

EUROPEAN LEADERSHIP FOR A STABLE INSURANCE MARKET

A stable and secure insurance market supports the resilience of European businesses. Enterprises need an insurance offer that is sufficient in terms of the exposures that they face and that is cost-effective.

State of play and challenges

- The European insurance and reinsurance industry is large and well capitalised but faces pressures.
- Natural catastrophes are expected to become more severe as a result of climate change. This will increase demands on (re)insurance capacity when there is already an insurance gap.
- There is extensive consolidation taking place in the market for (re)insurance and broking which could lead to reduced choice for European businesses and consumers.
- New risks, especially associated with digital transformation, are challenging for insurers to create solutions within their highly regulated environment.



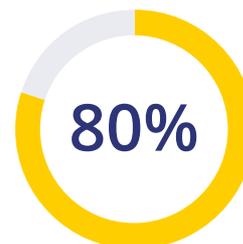
FERMA actions / engagements

- FERMA is a member of the Insurance and Reinsurance Stakeholder Group of EIOPA, as the voice of the European corporate insurance clients and users of captive insurance.
- FERMA is engaging with the European Commission on future insurance solutions for natural catastrophe losses, environmental liabilities and cyber risks.
- In terms of captive insurance companies, FERMA is working with OECD to encourage reasonable application of the Base Erosion and Profit Shifting (BEPS) principles among member states.
- FERMA works with European organisations representing the insurance industry, to increase understanding of the value of insurance, for example for cyber risks.

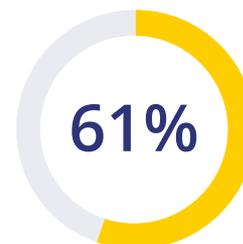


We ask policy-makers to

- Promote consistent application of insurance regulation across member states, especially the proportionality principle with regard to small and less complex insurance ventures.
- Ensure any proposals to reduce the insurance protection gap respect the proportionality principle and allow flexibility to enterprises with a mature risk management in place.



Additional insurance-related regulations are a topic of concern for 80% of respondents to the FERMA European Risk Manager Survey 2018



61% of risk managers are involved in insurance activities.