

ROYAUME DU MAROC



المملكة المغربية



Introductory Note

To the draft Decree amending and supplementing Decree of Minister of Finance and Privatization No. 1548-05 dated 6 Ramadan 1426 (10 October 2005) on insurance and reinsurance companies.

With the entry into force of Law No. 17-99 related to insurance Code, the scope of control by the state is extended to companies exercising exclusively reinsurance in accordance with Article 242 of the aforementioned law. During this inspection, administration verifies the overall activities of the reinsurance company, its solvency and its technical provisions.

In this context, Article 238 of the Code specifies that insurance and reinsurance companies shall constitute sufficient technical provisions and those conditions of constitution, evaluation and representation of these provisions will be determined by the administration. However, the dispositions of the Decree of the Minister of Finance and Privatization No. 1548-05 fore-mentioned, in particular Articles 15 to 51 applies only to insurers.

Also, in order to ensure financial stability of reinsurers and preserve the rights of the insured, policyholders and beneficiaries of insurance contracts, it is necessary to determine the rules of constitution, placement and evaluation of technical provisions, together with requirements of diversification of assets covering technical provisions for exclusive reinsurers, taking into account the specificities of reinsurance.

In addition, this Decree amends section 86 of the aforementioned Decree No. 1548.05, providing the opportunity to purchase a reinsurance treaty with an exclusive reinsurance and approved to Morocco, notwithstanding the obligation to diversify reinsurers intended by this article, and after approval of the Minister of Economy and Finance. In this case, this decree also provides for the possibility, after authorization of the Minister of Finance, of not deducting of account balance of reinsurance the share of technical provisions charged to reinsurers for ceding company.

The draft decree was discussed at meetings of the Advisory Committee on Insurance 9 May and 4 December 2013 in accordance with Article 285 of the Insurance Code.