

TABLE 11
Insurance Premiums in Europe, 1986

<u>Country</u>	<u>Share of European insurance markets (% of EC total)</u>	<u>Premiums per capita (C\$)</u>	<u>Premiums as % of the GNP</u>
Germany	32.3	1 172	6
France	19.7	790	4.7
United Kingdom	24.7	968	8.3
Denmark	2.0	891	4.2
Ireland	1.1	738	8.5
Luxembourg	0.1	640	N/A
Belgium	2.7	612	4
Netherlands	6.1	945	5.9
Italy	7.8	302	2.2
Spain	2.8	164	2.2
Greece	0.3	55	1.2
Portugal	0.4	91	N/A

Source: Sigma.

In 1986, the EC ranked second in the world for insurance premiums, with a total of US\$183 billion, compared to US\$371 billion for the United States. The world's 10 largest companies are all American or Japanese; Allianz, the largest European company, is in 11th place.

A few large companies have a dominant position in the major European countries: Allianz in Germany; National Nederland in the Netherlands; Generali in Italy; and Baltica in Denmark.

The freedom for companies to establish themselves in all Member States has increased, but freedom to offer services remains extremely limited because

insurance is closely linked to national legal systems. National legislators justify their intervention in insurance matters by their need to protect consumers. The tax regimes for insurance products and for companies are very different from one EC country to the next.

Harmonization of national tax systems will be very difficult to achieve and has been prudently postponed until conditions are more favourable. At present, insurance policy taxation, contract law and supervisory rules are the domain of individual Member States. Host country regulations mostly prevail; the principle of mutual recognition has received only limited acceptance.