

## Brokers chose Belgium to get Brexit ready

22 September 2020, London, UK – in getting ready for Brexit, Belgium has emerged as the preferred location for an EU entity so that London brokers are able to continue to support their European clients in 2021 and beyond.

In a survey undertaken by LIIBA, nearly a quarter of broking houses have chosen Belgium. Ireland and France were the next most popular locations accounting for 16% each.

Christopher Croft, CEO of LIIBA commented; “Brokers have worked hard to ensure that they are prepared for Brexit. Our members have taken prudent and positive steps to ensure that they have ‘reverse branches’ in place to be in a position to continue to support their clients in the EU. We are confident that whatever the outcome of the negotiations, London will still be able to play a key role in helping European businesses to manage their risks

“We are not surprised that so many of our members have chosen Belgium as the location for their EU entity. The Ministry of Finance took a proactive and pragmatic approach to creating a regulatory, tax and employment framework that provided a first-class solution for brokers. We are grateful to them for the support they have shown.

“Deal or no deal is unlikely to make any difference for brokers because there is no equivalence framework for insurance distribution. The almost complete focus on the concept of equivalence by both our government and EU has meant we have always known we would need to make our own arrangements to carry on acting in the best interests of our clients. It is good to see that our members have done that challenging and expensive work and that their clients can look beyond the end of the year with confidence.”

Ends

*Note to editors:*

### **About LIIBA**

London & International Insurance Brokers' Association (LIIBA) is the trade association representing the interests of Lloyd's insurance and reinsurance brokers operating in the London and international markets. We have the support of the vast majority of Lloyd's Brokers, accounting for over 95% of the Market's business.

Our members are engaged in the placement of \$67bn of premiums in the London Market and another \$24bn across the world. Collectively they contribute to the Market's 26% share of The City's GDP or 10% of London's GDP (2015).

In order to carry on delivering insurance distribution services where both the policyholder and the risk are located in EU, brokers have had to create a new EU authorised entity which itself has an FCA authorised branch in London. This so-called “reverse branch” model meets the recommendations published by European Insurance & Occupational Pensions Authority (EIOPA) in February 2019.

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