



WHY LABUAN IBFC FOR REINSURANCE?

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Why Labuan IBFC for Reinsurance?

The continuous growth of Asia's (re)insurance markets has made Labuan IBFC a jurisdiction of choice for insurers and insurance intermediaries, attracting over 200 (re)insurers and insurance intermediaries from Asia, America and Caribbean, the Middle East and Africa.

Comprising (re)insurers and captive insurers which underwrite either general (re)insurance business, particularly fire, engineering, and large and specialised risk such as aviation and liability risks; or life business, the reinsurance and self-insurance industry is the largest cohort of licensed intermediaries in the jurisdiction.

“Labuan captives have grown to become a prominent business sector in the Centre. A variety of business structures exist for the captive business which ranges from single or group captive to rent-a-captives.”

As with all our offerings, Labuan (re)insurance comprises both conventional insurance as well as Shariah-compliant, takaful business. For the latter, takaful windows or operators are required to have an internal Shariah advisory board to ensure continuous Shariah compliance of their business operations. In addition, digital insurance licensees are also welcome in the jurisdiction, in line with its open and facilitative digital ethos.

The Labuan IBFC Reinsurance Landscape



Home to more than 200 insurance and insurance-related licensed entities, and growing



Recognised as Asia's fastest growing risk intermediation centre in Asia



Labuan IBFC is the only jurisdiction in Asia with the protected cell structure



Proportionality in regulation and solvency requirements



First right of refusal to Malaysian risk unable to be satisfied onshore



Tax clarity and neutrality



Business-friendly regulator, offering a wide range of licensees

Key Benefits of Choosing Labuan IBFC as your Domicile



A robust and well-regulated jurisdiction

Labuan IBFC has a robust and well-balanced regulatory and supervisory framework, adhering to international standards and best practices set by international standards setting bodies such as the Organisation for Economic Co-operation and Development (OECD), Asia/Pacific Group on Money Laundering (APG) and Financial Action Task Force (FATF). The regulator, Labuan Financial Services Authority (Labuan FSA), continuously reviews its licensing and supervisory requirements as well as standards to preserve a market environment that is both business facilitative and well-regulated.



A mature and complete risk management ecosystem

The sector is well supported by experienced intermediaries such as insurance brokers, underwriting managers as well as insurance managers. In addition, the Labuan banking ecosystem, as well as a large number of auditors, company secretaries and other ancillary providers create a holistic, thriving ecosystem.



Offers a comprehensive suite of insurance and risk management solutions

Comprising not only reinsurers and direct insurers, Labuan IBFC provides unique underwriting vehicles in the form of captives. Labuan IBFC also provides the widest range of self-insurance solutions in Asia and these include pure single captives, mutual and association captives, rent-a-captives as well as protected cell companies for self insurance needs. Master rent-a-captive and subsidiary rent-a-captive solutions are also available in Labuan IBFC.



A cost-efficient substance enabling international business and financial centre

It is cost-efficient to create your business substance in Labuan IBFC. The jurisdiction's defined and clear approach in economic substance requirements, via a Government gazette or order, provides greater transparency and tax certainty.



Easy access to skilled professional service providers

Access to professional expertise and services such as wealth advisors, lawyers, accountants and tax agents is widely available in both Labuan island itself as well as in Kuala Lumpur, Malaysia's capital.

Awards and Recognitions

2023



‘Highly Commended International Domicile’ at the European Captive Review Awards 2023

2022



‘Highly Commended International Domicile’ at the European Captive Review Awards 2022

2021



‘Best Asian Domicile’ at the APAC Captive Review Awards 2021

2021



‘Top International Captive Domicile’ at the European Captive Review Awards 2021

2020



‘Highly Commended International Domicile’ at the European Captive Review Awards 2020

2019



‘Captive Insurance Jurisdiction of the Year’ at the 2nd Annual China Offshore Awards 2019

2019



‘Best Asian Domicile’ at the Asia Captive Review Awards 2019

2018



‘Captive Insurance Jurisdiction of the Year’ at the 1st Annual China Offshore Awards 2018



‘Best Asian Domicile’ at the Asia Captive Review Awards 2018

Summary of Labuan IBFC Strategic Roadmap 2022-2026



Strategic Thrusts



Spurring Market Innovations & Vibrancy

- Transforming into a Digital Financial Hub
- Intensifying Labuan's insurance market growth
- Promoting international Islamic finance
- Revitalising niche and prospective segments



Promoting Market Facilitation & Visibility

- Upscaling Labuan IBFC's ecosystem and infrastructure
- Enhancing Labuan IBFC's visibility and branding



Strengthening Labuan IBFC's Complementary Roles to Malaysia

- Complementary capacity to Malaysia's economy



Effecting Relevant & Proportionate Regulations

- Continued prudential regulatory and legal upscaling in accordance with international standards
- Developing risk-sensitive, fit-for-purpose regulations to cater for emerging concerns
- Securing good ratings for incoming international assessments on Labuan IBFC
- Fiscal planning to meet Organisation for Economic Co-operation and Development's (OECD) new requirements and BEPS 2.0



Effecting Pre-Emptive Supervision & Enforcement

- Intensifying and modernising supervisory approach and cross-border engagements

FOR MORE INFORMATION, LOG ON TO www.labuanibfc.com

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