

INSURSIGHTS

A focus on the insurance market



Principality of Liechtenstein as a Captive Location

Within Europe, the choice for the captive location often falls on financial centers such as Luxembourg, Ireland or Malta. Liechtenstein is rarely on the agenda of companies. However, Liechtenstein deserves to be on the short list of suitable locations. This small state offers attractive conditions for both direct and reinsurance captives. Some interesting facts:

Political continuity and stable social, legal and economic environment

- Member of UNO, WTO, Council of Europe, EFTA, EEA and Schengen/Dublin
- Broadly diversified business location with stable and strong industrial and financial sector
- Government Spending: 20.3% of GDP / AAA (Moody's and S&P's)

Direct access to both the EEA and the Swiss insurance market

- Financial regulation based on EU law (Solvency II and Passporting)
- Direct Insurance Agreement with Switzerland (customs and currency union)

Global integration of the Financial Market Authority

- One regulator for two markets (EEA and Switzerland)
- Full member of the European financial supervision system (EIOPA, IAIS and IOPS)
- Represented in the MONEYVAL-committee of the Council of Europe

Reputation as Financial Center

- Innovative
- Sustainable
- Adaptable
- Internationally strong network and long-established insurance knowledge
- Short and uncomplicated decision-making processes with personal access to experts

Sensible application of regulatory law

- No „Liechtenstein Finish“, no gold-plating
- Level playing field and supervisory convergence
- Flexibility on outsourcing, also within the group
- Proportional governance requirements under Solvency II

Incorporation, relocation and licensing process

- Flexible company law
- Direct and reinsurance captives (direct insurance includes reinsurance)
- No notification requirements for reinsurance
- Low minimum capital requirements and flexibility on share capital currency
- Filing in English and German

Straightforward tax law regime

- Global-Forum-Rating «largely compliant», «Early Adopter» AIEA, TIEA&DTTA and BEPS
- Corporate tax rate: 12.5% (flat tax), no capital gains tax
- Generous claims equalization reserve possible

High quality of all relevant financial service providers on-site



Infrastructure, digitalization and innovation

- Adequacy of relevant infrastructure (IT and telecommunication)
- Attractive conditions for innovation and FinTechs
- Blockchain-Act in force

Geographic convenience in the middle of Europe

- Easy access by air, train or car
- Close to Zurich, Innsbruck, Munich and Milano