

News Release



FOR IMMEDIATE RELEASE

ECIROA is delighted that the Solvency II directive is moving forward

Luxembourg, 24 April 2009 : The European Captive Insurance and Reinsurance Owners' Association (ECIROA) welcomes the vote by the European Parliament to adopt the proposed Solvency II Framework directive. The amendments made since the previous vote in October 2008 do not affect captives but the adoption on Wednesday and the expected adoption by ECOFIN on 5 May are necessary steps in the rapid development of Solvency II.

The framework specifically references captives thus officially recognising this important risk tool and specifying that « the new solvency regime should also take account of the specific nature of captive insurance and reinsurance undertakings » (recital 14c). ECIROA is working on ensuring that the proportionality principle will be extended to all three pillars and the Association is currently producing comments on CEIOPS' Consultation papers on implementing measures and is also developing suggestions on simplifications. A first draft of the association's suggestions on captive treatment under Pillar 1, 2 and 3 will be delivered to CEIOPS and the EU soon.

The treatment of captives under Solvency II is not only an issue for the domiciles hosting the captives but also the countries the captive owners are based in, both European and non-European. For this reason, the members of ECIROA are the captive owners themselves who are the parent companies of captives in various European countries.

ECIROA was formed in Luxembourg on 22nd August 2008 to provide a forum for captive insurance owners to discuss areas of common interest and to speak in 'one voice' in discussions with regulators and other official bodies. Solvency II, and the need for simplifications suitable for the nature of captives, is one of the first projects of this Association.

ECIROA currently has 31 members from Denmark, France, Italy, Israel, Germany, Luxembourg, the Netherlands, Sweden, Switzerland and the UK.

ECIROA invites companies from around the world having a captive(s) domiciled within Europe to join the Association and be a part of this important project.

For further information, please visit our web page www.eciroa.org or contact the Executive Manager :

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