

LUXEMBOURG

Disclaimer:

The information listed in this document has been gathered and categorised by EIOPA. It includes the general good provisions regulating insurance distribution in addition to those set out in the Insurance Distribution Directive (Article 11(2)) and those referred to in Article 180 of Solvency II. It may also include information on other general good provisions (not related to IDD and Solvency II), such as money-laundering and taxation provisions, which are relevant for insurance distributors doing cross-border business. It is:

- of a general nature only and is not intended to address the specific circumstances of any particular individual or entity;
- not necessarily comprehensive, complete or up to date;
- sometimes linked to external sites over which EIOPA/NCAs have no control and for which EIOPA/NCAs assume no responsibility;
- not professional or legal advice (if you need specific advice, you should always consult a suitably qualified professional);
- to be read in conjunction with and does not override the information referred to on the national websites

EIOPA/NCAs accept no responsibility or liability with regard to the information published herein. This information available should be checked against the relevant national website(s). Only the officially published sources of General Good provisions in the respective countries are deemed authentic.

The abbreviation "LSA" refers to the law of 7 December 2015 on the insurance sector, as amended, which may be consulted on the website of the CAA, under the following link <https://www.caa.lu/fr/documentation/lois>.

For insurance undertakings

General good provisions regulating insurance distribution in addition to those set out in the Insurance Distribution Directive (Article 11(2))

Information requirements and conduct of business rules

IDD Article	Specific national legislative provision(s)	FoS	FoE
Article 17: General principle	/		
Article 18: General information provided by the insurance intermediary or insurance undertaking	/		
Article 19: Conflicts of interest and transparency	/		

Article 20: Advice, and standards for sales where no advice is given	/		
Article 21: Information provided by ancillary insurance intermediaries	/		
Article 22: Information exemptions and flexibility clause	Article 295-10, paragraph 1, LSA When distributing insurance products to customers whose habitual residence or establishment is in the Grand Duchy of Luxembourg, any distributor of insurance products shall provide advice within the meaning of Article 279, paragraph 5, LSA, however the customer may agree to waive this advice individually in writing and before any act of distribution.	x	x
Article 23: Information conditions	/		
Article 24: Cross-selling	Article 295-14, paragraph 6, LSA The CAA may intervene on a case-by-case basis to prohibit the sale of an insurance contract together with a ancillary service or product which is not an insurance contract, in the context of cross selling, where it can demonstrate that such practices causes serious harm to consumers.	x	x
Article 25: Product oversight and governance requirements	/		

Additional requirements in relation to insurance-based investment products			
IDD Article	Specific national legislative provision(s)	FoS	FoE
Article 26: Scope of additional requirements	/		
Article 27: Prevention of conflicts of interest	/		
Article 28: Conflicts of interest	/		
Article 29: Information to customers	Article 295-19, paragraph 1, subparagraph 3, LSA Information on costs and charges which must be given to (potential) customers in relation to IBIPs may be provided in a standardised format.	x	x
Article 30: Assessment of suitability and appropriateness and reporting to customers	Article 295-20, paragraph 3, LSA Under the conditions foreseen by article 295-20, paragraph 3, LSA of the IDD, and without prejudice of article 295-10, paragraph 1, LSA, in case of IBIPs distributed without advice in Luxembourg, intermediaries or insurance companies may carry on these activities without having to obtain the information regarding a person's knowledge and experience in the investment field or determine the appropriateness of the insurance service or product for the customer.	x	x
Scope, registration and organisational requirements			
IDD Article	Specific national legislative provision(s)	FoS	FoE

Article 1: Scope	/		
Article 2: Definitions	/		
Article 3: Registration	/		
Article 10: Professional and organisational requirements	Articles 285-1 and 288, paragraph 3, LSA In order to assure adequate consumer protection, each insurance and reinsurance undertaking established in the Grand Duchy of Luxembourg must keep a record of their staff directly involved in insurance or reinsurance distribution and not yet licensed as an insurance agent. The persons filed on these records must accomplish their professional training according to articles 38 ff. of CAA regulation 19/01 relating to insurance and reinsurance distribution. Each year, before the 31st of January, each such undertaking has to communicate to the CAA the name of their staff members not having fulfilled the legally foreseen training requirements. The final verification of that conformity is made by CAA.		x
	Article 285-3 LSA Insurance and reinsurance undertakings established in the Grand Duchy of Luxembourg are required to check every 3 years the good repute of their agents and of persons who, in their midst, are directly involved in insurance or reinsurance distribution. Article 49 of CAA regulation 19/01, as amended, provides further guidance.		x
Article 14: Complaints	/		

Other themes			
IDD Article	Specific national legislative provision(s)	FoS	FoE
Not applicable	<p>Article 295-20, paragraph 7, sub-paragraph 2, LSA</p> <p>In addition to the obligation resulting from article 30 (5) IDD and referring to the conclusion of an insurance contract by means of distance selling and the possibility resulting therefrom for the customer, upon its prior acceptance, to be provided with the suitability statement after the conclusion of the insurance contract, the suitability statement must be provided to such customer prior to the expiry of the withdrawal period foreseen in article 100 of the law of 27 July 1997 on the insurance contract, as amended. The said article 100 is applicable to individual life insurance contracts concluded for a period exceeding 6 month and foresees a withdrawal period of one month.</p>	X	X
General good provisions referred to in Article 180 of Solvency II			
Solvency II Article	Specific national legislative provision(s)	FoS	FoE
...	/		
Other general good provisions (not related to IDD and Solvency II), such as money-laundering and taxation provisions, which are relevant for insurance distributors doing cross-border business			
Underlying Article from EU legislation, if applicable	Specific national legislative provision(s) and or links to the relevant websites of the Ministries where further information on the rules can be found	FoS	FoE
Directive (EU) 2015/849, as amended	<p>Anti-money-laundering:</p> <p>Are defined as professionals according to the law dated 12 November 2004 on the fight against money laundering and terrorist financing, as amended ("2004 AML/CFT Law"):</p>	X	X

	<ul style="list-style-type: none"> • Insurance undertakings licensed or authorised to carry out their activities in Luxembourg, in connection with operations covered by Annex II of the LSA and insurance intermediaries licensed or authorised to conduct business in Luxembourg, in accordance with the LSA, when they deal with life insurance and other investment related services (article 2, paragraph (1), 2, of the 2004 AML/CFT Law; article 301, paragraph (1), of the LSA) • Professionals of the insurance sector authorised to carry out their business in Luxembourg pursuant to the LSA (article 2, paragraph (1), 2a, of the 2004 AML/CFT Law; article 301, paragraph (1), of the LSA) • Pension funds under the prudential supervision of the CAA (article 2, paragraph (1), 3, of the 2004 AML/CFT Law; article 301, paragraph (1), of the LSA) • Insurance and reinsurance undertakings and their intermediaries whenever they perform credit and surety operations (article 2, paragraph (1), 6c, of the 2004 AML/CFT Law; article 301, paragraph (1), of the LSA) • Branches of foreign professionals in Luxembourg, as well as professionals established under the laws of foreign countries who supply services in Luxembourg, without establishing any branch in Luxembourg (article 2, paragraph (2), of the 2004 AML/CFT Law; article 301, paragraph (2), of the LSA). <p>A consolidated version of the 2004 AML/CFT Law is available on the CAA's website: https://www.caa.lu/uploads/documents/files/L_121104_AML.pdf</p> <p>More information can be found on: https://www.caa.lu/fr/surveillance/lutte-contre-le-blanchiment-et-le-financement-du-terrorisme</p>		
--	---	--	--

For insurance intermediaries

General good provisions regulating insurance distribution in addition to those set out in the Insurance Distribution Directive (Article 11(2))

Information requirements and conduct of business rules

IDD Article	Specific national legislative provision(s)	FoS	FoE
Article 17: General principle	/		
Article 18: General information provided by the insurance intermediary or insurance undertaking	/		
Article 19: Conflicts of interest and transparency	/		
Article 20: Advice, and standards for sales where no advice is given	/		
Article 21: Information provided by ancillary insurance intermediaries	/		
Article 22: Information exemptions and flexibility clause	Article 295-10, paragraph 1, LSA Insurance distributors whose customers' usual residence or establishment is in the Grand Duchy of Luxembourg, must provide advice within the meaning of Article 279, paragraph 5, LSA, unless the customer agrees to waive this advice individually in writing and prior to any act of distribution.	X	X

	Article 295-9, paragraph 1, point c) LSA In addition to the information required by article 19 IDD, an insurance intermediary must inform his clients of the existence of any contract for the provision of services with a specific insurer that goes beyond the insurance distribution business.	X	X
Article 23: Information conditions	/		
Article 24: Cross-selling <i>(option taken under paragraph 7)</i>	Article 295-14, paragraph 6, LSA The CAA may intervene on a case-by-case basis to prohibit the sale of an insurance contract together with a ancillary service or product which is not an insurance contract, in the context of cross selling, where it can demonstrate that such practices causes serious harm to consumers.	X	X
Article 25: Product oversight and governance requirements	/		
Additional requirements in relation to insurance-based investment products			
IDD Article	Specific national legislative provision(s)	FoS	FoE
Article 26: Scope of additional requirements	/		
Article 27: Prevention of conflicts of interest	/		

Article 28: Conflicts of interest	/		
Article 29: Information to customers	Article 295-19, paragraph 1, subparagraph 3, LSA Information on costs and charges which must be given to (potential) customers in relation to IBIPs may be provided in a standardised format.	X	X
Article 30: Assessment of suitability and appropriateness and reporting to customers	Article 295-20, paragraph 3, LSA Under the conditions foreseen by article 295-20, paragraph 3, LSA of the IDD, and without prejudice of article 295-10, paragraph 1, LSA, in case of IBIPs distributed without advice in Luxembourg, intermediaries or insurance companies may carry on these activities without having to obtain the information regarding a person's knowledge and experience in the investment field or determine the appropriateness of the insurance service or product for the customer.	X	X
Scope, registration and organisational requirements			
IDD Article			
Article 1: Scope	/		
Article 2: Definitions	/		
Article 3: Registration	/		

Article 10: Professional and organisational requirements	Article 285-3 LSA Insurance and reinsurance brokers established in the Grand Duchy of Luxembourg (whether legal or natural persons) are required to check every 3 years the good repute of their sub-brokers. Article 49 of CAA regulation 19/01, as amended, provides further guidance.		X
Article 14: Complaints	/		
Other themes			
IDD Article	Specific national legislative provision(s)	FoS	FoE
Article 3 : Registration	Article 285-1, paragraph 1, LSA Persons involved in direct distribution and working within insurance undertakings established in the Grand Duchy of Luxembourg must hold an insurance agent's licence. This is to ensure that the same fit and proper requirements apply to both agents and staff of insurance companies directly involved in insurance distribution.		
Article 29: Information to customers	Article 283-4 LSA Distributors whose customers' usual residence or establishment is situated in the Grand Duchy of Luxembourg, and who, in the context of pre-contractual information, inform their clients that they represent them, must base their advice on an impartial and personalised analysis.	X	X
Not applicable	Article 295-8, paragraph 1, LSA An insurance intermediary acting on behalf of one or more insurance undertakings must inform the customer of the name of those undertakings. An insurance intermediary acting on behalf of one or more other intermediaries, being natural or legal persons, must also inform the customer of the name of the intermediary or intermediaries on behalf of whom he works, the register of distributors in which these intermediaries are registered and their registration number.	x	x
Not applicable	Article 295-20, paragraph 7, sub-paragraph 2, LSA	X	X

	In addition to the obligation resulting from article 30 (5) IDD and referring to the conclusion of an insurance contract by means of distance selling and possibility resulting therefrom for the customer, upon its prior acceptance, to be provided with the suitability statement after the conclusion of the insurance contract, the suitability statement must be provided to such customer prior to the expiry of the withdrawal period foreseen in article 100 of the law of 27 July 1997 on the insurance contract, as amended. The said article 100 is applicable to individual life insurance contracts concluded for a period exceeding 6 month and foresees a withdrawal period of one month.		
General good provisions referred to in Article 180 of Solvency II			
Solvency II Article	Specific national legislative provision(s)	FoS	FoE
...	/		
Other general good provisions (not related to IDD and Solvency II), such as money-laundering and taxation provisions, which are relevant for insurance distributors doing cross-border business			
Underlying Article from EU legislation, if applicable	Specific national legislative provision(s) and or links to the relevant websites of the Ministries where further information on the rules can be found	FoS	FoE
Directive (EU) 2015/849, as amended	Anti-money-laundering: Please refer to the correspondent section relating to the insurance undertakings.	X	X