

Response to EC consultation on its proposal for a European digital identity

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General comments

Insurance Europe welcomes the opportunity to share the views of the insurance industry on the European Commission's proposals for a European digital identity.

Digital identities and the associated processes of authentication and authorisation are an essential component of the digital single market and of national and European economies, especially against the backdrop of the COVID-19 pandemic. Secure, easy-to-use digital identities, and their verification, that are available to all companies and EU citizens offer a high added value.

Distribution

The insurance industry welcomes the Commission's initiative in this area and foresees a lot of potential in the insurance context. In the area of distribution in particular, insurers could imagine the following use cases:

- Clear and easy identification of potential customers, in particular in the fulfilment of "Know Your Customer" (KYC) obligations for online distribution channels or compliance with anti-money laundering requirements.
- Facilitating the possibility to register and access insurers' online services and enabling easy identification for single sign-on (SSO).
- Ensuring that prospective customers are of legal age and therefore have full legal capacity to enter into a contract.
- In the context of the professional training and qualification requirements of employees, to demonstrate that relevant legal obligations have been fulfilled. The Digital Identity Wallet could provide a means of demonstrating to relevant supervisory authorities that continuing professional development requirements have been met by the employee.

Technical implementation

The draft Regulation requires Member States in Article 6a to issue a European Digital Identity Wallet under a notified eID scheme within 12 months after the entry into force of the Regulation.

According to Article 6a(4)(c), the Digital Identity Wallets should meet the requirements set out in Article 8 with regards to assurance level “high”, in particular as applied to the requirements for identity proofing and verification, and electronic identification means management and authentication.

Regarding the technical implementation of these provisions, the following aspects should be considered:

- There is currently no uniform IT architecture, nor test catalogue for SSI-architecture. However, interoperability of Digital Identity Wallets, particularly with regard to their level of assurance, should be guaranteed.
- Digital Identity Wallet solutions should also be user-friendly, while maintaining a high level of security and trustworthiness to improve users’ acceptance.
- In terms of interoperability, user-friendliness and users' acceptance, users should not be forced to use different wallets depending on their respective scope.
- There should be no technical restrictions on the use of wallets on mobile devices – wallet solutions should work smoothly across all mobile devices, regardless of their operating system or age.

Data Protection

One of the advantages of digital identities is that they could help to simplify the fulfilment of data protection rights and make them more secure. However, when deciding on a specific technology for the implementation of Digital Identity Wallets, care must also be taken to ensure conformity with data protection legislation (eg data protection by design) and to choose future-proof solutions. A solution that does not effectively take this into account may become subject to regulatory friction, which could slow down the uptake of trustworthy digital identities and prevent a quick rollout of much needed Digital Identity Wallets.

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