Memo for information

To: Prudential Working group
From: Prudential team
cc:
Date: 16-03-2026
Reference: ECO-PRU-26-143

Subject: EIOPA Meeting - IRRD and IGS

Summary

The Secretariat held a call with Dimitris Zafeiris and Juan Zschiesche from EIOPA to discuss Insurance Europe's recent paper setting out practical proposals to simplify the Insurance Recovery and Resolution Directive (IRRD). The discussion also briefly touched on EIOPA's ongoing work on Insurance Guarantee Schemes (IGS).

IRRD – EIOPA reaction

EIOPA acknowledged receipt of Insurance Europe's proposals and noted that the issues raised were largely familiar from earlier exchanges and consultation feedback. EIOPA stressed that, in its view, many of the industry's concerns ultimately relate to the Level 1 framework, which limits the scope for change through Level 2 and Level 3 measures. EIOPA emphasised that it had already sought to reduce burden where possible in its draft technical standards and guidelines and pointed to adjustments made following stakeholder feedback.

At the same time, EIOPA defended the overall rationale of the IRRD framework and did not indicate openness to more fundamental changes. EIOPA underlined that the Directive is now in force and that its focus is on implementation rather than reopening the policy rationale. In response to Insurance Europe's call for a delay to the timeline and a broader streamlining of requirements, EIOPA did not signal support for changes of that nature.

Key discussion points

The Secretariat reiterated industry concerns that the IRRD remains overly burdensome and operationally difficult to implement, particularly in light of the lack of clarity on national transposition, the incomplete Level 2/3 framework, and the limited evidence of practical need for such an extensive regime.

On specific issues:

- **Critical functions**: EIOPA maintained that the underlying definition is set by Level 1 and that the identification of critical functions ultimately depends on national resolution authorities and market circumstances. EIOPA did not indicate willingness to narrow the concept in the way requested by industry.
- **Playbooks**: EIOPA defended the inclusion of playbooks as a possible tool for operationalising resolution plans, while noting that the approach had been softened compared with earlier drafts.
- **Reporting templates**: EIOPA argued that the reporting package had already been reduced to the minimum it considered possible under the Directive and did not suggest further significant changes. It also stressed that some reporting burden is inevitable given that IRRD creates a new framework.
- **Minimum market share requirement**: Insurance Europe reiterated concerns about the rigidity and practical complexity of the minimum market share requirement for recovery planning. EIOPA defended

the provision as a way to avoid excessive divergence across Member States, though it acknowledged ongoing questions around application in practice.

Overall, the exchange confirmed that EIOPA sees only limited room for further burden reduction through Level 2/3 and considers that more substantive simplification would require changes at Level 1.

National transposition

EIOPA confirmed that transposition is progressing at different speeds across Member States and acknowledged that not all countries are equally advanced. It referred to draft texts already under discussion or consultation in some jurisdictions, but did not provide an overview of the state of play. EIOPA broadly treated delays in national transposition as a normal feature of EU implementation processes rather than as a reason to revisit the overall timeline.

IGS

The call also briefly covered EIOPA's work on IGS. EIOPA described the topic as highly complex and politically sensitive, with a very challenging timetable. It indicated that work is ongoing and that a consultation is currently expected around **May/June**. EIOPA suggested that, given the complexity of the issues, its advice may need to present options rather than definitive conclusions in some areas.

EIOPA also confirmed that it is working on the data requested by the European Commission, including data related to insurance failures and policyholder losses. However, it indicated that this data is being prepared primarily for the Commission's use and may not itself be published as part of EIOPA's consultation.