



## Press Release

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### **EIOPA IS PAVING THE WAY TOWARDS A EUROPEAN RECOVERY AND RESOLUTION FRAMEWORK FOR INSURERS**

- *The existing fragmented landscape of national recovery and resolution frameworks requires European action*
- *EIOPA proposes four building blocks of a minimum harmonised recovery and resolution framework*
- *The framework foresees the application in a proportionate manner*
- *EIOPA invites stakeholders to provide their views on the Discussion Paper by 28 February 2017*

**Frankfurt, 2 December 2016** – The European Insurance and Occupational Pensions Authority (EIOPA) published today a Discussion Paper on Potential Harmonisation of Recovery and Resolution Frameworks for Insurers. The existing fragmented landscape of national recovery and resolution frameworks could cause significant barriers to the resolution of insurers, particularly of cross-border groups. To avoid any unnecessary economic costs stemming from uncoordinated decision-making processes between national authorities in different European Union Member States an orderly resolution of cross-border insurance groups is required.

In its Discussion Paper EIOPA recommends a minimum degree of harmonisation applied in a proportionate manner with the objective to avoid fragmentation and to facilitate cross-border cooperation and coordination, providing the European Union Member States the flexibility to address any specificities of their national insurance market.

EIOPA proposes four building blocks of a harmonised recovery and resolution framework for insurers:

- Preparation and Planning
- Early Intervention/Recovery
- Resolution
- Cooperation and Coordination

Gabriel Bernardino, Chairman of EIOPA, said: *"EIOPA provides a snapshot of the current fragmented landscape and paves the way towards a harmonised recovery and resolution framework by proposing the essential building blocks. This framework would be an important step and a key milestone towards a more robust and stable insurance market for the benefit of policyholders. The feedback of stakeholders will enable EIOPA to further develop the proposed framework, which is particularly relevant in fragile market environments, like the current low interest rate environment."*

EIOPA invites all stakeholders to provide their views on the Discussion Paper until 28 February 2017. The Discussion Paper and the template for comments can be viewed [here](#).

### **Notes for Editors:**

The **European Insurance and Occupational Pensions Authority (EIOPA)** was established on 1 January 2011 as a result of the reforms to the structure of supervision of the financial sector in the European Union. EIOPA is part of the European System of Financial Supervision consisting of three European Supervisory Authorities, the National Supervisory Authorities and the European Systemic Risk Board. It is an independent advisory body to the European Commission, the European Parliament and the Council of the European Union. EIOPA's core responsibilities are to support the stability of the financial system, transparency of markets and financial products as well as the protection of insurance policyholders, pension scheme members and beneficiaries.