



Premier of Bermuda

ABIR 11th Annual International Insurance Regulatory Issues Dialogue

By:

The Hon. E. David Burt, JP, MP

Premier of Bermuda

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To the ABIR membership, attendees and special guests; today's panellists, ladies and gentlemen; Good afternoon.

I wish to extend special acknowledgement to Mr. Christos Stylianides, the European Commissioner for Civil Protection and Humanitarian Aid. Thank you for all the work you do in your efforts in the areas of disaster relief and risk reduction.

I also wish to acknowledge Curtis Dickinson, JP, MP, – a Member of Bermuda's House of Assembly who has accompanied me to four European Capitals this week. I must also recognise Sir Andrew Large, Vice Chair of the Bermuda Financial Policy Council, Mr. Jeremy Cox the CEO of the Bermuda Monetary Authority; Kevin O'Donnell – Chairman of the Association of Bermuda Insurers and Reinsurers, and John Huff – President and CEO of ABIR.

It is a pleasure to address you at the conclusion of the 11th Annual International Insurance Regulatory Issues Dialogue. I am confident that the sessions today have been enlightening. Today I will speak about Bermuda's continued engagement with EU member states and institutions, in support of Bermuda's insurance industry.

In Bermuda earlier this summer, we celebrated ABIR's 25th Anniversary. Twenty-five productive and fruitful years of representing a membership of insurance and reinsurance companies in Bermuda.

Our insurance sector is a key driver of our economy, therefore the Government of Bermuda has a keen interest in its success and staying current with the trends that shape this important industry.

I am sure you do not need me to tell you about the trends, as you have discussed them in depth earlier today, however I do want to highlight one item.

Researchers from the London-based non-profit, Energy and Climate Intelligence Unit, have confirmed that climate change is increasing the risk of extreme weather events, including droughts, flooding and heat waves. They analysed 59 recent studies most of which demonstrated that climate change had made extreme weather events more intense and more long-lived. And while they stopped short of demonstrating a causal link to storms and hurricanes, there is no doubt that research is closing in on more definitive understandings of our changing environment.

This highlights the important role of Bermuda's insurance sector in mitigating the consequences of the ever more frequent natural catastrophes.

Resilience in the face of climate change is a key issue globally, and Bermuda is proud to lead in this area as we look to continue to be a place that provides innovative solutions to the world's problems.

The key role that Bermuda plays in the Global economy has been a message that we have taken to European capitals this week.

That message was shared at the OECD, and with officials in Paris, Berlin, and Vienna. It is essential that Bermuda cultivate and maintain relationships with leaders and policy makers within the EU.

This was my first meeting as Premier with officials in France, however I was gratified that they are well aware of Bermuda's leadership in the area of tax transparency.

France's business connection with Bermuda is multi-faceted. The flow of capital between Bermuda and France supports thousands of jobs the French Aerospace industry. The Bermuda market covers approximately 40% of the insurance claims for the frequent wind storms in France.

On Wednesday in Berlin I had my 2nd meeting with a Minister in the Federal Ministry of Finance. It was important to speak to a Minister in the new German government to reiterate the points made last December and discuss the economic ties between Bermuda and Germany.

In the last eight years, Germany exported almost \$2 billion of energy tankers to Bermuda companies, supporting more than 1,000 German jobs. German reinsurers use the Bermuda market to raise capital to cover *their* wind insurance liability in Europe and the United States. Bermuda reinsurance companies employ 1,250 people in Germany.

Our meetings this week sets the tone for continued European engagement, even beyond the scope of the listing process of non-cooperative tax jurisdictions by the EU Code of Conduct Group.

We intend to maintain direct dialogue with the French & German Governments, as they are key decision makers within the EU, however our engagement will not stop there.

On Wednesday we travelled to Vienna to attend the Eurofi Financial Forum.

It was a first for Bermuda to be invited to this forum which was hosted under the Austrian EU Council Presidency. It should be noted that outside of the EU countries the only external countries invited were the United States, Japan and Bermuda.

EUROFI brings together industry and decision makers to reach a common understanding of evolutions required in the regulation and supervision of financial services.

Given Bermuda's leadership in both regulation and supervision, this was a key time to engage at a high level. Our message was simple, that Bermuda is different, and is a country that plays a substantial role in the global economy. Over 2 days in Vienna we accomplished our mission of broadening Bermuda's outreach to officials located in various capitals throughout Europe.

Our trip has not only been to engage officials in European Capitals, but also to highlight the economic diversification activities that Bermuda is engaged in to bring more business to our shores. On Tuesday a delegation from Bermuda attended the OECD Blockchain Policy Forum.

My speech to the 800 attendees highlighted Bermuda's leadership in the regulation of the emerging digital asset industry. The fact that I was invited to speak demonstrates the strong relationship, and support, that Bermuda enjoys with our continued engagement with the OECD.

The visit also provided the opportunity to engage in bilateral talks with the OECD Secretary General for the second time within a year.

The OECD Secretary General, Mr. Angel Gurría, reaffirmed Bermuda's position as a global leader in tax transparency.

At the close of day on Tuesday, with the support of our friends at both ABIR and ABIC, Bermuda sponsored a reception where I was able to speak to the delegates assembled about the business opportunities in Bermuda related to blockchain technology, and spoke about how many of our insurers are already innovating in this area.

Later today, we will conclude our schedule with a meeting with the European External Action Service in advance of Bermuda opening a representative office in Brussels.

At the end of this month a technical team from Bermuda will meet with members of the European Commission as we continue to make progress in fulfilling the commitments we made last year to the EU Code of Conduct Group.

We have a dedicated team who will continue the dialogue with the Commission and we will meet the end of year deadline. This process is challenging, but given Bermuda already has a large base of substantial economic activity in our financial services sector and given our leadership in global tax transparency, we are confident that Bermuda will remain off the list of “Non Cooperative jurisdictions”.

Ladies and gentlemen, we are in the closing hours of our European visit and our team believes it has been an instructive, productive and successful one.

We have had direct engagement with critical representatives of significant organisations on substantive economic matters. Such engagement and outreach is an important component to ensuring Bermuda's success, and we are gratified that we have been well received.

We are committed to ensuring that Bermuda remains the jurisdiction of choice for insurance and reinsurance and that means that we must maintain close and productive relations with our European partners.

I trust that today's dialogue has been worthwhile, and I'm sure that after today you have a better understanding of the current regulatory issues facing insurance, and also a deeper understanding of Bermuda and our relationship with the EU.

On behalf of the Government and the people of Bermuda it has been my pleasure to join you this afternoon, and I look forward to fostering even stronger partnerships with our stakeholders in the years to come.

Thank you.