation representing the interests of insurance brokers, intermediaries and their customers.

BIBA membership includes just under 2,000 regulated firms, who employ more than 100,000 staff. General insurance brokers contribute 1% of GDP to the UK economy, they arrange 54% of all general insurance and 79% of all commercial insurance business. Insurance brokers put the client's interests first, providing advice, access to suitable insurance protection and risk management.

Thank you for giving BIBA the opportunity to respond to modifications to the Draft order. Our response is here:

Part 1 General – title, commencement and scope.

1.1 (a) Article 3.

BIBA welcome the revised date of 1st August 2016 for this to come into force. Overwhelming evidence submitted in BIBA's response on 6th February from across the industry including Polaris, software houses, Brokers, Insurers and trade bodies all called for an extension along these lines to avoid distortion of competition, some providers being locked out of the market and customers losing the benefit of protected NCB as the original implementation times were unachievable. **We strongly support the CMA's revised implementation date of 1.8.16.**

Part 4

6 – Monitoring and compliance – PMI providers.

6.2. We agree with revising the implementation date to report to the regulator in line with article 1.1(a) however we strongly believe that reporting should be provided to the FCA alongside other regulatory reporting, rather than separate reporting to the CMA.

Insurance Brokers already provide 6 monthly reporting to the FCA via the RMAR (or three monthly in the case of larger brokers) and BIBA consider that the reporting from the order should be included within section I product sales data of the FCA's RMAR.

The Government launched a 'Red Tape Challenge' and we consider that reporting to the FCA will reduce the additional burden, cost an bureaucracy of dealing with multiple regulators. The CMA can still access the data from the FCA. The ABI also support reporting to the FCA.

If you would like us to provide any more detail on the information we have provide, please contact me on the details below.