

#### Society of Actuaries in Ireland

# Authorisations – it's been a busy year!

18<sup>th</sup> May 2018

## Disclaimer

# The views expressed in this presentation are those of the presenters and not necessarily of the Society of Actuaries in

Ireland

# Agenda

- Introductions
- Why authorisation activity has increased?
- Approach to market entry
- Key consideration as you prepare for the CBI's approval process
- Overview of activity in insurance market
- Panel discussion



#### Brexit

- At noon on 29 March 2017 the UK notified the European Council of its decision to withdraw from the European Union under Article 50 of the Treaty on European Union
- What does this mean for financial services companies and in particular (re) insurance companies?



#### Background





## Brexit - timeline





### Passporting

- If you meet the conditions in the relevant directive, you can either:
- Set up a branch in an EEA state (a 'branch' passport / Freedom of Establishment (FOE))
- Provide cross-border services or advice (a 'services' passport, Freedom of Services (FOS))





# What does it mean to lose passporting access?

- There is no single directive or 'one size fits all' answer to passporting outside of the EU
  passports are country and advice/product specific.
- Once outside the EU, a UK based FS institution has no 'passport rights'. Instead it must apply for a licence for each EU country





### Approach to Market Entry





# Authorisation Approval Process Overview





# Preparation for authorisation process



border flows

Booking model

Outsourcing /

**Delegation Model** 

► Tax and legal framework

services

► Governance framework

- Industry growth required
- ► Assets and Liabilities
- Revenue and cost centres and P&L

- ► Robust risk management framework
  - ► Appropriate and demonstrable risk management oversight from Board and senior management
  - ► Local risk management function commensurate with the size of the institution



# Authorisation Activity

• Applications approved in 2017: 7



- Meetings with potential applicants in 2017: 60+
- Applications in progress: 8



#### **Panel Discussion**

# PANEL DISCUSSION



# Q&A