



# Setting up a (re)insurance operation in Switzerland

How to leave first footprints

September 2023

[kpmg.ch/fs-insurance](https://kpmg.ch/fs-insurance)



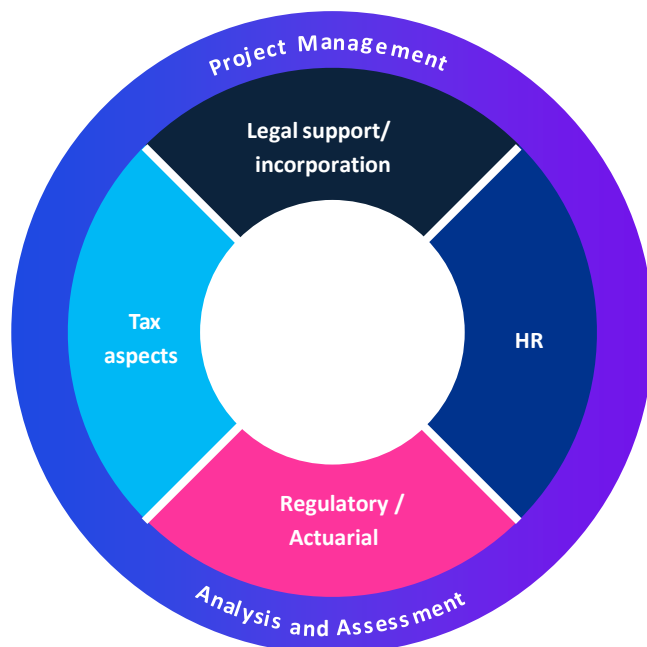
# Step in to a new market – your path

If you are thinking **of establishing an (re)insurance operation in Switzerland** to emphasize your presence and foster a long term commitment in the market, we have the **breadth of capabilities to support you** with your first steps.

Establishing a new (re)insurance company in Switzerland is a complex process with many interconnected aspects. KPMG has in-depth experience in supporting companies during the FINMA license application process in connection with founding or relocating an insurance operation.

We are your partners in the initial planning stage, where to locate your operation in Switzerland and in the decision about the preparation of the business plan according to FINMA requirements. This includes solvency calculation and forecasts, capital planning, internal directives and others.

On top of that we can also support you in the legal establishment, tax planning and human resource aspects. Our interdisciplinary team is comprised of experienced insurance professionals from the regulatory, accounting, actuarial, legal and tax fields. KPMG can help you understand the overall approach and what needs to be considered.



**We cover all aspects needed for a successful incorporation of your (re)insurance operations. We look forward to starting your path with you in Switzerland.**



# Switzerland's attraction to multinationals

Switzerland is one of the **most attractive European hot-spots** to access insurance and reinsurance markets. In addition to a number of **economic factors**, various **social and political reasons** also speak in favor of Switzerland.

## Attractiveness for qualified workforce & quality of life

- Current and future magnet for qualified workers from abroad;
- Mostly unrestricted access to international labor markets;
- Safe haven for multinational companies (MNCs) looking for a top quality location for businesses and executives.

## Competitive tax

- The effective tax rate depends on the location of the company and the nature of the business;
- Switzerland's taxation system is compliant with BEPS and remains attractive, p.e. with competitive income taxes.

## Solvency regulations

- Solvency requirements less prescriptive in Switzerland than under Solvency II;
- Well developed Solvency regime with international acceptance and access to the EU/EFTA markets with branches of a Swiss entity or directly for reinsurance business.

## Regulator

- Switzerland's regulator is open and fair to new market participants. Regulations take company-specific aspects into consideration;
- Recently revised key regulations for (re-) insurance (ISO, ISA) remain attractive;
- An incorporation of a company is possible within 4-6 months from the first introduction at FINMA.

## Stable political environment & flexible labor regulations

- Flexibility in hiring and dismissal processes and in other labor-related regulations;
- Stable and reliable partner with a low tendency to over regulate;
- Flexible conditions of employment helping companies.

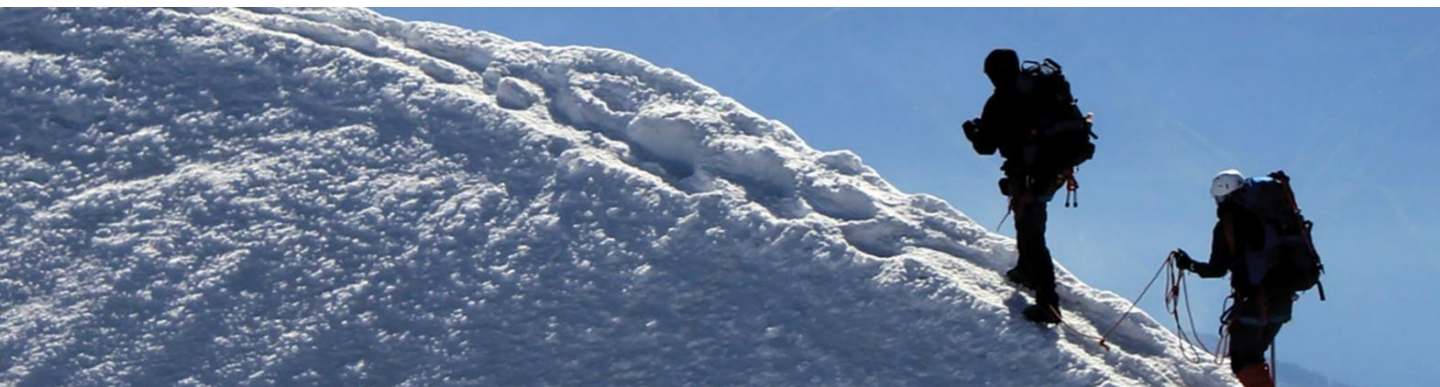
## Outsourcing

- Third party outsourcing or within an existing group is possible;
- The functions to be executed in Switzerland are flexible.



# Our approach for your first steps

Tasks	Legal support	Tax aspects	Regulatory/Actuarial	Human Resources
	<b>Preparation of</b> <ul style="list-style-type: none"><li>organizational regulations and other legal corporate documents required by corporate or supervisory law;</li><li>outsourcing contracts (if applicable).</li></ul>	<b>Preparation of</b> <ul style="list-style-type: none"><li>general Swiss taxation memorandum incl. location advice.</li></ul>	<b>Preparation of</b> <ul style="list-style-type: none"><li>summary of relevant documents and decisions;</li><li>Introduction presentation to FINMA;</li><li>business plan, solvency calculation.</li></ul>	<b>Preparation of</b> <ul style="list-style-type: none"><li>immigration services (work and residual permits, entry visas).</li></ul>
	<b>Support with</b> <ul style="list-style-type: none"><li>incorporation of the new company;</li><li>capital increase (if applicable).</li><li>compliance with local regulations (outsourcing, data protection, ...)</li></ul>	<b>Support with</b> <ul style="list-style-type: none"><li>conversion of a branch into legal entity (if applicable);</li><li>capital contribution tax;</li><li>value added tax;</li><li>treaty clearance.</li></ul>	<b>Support with</b> <ul style="list-style-type: none"><li>advising on key decisions relevant for the business plan and during review phase from FINMA;</li><li>FINMA acceptance for those charged with governance;</li><li>preparation of business plan and annexes.</li></ul>	<b>Support with</b> <ul style="list-style-type: none"><li>assessment of Swiss min./ benchmark salaries;</li><li>employment/assignment agreements, policies and processes;</li><li>social insurance and individual tax issues;</li><li>expense regulations;</li><li>payroll structuring and administration for foreign employees;</li><li>health, accident, daily sickness insurance and pension fund selection.</li></ul>
	← Project management, stakeholder engagement and coordination of interdisciplinary workstreams →			





# Why KPMG

## Track record

- Proven track record in licensing new (re)insurers;
- Deep technical insights;
- Strong understanding of interdependencies of workstreams.

## Technical

- In-depth SST understanding;
- Regulatory insights;
- Facilitate an effective and efficient delivery.

## Team

- Experienced and multi disciplinary team;
- Mix of technical and project delivery skills;
- Strong familiarity with FINMA license application process.

## Key success factors

- Close collaboration with the client and the regulator;
- Professional project management;
- Unique insight into regulatory expectations.

# Our footprint

We have successfully supported several clients in the application process. Benefits for you:

Extensive SST and modelling experience for the SST model design and implementation.

Comprehensive project management skills to complete the highly interdisciplinary and time critical project on time and budget.

Successful completion of the legal incorporation and **FINMA licensing** of (re)insurers in Switzerland.





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