

The operating licence for an insurance companies

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[The Insurance Activities Act](#)

An insurer, or an insurance company, is a business whose main activity is to compensate losses incurred or to pay out an agreed sum of money if an event occurs that is insured against.

Insurance activity is when the insurer takes on the risks of the policyholder or insured party under an insurance contract. If an insured event occurs, the insurance company pays out compensation.

The main types of insurance are non-life insurance and life insurance. In both non-life and life insurance, a contract is signed in order to hedge risks, while life insurance is also for collecting savings.

A company needs to have a licence to engage in insurance activities and companies established in Estonia receive their operating licence from Finantsinspektsioon.

Applying for an operating licence as an insurance company

To apply for an operating licence as an insurance company, the management board members of a business must apply in writing and submit the data and documents listed in the Insurance Activities Act.

From 18.03.2026, applications for an operating licence as an insurance company must be submitted through the [Finantsinspektsioon application portal](#).

1. A copy of the statutes for a business that is operating, any decision by the general meeting to amend the statutes, and the amended text of the statutes;
2. A notarised copy of the foundation contract or decision for a business being founded and confirmation from a credit institution that share capital has been paid in;
3. Documentation certifying the value of own funds for a business that is already operating, together with the auditor's report;
4. The initial balance of the applicant and a review of its revenues and expenses, and its most recent balance and profit report and annual reports for the past three years if they exist;
5. An operating plan that meets the requirements of the Insurance Activities Act;
6. The standard conditions for the insurance contract if the application is for a licence for mandatory insurance;
7. Information on the members of the management board and supervisory board, including their first and family names, personal ID codes or date of birth if they have no ID code, place of residence, description of education, full list of jobs and positions held, and for members of the management board a list of their areas of responsibility, together with any documentation that the applicant considers relevant for demonstrating their trustworthiness and compliance with the requirements of the Insurance Activities Act;
8. Information on the auditor of the applicant, covering the actuary and the person responsible for internal controls, giving their names and personal ID codes, or date of birth or registry code if there is no ID code;
9. A list of the shareholders of the applicant showing the name of each shareholder or member, their registry code or ID code, or date of birth if they have none, and details on the share or equity holdings of each shareholder and the voting weight given to them;

10. The data required by the Insurance Activities Act for people who will hold a significant share of the applicant;
11. Data on any business that the applicant or its management or supervisory board members holds more than 20% of, where those data include the size of its equity, a list of its areas of activity, and the size of the holding of the applicant and each manager or supervisory board member;
12. The planned organisational structure of the applicant;
13. The internal rules of the insurance company, or proposals for them, in accordance with the Insurance Activities Act;
14. The name and address of the claims handler in each EEA state for an applicant under the Motor Insurance Act if the application is for activities with motor insurance.

If it is not possible to tell for certain from the documents and information submitted whether or not the applicant for an operating licence is sufficiently capable of insurance activities or whether it meets the requirements for insurers, or if it is necessary to check other details concerning the applicant, Finantsinspektsioon may request further information and documents.

Time limit for procedures

The operating licence is issued once the data and documentation submitted meet the requirements and show clearly that the applicant for a licence has sufficient means and organisational capacity for insurance activities and that the interests of the policyholders, the insured, and the beneficiaries are sufficiently protected. The decision to issue an operating licence or to refuse it is taken by Finantsinspektsioon within three months after all the necessary documentation and data have been received and the requirements have been met, but not later than six months after the application for the operating licence has been received.

Application fee

The fee for applying for an operating licence as an insurance company is 1000 euros.

Providing cross-border insurance services in Estonia

An insurer from a European Union member state that wants to provide cross-border insurance services in Estonia must adhere to the requirements of the Insurance Activities Act and the Motor Insurance Act and any other legislation derived from them such as regulations issued by the government, the Ministry of Finance and the Ministry of Social Affairs, and the guidelines of Finantsinspektsioon.

The provision of insurance services must also adhere to the Law of Obligations Act and the Consumer Protection Act. If insurance is provided to consumers in Estonia, the insurance conditions and all other notifications must be clearly understandable to applicants and policyholders and must be presented in Estonian. Consumer complaints are handled by the Consumer Protection Board and also by Finantsinspektsioon.

An insurance company providing insurance services in Estonia must also follow requirements in the Money Laundering and Terrorist Financing Prevention Act and legislation derived from that, including the guidelines of Finantsinspektsioon.