

To: Prudential Working group
 From: Prudential team
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 Reference: ECO-PRU-26-029

Subject: EC Issues Corrigendum to Solvency II DA

Summary

On 27 January 2026, the European Commission published a **Corrigendum to the Delegated Regulation** ([here](#)) of 29 October 2025, as regards technical provisions, long-term guarantee measures, own funds, equity risk, spread risk on securitisation positions, other standard formula capital requirements, reporting and disclosure, proportionality and group solvency.

Following the secretariat's request to members to flag errors and inconsistencies ([ECO-PRU-25-106](#)), the secretariat received the input compiled in **Annex I (Industry list of errors and inconsistencies)**. This input was shared with EIOPA and the European Commission, who confirmed that the identified issues would be examined.

The secretariat has compared the corrections introduced by the Commission in its Corrigendum with the industry list of errors and inconsistencies (Annex I) and prepared a **brief assessment** indicating which issues were addressed by the Commission, for members' consideration below.

In terms of next steps the secretariat is enquiring with EIOPA/EC whether and how remaining outstanding concerns will be addressed.

Should members have any questions, please contact prudential@insurancееurope.eu

Assessment – Corrigendum Solvency II DA

Insurance Europe list	EC Corrigendum
Inconsistency in Article 125 -Subsidence risk sub-module	Not addressed by EC
Earthquake parameters for Slovakia	Addressed and corrected
Article 20 Amendment	Not addressed by EC
Explanatory Memorandum - Numerical inconsistency (page 3)	Not addressed by EC
Article 131 - Paragraph placement	Not addressed by EC
Article 171b(1)b - Incorrect internal references	Not addressed by EC
Article 171b(3) – Incorrect internal references	Addressed and corrected
Article 182(5) - Contradiction	Not addressed by EC
Article 192b - Drafting mistake	Addressed and corrected
Article 215a - Circular reference	Not addressed by EC

Article 275b - Chapter ambiguity	Not addressed by EC
Article 359 - Group SFCR cross-reference	Not addressed by EC
Article 372a(2) - Reference should include 312	Addressed and corrected

Annex I - Industry list of errors and inconsistencies

■ **Inconsistency in Article 125** ("Subsidence risk sub-module")

- An inconsistency was identified in Article 125 ("Subsidence risk sub-module") of the new Delegated Regulation.
- The new SCR formula on subsidence risk, now covering France and Belgium, also covers the "subsidence risk in regions other than those set out in Annex XIII":

Article 125
Subsidence risk sub-module

1. The capital requirement for subsidence risk shall be equal to the following:

$$SCR_{subsidence} = \sqrt{(\sum_{(r,s)} CorrS_{(r,s)} * SCR_{(subsidence,r)} * SCR_{(subsidence,s)}) + SCR_{(subsidence,other)}^2}$$

- **Issue:** Unlike Articles 121–124, **Article 125 does not specify how SCR_(subsidence,other) is to be calculated.**
- Article 121 (Flood risk) includes a clear formula and coefficient structure.
- Articles 122–124 apply the same approach with different coefficients.
- Therefore, it is assumed that this – with the corresponding coefficient – should also apply to Article 125. In particular, *SCR_(subsidence,other)* should be zero if no subsidence risks are written outside of the EEA. However, if such risks are included in the portfolio, even to a small extent, the amount of sudden loss (analogous to the other perils) cannot currently be determined, as the relevant factor for the calculation is still missing.

■ **Earthquake parameters for Slovakia**

- A potential issue has been identified in the new draft annexes to Delegated Regulation (EU) 2015/35 adopted under the Solvency II 2020 review. The annexes appear to introduce changes to the earthquake (EQ) natural catastrophe parameters for Slovakia, specifically reverting the Cresta zone coefficients to the values in place prior to the 2017 Solvency II review.
- This change does not appear to be referenced or explained anywhere in the Solvency II 2020 review documentation, including consultation materials or impact assessments. The recalibration adopted in 2017 has not been questioned or revisited during the 2020 review, which makes an intentional reversal unlikely. Moreover, even if a new recalibration had been undertaken, it would be highly implausible for updated modelling to produce coefficients identical to those calculated approximately 15 years ago.
- On the basis of the available information, the most likely explanation is a clerical or human error in the preparation of the new annex. Clarification is therefore needed as to whether the reversion is unintended and requires correction, or whether a recalibration was in fact carried out, in which case the underlying technical basis should be made available.

■ **Article 20 Amendment**

A drafting ambiguity has been identified in Article 1(20), which introduces a new Article 54a on restructured assets. The amendment does not specify whether Article 54a is intended to fall under Section 5 (Lines of business) or under the preceding Section 4 (Risk-free interest rate). In the absence of an explicit indication, it is assumed that Article 54a belongs to Section 4, although clarification would be needed to confirm the intended structure.

- **Explanatory Memorandum – numerical inconsistency (page 3)**
 - A numerical inconsistency has been identified in the illustrative example in the Explanatory Memorandum (page 3) concerning the prudential treatment of legislative programmes.
 - **Issue:**
The example states that a 5% reduction of the risk factor for long-term equity investments under legislative programmes leads to a risk factor of 20.8%. However, a 5% reduction from the original risk factor results in a value of **20.9%**.
 - This appears to be a numerical error in the explanatory text and should be corrected for accuracy.

- **Article 131**, it should be mentioned where in Article 131 the new paragraph should be added. If this is not done, it will come as a final paragraph to the article. If that is the intention, it is fine.
- **Article 171b – incorrect internal references**
 - Further incorrect internal cross-references have been identified in Article 171b:
 - Article 171b(1)(b): The wording “in accordance with paragraphs 3 to 5” should be amended to **“in accordance with paragraphs 3 to 6”**.
 - **Article 171b(3)**: The wording “in accordance with paragraph 6” should be amended to **“in accordance with paragraphs 5 and 6”**.
 - These appear to be drafting oversights and should be corrected to ensure internal consistency.
- **Article 182(5)**: there appears to be a contradiction in the phrasing of
 - (a) “those exposures are other than those referred to in Article 187(3), point (b);”and
 - (b) “those exposures are denominated and funded in the domestic currency of that central government and central bank;”, because art. 187(3)(b) reads: “(b) exposures to the central government and central banks of Member States denominated and funded in the domestic currency of that central government and central bank;”. As a result, the exposures referred to in point (b) of Article 182(5) appear to be the same as those excluded under point (a), creating an internal inconsistency.
- **Article 192b – minor drafting error**
 - A minor drafting error has been identified in Article 192b.
 - Issue: The phrase “transaction shall fall under within this article” contains one word too many and should be corrected for grammatical accuracy.
- **215a (1) and (2)**: Article 215a(1) and Article 215a(2) refer to each other, creating a circular reference. For the sake of clarity and simplicity, it may be preferable for Article 215a(1) to refer directly to Article 180(2), first paragraph, instead of cross-referring to paragraph 2.
- **Article 275b** It is unclear whether Article 275b is intended to fall under Chapter IX (System of governance) or Chapter X (Capital add-ons).
- **Article 359 – potentially misleading reference (group SFCR)**
 - A potentially misleading cross-reference has been identified in Article 359 concerning the structure of the group Solvency and Financial Condition Report (SFCR).
 - **Issue:**
The reference to Article 290 may give the impression that the group SFCR must include a policyholder-specific section. As Article 292 is not referenced, this is not the case.
 - **Suggested amendment:**
To avoid confusion, the introductory wording could be amended as follows:
 - “The group solvency and financial condition report shall follow the structure set out in Annex XX, Section A.2. Article 290 paragraphs 2 and 3, Article 291 and Articles 293 to 298 of this Regulation shall apply.”
- **Article 372a(2) – incorrect reference affecting the Single RSR**
 - An incorrect reference has been identified in Article 372a(2) regarding the content of the Single RSR.
 - **Issue:**
The reference to “information to be reported in accordance with Articles 307 to



311" excludes information on material changes under Article 312. This creates uncertainty as to how undertakings subject to Article 312 should be integrated into the Single RSR.

■ **Suggested amendment:**

The reference in Article 372a(2) should be extended to Article 312, as follows:
"information to be reported in accordance with Articles 307 to 312".