



Based on Article 35, paragraph 1, sub-paragraph 1.1 of the Law No. 03 / L-209 on Central Bank of the Republic of Kosovo (Official Gazette of the Republic of Kosovo, No. 77/16 August 2010) Article 4, paragraph 3 and Article 13, paragraph 3 of Law 05 / L-045 on Insurance (Official Gazette of the Republic of Kosovo, No. 38/24 December 2015), the Board of the Central Bank of the Republic of Kosovo in its meeting held on March 31, 2016 approved:

## **REGULATION ON THE OPENING OF REPRESENTATIVE OFFICES BY FOREIGN INSURERS IN THE REPUBLIC OF KOSOVO**

### **Article 1**

#### **Scope and Purpose**

1. The purpose of this regulation is to define the conditions, requirements, procedures and deadlines to be followed for the application and granting the approval for opening a representative office in the Republic of Kosovo of foreign insurers.
2. This Regulation applies to all foreign insurers who intend to obtain a license from CBK to open a representative office in the Republic of Kosovo.

### **Article 2**

#### **Definitions**

1. All terms used in this regulation have the same meaning as the terms defined in Article 3 of Law No. 05 / L-45 on Insurance in Kosovo (hereinafter: the Law on Insurance) and/or with the following definitions for the purpose of this Regulation:
  - a) *Insurance* - means transfer of a potential risk of material of loss and/or a joint stock company from the insured to the insurer under an insurance contract;
  - b) *Foreign Insurer* - means a person that is organized, has his head office and holds a license to engage in insurance activities in a jurisdiction other than Kosovo;
  - c) *Representative office* - a place for business affairs, which consists of a legally dependent insurance branch not established by itself, where activities are limited to providing information and liaison activities, as well as studying markets and investment opportunities where the insurer will not be engaged in insurance activities.

**Article 3**  
**Requirements for opening a representative office in the Republic of Kosovo**

1. The insurer of a foreign country, who applies for opening a representative office in the Republic of Kosovo as defined in Article 13 of the Law on Insurance, shall get a prior permission from the CBK.
2. The CBK will give permission to open a representative office of a foreign insurer in the Republic of Kosovo, after having analysed the following documentation:
  - a) the decision of the competent body of the foreign insurer to open a representative office;
  - b) the purpose of opening;
  - c) the expected duration of the representative office activity, address and telephone number;
  - d) names of the persons proposed as directors/heads of the office accompanied by their curriculum vitae (education, occupation, experience, etc.);
  - e) the estimated number of office employees;
  - f) registration document of the representative office at the Ministry of Trade and Industry and
  - g) any approval, if required by the relevant supervisory authority of the particular country to open a representative office.
3. The representative office of a foreign insurer must be registered and use the same name as the parent company, adding the words "representative office".
4. The representative office can carry out representative and/or administrative functions, any promotional activity or market research within the activities carried out by the foreign insurer, or that the foreign insurer expects to be carried out in the future in the Republic of Kosovo.
5. The representative office shall not carry out any insurance or other commercial activities.
6. Within sixty (60) calendar days from the date of receipt of the application for the representative office, the CBK approves or rejects the request.

**Article 4**  
**Prohibitions**

No person may engage in insurance activities, prior to obtaining a license from CBK. Carrying out insurance activity without possession of a license shall be subject to penalties under the legislation in force.

**Article 5**  
**Repeal**

With the entry into force of this Regulation all rules, regulations and guidelines that regulate this issue shall be repealed.

**Article 6**  
**Entry into force**

This Regulation shall enter into force on April 1, 2016.

Chairman of the Board of the Central Bank of the Republic of Kosovo

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Prof. Dr. Bedri Peci