

Press Release

Brussels, 6 March 2019

Estonia opens its market to mutual and cooperative insurance

Estonian Parliament passes new law in order to grow and diversify the Estonian insurance sector and business environment, Amendment to the Insurance Activities Act comes into force

The Association of Mutual Insurers and Insurance Cooperatives in Europe ([AMICE](#)), the voice of the mutual and cooperative insurance sector in Europe, welcomes the introduction by [Riigikogu](#), the Estonian Parliament, of the Amendment to the Estonian Insurance Activities Act (Kindlustustegevuse seadus), broadening the scope of insurance company structures in Estonia. The Amendment recognises insurance associations (a type of mutual insurer) and European cooperative societies from 2 March 2019.

The Insurance Activities Act governs the insurance market in Estonia and transposes the Solvency II Directive into national legislation. The Amendment aims to diversify and strengthen Estonia's insurance business environment. Additionally, the Estonian authorities anticipate that policyholders will benefit from increased choice, and entrepreneurs from new opportunity.

Today, more than half of all insurance undertakings in the EU are mutual and cooperative insurers, accounting for a market share of almost one third. Before the Amendment came in to force, Estonia was one of the few European countries where the mutual and cooperative insurance model was not recognised by law. It is anticipated that the official introduction of mutual and cooperative insurance to Estonia will serve to bolster the strength of this important sector, with the interests of the policyholder central to the business.

Sarah Goddard, AMICE Secretary General commented,

"AMICE is delighted that the Estonian legal system, which is based on the continental European model, has been successfully amended to include provisions for mutual and cooperative insurance structures. We welcome the Estonian Authorities' recognition of the positive and valuable role that mutual and cooperative insurance can play for both the economy and policyholder. We hope that it can be a source of inspiration for other markets where the mutual model is still not recognised."

She continued:

"Research in our recent [Facts and Figures Vol 2](#) report shows that the Estonian insurance sector has been performing well, with insurance premium revenues increasing significantly in the period 2007-2015. We look forward to further growth as the Amendment to the Act comes in to force, and to supporting the Estonian mutual insurance sector, its members and policyholders as it develops."

The amended consolidated Insurance Activities Act is available in [Estonian](#) and [English](#) on the Riigi Teataja website.

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Notes to editors

About AMICE (Association of Mutual Insurers and Insurance Cooperatives in Europe)

The Association of Mutual Insurers and Insurance Cooperatives in Europe aisbl (AMICE) is the voice of the mutual and cooperative insurance sector in Europe. The Brussels-based association advocates for appropriate and fair treatment of all mutual and cooperative insurers in a European Single Market. It also encourages the creation and development of innovative solutions for the benefit of European citizens and society.

Mutual and cooperative insurance follows the principles of solidarity and sustainability, and is characterised by customer-membership and a democratic governance. The mutual business model, with its focus on using surpluses for the benefit of its members, is the natural way to provide insurance.

More than half of all insurance undertakings in the EU are mutual and cooperative insurers which account for a market share of more than 32%. They provide cover for more than 420 million members/policyholders and employ nearly 440,000 people.

To learn more, visit www.amice-eu.org

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