

International life insurance in Guernsey

Guernsey is a leading international insurance centre writing significant amounts of life insurance business.

Centre of excellence

Guernsey's insurance industry has its origins in the eighteenth century, when the writing of marine insurance was a natural extension of its thriving shipping activities.

Since that time the sector has grown markedly, with the Island becoming a centre of excellence for international insurance.

Indeed, Guernsey is renowned for its:

- Strong insurance experience
- Breadth and depth of expertise
- Leading captive insurance domicile in Europe
- Robust yet pragmatic regulations
- IMF and FATF endorsement
- Broad-based finance industry
- Position outside of the EU
- Political and economic stability
- Location away from areas of major natural disasters
- Close proximity to London and Europe

Over recent years, with increasing numbers of high net worth, mobile individuals and multinational organisations requiring global insurance and investment solutions, the international life insurance industry has become a sophisticated sector enjoying significant development in the Island.

The sector

Today the Island plays host to a wide variety of providers in this arena, with geographical ownership including France, Italy, Luxembourg, Scandinavia, South Africa and the UK and ranging from independent operations through to leading multinational organisations.

Together these providers write a sophisticated and diverse spread of business, comprising:

Individual business - Servicing the life and health insurance needs of high net worth individuals – the rise in numbers of ultra affluent and extremely mobile individuals means this is an area of particular growth.

Group business - Managing employee benefit needs (life and health) for many of the world's multinational organisations – there are increasing numbers of cross-border employers trying to meet the challenges of covering their commercial risks in the most cost-effective manner and ensuring that their rewards packages can meet the demands of the internationally mobile executive. Three of the largest employee benefits networks have a significant presence on the Island.

Investment solutions - Utilising insurance policies for investment purposes – Guernsey's stringent policyholder protection rules and the fact that there is no withholding tax on dividends are compelling reasons for international investors to utilise insurance policies in Guernsey as part of a broad wealth management strategy.

The future

Guernsey's pioneering work in the field of captive insurance means providers on the Island have access to Protected Cell Companies (PCCs) and Incorporated Cell Companies (ICCs) as well as traditional structures. The Island's culture of innovation, backed up by a pragmatic regulator, means that Guernsey is continually working to find new types of solutions that will be attractive for providing international life insurance.