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EU-US bilateral agreement on (re)insurance sets a great precedent for open markets and free trade

The Reinsurance Advisory Board (RAB) welcomes the signature of the EU-US bilateral agreement on prudential measures for insurance and reinsurance. By facilitating cross-border (re)insurance business between Europe and the United States of America, the agreement will directly benefit policyholders, as well as economic growth in both jurisdictions.

The RAB appreciates the significant time and effort that both European and US stakeholders have put into the negotiation and finalisation of the agreement over the past two years. This joint effort remains key in securing a balanced outcome.

The RAB particularly welcomes the US commitment to completely remove the regulatory collateral requirements faced by European reinsurers placing business in the US on a cross-border basis, which will create a level playing field with US reinsurers.

Looking ahead, the RAB supports a swift conclusion of the agreement and implementation of the commitments on both sides. As a general principle, it believes that reinsurers from any well-regulated jurisdiction should be allowed to assume risk freely on a cross-border basis, without being subject to local statutory collateral requirements or other measures that have an equivalent effect. Upholding such a principle of open markets for reinsurance also seems to have found support on the US side.

Once implemented successfully, the EU-US bilateral agreement will set a great precedent globally for open markets and free cross-border trade, which are key drivers of economic development and growth. The RAB is hopeful that this agreement will give a strong, positive signal to other jurisdictions around the world.

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Notes for editors

1. For further information please contact Richard Mackillican, policy advisor Communications & PR (tel: +32 2 894 30 69, mackillican@insuranceeurope.eu).
2. Copies of all press statements are available on the Insurance Europe Reinsurance Advisory Board (RAB) webpage (www.insuranceeurope.eu/reinsurance-advisory-board).
3. Insurance Europe's Reinsurance Advisory Board (RAB) is a specialist representative body for the European reinsurance industry. It is represented at chief executive officer (CEO) level by the seven largest European reinsurance firms: Gen Re, Hannover Re, Lloyd's, Munich Re, PartnerRe, SCOR and Swiss Re, with Insurance Europe providing the secretariat. Through its member bodies, the RAB represents around 60% of total worldwide reinsurance premium income. The RAB promotes a stable, innovative and competitive market environment. It further promotes a regulatory and trading framework that facilitates global risk transfer through reinsurance and other insurance-linked capital solutions.