



REPUBLIC OF CYPRUS

GUIDE

**ON THE NOTIFICATION PROCEDURES FOR
THE PURSUIT OF BUSINESS UNDER THE
FREEDOM OF ESTABLISHMENT OR THE
FREEDOM TO PROVIDE SERVICES IN AN
EEA MEMBER STATE BY A CYPRUS BASED
INSURANCE/REINSURANCE UNDERTAKING**

MINISTRY OF FINANCE

INSURANCE COMPANIES CONTROL SERVICE

This is a guide outlining the requirements for the pursuit of business in another European Economic Area (EEA) member state under the freedom to provide services (FOS) or the freedom of establishment (FOE) by a Cyprus based insurance/reinsurance undertaking (“the applicant”).

This document should be read in conjunction with articles 159, 160 and 162 of the Law on Insurance and Reinsurance Business and Other Related Issues of 2016-2023 (“the Law”), Regulations 6 and 9 of the Insurance and Reinsurance Business and Other Related Issues Regulations 2016-2021 (“the Regulations), and the EIOPA Board of Supervisor’s decision on the collaboration of the insurance supervisory authorities (EIOPA-BoS-21-235).

In addition to the information set out in the application forms attached to this Guide, the Superintendent of Insurance (“Superintendent”) may request supplementary information in order to assist in the process of the relevant application.

The Superintendent is also responsible for notifying other EEA Member States of a Cyprus based Insurance Undertakings’ intention to operate in their jurisdiction.

Notifying the Superintendent of the intention to pursue business in another EEA Member State

Upon receipt of the notification, the Insurance Companies Control Service (“ICCS”) will review and assess the completeness and accuracy of the information provided.

If the information is incomplete or if further information is required, ICCS will contact the applicant.

Unless the Superintendent has reasons against this pursuing of business, within (3 months for FOE and 1 month for FOS) of receiving the completed application, the Superintendent shall communicate the information to the Host NSA and shall inform the applicant that it has done so.

The Superintendent shall also provide a certificate of Solvency to the host NSA confirming that the Solvency Capital Requirement and the Minimum Capital Requirement are covered by the undertaking.

Where the Superintendent refuses to communicate the information, he shall state the reasons for his refusal to the applicant within (3 months for FOE and 1 month for FOS) of receiving all the information in question. Such refusal may be challenged with a recourse before the Permanent Secretary, in accordance with the Provisions of section 347 of the Law.

Please note that if the applicant intends to set up branches in more than one Member State a single notification should be submitted, however separate application details should be clearly identifiable in respect of each proposed branch.

Starting the insurance activities in another Member State

The Superintendent notifies in writing to the applicant any terms and conditions that have been placed on the grounds of public interest, by the Host NSA with regard to pursuing insurance activities in the said member state (“General Good Provisions”).

In the case of FOE, the applicant may establish the branch and commence its activities in the host member state :

- a) from the day it receives the above notification or,
- b) if no notification is received, on the expiry of the two-month period from the date the Host NSA received the notification from the Superintendent.

In the case of FOS, the applicant may commence insurance activities from the date in which the Superintendent notifies the Host Member State of the intention.

Changes to the details of the current Branch

If there are any changes on the particulars provided under this application to an existing Branch, the insurance undertaking should give written notice to the Superintendent at least a month before such change takes place.