

Joint Statement on Signing the Bilateral Agreement on Prudential Measures Regarding Insurance and Reinsurance

Washington – The United States and the United Kingdom (UK) signed the Bilateral Agreement between the United States of America and the United Kingdom on Prudential Measures Regarding Insurance and Reinsurance (U.S.-UK Covered Agreement) on December 18, 2018. The U.S.-UK Covered Agreement is an important step in providing regulatory certainty and market continuity as the United Kingdom prepares to leave the European Union (EU).

The U.S.-UK Covered Agreement, like the covered agreement with the EU, will benefit the U.S. and UK economies and consumers by reducing burdens on insurers and reinsurers while maintaining prudential standards and will enable customers to protect themselves more efficiently against risks. At the same time, it affirms the U.S. state-based system of insurance regulation while increasing growth opportunities for insurers in both the United States and United Kingdom.

The U.S.-UK Covered Agreement will ensure continuity for UK insurers and reinsurers accessing the U.S. market consistent with the terms of the U.S.-EU Covered Agreement. In order to achieve this continuity, the Parties plan to bring the U.S.-UK Covered Agreement into force once the UK is no longer subject to the U.S.-EU Covered Agreement and domestic processes are complete.