

Public consultation regarding draft Advice on minimum common standards for Insurance Guarantee Schemes (IGS) in the EU

Fields marked with * are mandatory.

Instructions

Article 98 of the Insurance Recovery and Resolution Directive (IRRD) requires the Commission to issue a report on assessing the appropriateness of minimum common standards, consulting EIOPA in the process. To this end, on 1 August 2025, EIOPA received a Call for Advice on specific topics related to the harmonization of IGS with deadline for submission on 31 May 2026, which has been extended to 31 August 2026.

This public consultation aims to gather stakeholders' feedback on:

- EIOPA's draft advice on minimum common standards for IGS in the EU (EIOPA-BoS-26-176); and
- Annex to EIOPA's draft advice on minimum common standards for IGS in the EU (EIOPA-BoS-26-177)

Deadline for submitting a response to this online survey is Friday 26 June 2026, 23:59 CEST.

Due to the tight deadline for the Call for Advice, the consultation period is limited. However, the current draft advice and its technical annex have been informed by stakeholders' feedback from an online survey conducted by EIOPA from 4 to 27 February 2026.

When answering to this survey, please consider the specific sections and paragraph numbers of the draft advice. For the technical annex, please indicate specifically in your answer the relevant sub-section and paragraph number(s) to indicate to where your comment relates to.

Publication of responses

Your responses will be published on the EIOPA website unless: you request to treat them confidential, or they are unlawful, or they would infringe the rights of any third party. Please, indicate clearly and prominently in your submission any part you do not wish to be publicly disclosed. EIOPA may also publish a summary of the survey input received on its website.

Please note that EIOPA is subject to Regulation (EC) No 1049/2001 regarding public access to documents and EIOPA's rules on public access to documents.

Declaration by the contributor

By sending your contribution to EIOPA you consent to publication of all non-confidential information in your contribution, in whole/in part – as indicated in your responses, including to the publication of the name of your organisation,

and you thereby declare that nothing within your response is unlawful or would infringe the rights of any third party in a manner that would prevent the publication.

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General information about the respondent

* Contact person (name and surname).

Stephanos Hadjistryllis

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* Name of the stakeholder organization.

Actuarial Association of Europe

* Type of stakeholder.

- Insurance or reinsurance undertaking
- Industry Association/Federation
- Consumer Protection Association
- Insurance Guarantee Scheme (IGS) / Policyholder Protection Scheme (PPS)
- IGS/PPS Association
- Academic
- Other

* If other, please specify.

Professional Association

* Please indicate your country.

Belgium

* Please provide your explicit consent for the publication of your response

- Yes, publish my whole response
- Yes, publish a part of my response
- No, do not publish my response

1. INTRODUCTION

Do you have any comments on the Introduction?

- Yes
- No

Request for technical advice

Do you have any comments on the following paragraphs?

	Yes	No
1.1	<input checked="" type="radio"/>	<input type="radio"/>
1.2	<input checked="" type="radio"/>	<input type="radio"/>

Please provide your comment to para 1.1.

We agree that the objective of ensuring consistent policyholder protection across all Member States — including in cases of resolution or insolvency — provides a sound basis for this advice. Cross-border insurance activity is material — EIOPA itself reports total cross-border premiums of approximately EUR 127bn (para 3.7 of the Advice) — and the current fragmented national landscape creates real asymmetries between the market access enjoyed by insurers and the protection available to their policyholders.

Please provide your comment to para 1.2.

We support the objective of minimum harmonisation. We note that the analogy with the Deposit Guarantee Schemes Directive for banks should be drawn with care. Banking deposit guarantee schemes are designed primarily to prevent bank runs — a phenomenon driven by the instant convertibility of deposits. Insurance policyholders face a different dynamic: claims typically emerge over a longer period following a failure, and the liquidity pressures, whilst real, are generally less immediate. These structural differences should inform the design and calibration of any IGS minimum standards so that they are proportionate to insurance-sector

specificities.

We also note that minimum harmonisation is the appropriate design choice for a further reason rooted in the IRRD-IGS interaction. Given the significant diversity in how Member States are transposing the IRRD, a prescriptive or overly broad IGS requirement risks producing double coverage — situations where both IRRD resolution tools and IGS are simultaneously triggered for the same event. Double coverage generates costs for the sector without delivering additional benefit to policyholders, since the same protection would effectively be funded twice over. Minimum harmonisation preserves the national flexibility needed to calibrate IGS requirements against the IRRD tools already in place in each jurisdiction, thereby avoiding this unnecessary and costly duplication.

The Single Market works for insurers, but not yet for policyholders: the current landscape of IGS in the EU

Do you have any comments on the following paragraphs?

	Yes	No
1.3	<input checked="" type="radio"/>	<input type="radio"/>
1.4	<input checked="" type="radio"/>	<input type="radio"/>
1.5	<input type="radio"/>	<input checked="" type="radio"/>
1.6	<input checked="" type="radio"/>	<input type="radio"/>
1.7	<input type="radio"/>	<input checked="" type="radio"/>
1.8	<input checked="" type="radio"/>	<input type="radio"/>

Please provide your comment to para 1.3.

We broadly agree with the analysis of the structural imbalance within the Single Market. We would note that differences in policyholder protection outcomes across Member States often reflect legitimate variations in national legal frameworks, insolvency regimes, social security systems, and taxation. A minimum harmonisation approach — which we support — should improve the common baseline whilst preserving appropriate national flexibility, rather than seeking full uniformity of outcome across all Member States.

Please provide your comment to para 1.4.

We note that fragmentation in cross-border situations partly reflects the structure of the market itself: most products — particularly in life and health insurance — are designed for, and distributed within, domestic markets under national contract, tax and social law. Differences between national IGSs are therefore to a significant extent a consequence of this product-market heterogeneity rather than a deficiency in themselves, particularly given the uniform baseline of protection provided by Solvency II and, going forward, the IRRD. In our view this supports a minimum harmonisation approach focused on closing genuine protection gaps in cross-border situations, rather than seeking uniformity of national schemes.

Please provide your comment to para 1.6.

We would observe that a degree of heterogeneity across national schemes is inevitable for as long as insolvency law, taxation and related areas remain matters of national competence. Minimum common standards should therefore be designed to operate within this heterogeneity — targeting the structural weaknesses identified (gaps in protection, duplication, limited scope, divergent triggers and low consumer awareness) — rather than attempting to eliminate differences that stem from national legal frameworks.

Please provide your comment to para 1.8.

We agree that policyholders should not be exposed to the risk of losing their savings as a result of insurer failure. We would note that a clear distinction should be maintained between protection against insurer insolvency on the one hand, and the inherent risk characteristics of insurance and investment products on the other. An IGS protects against the former; it should not be designed or interpreted as guaranteeing investment returns or eliminating product-related risks arising from market movements. Preserving this distinction is important for maintaining appropriate market discipline and for correctly setting policyholder expectations. We also note that Solvency II and the IRRD together already provide authorities with substantial flexibility and tools to take preventive action, intervene at an early stage and ensure the orderly transfer or resolution of portfolios in the event of a failure. The residual role of an IGS should therefore be assessed against — and calibrated to complement — the protection these frameworks already deliver. We would also draw attention to the risk of moral hazard arising from an overly broad or uniform IGS framework. Where policyholders and intermediaries can assume that any insurer failure will be fully compensated, incentives to scrutinise the financial strength of insurers are reduced, with corresponding implications for market discipline. There is additionally a structural cross-subsidisation concern: empirically, the probability of default varies materially across insurers by size, business model and risk profile, and a uniform levy structure means that large, financially sound undertakings effectively subsidise higher-risk entities. This cross-subsidy is ultimately borne mostly by the policyholders of well-managed, low-risk insurers, and underscores the importance of risk-based contribution methodologies and proportionate coverage limits in any minimum harmonised framework.

An IGS framework that helps the Savings and Investments Union

Do you have any comments on the following paragraphs?

	Yes	No
1.9	<input checked="" type="radio"/>	<input type="radio"/>
1.10	<input checked="" type="radio"/>	<input type="radio"/>
1.11	<input type="radio"/>	<input checked="" type="radio"/>

Please provide your comment to para 1.9.

We support the link between the Savings and Investments Union objectives and minimum IGS harmonisation. We note that the costs of IGS will ultimately be borne — directly or indirectly — mostly by policyholders through premium adjustments. Proportionality should therefore be a guiding principle throughout the framework design: the level of protection provided should be commensurate with the associated costs, ensuring the net effect on consumers remains positive in terms of affordability and accessibility of insurance products.

Please provide your comment to para 1.10.

We acknowledge the Eurobarometer and behavioural study evidence, and agree that minimum harmonisation can contribute positively to consumer confidence and cross-border activity. We would encourage a measured interpretation of the magnitude of this effect. Consumer preferences for domestic insurers reflect a broader set of factors — including language, familiarity with local products, legal certainty, and claims handling practices — and not solely perceived insolvency risk. IGS harmonisation removes one important barrier, but its impact on cross-border activity will also depend on progress across other dimensions of the Single Market.

2. APPROACH TAKEN

Do you have any comments on the Approach taken?

- Yes
 No

Legal framework

Do you have any comments on the following paragraphs?

	Yes	No
2.1	<input checked="" type="radio"/>	<input type="radio"/>
2.2	<input type="radio"/>	<input checked="" type="radio"/>
2.3	<input type="radio"/>	<input checked="" type="radio"/>
2.4	<input type="radio"/>	<input checked="" type="radio"/>

Please provide your comment to para 2.1.

We note that para 2.1 acknowledges that, given the ongoing transposition of the IRRD in Member States, the expected positive impact of the framework on policyholder protection is not yet fully established. We agree that this uncertainty is material. Introducing harmonised IGS requirements before the effects of the IRRD are observable in practice risks calibrating the framework against an incomplete picture of the protection that resolution tools will deliver. We suggest that the final advice and any subsequent legislative proposal consider explicitly the sequencing of IGS implementation relative to IRRD transposition. It may be prudent to build review mechanisms into any eventual legislative framework to allow for recalibration once IRRD transposition experience has accumulated across Member States.

Thematic areas of policy advice

Do you have any comments on the following paragraphs?

	Yes	No
2.5	<input type="radio"/>	<input type="radio"/>

Objectives for policy assessment

Do you have any comments on the following paragraphs?

	Yes	No
2.6	<input checked="" type="radio"/>	<input type="radio"/>
2.7	<input type="radio"/>	<input checked="" type="radio"/>

Please provide your comment to para 2.6.

We support the four policy objectives. We note with particular approval the inclusion of Objective 4 — simplification and burden reduction — which is consistent with EIOPA's Better Regulation commitment and with the view expressed in previous AAE consultation responses on IRRD-related matters that new requirements should complement rather than duplicate existing Solvency II frameworks.

Preferred policy options

Do you have any comments on the following paragraphs?

	Yes	No
2.8	<input type="radio"/>	<input checked="" type="radio"/>

3. EIOPA's ADVICE FOR EACH THEMATIC POLICY AREA

1. General questions about the impact of minimum harmonized IGS

Do you have any comments on the sub-section of *1. General questions about the impact of minimum harmonized IGS*?

- Yes
- No

Do you have any comments on the following paragraphs?

	Yes	No
3.1	<input checked="" type="radio"/>	<input type="radio"/>

Please provide your comment to para 3.1.

As a general comment on this sub-section, we emphasise that any minimum harmonisation should build on — and not replace — existing, well-established national IGSs, which are tailored to local markets and products. We also draw attention to the complexity of harmonising the treatment of life insurance products, given the different forms of profit participation across Member States and the differences arising from national taxation and regulation.

a. Analysis of the impact of covering different insurance policies

Do you have any comments on the following paragraphs?

	Yes	No
3.2	<input checked="" type="radio"/>	<input type="radio"/>

Please provide your comment to para 3.2.

We agree that this section appropriately scopes the analysis to IGS coverage of risks rather than standardisation of product terms, clauses, or exclusions. We note that Solvency II and the IRRD together already provide a strong framework for insurer resilience — robust capital requirements, the ORSA process, and early intervention powers under Solvency II, reinforced by the resolution tools under the IRRD, have materially reduced the probability of insurance failure across the EU. We support EIOPA's approach of positioning IGS as a backstop for low-probability, high-impact events within this wider prudential and resolution framework.

Level of standardization of the eligible insurance policies across the EU

Do you have any comments on the following paragraphs?

	Yes	No
3.3	<input type="radio"/>	<input checked="" type="radio"/>
3.4	<input checked="" type="radio"/>	<input type="radio"/>
3.5	<input type="radio"/>	<input checked="" type="radio"/>
3.6	<input checked="" type="radio"/>	<input type="radio"/>

Please provide your comment to para 3.4.

An important distinction concerns insurance-based investment products, including unit-linked, index-linked, and hybrid products. These involve a risk-sharing arrangement between the policyholder and the insurer, and their value depends not only on insurer solvency but also on underlying investment performance. An IGS protects against insolvency risk; it should not be designed or interpreted as protecting against investment losses arising from market movements. This distinction should be made explicit in the framework's eligibility definition and in consumer communications, to avoid creating incorrect expectations about the scope of IGS protection. Moreover, these products vary strongly from country to country, and harmonised IGS coverage rules alone are unlikely to address adequately the allocation of investment risk between the policyholder and the insurer in accordance with the terms of each contract. This raises the prior question of whether, and to what extent, such products can appropriately be included within a minimum harmonised framework. We note that para 3.17 identifies this as a technical challenge.

Please provide your comment to para 3.6.

We note EIOPA's finding of no clear correlation between the compulsory nature of insurance products and IGS coverage. We suggest that this finding be considered alongside the public interest dimension of certain compulsory lines. Where policyholders or claimants are legally required to hold insurance and have no effective choice of provider, the case for robust minimum IGS coverage may be stronger than the absence of a statistical correlation alone would suggest. We therefore encourage EIOPA to consider whether specific coverage provisions are warranted for compulsory lines within the scope of this advice.

Cross-border relevance of the different insurance lines of business

Do you have any comments on the following paragraphs?

	Yes	No
3.7	<input type="radio"/>	<input checked="" type="radio"/>

Impact of the coverage of eligible policies in terms of protection for policyholders

Do you have any comments on the following paragraphs?

	Yes	No
3.8	<input type="radio"/>	<input checked="" type="radio"/>
3.9	<input checked="" type="radio"/>	<input type="radio"/>
3.10	<input checked="" type="radio"/>	<input type="radio"/>
3.11	<input type="radio"/>	<input checked="" type="radio"/>
3.12	<input type="radio"/>	<input checked="" type="radio"/>

Please provide your comment to para 3.9.

We note that para 3.9 identifies the going-concern to gone-concern transition as the critical inflection point. We agree that the consequences of failure differ materially between life and non-life insurance. In life insurance, where policies often represent long-term savings accumulated over decades, even a partial loss in a gone-concern scenario can have severe and irreversible financial consequences for individual policyholders. This reinforces the importance of timely intervention — whether through the resolution tools available under the IRRD, such as portfolio transfer, or, where these are not available or not applicable, through a well-funded IGS — particularly for long-duration life contracts.

Please provide your comment to para 3.10.

The quantitative estimates of potential policyholder losses provide useful contextual information. We note that the analysis relies on simplifying assumptions and limited data availability — including the use of a uniform loss-given-default parameter of 15% due to data constraints, as EIOPA itself acknowledges. The underlying default experience is drawn from a small historical sample and — importantly — from a period predating the application of the IRRD, whose resolution tools can be expected to alter both the frequency and the severity of policyholder losses. The JRC assessment itself notes that, for any given level of security, the results are sensitive to the level of insurers' probability of default and vary across countries with the level of exposure at default. The results should therefore be treated as illustrative context only, and not as a basis for policy conclusions. We would welcome further analysis drawing on more granular and comprehensive data across Member States to inform future calibration and framework development as the advice progresses.

Impact of the coverage of eligible policies for the insurance sector

Do you have any comments on the following paragraphs?

	Yes	No
3.13	<input type="radio"/>	<input checked="" type="radio"/>

3.14	<input checked="" type="radio"/>	<input type="radio"/>
3.15	<input checked="" type="radio"/>	<input type="radio"/>
3.16	<input checked="" type="radio"/>	<input type="radio"/>
3.17	<input checked="" type="radio"/>	<input type="radio"/>

Please provide your comment to para 3.14.

Para 3.14 notes that the extent to which the expected long-term benefits of minimum harmonised IGS may offset the associated costs will vary depending on the country's starting point. We would welcome further elaboration on the range of possible cost scenarios and distributional impacts across different types of insurers and markets.

A more specific cost concern merits attention: if IGS pools require extra capital to be allocated to low-yielding, highly liquid assets, this may create an opportunity cost versus the return achievable from the average covered insurer's normal long-term asset-liability management (ALM) portfolio. This reinforces the importance of proportionate calibration and of avoiding over-prescriptive mandatory pre-funding requirements.

Please provide your comment to para 3.15.

We welcome the observation that 17 or more Member States already operate IGS frameworks. This reduces the overall implementation burden and provides a valuable stock of practical experience to draw upon in designing minimum harmonised standards. Well-established national frameworks that already provide equivalent or higher levels of protection should be preserved and should not be disrupted by the introduction of minimum common standards.

Please provide your comment to para 3.16.

We note that para 3.16 confirms that the analysis focuses on retail policies. We suggest that the final framework also explicitly addresses the boundary between retail and group insurance. Group insurance arrangements — where an employer or scheme sponsor is the contractual policyholder and individual employees or members are the beneficiaries — may warrant different treatment, particularly regarding the definition of eligible claimants and the nature of any compensation or continuation arrangement. The treatment of such arrangements is closely tied to national law; the framework should clarify their position — in particular the definition of eligible claimants — without prescribing treatment or valuation methodology, which should remain matters for national implementation. We would add that the policyholder protection rationale that underlies IGS design — namely that individual consumers lack the expertise or bargaining power to assess insurer counterparty risk — applies with considerably less force in a group insurance context. Group plan sponsors, whether employers, pension scheme trustees or professional associations, are typically well-advised counterparties acting under fiduciary obligations to their beneficiaries. Group arrangements frequently incorporate ring-fenced funds or dedicated asset pools, providing a degree of structural protection that does not exist for retail policyholders. We therefore suggest the framework explicitly considers whether group insurance should fall within the scope of minimum

harmonised IGS coverage or whether it warrants a differentiated treatment that reflects the professional nature of the policyholder relationship and the structural protections often already in place.

Please provide your comment to para 3.17.

We welcome EIOPA's identification of the technical challenges at para 3.17. On profit-participation products: the value of these products in a failure scenario is complex to determine, as profit-sharing entitlements depend on investment performance and discretionary surplus allocation. In our view, these complexities — together with the strong country-by-country variation in product design, taxation and regulation — raise the question of whether, and to what extent, such products can appropriately be included within a minimum harmonised framework. Should they fall within scope, consistent principles for the valuation of eligible claims — including the treatment of any discretionary component — would be needed; we would, however, caution against prescribing a detailed EU-level valuation methodology, which would sit uneasily with a minimum harmonisation approach and with the diversity of national products. On unit-linked and index-linked contracts: we agree that the distinction between insolvency protection and inherent market risk should be made explicit in the framework's eligibility definition and in consumer communications.

b. Reduction of fragmentation in the Single Market

Do you have any comments on the following paragraphs?

	Yes	No
3.18	<input type="radio"/>	<input checked="" type="radio"/>
3.19	<input type="radio"/>	<input checked="" type="radio"/>
3.20	<input type="radio"/>	<input checked="" type="radio"/>
3.21	<input checked="" type="radio"/>	<input type="radio"/>

Please provide your comment to para 3.21.

We acknowledge the evidence that minimum harmonised IGS reduces consumers' perceived insolvency risk and strengthens confidence in both domestic and foreign providers. We encourage a measured interpretation: consumer home preference reflects a broader set of factors including language, product familiarity, claims handling practices, and legal certainty, as well as perceived solvency risk. IGS harmonisation removes one important barrier; the extent to which cross-border activity increases will also depend on progress across other dimensions of the Single Market. We therefore suggest that the advice avoid attributing the full projected increase in cross-border activity to IGS harmonisation alone in its cost-benefit framing.

c. Evaluating different structural set-ups for IGS

Do you have any comments on the following paragraphs?

	Yes	No

3.22	<input type="radio"/>	<input checked="" type="radio"/>
3.23	<input checked="" type="radio"/>	<input type="radio"/>
3.24	<input type="radio"/>	<input checked="" type="radio"/>
3.25	<input type="radio"/>	<input checked="" type="radio"/>

Please provide your comment to para 3.23.

We support EIOPA's preferred option of a targeted IGS structure covering specific life and non-life policies, as identified in the 2020 Opinion. This approach strikes an appropriate balance between policyholder protection, cost efficiency, and avoiding over-protection. We agree that a targeted approach is more proportionate than a generic all-encompassing IGS, given the complexity and diversity of insurance products across Member States. Well-established national frameworks that already provide equivalent or higher protection should be preserved.

II. Operational Functioning of IGS

Do you have any comments on the sub-section of *II. Operational functioning of IGS*?

- Yes
- No

Do you have any comments on the following paragraphs?

	Yes	No
3.26	<input type="radio"/>	<input checked="" type="radio"/>
3.27	<input type="radio"/>	<input checked="" type="radio"/>

a. Trigger moment(s) for IGS activation

Do you have any comments on the following paragraphs?

	Yes	No
3.28	<input type="radio"/>	<input checked="" type="radio"/>
3.29	<input type="radio"/>	<input checked="" type="radio"/>
3.30	<input type="radio"/>	<input checked="" type="radio"/>
3.31	<input checked="" type="radio"/>	<input type="radio"/>

Please provide your comment to para 3.31.

Para 3.31 — IGS activation trigger: We welcome the clarity that EIOPA's preferred approach would bring. We note that para 3.31 itself (footnote 29) acknowledges that activation of the IGS does not automatically require it to compensate or continue policies, and that there are situations where the IGS would not be required to act when activation conditions are met. We strongly support this important nuance and suggest it be elevated from a footnote into the main text of the advice. Specifically, the formal activation proceeding at Member State level should specify the function — if any — the IGS is required to perform in each scenario, to ensure activation does not create premature or unnecessary funding calls where the resolution tool applied can protect policyholders without IGS involvement.

b. Time for submission of claims in compensation cases

Do you have any comments on the following paragraphs?

	Yes	No
3.32	<input type="radio"/>	<input checked="" type="radio"/>
3.33	<input type="radio"/>	<input checked="" type="radio"/>
3.34	<input type="radio"/>	<input checked="" type="radio"/>
3.35	<input checked="" type="radio"/>	<input type="radio"/>

Please provide your comment to para 3.35.

Para 3.35 — Claims submission deadline: We agree with EIOPA's preferred option of harmonising the time allowed for policyholders to make their claims. We note that implementation will, in many Member States, require alignment with national laws governing statutes of limitations extending beyond the insurance sector alone. We suggest the advice acknowledges this constraint and allows Member States appropriate transitional flexibility to achieve alignment with their national legal frameworks.

c. Deadline for payouts to policyholders in compensation cases

Do you have any comments on the following paragraphs?

	Yes	No
3.36	<input type="radio"/>	<input checked="" type="radio"/>
3.37	<input type="radio"/>	<input checked="" type="radio"/>
3.38	<input type="radio"/>	<input checked="" type="radio"/>

3.39	<input checked="" type="radio"/>	<input type="radio"/>
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Please provide your comment to para 3.39.

Para 3.39 — Deadline for payouts to policyholders: We note a potential interaction between a harmonised mandatory maximum payout deadline and the powers granted under IRRD Article 53, which empowers resolution authorities to temporarily suspend policyholder redemption and surrender rights during acute stress periods. A fixed, mandatory payout timeline could conflict with the exercise of this suspension power in scenarios where an NRA has imposed it to prevent destabilising asset outflows. We suggest EIOPA clarifies how a harmonised payout deadline should operate alongside an active IRRD Article 53 suspension, to avoid unintended conflicts between the two frameworks.

d. Conditions and timing for continuation of policies by IGS

Do you have any comments on the following paragraphs?

	Yes	No
3.40	<input type="radio"/>	<input checked="" type="radio"/>
3.41	<input type="radio"/>	<input checked="" type="radio"/>
3.42	<input type="radio"/>	<input checked="" type="radio"/>
3.43	<input checked="" type="radio"/>	<input type="radio"/>

Please provide your comment to para 3.43.

Paras 3.43-3.47 — Conditions and timing for continuation of policies: We welcome the inclusion of policy continuation — alongside compensation — as an IGS function. Continuation may preserve significantly more value for policyholders than cash compensation, particularly in life insurance where long-term contracts accumulate savings, surrender values, and profit-participation entitlements over decades. A cash payout at gone-concern values may crystallise substantial losses compared to the going-concern value of the policy. Consistent with the minimum harmonisation approach, however, whether and when to offer continuation should remain a decision for the national IGS and the Member State concerned, reflecting national products, legal frameworks and market structures. Where continuation is provided for, we suggest EIOPA frames any elaboration of the practical conditions, governance requirements and operational capabilities involved as guidance to assist Member States and IGS bodies in planning for both scenarios, rather than as prescriptive requirements.

e. Insolvency ranking

Do you have any comments on the following paragraphs?

	Yes	No

3.44	<input type="radio"/>	<input checked="" type="radio"/>
3.45	<input type="radio"/>	<input checked="" type="radio"/>
3.46	<input type="radio"/>	<input checked="" type="radio"/>
3.47	<input type="radio"/>	<input checked="" type="radio"/>
3.48	<input type="radio"/>	<input checked="" type="radio"/>
3.49	<input type="radio"/>	<input checked="" type="radio"/>
3.50	<input type="radio"/>	<input checked="" type="radio"/>

III. Conditions for effective funding of IGS

Do you have any comments on the sub-section of *III. Conditions for effective funding of IGS*

- Yes
- No

Do you have any comments on the following paragraphs?

	Yes	No
3.51	<input checked="" type="radio"/>	<input type="radio"/>
3.52	<input type="radio"/>	<input checked="" type="radio"/>

Please provide your comment to para 3.51.

We welcome the nuanced analysis of funding conditions and the recognition that Member States should retain flexibility in determining their national funding model. A key overarching observation is that, regardless of the funding model adopted, the associated costs will ultimately be borne — directly or indirectly — mostly by policyholders through premium adjustments. Proportionality in designing funding requirements is therefore essential.

a. Adequate safeguards to ensure that liquidity is immediately available

Do you have any comments on the following paragraphs?

	Yes	No
3.53	<input checked="" type="radio"/>	<input type="radio"/>
3.54	<input checked="" type="radio"/>	<input type="radio"/>

3.55	<input checked="" type="radio"/>	<input type="radio"/>
3.56	<input checked="" type="radio"/>	<input type="radio"/>

Please provide your comment to para 3.53.

We note an important structural difference between the insurance and banking sectors relevant to the calibration of liquidity safeguards. Insurance claim settlement timelines are generally much longer than bank deposit withdrawals: insurance failures typically involve a more gradual emergence of claims, unlike banking where a failure can generate an immediate and acute liquidity demand. This structural difference suggests that the appropriate calibration of IGS liquidity safeguards in insurance may differ from banking analogues, and this should be reflected in the framework design when determining the required form and scale of safeguards.

Please provide your comment to para 3.54.

Of the safeguard measures listed in para 3.54, we draw particular attention to the importance of ring-fencing. We suggest the advice explicitly addresses the requirement that ex-ante contributions be held in a ring-fenced fund dedicated to IGS purposes and separate from general government or institutional budgets. Where ex-ante contributions are absorbed into general public expenditure, they are not available as immediate IGS liquidity in a failure scenario, which undermines the intended protective function of ex-ante funding. This ring-fencing requirement should be explicitly reflected in the minimum harmonised standards.

Please provide your comment to para 3.55.

We note an additional structural cost consideration relevant to the calibration of ex-ante buffers. Separately managed ex-ante IGS funds are by their nature constrained to invest in highly liquid, short-term assets: unlike an insurer managing an insurance portfolio, an IGS fund cannot engage in asset-liability matching or hold long-duration investments to generate returns commensurate with long-term liabilities. This structural illiquidity premium foregone — the gap between what an IGS fund earns on liquid assets and what the same capital could earn within a normally managed insurance portfolio — may represent a drag on investment returns. This consideration reinforces the importance of proportionate calibration of ex-ante requirements and of avoiding overly prescriptive mandatory pre-funding levels that would trap significant capital in sub-optimal investment structures.

Please provide your comment to para 3.56.

We support EIOPA's preferred option of requiring minimum liquidity safeguards with flexibility on form and scale. In light of the structural difference between insurance and banking claim dynamics noted under para 3.53, we suggest that guidance accompanying this preferred option makes explicit that the calibration of any liquidity safeguard requirements should be designed with insurance-specific claim timelines in mind.

b. Specific situations which need to be considered for ex-post levy collection

Do you have any comments on the following paragraphs?

	Yes	No
3.57	<input type="radio"/>	<input checked="" type="radio"/>
3.58	<input type="radio"/>	<input checked="" type="radio"/>
3.59	<input checked="" type="radio"/>	<input type="radio"/>

Please provide your comment to para 3.59.

Ex-post mechanisms can represent a proportionate and efficient approach in certain market configurations — particularly in the non-life sector where liability horizons are shorter and claims experience more predictable. Whilst we understand the rationale for grounding ex-post levy collection on an assessment of market conditions, we consider that this assessment should rest with the Member States concerned, and that any harmonised conditions should operate as guidance rather than as a restriction on well-functioning existing ex-post arrangements. We would welcome greater clarity in the final framework on the specific conditions envisaged, to give greater certainty to Member States that currently rely on ex-post arrangements.

c. Considerations on combined or hybrid funding

Do you have any comments on the following paragraphs?

	Yes	No
3.60	<input type="radio"/>	<input checked="" type="radio"/>
3.61	<input type="radio"/>	<input checked="" type="radio"/>
3.62	<input checked="" type="radio"/>	<input type="radio"/>

Please provide your comment to para 3.62.

We welcome the flexibility proposed in EIOPA's preferred option of requiring sufficient ex-ante funding or an operational buffer without prescribing minimum target levels. This appropriately reflects the fact that adequate funding depends on the design of each IGS and its funding mechanism, and we do not consider indicative target levels to be necessary. We note, however, that the absence of clearer benchmarks or guiding ranges may result in significant divergence in effective protection levels across Member States, reducing transparency

and making it difficult to assess overall framework adequacy at EU level. Rather than prescribed or indicative target levels, we suggest this be addressed through comparable, transparent disclosure of effective protection and funding arrangements across Member States.

In addition, the framework should consider recommending individual insurer contribution limits for both annual ex-ante levies and emergency ex-post calls. Without such caps, a surviving insurer could face levy assessments following a large competitor's failure that threaten its own solvency, creating a procyclical risk of cascading failures. Clear individual caps would protect financial stability whilst preserving the overall funding function of the IGS.

IV. Interaction between IRRD and harmonized IGS

Do you have any comments on the sub-section of IV. *Interaction between IRRD and harmonized IGS*?

- Yes
- No

Do you have any comments on the following paragraphs?

	Yes	No
3.63	<input checked="" type="radio"/>	<input type="radio"/>
3.64	<input type="radio"/>	<input checked="" type="radio"/>
3.65	<input type="radio"/>	<input checked="" type="radio"/>

Please provide your comment to para 3.63.

We welcome the careful treatment of the IRRD-IGS interaction. We note that this is a particularly complex area given that IRRD transposition is ongoing and the diversity of specific implications across Member States is not yet fully clear, as para 3.63 acknowledges. We support EIOPA's decision not to express a preferred option on Policy Issue 1 at this stage. We suggest that any eventual IGS legislative framework include explicit provisions committing to a review of the IGS-IRRD interaction once practical transposition experience has accumulated.

A further consideration warrants particular emphasis in this section. Given the considerable diversity in how Member States are approaching IRRD transposition — reflecting different national insolvency regimes, institutional configurations, and pre-existing IGS frameworks — minimum harmonisation is also the right design choice from a cost-efficiency perspective. In jurisdictions where IRRD resolution tools are effectively applied and policyholders are protected through the resolution process, IGS activation without a corresponding protective function to perform results in double coverage: the sector bears costs for both IRRD resolution financing mechanisms and IGS contributions without any additional benefit being delivered to policyholders. Since these costs are ultimately borne mostly by policyholders through premium adjustments, unnecessary duplication of coverage represents a direct disbenefit to the consumers this framework is designed to protect. We therefore suggest that the eventual legislative framework addresses this explicitly, making clear that IGS minimum standards should be calibrated so that IGS and IRRD tools operate as genuinely complementary — not cumulative — protections, and that IGS requirements do not generate overlap with resolution financing mechanisms already operational under the IRRD.

a. Involvement of IGS in funding and application of resolution and insolvency proceedings

Do you have any comments on the following paragraphs?

	Yes	No
3.66	<input type="radio"/>	<input checked="" type="radio"/>
3.67	<input type="radio"/>	<input checked="" type="radio"/>
3.68	<input type="radio"/>	<input checked="" type="radio"/>
3.69	<input type="radio"/>	<input checked="" type="radio"/>
3.70	<input type="radio"/>	<input checked="" type="radio"/>
3.71	<input checked="" type="radio"/>	<input type="radio"/>

Please provide your comment to para 3.71.

We support EIOPA's decision not to express a preferred option at this stage, given ongoing IRRD transposition uncertainty. We agree that Member States should ensure sufficient funding in resolution and that NRAs should be enabled to make a clear public interest assessment. We suggest that the eventual legislative framework includes an explicit commitment to revisit the policy options in this area once IRRD transposition is more advanced and practical experience has accumulated.

b. Institutional set-up and arrangements: levels of coordination and cooperation between NRAs and IGS

Do you have any comments on the following paragraphs?

	Yes	No
3.72	<input type="radio"/>	<input checked="" type="radio"/>
3.73	<input type="radio"/>	<input checked="" type="radio"/>
3.74	<input type="radio"/>	<input checked="" type="radio"/>
3.75	<input checked="" type="radio"/>	<input type="radio"/>

Please provide your comment to para 3.75.

We welcome EIOPA's preferred minimum of formal cooperation arrangements between NRAs and IGS bodies (Option 2). We suggest the final advice makes clear the intended scope of the IGS mandate. An IGS should remain focused on its core purpose of policyholder protection and compensation, and should not acquire broader supervisory, recovery, or resolution functions. The institutional configuration of IGS should not result in

the creation of a separate authority with supervisory or resolution powers beyond its specific mandate. This is consistent with the principle of clear separation of responsibilities between supervisory and resolution authorities highlighted in previous AAE IRRD consultation responses.

4. EIOPA'S ADVICE: OVERVIEW

Do you have any comments to the overview of preferred policy options?

- Yes
 No

Please provide your comment to the overview of preferred policy options and specify the policy issue.

We do not have specific comments on the summary table of preferred policy options. Our observations on individual policy issues are included in our responses to the relevant questions above.

5. CONCLUSION

Do you have any comments to the Conclusion?

- Yes
 No

Do you have any comments on the following paragraphs?

	Yes	No
5.1	<input type="radio"/>	<input checked="" type="radio"/>
5.2	<input type="radio"/>	<input checked="" type="radio"/>
5.3	<input checked="" type="radio"/>	<input type="radio"/>

Please provide your comment to para 5.3.

We note that the actual cost implications for the insurance sector, and ultimately for policyholders, will depend substantially on the specific design details adopted by individual Member States, as para 5.3 itself acknowledges. The assumption that additional costs may be partially offset by higher consumer demand and confidence should be treated with appropriate caution, as these costs are likely to be passed on to policyholders to some extent. We encourage EIOPA and the co-legislators to monitor implementation

experience closely and to maintain flexibility for adjustment as the framework develops alongside IRRD transposition.

INTRODUCTION TO THE TECHNICAL ANNEX

Do you have any comments to *the introduction to the technical annex*?

- Yes
 No

TECHNICAL ANNEX - SECTION 1: GENERAL QUESTIONS ABOUT THE IMPACT OF MINIMUM HARMONIZED IGS

Do you have any comments to *Section 1 on General questions about the impact of minimum harmonized IGS*?

- Yes
 No

Do you have any comments on the following subsections?

	Yes	No
Extract from the Call for Advice	<input checked="" type="radio"/>	<input type="radio"/>
Relevant IRRD-provisions, previous EIOPA Advice, and regulatory background	<input type="radio"/>	<input checked="" type="radio"/>
Impact of covering different insurance policies	<input checked="" type="radio"/>	<input type="radio"/>
Pensions	<input type="radio"/>	<input checked="" type="radio"/>
Reduction of fragmentation in the single market	<input checked="" type="radio"/>	<input type="radio"/>
Advantages and disadvantages of different levels and approaches to IGS coverage	<input type="radio"/>	<input checked="" type="radio"/>

Please provide your comments to the Extract from the Call for Advice.

Our comments on the substantive content of Technical Annex Section 1 are set out in our response to Q3 above, addressing: the quantitative impact assessment methodology and the uniform LGD assumption (Annex paras 2.23-2.36); the eligibility distinction for investment and hybrid products (Annex paras 2.13-2.19); the retail versus group insurance distinction (Annex paras 2.37-2.52); and the valuation challenges for profit-participation products.

Please provide your comments to the *Impact of covering different insurance policies*. Specify in your answer the subsection and paragraph the comment refers to: *Analysis (2.7-2.12)*, *Level of standardization of relevant insurance policies across the EU (2.13)*, *Standardization in terms of coverage and product design (2.14-2.17)*, *Mandatory status of the eligible policies across EU (2.18-2.19)*, *Cross-border relevance (2.20-2.22)*, *Impact of the coverage of those policies in terms of protection for policyholders and additional costs for the insurance sector (2.23)*, *Benefits of the IGS coverage of eligible policies (2.24-2.30)*, *Impact of the eligible policies for the economy (2.31-2.33)*, *Impact of the eligible policies for the policyholders (per capita) (2.34-2.36)*, *Impact of the coverage of eligible policies in terms of protection for policyholders (2.37-2.52)*, *Impact of the coverage of eligible policies for the insurance sector (2.53-2.56)*, *Case study, 2.57-2.60)*, *Overall impact (2.61, table, 2.62-2.66)*.

We refer to our comments on Q3 regarding: (a) the distinction between insolvency protection and investment product risk for unit-linked, index-linked, and hybrid products (Annex paras 2.13-2.19 and 2.37-2.52); (b) the quantitative estimates of policyholder losses and the acknowledged limitation of the uniform LGD assumption (Annex paras 2.23-2.36); and (c) the retail versus group insurance distinction relevant to the eligible claimant definition (Annex paras 2.37-2.52).

Please provide your comments to the *Reduction of fragmentation in the Single Market*. Specify in your answer the subsection and paragraph the comment refers to: *(2.70-2.75)*, *Household insurance (2.76-2.78)*, *Supplementary health insurance (2.79-2.81)*, *Life insurance (2.82-2.85)*.

We refer to our comment on Q3 (Paras 3.18-3.21 of the Advice) regarding the behavioural study findings. The Technical Annex analysis at paras 2.70-2.85 provides useful supporting evidence. We encourage a measured interpretation: the factors driving consumer home preference extend beyond insolvency risk alone, and IGS harmonisation removes one important barrier rather than being the sole determinant of cross-border activity.

TECHNICAL ANNEX - SECTION 2: OPERATIONAL FUNCTIONING OF IGS

Do you have any comments to Section 2 on Operational functioning of IGS?

- Yes
 No

Do you have any comments on the following subsections?

	Yes	No
Extract from the Call for Advice	<input checked="" type="radio"/>	<input type="radio"/>
Relevant IRRD-provisions, previous EIOPA Advice, and regulatory background	<input type="radio"/>	<input checked="" type="radio"/>
Trigger moments for IGS activation	<input checked="" type="radio"/>	<input type="radio"/>
Time for submission of claims in compensation cases	<input checked="" type="radio"/>	<input type="radio"/>
Deadline for payouts to policyholders in compensation cases	<input type="radio"/>	<input checked="" type="radio"/>
Conditions and timing for continuation of policies by IGS	<input checked="" type="radio"/>	<input type="radio"/>
The place of IGS in the insolvency ranking	<input type="radio"/>	<input checked="" type="radio"/>

Please provide your comments to the Extract from the Call for Advice.

Our comments on the operational functioning of IGS are set out in our response to Q4 above.

Please provide your comments to the *Trigger moments for IGS activation*. Specify in your answer the subsection and paragraph the comment refers to: *Identification of the issue* (3.11-3.13), *Analysis* (3.14-3.19), *Policy Options* (Policy option 1: 3.20, Policy option 2: 3.21-3.24), *Comparison of policy options*, *Preferred policy option* (3.25), *Stakeholder's view*.

We refer to our comment on Q4 (Para 3.31 of the Advice) regarding the IGS activation trigger. We welcome the nuance in footnote 29 of para 3.31 and suggest it be elevated into the main text. The Technical Annex country mapping of current trigger practices illustrates the diversity that harmonisation must accommodate.

Please provide your comments to the *Time for submission of claims in compensation cases*. Specify in your answer the subsection and paragraph the comment refers to: *Identification of the issue (3.26-3.29)*, *Analysis (3.30-3.32)*, *Policy Options (Policy option 1: 3.33, Policy option 2: 3.34-3.36)*, *Comparison of policy options*, *Preferred policy option (3.37)*, *Stakeholder's view*.

We refer to our comment on Q4 (Para 3.35 of the Advice) regarding the claims submission deadline. The Technical Annex country mapping illustrates the extent of national divergence and the need for adequate transitional flexibility for Member States to align with national statutes of limitations.

Please provide your comments to the *Conditions and timing for continuation of policies by IGS*. Specify in your answer the subsection and paragraph the comment refers to: *Identification of the issue (3.49-3.54)*, *Analysis (3.55-3.60)*, *Policy Options (Policy option 1: 3.61-3.62, Policy option 2: 3.63-3.64)*, *Impact of the policy options*, *Comparison of policy options*, *Preferred policy option (3.65-3.66)*, *Stakeholder's view*.

We refer to our comment on Q4 (Paras 3.43–3.47 of the Advice) regarding conditions and timing for continuation of policies. Continuation may preserve significantly more value for life policyholders than cash compensation, and the Technical Annex country mapping of current national continuation practices at this subsection illustrates the diversity of existing approaches that minimum standards would need to accommodate. As noted there, whether and when to offer continuation should remain a decision for the national IGS and the Member State concerned, consistent with minimum harmonisation.

TECHNICAL ANNEX - SECTION 3: DESCRIPTION OF CONDITIONS FOR EFFECTIVE FUNDING OF IGS

Do you have any comments to *Section 3 on description of conditions for effective funding of IGS*?

- Yes
- No

Do you have any comments on the following subsections?

	Yes	No
Extract from the Call for Advice	<input checked="" type="radio"/>	<input type="radio"/>
Relevant IRRD-provisions, previous EIOPA Advice, and regulatory background	<input type="radio"/>	<input checked="" type="radio"/>

Adequate safeguards to ensure that liquidity is immediately available	<input checked="" type="radio"/>	<input type="radio"/>
Specific situations which need to be considered for ex-post levy collection	<input checked="" type="radio"/>	<input type="radio"/>
Considerations for combined or hybrid funding	<input checked="" type="radio"/>	<input type="radio"/>
Policy issues and options	<input type="radio"/>	<input checked="" type="radio"/>
Impact of each policy option on relevant stakeholders	<input type="radio"/>	<input checked="" type="radio"/>

Please provide your comments to the Extract from the Call for Advice.

Our comments on IGS funding conditions are set out in our response to the previous question.

Please provide your comments to the *Adequate safeguards to ensure that liquidity is immediately available*. Specify in your answer the subsection and paragraph the comment refers to: Analysis (4.8-4.13, Potential areas of additional work).

We refer to our comments on Q5 (Paras 3.53-3.56 of the Advice) regarding: (a) the structural difference between insurance and banking claim timelines informing liquidity safeguard calibration; and (b) the importance of ring-fencing ex-ante contributions in a dedicated IGS fund separate from general budgets (as referenced under Para 3.54 of the Advice).

Please provide your comments to the *Specific situations which need to be considered for ex-post levy collection*. Specify in your answer the subsection and paragraph the comment refers to: (4.14-4.18).

We refer to our comment on Q5 (Para 3.59) on ex-post levy collection: the assessment of market conditions should rest with the Member States concerned and operate as guidance rather than as a restriction on well-functioning existing ex-post arrangements; greater clarity on the conditions envisaged would nonetheless be welcome.

Please provide your comments to the *Considerations for combined or hybrid funding*. Specify in your answer the subsection and paragraph the comment refers to: (4.19-4.25).

We refer to our comment on Q5 (Para 3.62) regarding target levels: we do not consider indicative target levels necessary, as adequate funding depends on the design of each IGS and its funding mechanism; divergence in effective protection levels would be better addressed through comparable disclosure across Member States, complemented by individual insurer contribution limits to protect financial stability.

TECHNICAL ANNEX - SECTION 4: INTERACTION BETWEEN HARMONIZED IGS AND THE IRRD

Do you have any comments to *Section 4 on Interaction between harmonized IGS and the IRRD?*

- Yes
- No

Do you have any comments to paragraph 5.1 and/or 5.2?

- Yes
- No

Do you have any comments on the following subsections?

	Yes	No
Extract from the Call for Advice	<input checked="" type="radio"/>	<input type="radio"/>
Relevant IRRD-provisions, previous EIOPA Advice, and regulatory background	<input type="radio"/>	<input checked="" type="radio"/>
Involvement of IGS in resolution: inconsistencies with insolvency proceedings	<input type="radio"/>	<input checked="" type="radio"/>
Levels of coordination and cooperation between NRAs and IGS	<input checked="" type="radio"/>	<input type="radio"/>
Policy issue 1	<input checked="" type="radio"/>	<input type="radio"/>
Policy issue 2	<input checked="" type="radio"/>	<input type="radio"/>

Please provide your comments to the Extract from the Call for Advice.

Our comments on the IRRD-IGS interaction are set out in our response to the question in the previous section.

Please provide your comments to the *Levels of coordination and cooperation between NRAs and IGS*. Specify in your answer the subsection and paragraph the comment refers to: (5.27-5.33), Case study, (5.34).

We refer to our comment on Q6 (Para 3.75 of the Advice): the advice should clarify the scope of the IGS mandate. The IGS should remain focused on policyholder protection and compensation and should not acquire broader supervisory or resolution functions.

Please provide your comments to *Policy issue 1*. Specify in your answer the subsection and paragraph the comment refers to: (5.35-5.38), *Impact of the policy options*, *Comparison of policy options*.

We support EIOPA's decision not to express a preferred option at this stage. We suggest that the eventual legislative framework commit to a review of this policy issue once IRRD transposition is more advanced.

Please provide your comments to *Policy issue 2*. Specify in your answer the subsection and paragraph the comment refers to: (5.39), *Case study*, (5.40-5.43), *Impact of the policy options*, *Comparison of policy options*, *Stakeholder's view*.

We welcome EIOPA's preferred minimum of formal cooperation arrangements (Option 2). We suggest the advice clarifies that an IGS should not become a separate supervisory or resolution authority, and that its mandate should remain focused on policyholder protection and compensation.

TECHNICAL ANNEX: ADDITIONAL INFORMATION

Do you have any comments to tables, graphs and and/or illustrations in the *Additional information*?

- Yes
 No

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