

News story: Switzerland and UK to sign post-Brexit Insurance deal

The insurance sectors of the UK and Switzerland are set to continue trading freely with one another after the UK has left the EU, thanks to an agreement signed today (25 January) at Davos by the Chancellor of the Exchequer, Phillip Hammond, and President of the Swiss Confederation and Head of the Federal Department of Finance, Ueli Maurer.

The new arrangement will replicate the effects of the existing EU agreement with Switzerland, and is part of the UK's continued efforts to cement closer relationships with some of the world's most important financial markets as it prepares for a future outside of the EU.

The agreement will come into force when the current EU-Swiss Direct Insurance Agreement ceases to apply to the UK.

The signing of the agreement is part of a series of meetings the Chancellor is having with leaders at the World Economic Forum in Davos, Switzerland.

Despite its relatively small population, Switzerland is one of the world's most significant financial centres. In 2016, Swiss investment in the UK's financial services sector was over £11 billion, making the country one of the world's largest investors in UK finance – second only to the USA.

The UK-Swiss Direct Insurance Agreement, like the Direct Insurance Agreement with the EU, allows firms to branch into each other's jurisdiction with greater ease thanks to the mutual recognition of each other's Insurance regulations. It will therefore ensure continuity for UK and Swiss insurers to access each other's markets both now and in the future, consistent with the terms of the original EU-Swiss Direct Insurance Agreement.

Further information

In December last year HM Treasury agreed the terms of the US-UK Covered Agreement with the US Department of the Treasury and the Office of the US Trade Representative. The arrangement will provide continuity of the effects of the existing EU agreement with the US, once the UK leaves the EU.