



Foreign Insurers

ROMANIA

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1. What is the definition of insurer and reinsurer in your jurisdiction?

Insurer is defined as: the Romanian legal person or the branch or subsidiary of an insurance undertaking from a non-EU/EEA state, authorized by the Romanian Insurance Supervisory Commission in accordance with Law no. 32/2000 regarding insurance activity and insurance supervision, as further amended ("Law 32/2000"), to perform insurance activities, as well as the branch of an insurance undertaking or a mutual insurance undertaking from an EU/EEA member state, authorised by the competent authority in its home member state.

Reinsurer is defined as the legal person authorized in accordance with Law 32/2000 by the Insurance Supervisory Commission or by the competent authority in the EU/EEA home state, which carries out exclusively reinsurance activities and/or operations in connection thereto; reinsurance is defined as the operation consisting in taking over the risk assigned by an insurer/reinsurer.

2. Can a foreign insurer and/or reinsurer underwrite insurance or provide capacity to underwrite insurance in your jurisdiction?

Yes, a foreign insurer/ reinsurer may underwrite insurance in Romania: (i) if it is authorised in a EU/EEA member state and acts in Romania based on the freedom to provide services or the right of establishment or (ii) where the insurer/reinsurer is located in a non EU/EEA

member state, by establishing a branch or subsidiary in Romania which is authorised by the Romanian Insurance Supervisory Commission.

Insurers/reinsurers authorised in a EU/EEA member state may carry out activities in Romania on the basis of the authorisation issued by their home member state authority, either on a cross-border basis based on the freedom to provide services or by establishing a branch or agency in Romania based on the right of establishment. The passporting procedure consists mainly in a notification process between the home member state authority and the Romanian Insurance Supervisory Commission carried out at the request of the insurer/reinsurer, regarding the activities and classes of insurance that the insurer/reinsurer intends to perform in Romania. Depending on type of insurances the insurer/ reinsurer intends to underwrite in Romania, additional requirements may be applicable, as set forth by the Insurance Supervisory Commission's Order no. 14/2009 regarding the insurance/reinsurance activities performed in Romanian based on the right of establishment and the freedom to provide services.

Insurers and/or reinsurers from non-EU/EEA states may carry out insurance/reinsurance activities in Romania only through local branches, agencies or subsidiaries authorized by the Romanian Insurance Supervisory Commission in accordance with Law 32/2000.

3. Are insurers and/or reinsurers regulated in your jurisdiction?

Yes. Insurers and reinsurers are regulated entities in Romania, supervised by the Romanian Insurance Supervisory Commission, in accordance with the EU home country control principle.

4. Are foreign insurers and/or reinsurers required to be licensed or registered to underwrite and sell insurance/provide capacity in your jurisdiction?

Yes. All foreign insurers and reinsurers must be licensed and registered in order to be able to underwrite and sell insurance in Romania. As mentioned above, insurers/ reinsurers authorised in a EU/EEA member state may rely on the authorisation issued by their home member state regulator (home country control principle), based on the freedom to provide services or the right of establishment, as the case.

Insurers and/or reinsurers from non-EU/EEA member states may carry out activities in Romania only through local branches, agencies or subsidiaries which must be licensed by and registered with the Romanian Insurance Supervisory Commission.

5. What is the applicable legislation or regulations governing insurers and/or reinsurers in your jurisdiction?

The main regulatory framework governing insurers and/or reinsurers in Romania are Law 32/2000 and the new Civil Code effective as of October 1, 2011 which has partially abrogated the former regime of insurance contracts under Law no. 136/1995. Generally, Law 32/2000 has implemented in substantial respects the EU directives on insurance and

reinsurance, including the Third Non-Life Insurance Directive (92/49/EEC), the Consolidated Life Assurance Directive (2002/83/EC) and the Reinsurance Directive (2005/68/EC).

The application of these two main legislative pieces is detailed through a series of norms and other secondary regulations issued by the Romanian Insurance Supervisory Commission.

6. Is an unlicensed insurer or reinsurer entitled to sell insurance/provide capacity to sell insurance in your jurisdiction?

No. Please see answer under Question no. 4 above.

7. If an insurer and/or reinsurer is licensed and registered in another jurisdiction will that be accepted for the purposes of licensing and registering in your jurisdiction?

No. Please see answer under Question no. 4 above.

8. Does the applicable regulator in your jurisdiction have a website? If so, what is the website?

Yes, the website of the Romanian Insurance Supervisory Commission is <http://www.csa-isc.ro/>. Certain information on the website is also available in English.

9. Are the forms to become licensed or registered in your jurisdiction available on the regulator's website?

Such forms are not available on the website – only certain key pieces of legislation regarding licensing or registration of insurers, reinsurers and insurance and reinsurance intermediaries is available online.