



Insurance Market & Product Strategy

Helping you grow in a complex environment





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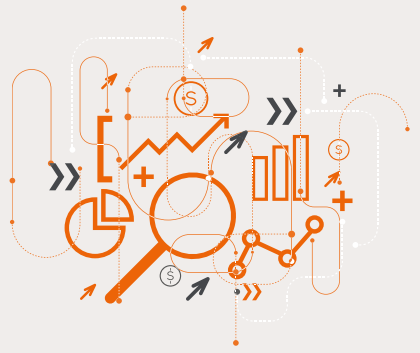
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Introduction

A challenging environment...

Luxembourg insurance sector CEOs are facing challenging times:

- With the Insurance Distribution Directive or the Luxembourg tax reform, regulatory, tax and legal are coming from all sides.
- Dealing with those challenges can limit or hinder companies' growth.
- The digitalisation of financial services is taking pace, customers' expectations keep evolving accordingly: the industry needs to innovate, and new markets development will drive growth.

How can Luxembourg Insurers keep up with the general trend, and bring new technological solutions to the market? What tools can the industry develop to address the needs of new markets?

...calls for tailor-made solutions to help the Insurance sector grow

We've developed an end-to-end complete offering to enable CEOs and wider management to ensure their existing portfolios are in excellent shape whilst also assisting you enter new markets and/or develop new client solutions.

Whether you're looking for commercial success in existing markets, willing to enhance your positioning with key distribution channels, or considering entering a new market – we can help you!

How we can help

Markets & products health check

- Make sure your approach & practices are fit for the future;
- Review your existing portfolios country-by-country;
- Perform a tax, legal and regulatory analysis;
- Perform a regularisation analysis, and provide assistance in the execution;
- Analyse your different companies with regard to their specific market.

New market entry strategy

- Choose the best suitable market(s) to your business;
- Perform a tax, legal and regulatory assessment;
- Assess the opportunity of licensing;
- Set up a business approach methodology;
- Interview market participants to design approach to fit distributors needs and align to your corporate strategy.

New product development

- Analyse tax compliance requirements, as well as target market legal restrictions;
- Design new product(s) in full compliance to the tax and regulatory framework, while answering both your strategic objectives and the market needs;
- Review pre-contractual documentation, and provide amendment suggestions where required;
- Adapt back office IT system.





Book quality review

- Assess tax transparency & AML/KYC compliance;
- Analyse current and past operations compliance with tax transparency and regulatory framework;
- Assess risk management procedures: identification and prioritisation of potential risk areas;
- Design an implementation plan for potential regularisation need;
- Make sure your book is in good shape.

Operational Advisory

- Analyse your global organisation, and provide recommendations to optimise its efficiency;
- Provide automation recommendations and implementation assistance;
- Review your operational/back office processes, and provide recommendations for improvement;
- Set up IT business processes.

Digital strategy

- Design Thinking and User Experience improvement services applied to products, IT and across business lines;
- Define a global digital strategy;
- Review and improve customer journey: define new digital onboarding process and information architecture;
- Define new mobile user interface capabilities.

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Insurance Market & Product Strategy

A case study

Insurance takes the road to Italy



Contact us to learn more about our Insurance services for the Italian market.



Italy has a large and growing sophisticated population of over 237,000 (U) HNWIs combining a total wealth exceeding EUR 1,000bn. Italian direct written life insurance premiums are expected to grow at a CAGR of more than 12% over the period 2016-2019.

Italy is hence a major European market for cross-border distribution of Life Insurance wealth management solutions from Luxembourg.

This market has a characteristic tax, legal and regulatory framework which bears specific risks. A life insurance company willing to

enter the Italian market needs to take these elements into consideration while designing its products as well as building a well thought market entry strategy.

We help you get ready to enter Italy in the most secure and efficient way, to make the most of the opportunities this market offers.

Challenges

Tax and regulatory What are the Italian tax and regulatory framework? What does it mean to be “sostituto d'imposta”? What about the “credito ulteriore”?

Market entry strategy What is the big picture of the Italian market? What resources do you need for a successful market entry?

Product design How to make sure your products and pre-contractual documentation are fully compliant with Italian and European rules?

IT infrastructure How does this market move affect your IT infrastructure?

Licensing and approval How to take care of all questions related to local tax authorities and regulators (IVASS, CAA)?

Our solutions

Our five-step methodology for structured development helps you take the right decisions and adopt a consistent market approach. We also engage with our PwC Italian offices to guarantee a smooth and successful entry on the Italian market.

- 1 Definition of market penetration strategy and estimation of revenue forecasts
- 2 Global analysis of the Italian insurance market
- 3 Overall analysis of tax and regulatory prerequisites
- 4 Adaptation of your IT infrastructure
- 5 Pre-contractual documentation recommendations
- 6 Book quality review

They trust us



Several major players in both the Luxembourg and international Insurance market already trust us. Here are a few examples of how we assisted them.



For an international wealth insurer

We set up a full scope policyholder on-boarding strategy covering more than 25 jurisdictions (including tax, legal and regulatory assessment).



For a major Luxembourg insurer

We helped them change their corporate culture and embrace digital transformation.



For several international insurers seeking Brexit solution

We provided jurisdictional assessment, business case development, sourcing of people, offices, technology and assistance with strategic, financial and business aspects of regulatory requirements.



For a leading specialist life SaaS provider

We assessed a technology platform for multiple international wealth insurers.



For several international wealth insurers

We provided country market appetite assessment and strategy for Luxembourg players looking to expand into new jurisdictions.

Your Insurance team

Benefit from the depth of our expertise...

We've built the most comprehensive life, non-life, wealth, reinsurance and general insurance capabilities in the market. With more than 70 professionals, including 14 partners and directors dedicated to the Insurance Sector, the team comprises a mixture of executives with deep experience from working in the industry together with career expert consultants and subject matter specialists.

The breadth of experience and capabilities include strategy, M&A, new market and product development, full compliance/regulation support through to technology consulting, audit, tax and actuarial services.

...and the power of our Network

We've combined experience coming directly from the industry with highly expert consultants covering new market entry, new product development, portfolio regularisation, business development, key account management together with tax, legal, regulatory, risks, actuarial and compliance skills across the PwC Network.

PwC Luxembourg coordinates the whole project, leveraging on our local PwC offices expert consultants in each EU/EEA/global market.



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PwC Luxembourg (www.pwc.lu) is the largest professional services firm in Luxembourg with 2,850 people employed from 77 different countries. PwC Luxembourg provides audit, tax and advisory services including management consulting, transaction, financing and regulatory advice. The firm provides advice to a wide variety of clients from local and middle market entrepreneurs to large multinational companies operating from Luxembourg and the Greater Region. The firm helps its clients create the value they are looking for by contributing to the smooth operation of the capital markets and providing advice through an industry-focused approach.

At PwC, our purpose is to build trust in society and solve important problems. We're a network of firms in 158 countries with more than 236,000 people who are committed to delivering quality in assurance, advisory and tax services. Find out more and tell us what matters to you by visiting us at www.pwc.com and www.pwc.lu.

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