

United States and European Union Hold Fifth Joint Committee Meeting under the Bilateral Agreement on Prudential Measures Regarding Insurance and Reinsurance

July 14, 2022

On the 14th of July 2022, the United States and the European Union held the fifth meeting of the Joint Committee established under the U.S.-EU Agreement on Prudential Measures Regarding Insurance and Reinsurance (“the Agreement” hereafter). The United States and the European Union signed the Agreement on September 22, 2017, and the Agreement entered into force on April 4, 2018.

The Agreement—which is a ‘covered agreement’ as defined by the Dodd-Frank Act for the United States and an agreement under Articles 114 and 218 of the Treaty on the Functioning of the European Union for the European Union—addresses three areas of prudential insurance oversight: (1) reinsurance; (2) group supervision; and (3) the exchange of insurance information between supervisors.

The Joint Committee meeting was conducted by video conference and attended by representatives from the U.S. Department of the Treasury, the Office of the U.S. Trade Representative, and the European Commission's Directorate-General for Financial Stability, Financial Services and Capital Markets Union, as well as by U.S. state insurance commissioners and representatives from the European Insurance and Occupational Pensions Authority and the Federal Reserve Board.

During this fifth Joint Committee meeting under the Agreement, participants on both sides provided updates regarding the implementation of the Agreement on reinsurance, group supervision and exchange of information. Both sides acknowledged progress made toward full implementation of the Agreement, including implementation and full applicability of Paragraphs 1 and 2 of Article 3 (concerning reinsurance collateral) in September 2022. In this regard, they discussed the status of the removal of collateral and local presence requirements, the procedure for potential pre-emption, and provisions regarding group supervision and the exchange of information. In addition, the United States and the European Union reaffirmed their commitment to continuous review of progress on the Agreement and close coordination between the two sides. Consistent with the Agreement, both sides are continuing to encourage relevant authorities to refrain from taking any measures that are inconsistent with any of the provisions of the Agreement.