Memo for information

To: Prudential Working group
From: Prudential team
cc:
Date: 06-02-2026
Reference: ECO-PRU-26-066

Subject: Updated Survey Results - IRRD Implementation

Summary

As discussed during the Prudential Working Group on 21 November 2025, the Secretariat conducted a **second-round survey on the national implementation of the Insurance Resolution and Recovery Directive (IRRD)**.

The full feedback can be found in the Annex to this document. The main messages arising were:

- While discussions and in some cases consultations, are ongoing, in most countries there is **little clarity on how the national implementation of IRRD will proceed**, with very few having concrete legislative proposals as yet.
- There are **no countries where the companies in scope of the IRRD have been confirmed** as yet.
- Other than France, which already has a resolution framework, **no countries have confirmed how they will treat critical function**s or how **existing processes may be used** in implementing the IRRD.
- There are a range of funding proposals put forward although again, none have been finalised. These **mostly involve ex-post funding**, sometimes with partial ex-ante involvement.
- In some cases, **countries are awaiting finalisation of EIOPA's guidance** on matters such as critical functions before proceeding.

The Secretariat will use the results of this survey to support their advocacy efforts around the need to stop-the-clock on the IRRD, in light of the limited time left to complete implementation and the lack of clarity around key areas.

Should members have any questions or concerns, please contact prudential@insuranceeurope.eu .

Annex 1 - Summary of IRRD Survey responses, February 2026 (new feedback in red)

Country	Transposition status / timelines	Expected scope	Financing expectations	Critical functions	BRRD	Existing process	National priorities
Germany	- National draft law being prepared under leadership of Federal Ministry of Finance. - Consultation on the draft is currently delayed with future schedule unknown. - Supervisory authority to hold an initial information event on national implementation in late February. GDV and potentially affected insurance groups have been invited.	- BaFin has emphasized that the group of potentially affected companies has not yet been finalized	- TBC	- Currently unknown, but last year BaFin conducted a survey in all sectors on possible critical functions.	- TBC	- TBC	- TBC

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France	- Transposition work began in March and is ongoing. - Seven technical working groups have been established covering different aspects including funding. - A draft transposition text in national law is expected in March 2026. - At this stage, Resolution process and valuation methodologies and the transfer tool have not been discussed with the Trésor.	- Existing resolution regime covers all insurance and reinsurance undertakings subject to SII. - However, resolution planning focuses primarily on groups with total assets >€50bn DG Trésor proposes three changes: 1. Entities subject to resolution: DG Trésor proposes to maintain a French resolution framework for ORPS (Organismes de Retraite Professionnelle Supplémentaire) and to adapt the provisions applicable to service providers in line with the directive. 2. Scope of the preventive component: DG Trésor considers it necessary to replace the existing French threshold of €50 billion in balance sheet size with two alternative criteria: €50 billion in life technical provisions	- Under conservative assumptions, French authorities estimate — in an initial assessment — that the capital requirements to fund a medium-sized bridge institution would amount to €5.4 billion for a non-life insurance entity and €15.3 billion for a life insurance entity for a total funding need of €20.7 billion. These needs will be covered through a mix of ex-ante (50%) and ex-post (50%) contributions. - The Trésor aims to avoid any use of WDCI tool for policyholders liability and use of public funds, which explains the significant target proposed. - The French Treasury suggests that its orientations are likely to be followed by other European markets. - The French market views these proposals	'- According to Article L.311-2 of the French Insurance Code, “critical fonctions” refer to activities, services, or operations of an entity that meet the following criteria: o They are provided by the entity to unrelated third party; o The entity’s inability to continue providing them could have a significant impact on financial stability or the real economy; o The entity cannot be replaced in delivering these functions at a reasonable cost and within a reasonable timeframe. - The ACPR drafted a list of presumed critical functions : Substitutability is assessed using a 10% market share threshold. Consequently, if an undertaking conducts business in one of these presumed critical functions without reaching the 10% threshold, no resolvability	- Interactions with the banking resolution framework are already clearly identified and structured. As both banking and insurance entities within the group fall under the remit of the ACPR—and, for banking resolution, under the shared responsibility of the Single Resolution Board (SRB)—coordination mechanisms are well established. - The ACPR integrates banking–insurance interdependencies into its resolution planning work, in close cooperation with the SRB for banking entities. This coordination ensures that, should a crisis occur, the authorities are able to adjust their respective actions under one of the three possible scenarios (bank failure, insurance failure, or simultaneous failure). - The exchange of	- TBC	'- The resolution of groups operating through subsidiaries in other Member States poses challenges to a coherent crisis management strategy. o Enhancing pre crisis cooperation, mapping cross border interdependencies, and securing enforceable intra group support arrangements are critical to ensuring resolvability. o The effectiveness of resolution colleges will depend on consistent supervisory culture and genuine home–host alignment during stress events. - The financing mechanisms introduced under Article 81 should not create level playing field distortions across Member States o Insurers in certain jurisdictions should not face materially higher ex-ante or ex-post burdens, undermining

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		and €5 billion in non-life gross written premiums. 3. Simplified obligations regime: Although the impact in France will be limited, the IRRD approach based on risk criteria should be integrated into the transposition. - The total number of companies is likely to increase by 5, with the addition of reinsurers and non-life undertaking to reach the thresholds. The total number of companies is estimated to be 19 groups.	as unacceptable and is working on a counterproposal for the proposed approach and amount. - Discussions with the DGT started again in December. The quantum is not defined yet, the discussion is aimed toward the funding arrangement. - The Trésor is now being more cautious in announcing any updated quantum – discussions with the ACPR imply that the initial target (21 Bn€) is likely to reduce to allow for a recapitalisation of critical functions only. This is likely to reduce the overall capital target for the fund.	assessment is required for the purposes of the resolution plan. - No changes related to IRRD is expected.	information between banking and insurance resolution authorities is already enabled under French law and will be further strengthened with the upcoming transposition of the IRRD, which will introduce cross sectoral participation in resolution colleges.		competitive neutrality within the internal market. - Questions remain on the interaction between IGS and resolution financing. o Clarification is needed on when and how IGS resources may intervene relative to resolution tools, to avoid double charging or inconsistencies in burden sharing. o The hierarchy between IGS payouts, ex post industry levies, and resolution fund contributions requires further definition to ensure predictable, coordinated financing in cross border cases and to prevent conflicting incentives for home and host authorities.

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Denmark	- The government is preparing a legislative proposal to be presented in October 2026. A number of administrative legal acts are also expected. - The authorities have announced that they intend to implement the directive in a way that is very close to the text of the directive. - Regular meetings are held between industry (F&P – Insurance & Pension) and the authorities (The Ministry of Business Affairs, the supervisory authority and the coming resolution authority) about the transposition. However, there has not been much new for a long time – the draft legal acts seem to be delayed. - There will also be a formal consultation process.	- Expected all companies will be in scope but simplified obligations will apply to all but 'the largest' companies. It is unknown at this stage how 'the largest' will be defined.	- Expected to be ex-post but no final decision made.	- TBC	- TBC	- The Danish authorities have announced that companies with simplified obligations (all but the largest companies, see above) will not be subject to any additional reporting; existing reporting will suffice.	- We recommend a stop-the-clock directive - In its current form the IRRD form has the potential to become very burdensome. In particular, ex ante financing and obligations to remove impediments to resolvability are areas which are potentially extremely burdensome. - We do not see a need for harmonisation of national insurance guarantee schemes. Common minimum standards would lead to significant administrative burdens and costs for the insurance industry

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Austria	-Two meetings with the Ministry of Finance and the FMA to date. These meetings primarily focused on our position regarding the possible impact on life and health insurance. We have also confirmed this in writing, along with our position on security measures. So far no official position of the Ministry of Finance has been communicated. - No concrete timetable is officially available. Unofficially, a consultation on the draft implementation to be carried out in the summer. - Although FMA announced that requirements for a preventive restructuring plan would be communicated to insurance companies in Q4 2025 we haven't received any information. - Management boards of companies likely to be affected are taking a closer look, leading to increased activity in risk management and legal departments.	- FMA had unofficially announced that it would name the companies concerned at the beginning of the year, but this has not yet happened. - If only minimum coverage (60% Recovery Planning) is considered, this would amount to 4-5 groups/companies (incl. subsidiaries of foreign groups) in Austria. But FMA had indicated that it intends to include all "relevant" companies which could lead to a higher number of companies.	- VVO supports ex-post financing. - FMA has called for a financing mechanism for life and health insurance for the effective application of resolution tools (beyond NCWO) and for resolutions under SII (in particular portfolio transfers to a bridge undertaking). Financing would be at least in part ex ante. It is unclear whether this would be organized centrally or decentrally. - A current official position is not available yet. VVO strictly rejects centralized, ex-ante financial mechanism.	- TBC	- TBC	- TBC	- TBC

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Sweden	- An enquiry presented a proposal on the transposition into Swedish law in September 2025. Based on this proposal the Swedish Ministry of Finance is now working on a proposal that probably will be adopted by the Swedish parliament during this fall.	- To fulfill minimum coverage requirements, anticipate c.10 companies to have pre-emptive recovery plans and c.6 companies to have resolution plans.	- Under current proposals, funding will be ex-post. However, the Swedish debt office also wants some ex-ante funding and discussion is ongoing.	- Critical functions have just to a limited extent been discussed so far in Sweden. We expect that it will mainly be based on EIOPA's guidelines on critical functions.	- It will be the same RA for banks and insurance companies. Some Swedish insurance companies that must have recovery and resolution plan (according to IRRD) are in a group with banks covered by BRRD. Thus, for these groups there could be interactions with the plans	- TBC	- TBC
Belgium	- A consultation is expected in Q1 2026. '- We have discussed the recovery section with the prudential insurance policy unit of the NBB, the resolution section with the insurance resolution unit of the NBB.	- Unknown. Note that the minimum market share can also be filled with foreign companies. For example, AXA Group will be in scope in France. As a result, AXA Belgium will have a recovery and resolution plan. This means that the minimum market share for Belgium has already been fulfilled by the market share of AXA Belgium. Ands forth for all other groups. As such, the decision for selecting companies will also depend on foreign NSAs and NRAs.	- TBC	- The NBB will most likely follow EIOPA. - The NBB has clearly stated that critical functions in IRRD are different from DORA and SII. A critical function in DORA has no implications for IRRD. In the context of IRRD, the main focus should be on assessing whether the loss of a particular undertaking would have a systemic impact on the insurance market (e.g. substitutability of the insurance products it offers) and the national importance of the undertaking.	- The NBB is both NRA and NSA for banks and insurance companies (and others by the wat). The department resolution is responsible for both banks and insurance companies (and also central counterparties).	- The NBB will most likely follow EIOPA.	- IRRD does not provide a practical solution for bank-insurance groups. This remains an issue and should be addressed.

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Finland	- The Ministry established a working group on 24 February 2025, with a mandate until end of June 2026, to prepare the national implementation law. The Finnish Financial Sector has a member in the Ministry's working group. - The government's draft proposal is under preparation and expected to go for consultation during the second half of 2026. The legislative proposal will be submitted to Parliament as late as in autumn 2027, due to the nature of the law, the parliamentary elections in spring 2027 and the time required for the organisation of the new Parliament. - The first versions of recovery and resolution plans from insurance companies are expected to be ready in late 2027 or early 2028.	- No official count has been published yet, but the scope is expected to include all Finnish insurers subject to Solvency II, which typically means at least two of the largest life and non-life insurers, which includes major insurance groups operating in Finland.	- No final decision yet: Finland is still in the preparatory phase of IRRD implementation. The structure of the resolution financing mechanism—whether ex-ante, ex-post, or a hybrid model—remains under consideration. The approach may resemble the existing ex-post resolution fund, but this has not been confirmed.	- Financial Stability Authority has indicated that critical functions are those services or processes provided externally by insurers that cannot be replaced within reasonable time or cost. A more detailed definition will come from the legislation and/or Financial Stability Authority.	- Shared resolution authority	- No formal legislative text yet, but preliminary work indicates that existing reporting (ORSA, QRT, SFCR) will likely be referenced and adapted rather than duplicated, with additional IRRD-specific elements layered on top.	- A specific feature of the market is statutory workers' compensation insurance, which is mandatory, highly standardised and linked to public law social protection objectives. The application of IRRD resolution tools raises specific issues, particularly ensuring uninterrupted coverage and benefit payments. Interruptions could have immediate social and economic consequences for injured persons and employers. Finland sees a need for exclusion of these insurance products from the IRRD framework to reflect the special nature of mandatory social insurancetype products.-type products.

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Slovakia	- The Ministry of Finance of the Slovak Republic (MF SR) expects a standard transposition process in the preparation of the new Act on recovery and resolution in the insurance sector. The MF SR should have the text of the Act ready in February 2026 and plans to submit the Act to the Government in June 2026 so that so that it could be in force since January 2027. - MF SR organized public consultations, SLASPO was also invited.	- Still under consideration. Only 1 out of 9 insurance companies operating in Slovakia is not a subsidiary of an EU insurance company. We expect very few companies being in scope of IRRD in our national market.	- Still under consideration, at this stage we anticipate ex-post contributions from life and non-life insurers.	- TBC	- There will be shared resolution authority – The Resolution Council, but with a set of responsibilities to prevent conflicts of interest between the bank and the insurance company.	- TBC	- TBC
Greece	- The same Committee responsible for transposing the SII Review Directive is also in charge of the IRRD implementation. No draft has been issued yet, and discussions remain at an initial stage. - Certain provisions are expected by March 2026 for consultation with the HAIC and the other participating parties.	- TBC	- TBC	- TBC	- TBC	- TBC	- TBC