

LUXEMBOURG INSURANCE SECTOR REGULATOR RESPONDS TO THE CORONAVIRUS PANDEMIC

The CAA has issued several information notices to clarify measures taken in light of the Coronavirus pandemic.

TEMPORARY LICENSING REGIME FOR INSURANCE AGENTS AND SUB-BROKERS

The CAA has set up a temporary licensing regime for insurance agents and sub-brokers, allowing certain candidates to practice under certain conditions without passing a license exam in the current exceptional Coronavirus pandemic circumstances. The new CAA Circular Letter 20/10 lists the conditions required for applying for a temporary license, which will only be granted if the candidate couldn't attend the exams for which he or she was registered due to the cancellation or postponement of a session or to the existence of a waiting list without having been invited to an exam session. The temporary license will only be valid in Luxembourg and the insurance agents and sub-brokers thus licensed will not be able to carry out activities in other EU Member-States under the freedom to provide services regime. The temporary license will be converted into a permanent license only upon the successful completion of a final exam, once such exam sessions will have been held.

DEADLINE EXTENSION OF SUPERVISORY REPORTING AND PUBLIC DISCLOSURE

The CAA has informed the insurance and reinsurance undertakings under its supervision that it will follow the EIOPA's recommendations on supervisory flexibility regarding the deadline of Solvency II supervisory reporting and public disclosure in the context of Covid-19 pandemic. The EIOPA confirmed in its recommendations that insurance and reinsurance undertakings should consider the current situation to be a "major development" and should include information on the impact of Covid-19 in their reporting.

In summary, the CAA has decided to:

- extend up to 8 weeks the submission of documents in relation to the annual reporting for 2019;
- maintain the deadline for the first quarter 2020 reporting with respect to the quarterly statement of assets representing technical provisions; and
- extend the other quarterly reporting statements up to three months, which may therefore be submitted together with the complete second quarter 2020 reporting.

Concerned entities

- CAA supervised insurance and reinsurance undertakings
- CAA pension funds

This briefing speaks as of 15 May 2020.

The CAA has also published on its website adapted calendars regarding (solo) reporting to the CAA for Luxembourg life and non-life insurance companies, reinsurance companies and pension funds.

The Luxembourg regulator further specified that it expects the insurance and reinsurance companies to use the extended deadlines only in case of absolute necessity and to make sure that an informed contact person is available and authorised to answer CAA's queries.

The CAA has also created a dedicated website containing the latest information relating to the re(insurance) sector in the context of COVID-19.

COMMUNICATION WITH THE CAA

The CAA has asked that a scanned copy of any document sent via postal mail to the CAA be addressed electronically to caa@caa.lu or directly to the CAA person in charge of the matter. Any person wishing to contact the CAA via telephone should first send a specific request to caa@caa.lu.

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