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Insurance Europe welcomes EC focus on long-term finance

Stresses need for global coordination on initiatives

Brussels, 27 March 2014: The European Commission has today published a Communication on long-term financing of the European economy, building on the Green Paper it published in March 2013.

Insurers are ideally placed to contribute to the long-term investment and financing required to underpin economic growth, since they offer risk-transfer and long-term savings products and are able to invest long-term. Insurance Europe welcomes the Commission's pro-active promotion of long-term finance, as evidenced by the actions and initiatives set out in today's Communication.

"It is vital that EU initiatives on long-term finance are coordinated with international organisations, such as the OECD and the Financial Stability Board, on the work in this area that has been mandated by the G-20, which Insurance Europe follows very closely," said Michaela Koller, director general of Insurance Europe.

One area covered in today's EC Communication relates specifically to mobilising insurers as sources of long-term financing and, in particular, to the changes to EU insurers' regulatory environment with the introduction of the Solvency II rules in 2016.

Work is currently underway to finalise the delegated acts that detail the Solvency II regulation. Insurance Europe has called on the Commission to ensure that the capital requirements on long-term assets reflect the true risks faced by insurers and likewise to ensure the appropriate treatment of the long-term nature of insurance products, so that insurers are not disincentivised from long-term investing. It therefore welcomes the statement in the Commission's Communication that the delegated acts will include "a number of incentives to stimulate long-term investment".

Insurance Europe looks forward to seeing more details of the more than 20 actions outlined in the EC Communication and to contributing to their development.

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Background

On 25 March 2013 the European Commission adopted a Green Paper on the long-term financing of the European economy. Insurance Europe [commented](#) on the Green Paper on 25 June 2013.

Notes for editors

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2. To receive Insurance Europe's news and press releases:
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based in Brussels, represents undertakings that account for around 95% of total European premium income. Insurance makes a major contribution to Europe's economic growth and development. European insurers generate premium income of more than €1 100bn, employ almost one million people and invest almost €8 400bn in the economy.