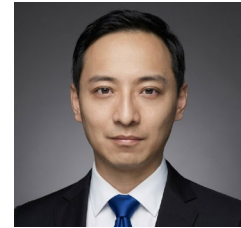


Navigating Capital Relief for Qualifying Infrastructure Investments: Implications for APAC Insurers

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In 2026, investors face a complex global investment landscape marked by heightened volatility, geopolitical uncertainty, and technological disruption. Amid portfolio rebalancing and changes to strategic asset allocations, private infrastructure allocations are rising in response to these concerns as investors seek diversification, inflation linkage, income and long-term return potential.

Momentum in private infrastructure continues to be supported by resilient asset-class performance through recent market cycles, and new investment opportunities driven by energy demand, energy security, and the energy transition (the “3Es”). The future investment opportunity remains significant, supported by a capital expenditure (“CapEx”) super cycle, a backlog of closed-end fund exits, and corporate carve-outs to recycle

capital from operating assets to higher growth opportunities.

Infrastructure has long been a natural fit for insurers. Historically, however, capital treatment has often limited broader allocations, particularly where infrastructure equity attracted charges comparable to private equity. Across APAC, this is changing. Regulators are increasingly recognising the lower-risk characteristics of qualifying infrastructure through reduced capital charges. This shift presents insurers the potential for meaningful capital relief, improved asset-liability matching, and portfolio diversification. Yet the pathways to qualification are far from uniform. Eligibility definitions, sector treatment, capital incentives and look-through requirements differ across Singapore’s RBC2, Korea’s K-ICS, Hong Kong’s RBC, and globally comparable standards such as the IAIS

ICS. ICS is also relevant for markets such as Taiwan and Japan, although local implementation continues to evolve.

Eligibility: Similar Direction, Different Rulebook

Table 1 shows that “infrastructure” is not a universal regulatory category. ICS offers broad geographic flexibility and covers six categories, while Solvency II remains more principles-based and focused on EEA/OECD markets. Singapore provides clearer recognition of modern digital infrastructure, including data centers, EV charging and subsea cables, while Korea places greater emphasis on public-service linkage and expands in 2026 to include renewable and AI-based infrastructure. Sector scope is therefore critical: traditional water, energy and transport assets are

Table 1: Infrastructure investment eligibility by regime

	Solvency II	ICS (Adopted 2024, Effective 2025)	Korea K-ICS (2023 + 2026 Update)	Singapore MAS RBC2 (Oct 2025)
Definition Approach	Purely Principles-based; Illustrative examples only	Principles-based + 6 categories with detailed examples	Principles-based + 6 categories (expanded 2026 to include renewable and AI-based infra)	Principles-based + 6 categories with detailed examples
WATER & WASTE				
Water utilities, Waste management	✓ Example given	✓ Explicitly listed	✓ Explicitly listed	✓ Explicitly listed
ENERGY				
Core (generation, transmission, distribution, storage)	✓ Example given	✓ Explicitly listed	✓ Explicitly listed	✓ Explicitly listed
Oil/gas pipelines	Not enumerated but implicitly included	✓ Explicitly listed	✓ Explicitly listed	✓ Explicitly listed
Hydrogen, District heating	District heating yes; Hydrogen not	✓ Explicitly listed	✓ Explicitly listed	✓ Explicitly listed
TRANSPORTATION				
Fixed assets (roads, bridges, tunnels, ports, airports, rail)	✓ Example given	✓ Explicitly listed	✓ Explicitly listed	✓ Explicitly listed
Rolling stock	Not covered	✓ Explicitly listed	✓ Explicitly listed	✓ Explicitly listed (incl. electric bus)
Ground transportation equipment, EV charging/refueling stations	Not covered	✓ Explicitly listed	✓ Explicitly listed	✓ Explicitly listed
DIGITAL / COMMUNICATIONS				
General communications	✓ Example given	✓ Category listed	✓ Category listed	✓ Category listed
Broadband equipment, Cable systems, Optical fibers, Telecom towers, Satellite networks	✓ Collectively listed	✓ Explicitly listed	✓ Explicitly listed	✓ Explicitly listed
Data centers	Not covered (debated)	✓ Explicitly listed	✓ Explicitly listed	✓ Explicitly listed (confirmed NOT real estate)
Subsea cables	Not covered	Not explicitly listed	Not explicitly listed	✓ Explicitly listed (MAS Clarification)
SOCIAL				
General social	✓ Example given	✓ Explicitly listed	✓ Explicitly listed	✓ Explicitly listed
Courthouses/government buildings, Prisons/juvenile facilities, Libraries, Private welfare institutions, Refugee camps etc.	✓ Example given	✓ Explicitly listed	✓ Explicitly listed	✓ Explicitly listed

Source: Korea FSC/FSS, MAS, Solvency II and IAIS regulatory materials, including Korea’s 2023 handbook and April 2026 measures, MAS RBC2 infrastructure treatment finalized October 28, 2025, Solvency II amendments adopted September 2025, and IAIS guidance.