



## European Insurance — Key Facts

October 2018

Insurance Europe is the European insurance and reinsurance federation. Through its 35 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 200bn, directly employ over 950 000 people and invest over €10 100bn in the economy.

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All figures in this booklet are the latest available, with 2017 data being provisional, and are not adjusted for inflation. All figures refer to domestic market unless otherwise stated. All premiums are direct gross written premiums at current exchange rates unless otherwise stated. All claims and benefits paid are at current exchange rates unless otherwise stated. The growth rates of all euro-denominated values are calculated at constant exchange rates, unless otherwise stated.

In 2016 and 2017, a number of countries started reporting data based on the definitions in the EU's new Solvency II regulatory regime. This may mean that the 2016 and 2017 figures are not directly comparable with those of earlier years, primarily for health and P&C business.

## Abbreviations

EEA = European Economic Area

EU = European Union

GDP = gross domestic product

P&C = property and casualty

## Member associations and country codes

**Austria (AT)** — Verband der Versicherungsunternehmen Österreichs (VVO)

**Belgium (BE)** — Assuralia

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

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

**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)** — Finanssiala ry

**France (FR)** — Fédération Française de l'Assurance (FFA)

**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 et de Réassurances du Grand-Duché de Luxembourg (ACA)

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

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

**Norway (NO)** — Finans Norge

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

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

**Romania (RO)** — Uniunea Națională a Societăților de Asigurare și Reasigurare din Romania (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, Reasürans ve Emeklilik Şirketleri Birliği

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



## 1. European insurance in the world

The European insurance industry accounts for 30% of the global insurance market. Asia accounts for 33% and North America 31%.

### Distribution of insurance premiums — 2017



30%	Europe
33%	Asia
31%	North America
3%	South America & Caribbean
3%	Oceania & Africa

Source: Swiss Re Sigma No.3 /2018: "World insurance in 2017"

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



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.

And it encourages stable and sustainable savings and pension provision.



## 2. European premiums, claims and benefits paid



€1 213bn

Total premiums

€1 022bn

Total benefits and  
claims paid



€710bn

Life premiums

€668bn

Life benefits paid



€371bn

P&C premiums

€248bn

P&C claims paid



€132bn

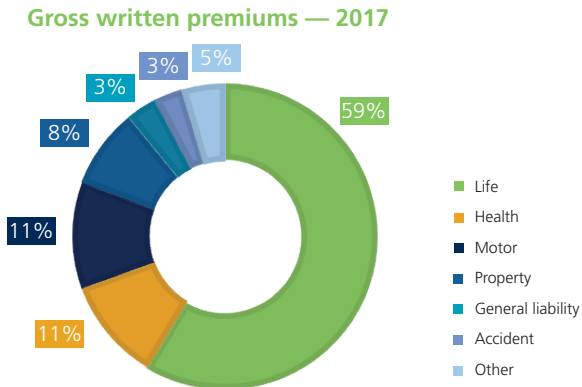
Health premiums

€106bn

Health claims paid

Total European direct gross written premiums totalled €1 213bn in 2017, of which €710bn were life premiums, €371bn were property and casualty (P&C) premiums and €132bn were health premiums. Total premiums increased 4.7% on 2016, with life premiums growing 5%, P&C 4.4% and health 3.9%.

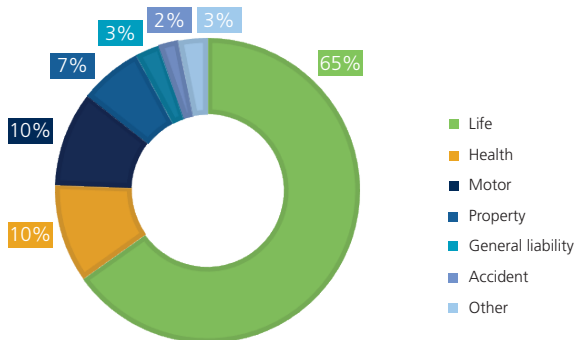
In 2017, insurance penetration (gross written premiums as a percentage of GDP) increased by 0.14 of a percentage point to 7.53% and ranged from 0.9% in Latvia to 12.2% in the UK.



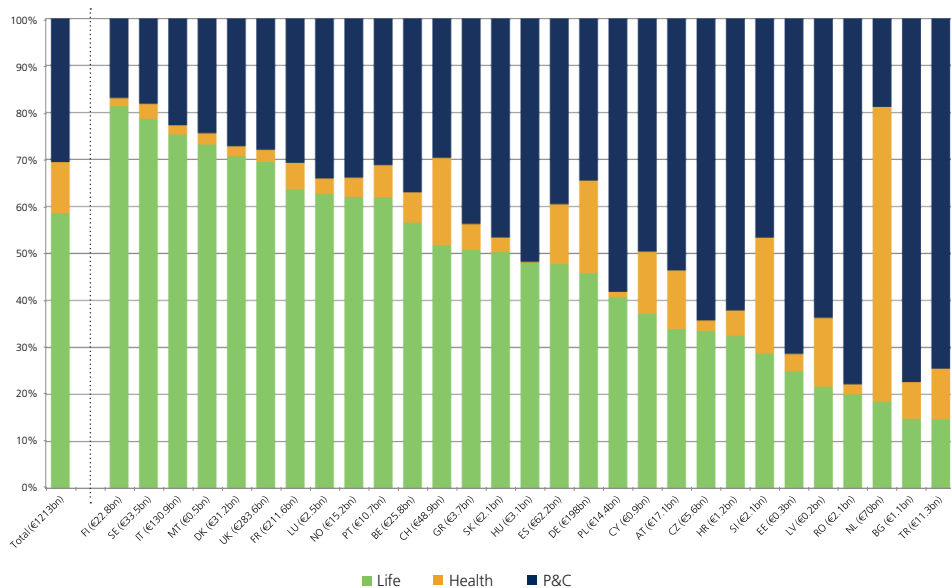
An average of €2 030 per capita was spent on insurance in Europe in 2017, compared to €1 947 in 2016. Of the per capita spent in 2017, €1 189 was on life insurance, €621 on P&C and €221 on health.

European insurers paid out €1 022bn in claims and benefits to insureds in 2017, an 8.6% increase on 2016. Life insurers paid out €668bn — an 11.4% increase — in benefits to insureds, providing them with capital and/or annuities. P&C claims paid increased by 3.5% to €248bn and health claims paid increased by 3.4% to €106bn.

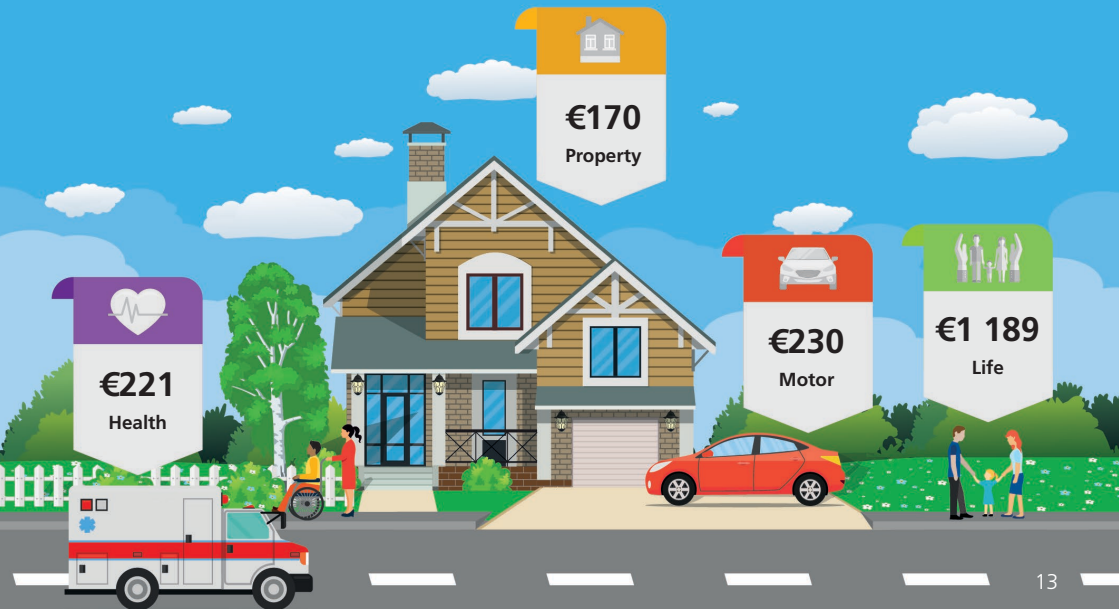
### Claims and benefits paid — 2017



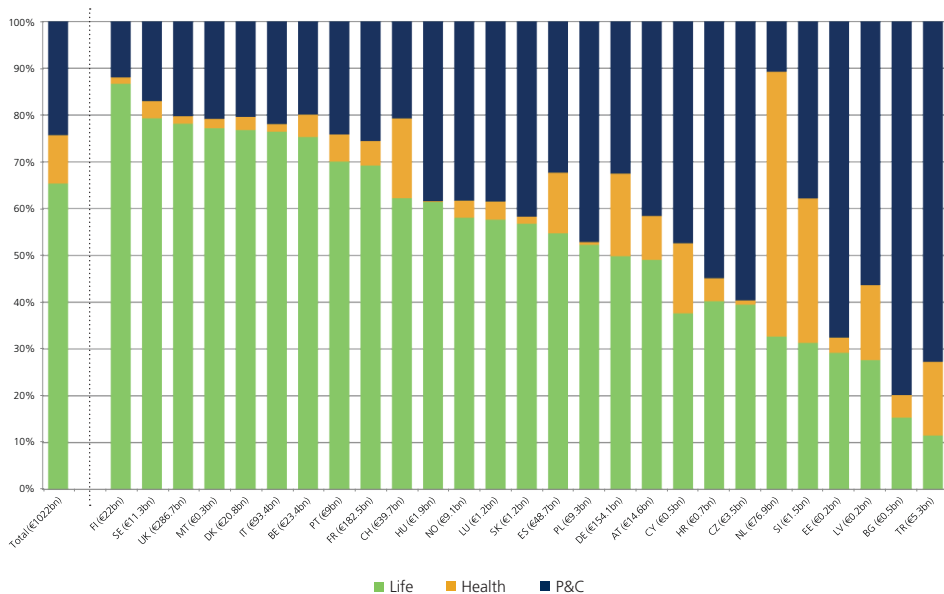
## Gross written premiums by country — 2017



## Average spent per capita on insurance in Europe — 2017



## Claims and benefits paid by country — 2017



## Average claims and benefits paid per capita in Europe — 2017



## 2.1 Life insurance

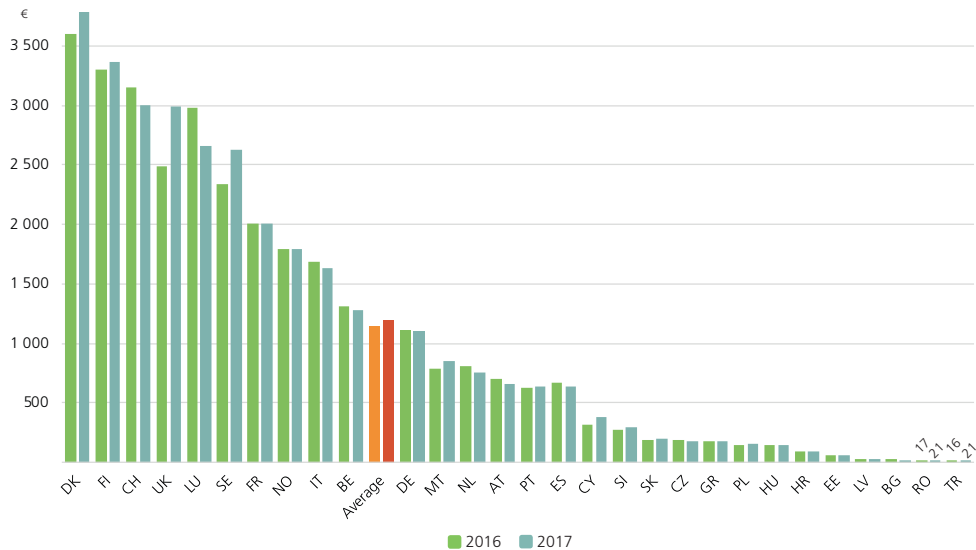
Life insurance policies can take the form of individual or group contracts, and they can be products offering protection, savings products or a combination of both.

In total, European life insurance premiums increased by 5% to €710bn in 2017, largely reflecting growth in the UK, the largest life insurance market in Europe.





## Life premiums per capita by country — 2016–2017 (€)



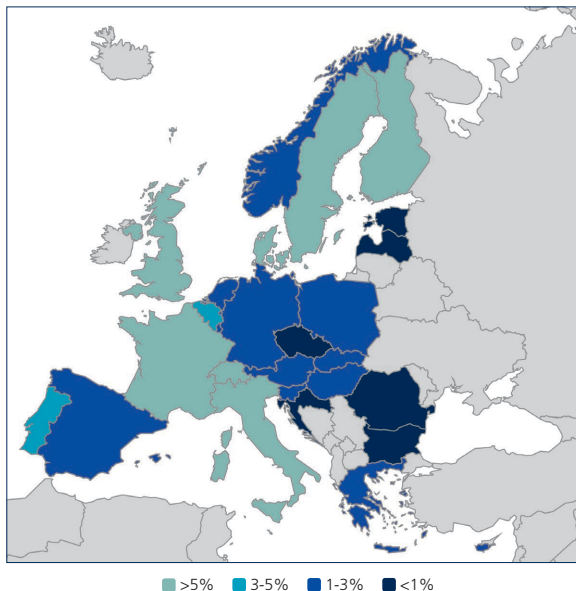
Total life benefits paid in Europe experienced a sharp increase of 11.4% to €668bn in 2017, or €1 156 per capita, partially due to the surge in life benefits paid in the UK.

In 2017, life insurance penetration grew slightly to 4.44% from 4.34%. Penetration rates ranged from 0.2% in Latvia to 8.5% in the UK.

An average of €1 189 per capita was spent on life insurance in Europe in 2017, compared to €1 137 in 2016.

Life insurance density varied in 2017 from €21 per capita in Romania to more than €3 000 in Finland and Denmark.

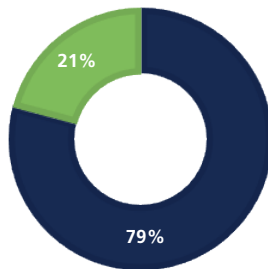
### Life penetration by country — 2017



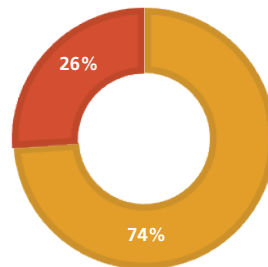
Unit-linked contracts, under which benefits are determined based on the fair value of units of a mutual fund, grew rapidly (15.2%) in 2016, the latest year for which a breakdown is available. Their share of total life premiums increased to 26.2%, 4.3% up on the year before. Non unit-linked contracts<sup>1</sup> registered a sharp decrease of 8.9% in 2016; they nevertheless still accounted for 73.8% of life premiums.

In 2016, the latest year for which a breakdown is available, premiums from individual contracts fell by 3.4% and accounted for 79.5% of all life premiums, compared to 79.2% in 2015. Premiums collected through group contracts decreased more than individual contracts (-5.1%). In 2016, they accounted for 20.5% of all life insurance premiums, compared to 20.8% the year before.

### Life premiums by type of contract — 2016



■ Individual contracts  
■ Group contracts



■ Non unit-linked contracts  
■ Unit-linked contracts

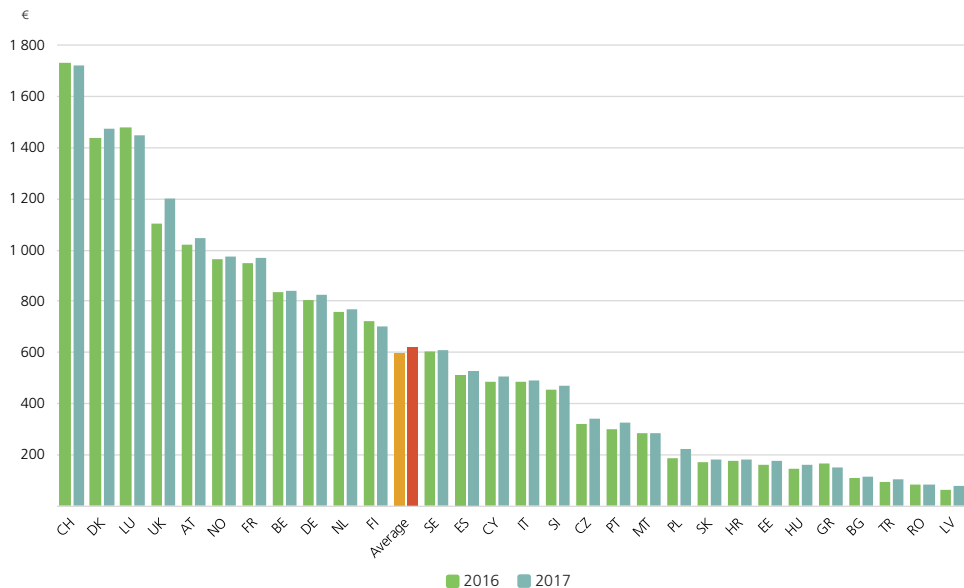
<sup>1</sup> Any contract that is not a purely unit-linked contract

## 2.2 Property & casualty insurance

Property & casualty (P&C) insurance, whose two main business lines are motor and property, includes a wide range of cover for individuals, property, vehicles and businesses. P&C premiums grew 4.4% in 2017 to total €371bn.



## P&C premiums per capita by country — 2016–2017 (€)

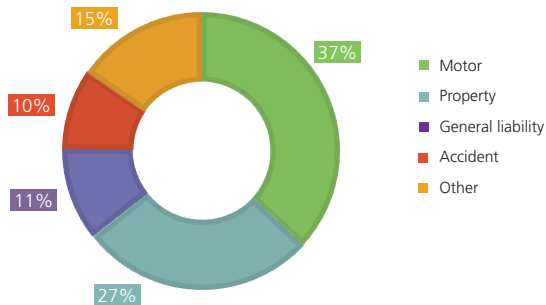


Motor insurance was the largest P&C business line in 2017, accounting for 37% of premiums. Motor premiums grew 4.2% in 2017 to €138bn. Property insurance, accounting for 27% of P&C, grew 3.5% to €101bn. Accident premiums increased 4.3% to €36bn and general liability premiums increased 5.4% to €40bn.

In 2017, P&C insurance penetration increased slightly from 2.23% to 2.27%, ranging from 0.6% in Latvia to 3.4% in the UK. An average of €621 per capita was spent on P&C insurance in Europe in 2017, compared to €597 in 2016.

P&C insurers paid out €248bn in claims in 2017, a year-on-year increase of 3.5%. Motor claims paid increased just 0.1% to €102bn, while property claims increased sharply by 16.2% to €67bn. Accident and general liability claims remained at €22bn and €27bn respectively.

### Non-life premiums by business line — 2017



## 2.2.1 Motor insurance

Motor third-party liability (MTPL), compulsory at EU level, provides financial protection against claims for physical damage and/or bodily injury resulting from traffic collisions.

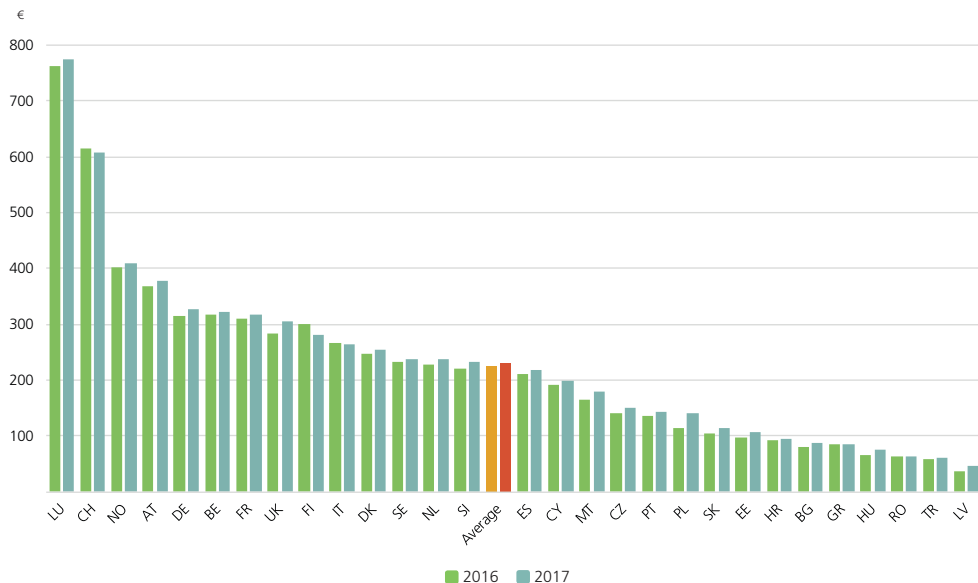
Additionally, comprehensive motor insurance offers financial protection for first-party losses and, in some cases, fire, theft and breakdown services.

In 2017, motor insurance premiums increased 4.2% to €138bn, or €230 per capita.

Claims paid by motor insurers increased by 0.1% to €102bn, or €174 per capita.



## Motor premiums per capita by country — 2016–2017 (€)





## 2.2.2 Property insurance

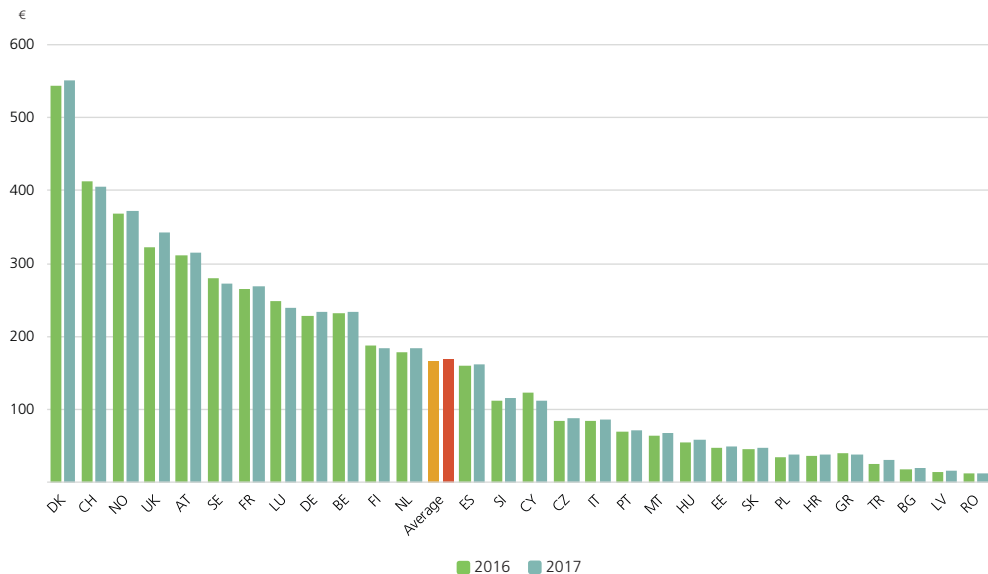
Property insurance provides protection against risks to property, such as fire, theft and some weather damage. The business line includes specialised forms of insurance, such as fire, flood, earthquake or home insurance.

In 2017, property insurance premiums increased 3.5% to reach €101bn. This equates to an average of €170 per inhabitant.

Property claims paid increased by 16% to €67bn in 2017, or €115 per capita, mainly due to hurricane damage in the UK and France.



## Property premiums per capita by country — 2016–2017 (€)

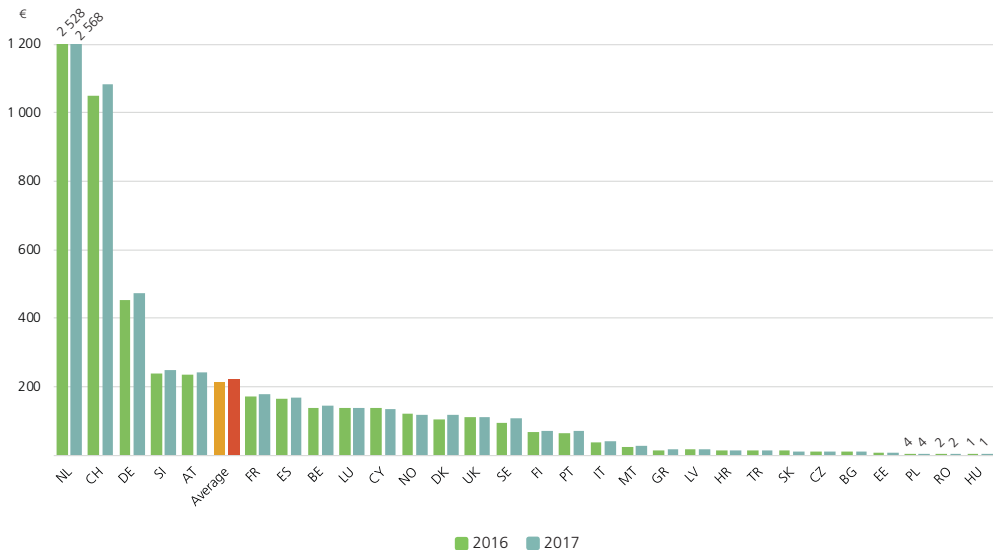


## 2.3 Health insurance

Health insurance provides individuals or groups with cover for the medical costs of illness or accidents. Health insurers also offer other products, such as critical illness, disability or long-term care insurance. Total European health premiums grew by 3.9% to €132bn in 2017.



## Health premiums per capita by country — 2016–2017 (€)

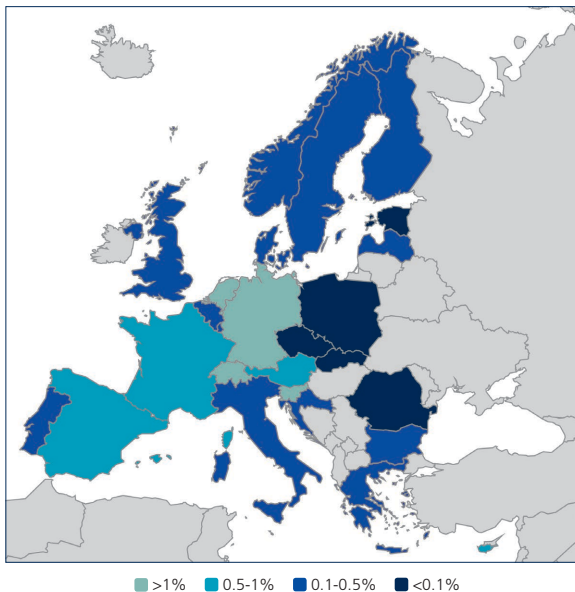


In 2017, health insurance penetration remained stable at 0.8%, but varied from 0.1% in Estonia to 6% in the Netherlands.

An average of €221 per capita was spent on health insurance in Europe in 2017, compared to €213 in 2016. Health insurance density varied in 2017 from €1 per capita in Hungary to more than €2 500 in the Netherlands. The vast differences observed between countries reflect to a large extent differences in national health and social security systems and the role of private insurers.

Health insurance claims paid grew 3.4% in 2017 to reach €106bn. The average claim paid per capita amounted to €186, compared to €180 in 2016.

### Health penetration by country — 2017





The insurance sector is the largest institutional investor in the EU, with more than €10trn of assets under management invested in the economy in 2017.

This is equivalent to 63% of the GDP of the EU.

### 3. Insurers' investment portfolio

Investments are an integral part of the insurance business model, in which the premiums insurers receive are invested until claims or benefits become due. The insurance sector is the largest institutional investor in Europe and a key source of the investment needed to support growth in the economy.



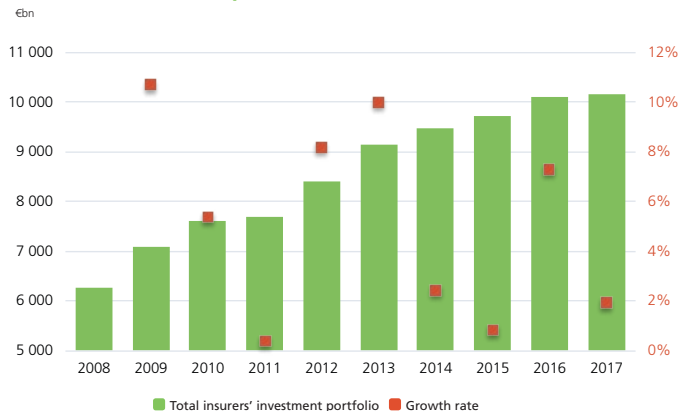
In 2017, the European insurance industry had more than €10trn invested in bonds, company shares and other assets on behalf of millions of life and non-life insurance customers. This was an increase of 2% on 2016.

France, Germany, the UK and Italy jointly account for 80% of all European insurers' investments.

Life insurers' investment holdings account for more than 75% of the total and increased by 2.2% in 2017 to €7 453bn.

The investment portfolio of non-life insurers grew 1.9% to almost €1 600bn<sup>2</sup>.

**Insurers' investment portfolio — 2008–2017 (€bn)**



<sup>2</sup> The sum of life and non-life insurers' investment portfolio does not equal to the total investment portfolio, due to differences in reporting countries. See page 43 for more details.



## European insurers' investment portfolio



France, Germany,  
Italy and the UK  
account for  
**80%** of the total



Life insurers  
account for  
**75%** of the total

**€10trn**

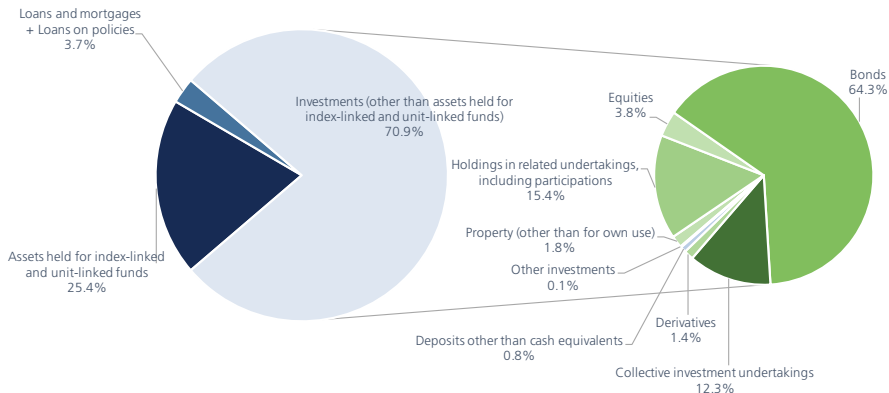
Total investment  
portfolio



Equivalent to  
**63%** of EU GDP

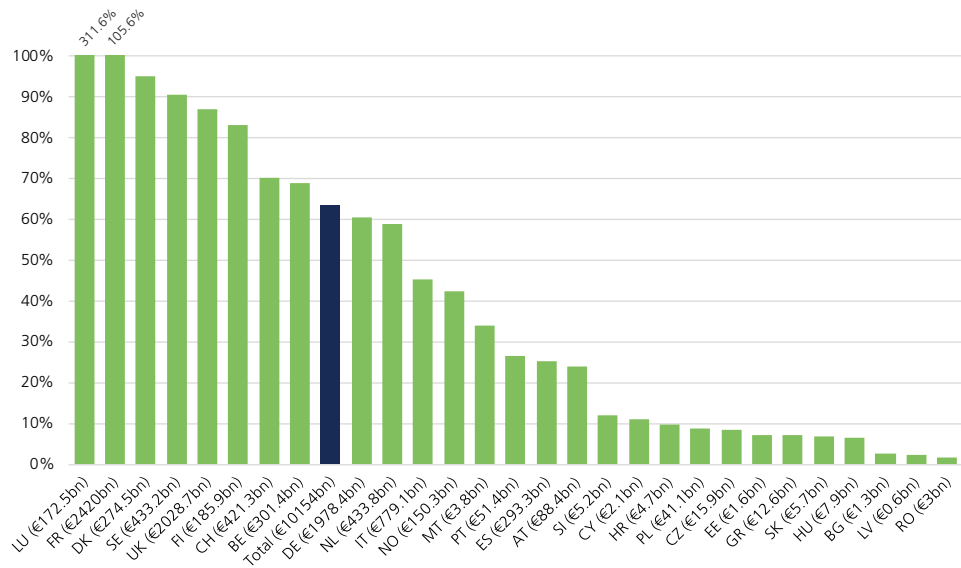
In 2016, the latest year for which a breakdown is available, the total portfolio was made up of 3.7% in loans and mortgages and 25.4% in index-linked and unit-linked funds. The remaining 71% was in other investments, of which 64% was in bonds<sup>3</sup>.

### Breakdown of insurers' investment portfolio — 2016 (%)



<sup>3</sup> Source: EIOPA Solvency II 2016 Solo Annual Balance Sheet

## Insurers' investment portfolio as share of GDP by country — 2017





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

## 4. Companies and employees

There were around 3 400 insurance companies operating in Europe in 2017, down 2.6% on the previous year. This is the number of domestic companies and branches of non-EU/EEA country companies.

European companies can offer cross-border services either through freedom of establishment or freedom of services. In 2016, the latest year for which a breakdown is available, around 500 branches of EU/EEA companies were operating in the EU and around 6 500 licensed insurance operations were overseen by national supervisory authorities on the basis of freedom of services.

The European insurance industry employs more than 950 000 people directly. This figure excludes outsourced employees and independent intermediaries.





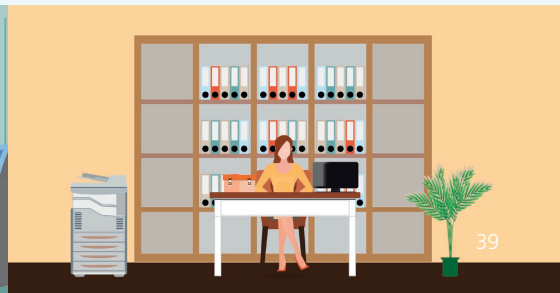
**Distribution structures across EU markets are diverse,  
adapted to consumers' needs and constantly evolving.**

## 5. Distribution channels

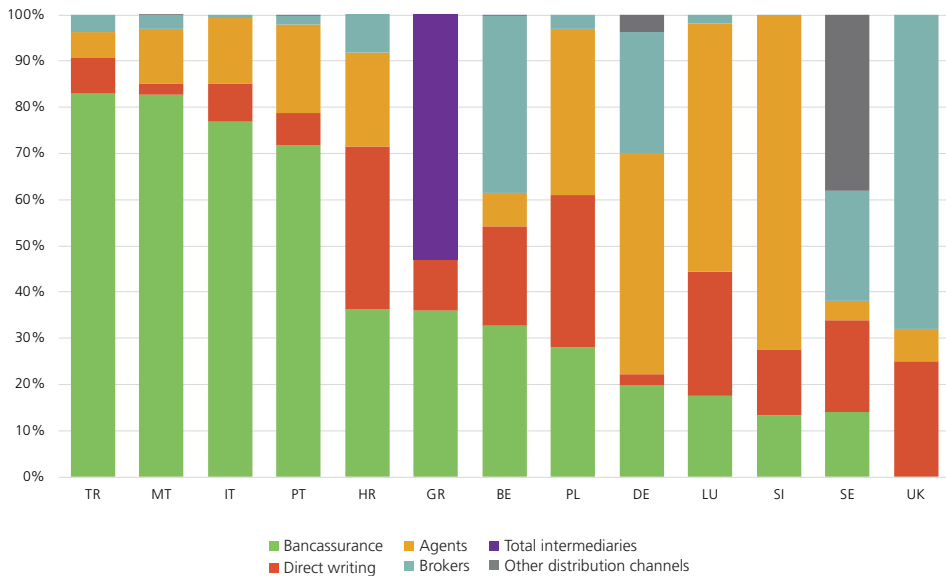
Insurers sell their products either directly or through a variety of other distribution channels, of which the most familiar are brokers, agents and bancassurance.

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

Bancassurance is the main life distribution channel in many European countries today, but has a more modest share in non-life. Intermediaries (agents and, to a lesser extent, brokers) are the largest distribution channels of non-life policies and they also play an important role in life distribution in certain markets. Direct sales through employees or distance-selling is the other large channel for the distribution of non-life products, although this is less developed in life insurance.

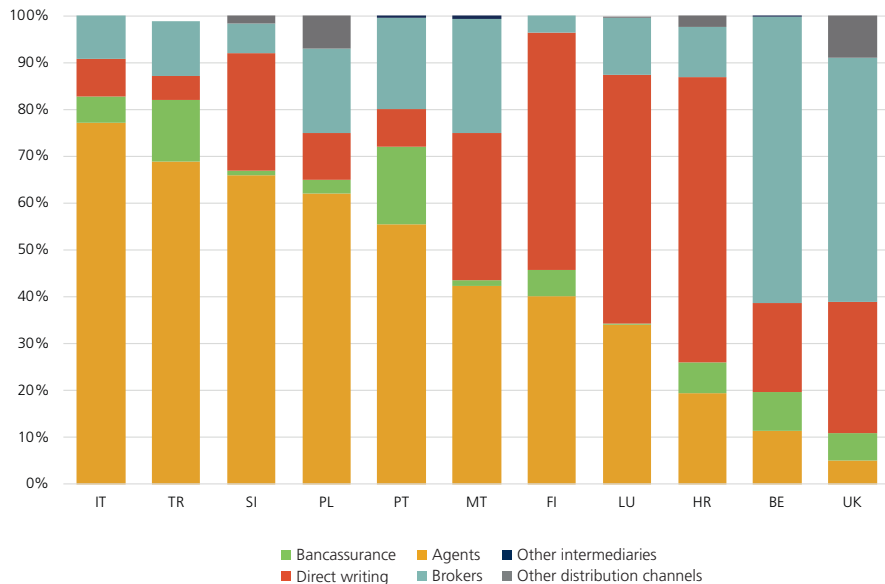


## Life distribution channels by country (% of GWP) — 2016





## Non-life distribution channels by country (% of GWP) — 2016



## Explanatory notes

All figures are domestic market<sup>4</sup> unless otherwise stated

### **2. European premiums, claims and benefits paid**

#### **Total premiums**

For CH, figures for life business include private insurers' pension products but no occupational pension funds; figures for health business include supplementary insurance only and no compulsory health insurance.

For DE, figures include "Pensionskassen" and pension funds, and are for the total market<sup>5</sup>.

For DK, figures are domestic market plus cross-border business of national enterprises.

For ES, figures are for the total market.

For GR, 2016 and 2017 figures are not comparable with previous years because lines of business are classified according to the Solvency II Directive.

For HU, PT, SK and UK, figures for 2016 and 2017 are based on Solvency II templates.

#### **Total claims and benefits paid**

For CH, figures for life business include private insurers' pension products but no occupational pension funds; figures for health business include supplementary insurance only and no compulsory health insurance.

For DE, life benefits paid include "Pensionskassen" and pension funds. P&C claims paid are gross claims expenditure (ie claims paid plus provision for claims). Figures are for the total market.

For DK, figures are domestic market plus cross-border business of national enterprises.

For HU, PT, SK and UK, figures for 2016 and 2017 are based on Solvency II templates.

For NO, figures are gross claims expenditure (ie claims paid plus provision for claims).

For SE, 2016 figures are used for 2017.

#### **Life benefits paid**

For CH, figures for life business include private insurers' pension products but no occupational pension funds.

For DE, figures include “Pensionskassen” and pension funds, and are for the total market.  
For DK, figures are domestic market plus cross-border business of national enterprises.  
For HU, PT, SK and the UK, figures for 2016 and 2017 are based on Solvency II templates.  
For LU and SE, 2016 figures are used for 2017.

#### **P&C claims paid**

For DE, figures are gross claims expenditure (ie claims paid plus provision for claims) and figures are for the total market.  
For DK, figures are domestic market plus cross-border business of national enterprises.  
For GR, claims paid in 2017 are not available.  
For HU, PT, SK and UK, figures for 2016 and 2017 are based on Solvency II templates.  
For NO, figures are gross claims expenditure (ie claims paid plus provision for claims).  
For SE, 2016 figures are used for 2017.

#### **Health claims paid**

For CH, figures for health business include supplementary insurance only, and no compulsory health insurance.  
For DE, figures are for the total market.  
For DK, figures are domestic market plus cross-border business of national enterprises.  
For GR, 2016 figures are not comparable with previous years because lines of business are classified according to the Solvency II Directive.  
For HU, PT, SK and UK, figures for 2016 and 2017 are based on Solvency II templates.  
For SE, 2016 figures are used for 2017.

### **3. Insurers' investment portfolio**

#### **Total investment portfolio**

For DE, figures are for the total market and the reinsurance part of the portfolio in 2016 is an estimate.  
For GR, LU, RO and SE, 2016 figures are used for 2017.  
For HU, PT, SK and the UK, figures for 2016 and 2017 are based on Solvency II templates.

#### **4. Companies and employees**

##### **Number of companies**

For BE, IE, and PL, 2016 figures are used for 2017.

For DE, figures are for companies under Federal supervision (including reinsurers, "Pensionskassen", funeral expenses funds and non-EEA branches) and exclude companies under Land supervision and pension funds.

For NL, figures are for licenced companies (active and not active) under Dutch supervision and exclude funeral-in-kind insurers.

##### **Number of direct employees**

For ES, HU, IE and SE, 2016 figures are used for 2017.

For DE, figures are for employees subject to social security contributions in primary insurance and reinsurance companies and insurance intermediation firms as at 30 June of the respective year.

For SK, figures are for the 14 insurance companies that are members of SLASPO, not the full domestic market (16 companies).

#### **5. Distribution channels**

##### **Life distribution channels**

For DE, SE and UK, figures are for new business only.

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4 Domestic market covers:

- (a) all national enterprises with their head office in that country operating on home territory (including subsidiaries of EU/EEA and non-EU/EEA enterprises)
- (b) branches of enterprises of third (non-EU/EEA) countries

5 Total market covers the domestic market plus:

- (a) branches of enterprises from EU/EEA countries
- (b) enterprises operating through EU freedom of services (FOS)

## Reporting countries

Chapter	Indicator	Reporting countries	Sample size
2. European premiums, claims and benefits paid	Total premiums	Missing: IE, IS	98.7%
	Total claims and benefits paid	Missing: IE, IS, LI	98.7%
	Life premiums	Missing: IE, IS	98.7%
	Life benefits paid	Missing: IE, IS, LI, RO	98.5%
	P&C premiums	Missing: IE, IS, LI	98.7%
	P&C claims paid	Missing: GR, IE, IS, LI	98.4%
	Health premiums	Missing: IE, IS, LI	98.7%
	Health claims paid	Missing: GR, IE, IS, LI, RO	98.2%
2.1 Life insurance	Life premiums	Missing: IE, IS	98.7%
	Life benefits paid	Missing: IE, IS, LI, RO	98.5%
	Life premiums, individual contracts	Missing: AT, BG, CY, CZ, DK, EE, GR, HU, IE, IS, LI, LU, RO, SE, SI, SK, TR, UK	66.1%
	Life premiums, group contracts	Missing: AT, BG, CY, CZ, DK, EE, GR, HU, IE, IS, LI, LU, RO, SE, SI, SK, TR, UK	66.1%
	Life premiums, non unit-linked contracts	Missing: AT, BG, CY, DK, EE, IE, IS, LI, LU, RO, SE, SK, UK	68.2%
	Life premiums, unit-linked contracts	Missing: AT, BG, CY, DK, EE, IE, IS, LI, LU, RO, SE, SK, TR, UK	67.3%
2.2 P&C insurance	P&C premiums	Missing: IE, IS, LI	98.7%
	P&C claims paid	Missing: GR, IE, IS, LI	98.4%

	Motor premiums	Missing: IE, IS, LI	98.7%
	Motor claims paid	Missing: GR, IE, IS, LI	98.4%
	Property premiums	Missing: IE, IS, LI	98.7%
	Property claims paid	Missing: GR, IE, IS, LI	98.4%
	Accident premiums	Missing: BG, IE, IS, LI, SK	98.4%
	Accident claims paid	Missing: BG, GR, IE, IS, LI, RO, SK	98.0%
	General liability premiums	Missing: IE, IS, LI	98.7%
	General liability claims paid	Missing: GR, IE, IS, LI, RO	98.2%
2.2.1 Motor insurance	Motor premiums	Missing: IE, IS, LI	98.7%
	Motor claims paid	Missing: GR, IE, IS, LI	98.4%
2.2.2 Property insurance	Property premiums	Missing: IE, IS, LI	98.7%
	Property claims paid	Missing: GR, IE, IS, LI	98.4%
2.3 Health insurance	Health premiums	Missing: IE, IS, LI	98.7%
	Health claims paid	Missing: GR, IE, IS, LI, RO	98.2%
3. Insurers' investment portfolio	Insurers' investment portfolio (10-year sample)	Missing: IE, IS	98.7%
	Portfolio as share of GDP	Missing: IE, IS, LI, TR	97.8%
	Life insurers' investment portfolio	Missing: AT, ES, GR, HU, IE, IS, LU, RO, SE	88.6%
	Non-life insurers' investment portfolio	Missing: AT, ES, GR, HU, IE, IS, LU, NO, RO, SE	87.4%

	Insurers' investment portfolio (2-year sample)	Missing: IE, IS	98.7%
4. Companies and employees	Number of insurance companies	Missing: IS	99.9%
	Number of employees	Missing: BG, EE, IS, LV, MT, NO, PL	97.4%

“European Insurance – Key Facts” is available to download from the Insurance Europe website.

Also available at [www.insuranceeurope.eu](http://www.insuranceeurope.eu) are the annual detailed statistical publication “European Insurance in Figures” and its dataset.

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