

## Insurance Europe response to EC consultation on online fraud

Our reference:	PAC-IC-26-011	Date:	13-03-2026
Referring to:	<a href="#">European Commission public consultation on online fraud</a>		
Contact person:	Oleksandra Hrendey • Senior Policy Advisor, General Insurance	E-mail:	hrendey@insurancееurope.eu
Pages:	2	Transparency Register ID	33213703459-54

Online fraud represents a growing challenge for citizens and businesses and, more broadly, affects people's confidence in the digital economy. Increased digitalisation and reliance on online services, as well as the emergence of new technologies, such as the widespread use of generative AI, have expanded both the scale and cross-border nature of fraudulent activities. This is creating new challenges for insurers in addressing insurance fraud. Increasing use of technologies like generative AI can be used to manipulate documentation and produce convincing but false material, such as fabricated texts, reports or images submitted in support of fraudulent claims. As a result, insurance fraud is becoming increasingly sophisticated and more difficult and costly to detect and combat.

Insurance Europe therefore welcomes the European Commission's (EC) initiative to reduce online fraud across the EU by improving cooperation, prevention and support for victims. It is important that the action plan is comprehensive, responsive to changing circumstances, and built around the three core pillars of prevention, detection and enforcement. In this context, Insurance Europe supports the key actions suggested by the EC, in particular actions to improve information sharing, tackle fraudulent advertising and strengthen cooperation between EU countries to deal with fraud across borders.

***Improve information-sharing and coordination between EU countries, financial intelligence units (FIUs), authorities, private companies, and international partners, including countries outside the EU.***

- The lack of consistent data sharing between industries and countries makes it difficult to develop a coordinated, data-driven response to fraud. The EC should work with countries and the private sector to understand uses of and barriers to information sharing between the private and public sectors.
- In this context, the EC could build on existing initiatives that facilitate cross-sector information sharing, such as cooperation between the banking sector and social media platforms (e.g. Meta's [Fraud Intelligence Reciprocal Exchange](#)), and explore how similar mechanisms could be set up for addressing insurance fraud.
- The EC could also support the development of public-private partnerships aimed at sharing confirmed fraud data, building on experiences such as the UK's former Counter Fraud Data Alliance.
- Finally, the EC could facilitate the establishment of a robust European data-sharing infrastructure. This could include databases with proven and suspected fraudsters, suppliers, professional enablers etc, across product lines. Such an architecture would allow insurers to share, analyse, monitor and investigate suspect intelligence data in real time.

***Tackle fraudulent advertising and stop the payment and crypto transfers linked to scams, in line with EU anti-money laundering rules.***

- Tackling fraudulent advertising is a priority for the insurance industry. Fraudsters increasingly impersonate legitimate insurance companies through fake websites or applications, misleading consumers into purchasing non-existent policies or disclosing personal and financial information. A similar online fraud phenomenon is so-called ghost broking, whereby fraudsters use social media, such as Instagram, Facebook and TikTok, to advertise 'discounted' but fraudulent motor insurance policies. These fraud schemes typically conducted in one of three ways: fraudsters will either forge insurance documents; falsify details to reduce premium; or take out a genuine policy before cancelling it soon after and claiming the premium refund plus the victim's money. These adverts usually take the form of social media posts rather than paid for advertising and claim to offer genuine insurance policies. These are often accompanied with screen shots of the fraudulently obtained quotes and/or policy documentation.
- The harms and consequences caused by these fraudulent schemes can be far-reaching. As well as the financial loss associated with purchasing a fraudulent policy, many people who have fallen victim, would not realise their policy is not genuine until they are stopped by the police or try to make a claim. Innocent victims may face high costs in the event of an accident – paying out of pocket for their losses and then having to buy valid insurance. Those driving without valid insurance can also have their car seized and even crushed, face an unlimited fine and receive a driving ban.
- As a result, stronger prevention efforts are needed. The EC could, for example, launch and/or support public awareness campaigns on different types of online scams, to equip consumers with the knowledge and tools to protect themselves and, should they become a victim, provide advice on how they can report incidents.
- Another potential initiative could be to develop a common European framework for cooperation between the public and private sectors, setting out shared commitments and actions to strengthen resilience to fraud across European societies.
- As a significant share of fraudulent advertising occurs online, social media platforms and technology companies have an important role to play in helping to protect consumers and limit the spread of fraudulent content. Insurance Europe believes that tackling online fraud requires a collaborative, whole-system approach in which all relevant stakeholders contribute according to their role and capabilities. In this context, the EC should encourage cooperation and coordinated action across sectors.

***Strengthen cooperation between EU countries to deal with fraud across borders / Work more closely with non-EU countries, including building capacity and sharing good practices.***

- Much of the threat from online insurance fraud extends beyond national borders. Cross-border schemes, such as claims farming, illustrate how fraud can have an international impact, and combating it presents challenges due to differences in legal systems, regulatory frameworks, priorities, and cultural approaches across countries.
- The global dimension of fraud has gained increasing attention. At the inaugural Global Fraud Summit in 2024, world leaders agreed on measures to enhance law enforcement cooperation, improve support for victims, and strengthen intelligence sharing. These are all areas that resonate with the insurance sector, where we are increasingly looking at the global dimension, including sharing lessons and best practices with like-minded overseas organisations and working with Interpol. We hope that further progress on collaborative initiatives can be pursued at the Global Fraud Summit in Vienna this month. A supportive regulatory environment is essential, particularly in the context of rapidly evolving technologies such as AI, and we support a proportionate approach that balances safety, innovation, and effective fraud prevention.

*Insurance Europe is the European insurance and reinsurance federation. Through its 39 member bodies — the national insurance associations — it represents insurance and reinsurance undertakings active in Europe and advocates for policies and conditions that support the sector in delivering value to individuals, businesses, and the broader economy.*