

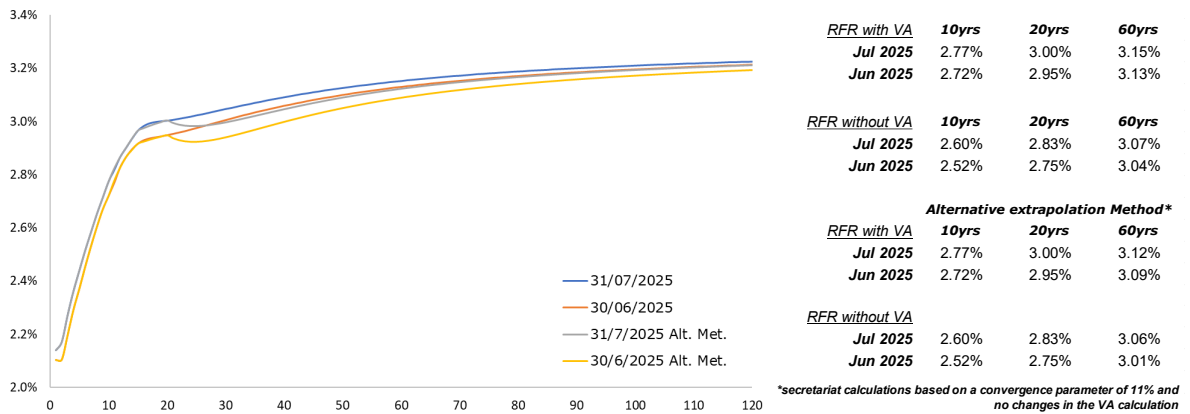
To: Solvency II WG
 From: Prudential Team
 Date: 06-08-2025
 Reference: ECO-SLV-25-315
 Subject: RFR monthly monitoring - July 2025

Background

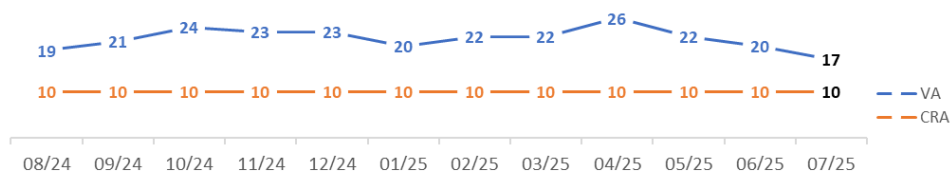
EIOPA publishes technical information related to [risk-free interest rate](#) (RFR) term structures for a wide range of currencies and the [symmetric adjustment](#) of the equity capital charge monthly. The latest technical documentation for the RFR which provides EIOPA’s methodology for calculation can be found [here](#).

The secretariat monitors EIOPA’s RFR curves published for the euro as well as the symmetric adjustment and provides below summary information for members (Source: EIOPA, Insurance Europe). Additional information on the alternative extrapolation method proposed by the EC as part of the Solvency II review is included for reference only.

1. RFR curves with VA (euro) as at the end of July 2025 vs previous curve



2. Change in Volatility Adjustment and Credit Risk Adjustment



3. Impact on discounting

The value after discounting a 1,000 euro cashflow at different years in the future is shown below, along with the impact of changes in RFR (with VA) on these valuations:

	10yrs	20yrs	60yrs
Value using current RFR with VA	761	553	155
Value change from previous month	-0.5%	-1.0%	-1.2%

4. Symmetric Adjustment of the Equity Capital Charge

