European Insurance and Occupational Pensions Authority

Public consultation on on the proposal for shortening EIOPA Guidelines under Solvency II

Fields marked with * are mandatory.

Introduction

The European Insurance and Occupational Pensions Authority (EIOPA) has published a consultation paper on the proposal for shortening EIOPA Guidelines under
Solvency II.
Stakeholders are invited to provide their feedback on the consultation paper by Wednesday 8 July 2026.

Comments are most helpful if they:

- respond to the question stated, where applicable;
- contain a clear rationale; and
- describe any alternatives EIOPA should consider.

To submit your comments, please click on the blue “Submit” button in the last part of the survey. Please note that comments submitted after 8 July 2026 or submitted via other means will not be processed. In case you have any questions please contact SolvencyIIreview@eiopa.europa.eu.

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.

Data protection

Please note that personal contact details (such as name of individuals, email addresses and phone numbers) will not be published. EIOPA, as a European Authority, will process any personal data in line with Regulation (EU) 2018/1725. More information on how personal data are treated can be found in the privacy statement at the end of this material.

General information on the respondent

* Name of the stakeholder

Actuarial Association of Europe

* Type of stakeholder

- ○ Insurance or reinsurance undertaking
- ○ Industry association
- ○ Consumer protection association
- ○ Academic
- ◉ Other

* If other, please specify:

Professional Association

* Jurisdiction of establishment

Belgium

* Name of point of contact

Stephanos Hadjistyllis

* Email address of point of contact

info@actuary.eu

* 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

Questions

General comments

* Q1. Do you have general comments on the consultation paper?

- (selected) Yes
- No

Comments field

The Actuarial Association of Europe ('AAE') welcomes the opportunity to respond to EIOPA's consultation on the proposal to shorten 13 sets of Guidelines under Solvency II. The AAE represents the actuarial profession across Europe and has a strong interest in the clarity, consistency, and proportionality of the Solvency II regulatory framework.

We welcome EIOPA's objective of simplifying the Solvency II regulatory framework and reducing the administrative burden on undertakings and national supervisory authorities. The proposal to shorten these 13 sets of guidelines reflects the broader EU objective of reducing regulatory complexity, and we are supportive of that general direction.

At the same time, we note that guidelines serve an important function in achieving harmonised supervisory practices across Member States. They promote the convergent application of the framework across jurisdictions and provide clarity on technical aspects that may not be fully resolved at Level 1 or Level 2. The removal of guidelines reduces regulatory text, but it does not automatically reduce administrative burden. In some cases, the absence of clear guidance may increase uncertainty, leading to divergent supervisory practices and potentially greater supervisory friction than the guidelines themselves would have generated.

Our substantive observations focus on areas where proposed deletions may leave interpretive gaps or create risks for supervisory convergence. For many of the 13 guideline sets, we have no comments, or we consider the proposed changes to be well-founded. Our principal observations relate to the guidelines on the use of internal models, the application of outwards reinsurance, basis risk, loss-absorbing capacity of technical provisions and deferred taxes, long-term guarantee measures, and classification of own funds.

In this context, we consider it useful to distinguish between guidelines that are genuinely redundant — because their content has been absorbed into the revised Level 1 or Level 2 framework following the 2025 Solvency II review — and guidelines that provide interpretive clarity or address aspects not otherwise covered in the regulatory hierarchy. We are broadly comfortable with the removal of the former. For the latter, we would welcome further consideration before their deletion is confirmed.

We also note a cross-cutting concern regarding the justification, used in several parts of the consultation paper, that certain guidelines can be removed because their content is 'common sense' or 'already well integrated' in supervisory practice. We would suggest that supervisory practices may be well-integrated precisely because the guidelines exist and provide an explicit regulatory anchor. Removing that anchor risks eroding those practices over time, particularly as supervisory teams change and institutional memory fades. We would invite EIOPA to consider this point when assessing the case for deletion in each of the affected sections.

Guidelines on the use of internal models

* Q2. Do you have comments on the amended and/or deleted guidelines?

- (•) Yes
- ( ) No

Comments field

We welcome the overall objective of streamlining the guidelines on internal models, recognising that several proposed deletions relate to content that has been absorbed into the revised regulatory framework or that has become embedded in supervisory practice.

We have specific concerns, however, regarding the proposed deletion of GL 3, GL 30, GL 60, and GL 62.
GL 3 articulates expectations of proportionality in the scope of supervisory examination of internal models. Without this guideline, undertakings may have less clarity on the basis upon which they can engage with supervisors on proportionality grounds, and the balance in the supervisory relationship may be affected. We would welcome EIOPA's consideration of whether the proportionality function served by GL 3 is adequately captured elsewhere in the revised framework before its deletion is confirmed.

GL 30 emphasises the importance of maintaining focus on the one-year time horizon in the context of internal model use. This guideline is not burdensome and serves a useful anchoring function for both undertakings and supervisors. We see no compelling simplification rationale for its removal.

GL 60 operationalises the general cooperation duty in Article 231 of the Solvency II Directive by requiring supervisory authorities to escalate substantial concerns at an early stage of the internal model approval process. Without this guideline, supervisors have no explicit obligation to raise objections promptly. This creates a risk of late-stage interventions that are costly and disruptive for undertakings, which may have invested significant resources in model development before concerns are formally raised.

GL 62 goes beyond what Article 248 of the Directive requires by mandating that supervisors actively align their review approaches and share findings with one another. Without this obligation, undertakings seeking approval for group internal models face inconsistent supervisory expectations across jurisdictions and potentially duplicative scrutiny. These consequences fall on the undertaking, not on the supervisors, and represent a material compliance burden in cross-border group contexts.

* Q3. Do you have any other comment on the guidelines?

- ( ) Yes
- (•) No

Guidelines on application of outwards reinsurance

* Q4. Do you have comments on the amended and/or deleted guidelines?

- (•) Yes
- ( ) No

Comments field

We have comments on two areas within this section.

Regarding GL 28–GL 30 (Documentation and Validation), we acknowledge that the guidance in these guidelines is limited. However, the current guidelines support harmonisation by identifying which aspects of documentation undertakings should address. Their deletion risks increasing divergence in documentation standards across undertakings and national supervisory authorities. We would suggest that EIOPA consider whether the documentation requirements could instead be clarified or absorbed into revised Level 2 text.
Regarding GL 34–GL 38, we note that these guidelines address the mapping of liability risks into liability risk groups. Their placement within the Guidelines on Application of Outwards Reinsurance is structurally confusing, as the content relates to the Liability Risk sub-module rather than to outwards reinsurance. We would suggest that, rather than deleting these guidelines, EIOPA consider relocating their content to a more appropriate document. The Annex XI texts on liability risk groups are not self-explanatory in all cases, and the guidance on mapping liability risks into those groups has practical value that should not be lost.

* Q5. Do you have any other comment on the guidelines?
  - ○ Yes
  - ◉ No

Guidelines on application of the life underwriting risk module

* Q6. Do you have comments on the amended and/or deleted guidelines?
  - ○ Yes
  - ◉ No

* Q7. Do you have any other comment on the guidelines?
  - ○ Yes
  - ◉ No

Guidelines on basis risk

* Q8. Do you have comments on the amended and/or deleted guidelines?
  - ◉ Yes
  - ○ No

Comments field

We welcome the proposed approach for this section. The deletion of GL 1 and GL 3 is well-founded: their substantive content has been incorporated into the revised Delegated Regulation (EU) 2026/269, and their removal does not create any regulatory gap.

We also welcome the decision to retain GL 2 as a standalone guideline, amended to consolidate elements previously contained in GL 3. GL 2 establishes a set of technical factors for assessing the materiality of basis risk in financial risk-mitigation techniques, including guidance on scenario analysis across the modules and sub-modules of the standard formula relevant to the risk-mitigation technique concerned. This specific guidance is not replicated at Level 1 or Level 2. Its absence would likely lead to divergent interpretations among undertakings and national supervisory authorities, undermining the supervisory convergence that the guidelines are designed to promote. The retention of GL 2 is therefore well-calibrated and we are supportive of the proposed approach.

* Q9. Do you have any other comment on the guidelines?

- ○ Yes
- ◉ No

Guidelines on health catastrophe risk sub-module

* Q10. Do you have comments on the amended and/or deleted guidelines?

- ○ Yes
- ◉ No

* Q11. Do you have any other comment on the guidelines?

- ○ Yes
- ◉ No

Guidelines on look-through approach

* Q12. Do you have comments on the amended and/or deleted guidelines?

- ○ Yes
- ◉ No

* Q13. Do you have any other comment on the guidelines?

- ○ Yes
- ◉ No

Guidelines on loss-absorbing capacity of technical provisions and deferred taxes

* Q14. Do you have comments on the amended and/or deleted guidelines?

- ◉ Yes
- ○ No

Comments field

We have specific concerns regarding the proposed deletion of GL 13 and GL 14. We do not have comments on the proposed treatment of GL 1, GL 10, GL 12, or GL 19.

GL 13 — Relief where demonstration of eligibility is burdensome
The deletion of GL 13 warrants further consideration. GL 13 provided supervisory authorities with explicit discretion to allow undertakings to disregard notional deferred tax assets in the LACDT calculation where demonstrating their eligibility would be disproportionately burdensome relative to the undertaking's risk profile. This is a proportionality-oriented provision.

We note that Article 207(2a) of the Delegated Regulation, while granting supervisory authorities a role in assessing the adequacy of the eligibility demonstration, does not appear to empower them to allow undertakings to disregard notional deferred tax assets on grounds of proportionality. GL 13 filled that specific gap.

In this context, the proportionality objectives expressed in recital 14 and revised Article 29(3) of Directive (EU) 2025/2 appear relevant to the assessment of GL 13's value. We therefore consider that the proportionality function served by GL 13 warrants further consideration before its deletion is confirmed.

GL 14 — Notional deferred tax liabilities
The deletion of GL 14 removes guidance that addressed a gap in the Level 2 text. Article 207(3) of the Delegated Regulation recognises that a decrease in deferred tax liabilities results in a negative LACDT adjustment. However, Article 207(3) does not appear to address whether deferred tax liabilities that do not exist on the current balance sheet, but would arise under the stress scenario defined in Article 207(1), should also be included in the calculation.

GL 14 resolved this ambiguity by requiring that notional deferred tax liabilities be included in the LACDT calculation. Excluding them overstates the net fiscal benefit available to absorb losses under stress and effectively reduces the SCR.

We acknowledge that the materiality of notional deferred tax liabilities varies across undertakings, and their inclusion may represent a disproportionate burden for smaller or less complex undertakings. We would suggest a proportionality-based approach whereby supervisory authorities retain discretion to require their inclusion where material to the undertaking's risk profile. Any such approach would benefit from explicit clarification at Level 2 that notional deferred tax liabilities should be included where material, given that Article 207(3) does not appear to address this.

Deletion of GL 14 without corresponding clarification at Level 2 may lead to divergent practices across undertakings and national supervisory authorities. We consider that this interpretive ambiguity warrants further consideration before the deletion of GL 14 is confirmed.

* Q15. Do you have any other comment on the guidelines?

- ( ) Yes
- (x) No

Guidelines on the implementation of long-term guarantee measurers

* Q16. Do you have comments on the amended and/or deleted guidelines?

- (•) Yes
- ( ) No

Comments field

> We support the removal of guidelines that relate exclusively to transitional measures. These have now served their purpose following the passage of time and the embedding of the transitional provisions.
>
> We are, however, more cautious about the removal of guidelines that relate to the Volatility Adjustment (VA) and the Matching Adjustment (MA). Where guidelines clarify how to apply the VA and MA in specific calculations — for example, in the calculation of the Risk Margin — their removal may reduce clarity and increase the risk of divergent interpretations, even where supervisory practice has become established over time.
>
> We would suggest that, where guidelines contain mixed content covering both transitional provisions and VA or MA application, EIOPA consider a targeted approach: removing only the parts relating to transitional measures, while retaining guidance on the VA and MA. Where the directive and delegated regulation are already clear and complete on the application of the VA and MA, we are supportive of removing the corresponding guidelines.

* Q17. Do you have any other comment on the guidelines?

- ( ) Yes
- (•) No

Guidelines on recognition/valuation of assets and liabilities other than technical provisions

* Q18. Do you have comments on the amended and/or deleted guidelines?

- ( ) Yes
- (•) No

* Q19. Do you have any other comment on the guidelines?

- ( ) Yes
- (•) No

Guidelines on classification of own funds

* Q20. Do you have comments on the amended and/or deleted guidelines?

- (•) Yes
- ( ) No

Comments field

We support the deletion of GL 17 and GL 27, which we consider to be well-founded.

We have specific concerns, however, regarding the proposed deletion of GL 2, GL 12, GL 21, GL 24, and GL 26.

GL 2 (Reconciliation Reserve):
The revised Article 70a of the Solvency II Delegated Regulation introduces an accrual approach for foreseeable dividends. However, GL 2 addressed aspects of the treatment of foreseeable dividends that do not appear to be fully replicated in Article 70a — in particular, the point at which dividends become foreseeable (upon AMSB declaration, regardless of AGM approval) and the treatment of foreseeable dividends from participating undertakings. We would welcome clarification from EIOPA on whether these aspects are addressed elsewhere in the revised framework before GL 2 is deleted.

GL 12 (Repayment or redemption):
The revised Article 70b of the Delegated Regulation addresses the general topic of repayment and redemption. However, GL 12's explicit enumeration of buybacks, tender operations, and repurchase plans provided practical clarity for undertakings and supervisors. In our view, no meaningful simplification benefit arises from the deletion of GL 12, and the practical clarity it provided would be lost.
GL 21, GL 24, and GL 26:

We note that the supervisory convergence argument — that NCA practices are 'well integrated' in these areas — may itself be a consequence of the clarity that the guidelines have provided. The fact that a practice is well established is not, in our view, a sufficient reason to remove the regulatory anchor that produced and maintains it. Removing that anchor risks eroding supervisory quality over time, as institutional knowledge of the guidelines' content may not be fully retained across all supervisory authorities as staff and leadership change.

* Q21. Do you have any other comment on the guidelines?

- ○ Yes
- ◉ No

Guidelines on ancillary own funds

* Q22. Do you have comments on the amended and/or deleted guidelines?

- ◉ Yes
- ○ No

Comments field

We wish to draw EIOPA's attention to what appear to be drafting errors in the consultation paper in this section. The explanatory texts for GL 1 and GL 2 are both labelled "Guideline 12 is deleted"; GL 5's explanatory text is labelled "Guideline 17 is deleted"; and GL 6's text is labelled "Guideline 26 is deleted". These appear to be copy-paste errors from the classification of own funds section. We invite EIOPA to correct these in any revised version of the consultation paper.

Turning to substance, we have specific concerns regarding the proposed deletion of GL 1 and GL 5.
GL 1 (Items becoming "not on the list"):
GL 1 addresses the required sequencing of applications: classification approval under Article 79 of the Solvency II Directive must be sought before an ancillary own fund application is made. This sequencing requirement is not apparent from the Delegated Regulation or the ITS alone. We do not support the deletion of GL 1.

GL 5 (Ongoing satisfaction of criteria):
Article 62(1)(d) of the Delegated Regulation addresses the NCA's monitoring duty in relation to the ongoing satisfaction of criteria. However, it does not address the undertaking's proactive notification duty. The deletion of GL 5 would create a gap on the undertaking's side of the supervisory relationship, and we do not support this deletion.

We do not strongly object to the deletion of GL 2, while noting that Article 6(3)–(4) of the ITS, which provides a close equivalent, is less prominent in practice and may receive less attention from undertakings. Regarding GL 6, our concern mirrors that expressed in respect of GL 21, GL 24, and GL 26 in the classification guidelines: the justification that NCA assessment practices are 'well integrated' does not, in our view, provide sufficient grounds for removal. Consistent assessment practices in this area may themselves be a product of the guideline, and its removal could lead to divergence over time.

* Q23. Do you have any other comment on the guidelines?

- ○ Yes
- ◉ No

* Q24. Do you agree that the Guidelines on ancillary own funds will be repealed with the remaining two GL (GL 2 and 3) to be merged into the Guidelines on classification of own funds?

- ○ Yes
- ◉ No

Please explain why:

We first note what appears to be a factual error in the question as posed: the remaining substantive guidelines that would be merged into the classification guidelines appear to be GL 3 and GL 4, not GL 2 and GL 3 as stated. We invite EIOPA to clarify this point.

We are supportive in principle of the structural consolidation proposed — that is, merging the remaining substantive guidelines into the Guidelines on classification of own funds. This consolidation appears logical and well-founded.

However, we do not support the full repeal of the Guidelines on ancillary own funds as currently proposed. As set out in our response to Q22, we consider that GL 1 and GL 5 should be retained rather than deleted. A complete repeal of the guidelines would imply the deletion of those provisions, which we do not endorse. We would suggest an approach that retains GL 1 and GL 5 within a revised framework, merges GL 3 and GL 4 into the classification guidelines, and considers whether any residual provisions warrant standalone retention.

Guidelines on own risk and solvency assessment

* Q25. Do you have comments on the amended and/or deleted guidelines?

- ○ Yes
- ◉ No

* Q26. Do you have any other comment on the guidelines?

- ○ Yes
- ◉ No

Guidelines on system of governance

* Q27. Do you have comments on the amended and/or deleted guidelines?

- ○ Yes
- ◉ No

* Q28. Do you have any other comment on the guidelines?

- ◉ Yes
- ○ No

Comments field

We note that Guideline 12 of the system of governance guidelines currently refers to the period of limitation of relevant criminal or other offences by reference to national law. However, following the 2025 review of the Solvency II Directive, Article 40 of the amended Directive now sets this period at ten years. An inconsistency therefore arises between the current text of GL 12 and the revised Level 1 provision. We invite EIOPA to ensure that this inconsistency is addressed, whether through amendment of GL 12 or through clarification in the revised framework.

Contact

Contact Form