

CONSULTATION
PAPER

CONSULTATION PAPER

on the proposal for Regulatory Technical
Standards on the content of (group) pre-
emptive recovery plans

EIOPA-BoS-25-097
29 April 2025

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RESPONDING TO THIS PAPER

EIOPA welcomes comments on the Consultation Paper on the proposal for Regulatory Technical Standards on the content of (group) pre-emptive recovery plans.

Comments are most helpful if they:

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

Please send your comments to EIOPA via EU Survey ([link](#)) by 31 July 2025, 23:59 CET.

Contributions not provided via EU Survey or after the deadline will not be processed. In case you have any questions please contact IRRD_PC@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.¹

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Please note that personal contact details (such as name of individuals, email addresses and phone numbers) will not be published.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.

¹ [Public Access to Documents](#).

CONSULTATION PAPER OVERVIEW & NEXT STEPS

EIOPA carries out consultations with regard to its draft technical standards in accordance with Articles 10 and 15 of Regulation (EU) No 1094/2010.

This Consultation Paper presents the draft technical standards.

The analysis of the expected impact from the proposed policy is covered under Annex I (Impact Assessment).

Next steps

EIOPA will revise the proposal in view of the stakeholder comments received. EIOPA will publish a report on the consultation including the revised proposal and the resolution of stakeholder comments.

1. BACKGROUND AND ANALYSIS

These draft RTS should be read in the context of the recovery and resolution planning provided for in Directive (EU) 2025/1 and the context of further technical standards and guidelines regarding pre-emptive recovery plans. The global financial crisis of 2008 highlighted the need to develop an appropriate recovery and resolution framework for insurance and reinsurance undertakings and groups. More recent failures have reinforced the need for such a framework. Problems can appear suddenly and require swift and decisive actions. Therefore, supervisors and/or resolution authorities as well as insurance and reinsurance undertakings and groups must be prepared in advance to implement crisis management solutions, by having in place robust pre-emptive recovery planning and resolution planning processes. A comprehensive recovery and resolution framework reduces the likelihood of failure and limits the impact in case the failure finally materialises. Furthermore, it should be considered that crisis prevention and preparation is deemed more efficient and less costly than crisis management.

The draft RTS determine and further specify the minimum elements that must be included in the pre-emptive recovery plan or group pre-emptive recovery plan of any insurance or reinsurance undertaking or group that is subject to regular planning requirements. However, pursuant to Article 4 of Directive (EU) 2025/1, supervisory and resolution authorities may determine whether simplified obligations can apply for certain insurance and reinsurance undertakings and groups with respect to the content and details of pre-emptive recovery plans or group pre-emptive recovery plans, according to the criteria specified in the Guidelines on simplified obligations. In this case, the pre-emptive recovery plan or group pre-emptive recovery plan would include some but not necessarily all elements specified by the draft RTS.

This draft RTS take into account the FSB Key Attributes of Effective Resolution Regimes for Financial Institutions and the further FSB papers and IAIS standards in this context and the work carried out for the EIOPA Consultation Paper. The draft RTS further build on the existing regulatory developments in the area of recovery plans stipulating the key elements and essential issues that should be addressed in a pre-emptive recovery plan or group pre-emptive recovery plans.

Drafting a pre-emptive recovery plan or group pre-emptive recovery plan is incumbent upon insurance or reinsurance undertakings or ultimate parent undertaking and is to be undertaken prior to a crisis in order to assess the potential options that an insurance or reinsurance undertaking or group could itself implement to restore financial strength and viability should the undertaking or group come under severe stress. Pre-emptive recovery plans or group pre-emptive recovery plans must be based on the assumption that extraordinary public financial support would not be provided and this must be reflected in their content.

Pre-emptive recovery plans or group pre-emptive recovery plans will be reviewed and assessed by the supervisory authorities. The objective of a pre-emptive recovery plan or group pre-emptive recovery plans is not to forecast the factors that could prompt a crisis, but rather to identify the actions that might be available to counter both an idiosyncratic and a system-wide crisis and to assess whether

these actions are robust enough and sufficiently varied to cope with a wide range of shocks of different natures. This should be echoed in the content of the plans. In a crisis situation, a pre-emptive recovery plan or group pre-emptive recovery plan should serve as a guide to the recovery of a distressed insurance or reinsurance undertaking or group. A pre-emptive recovery plan or group pre-emptive recovery plan should implement the most appropriate remedial action among those analyzed, i.e. the one which would result in the most likely prospect of restoring the financial position after implementation. Selection of the remedial actions therefore needs a case-by-case analysis of potential stress situations by the insurance or reinsurance undertaking or group's management. The draft RTS take this into account when defining and structuring the minimum content. Recovery indicators are one of the core elements of the plan.

2. DRAFT TECHNICAL STANDARD



EUROPEAN COMMISSION

Brussels,
C(20..) yyy final

COMMISSION DELEGATED REGULATION (EU) No .../..

of []

COMMISSION DELEGATED REGULATION (EU) No .../...

of DD Month YYYY

supplementing Directive (EU) 2025/1 of the European Parliament and of the Council with regard to regulatory technical standards on the content of (group) pre-emptive recovery plans

[Text with EEA relevance]

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to the Directive (EU) 2025/1 of the European Parliament and of the Council of 27 November 2024 establishing a framework for the recovery and resolution of insurance and reinsurance undertakings and amending Directives 2002/47/EC, 2004/25/EC, 2007/36/EC, 2014/59/EU and (EU) 2017/1132 and Regulations (EU) No 1094/2010, (EU) No 648/2012, (EU) No 806/2014 and (EU) 2017/1129, and in particular Article 5(12), third subparagraph, thereof,

Whereas:

- (1) This Regulation specifies that the information that an insurance or reinsurance undertaking or group is to include in the pre-emptive recovery plan or group pre-emptive recovery plan should be grouped under these headings, namely (i) Summary of the key elements of the pre-emptive recovery plan and group pre-emptive recovery plan (ii) Description of the insurance or reinsurance undertaking or the group (iii) Framework of indicators (iv) Description of how the pre-emptive recovery plan or group pre-emptive recovery plan has been drawn-up, how it will be updated and how it will be applied (v) Range of remedial actions (vi) Communication strategy, and (vii) Past breach of the Solvency Capital Requirement, where the undertaking has breached the Solvency Capital Requirement laid down in Title I, Chapter VI, Section 4, of Directive 2009/138/EC and submitted a recovery plan in accordance with Article 138(2) of Directive 2009/138/EC at some point in the last 10 years. In order to ensure a consistent approach across insurance and reinsurance undertakings and groups, pre-emptive recovery plans and group pre-emptive recovery plans should contain at least these items. To facilitate the use of the plan in a situation of stress where the time of the reaction is key, the pre-emptive recovery or group pre-emptive recovery plan should clearly highlight the main elements of the plan and Annexes could be used for providing more detailed information. The insurance or reinsurance undertaking or ultimate parent undertaking of the group may choose to use cross references to other documents already submitted to the supervisor or public documents, if they do not compromise the completeness, readability and quality of the pre-emptive recovery plan or group pre-emptive

recovery plan. For the sake of the transparency and in order to facilitate cooperation among supervisory authorities, the section of the pre-emptive recovery plan or group pre-emptive recovery plan under the heading “Summary of the key elements of the pre-emptive recovery plan” should be disclosed in a language customary in the sphere of international finance or other language that has been agreed among the involved supervisory authorities.

- (2) Pursuant to Article 138 of Directive 2009/138/EC, a recovery plan is required in the event of the non-compliance or risk of non-compliance with the solvency capital requirements. Unlike this recovery plan, the pre-emptive recovery plan or group pre-emptive recovery plan is drafted at an earlier stage, before any deterioration of the financial solvency position of the insurance or reinsurance undertaking or group occurs.
- (3) Groups present heterogeneous structures including cases where the EU insurance group is part of a group with an ultimate parent company in a third country or cases of insurance or reinsurance groups with some non-insurance or reinsurance subsidiaries. Therefore, when drafting the group pre-emptive recovery plan the ultimate parent undertaking should be aware of the aspects that could impact the effective and efficient implementation of the plan regarding, in particular, the whole structure of the group and material connections and exposures of the group covered by the plan to that part of the group that is beyond the scope. The group pre-emptive recovery plan may limit the description to particularly important aspects, where appropriate. The use of a graphic chart is recommended to facilitate the comprehension of the group’s structure.
- (4) As it is crucial for the assessment of the feasibility of the remedial actions, the pre-emptive recovery plan or group pre-emptive recovery plan contains detailed information on the decision-making process with regard to the activation of the plan as an essential element of the governance structure, based on an escalation process using a framework of indicators. Since each crisis is different, indicators should not necessarily automatically activate a specific remedial action or, more generally, prompt an automated framework under which a particular remedial action has to be implemented in accordance with predetermined procedural requirements. Rather, indicators should be used to indicate that an escalation process should be started, which will involve analysis as regards the best way to address a crisis situation. The pre-emptive recovery plan or group pre-emptive recovery plan should contain a description of how indicators are framed in the system of governance, so that consistency is ensured between the undertaking or group’s regular risk management and the monitoring of the indicators.
- (5) In order to ensure that the pre-emptive recovery plan or group pre-emptive recovery plan can effectively be implemented in due time if necessary, it is essential to build the plan on a sound governance structure. In particular, the plan should set out how it was developed, how it should be updated, by whom it was approved, and how it is integrated in the overall corporate governance of the undertaking or the group. Where relevant, the measures taken to ensure consistency between the pre-emptive recovery plan of a subsidiary, if applicable, and the group pre-emptive recovery plan should be described.

- (6) Remedial actions available to the insurance or reinsurance undertaking or the group could initially be described without reference to a specific crisis scenario. This may enhance general crisis-preparedness and assist the undertaking or the group in reacting promptly to any crisis.
- (7) The pre-emptive recovery plan or group pre-emptive recovery plan should also contain a communication strategy to address both internal communication to relevant internal bodies and the undertaking or group's staff, and external communication. When developing the communication strategy, the insurance or reinsurance undertaking or ultimate parent undertaking in case of a group should be mindful of any legal and regulatory requirement regarding disclosure and confidentiality, including those cases where the consultation with supervisory authorities is needed to disclose the implementation of a remedial action.
- (8) This Regulation is based on the draft regulatory technical standards submitted to the Commission by the European Insurance and Occupational Pensions Authority.
- (9) The European Insurance and Occupational Pensions Authority has conducted open public consultations on the draft regulatory technical standards on which this Regulation is based, analysed the potential related costs and benefits and requested the advice of the Insurance and Reinsurance Stakeholder Group established by Article 37 of Regulation (EU) No 1094/2010.

HAS ADOPTED THIS REGULATION:

Article 1

Definitions

For the purposes of this Regulation, the following definition apply:

- (1) 'remedial action' means a set of one or more management measures or strategies to be taken by the insurance or reinsurance undertaking or group considered in the pre-emptive recovery plan or group pre-emptive recovery plan designed to restore its financial position where that position has significantly deteriorated.

Article 2

Summary of the key elements of the pre-emptive recovery plan or group pre-emptive recovery plan

1. The summary of the key elements of the pre-emptive recovery plan or group pre-emptive recovery plan shall comprise a summary of the items referred to in Article 5(6), points (b) to (g), of Directive (EU) 2025/1, including any material changes to the plan itself.
2. When the insurance or reinsurance undertaking or group performs significant cross-border activities, as defined in Article 152aa of the Directive 2009/138/EC, the summary of the key elements of the pre-emptive recovery plan or group pre-emptive recovery plan shall also be included in a language

customary in the sphere of international finance or other language that has been agreed among the involved supervisory authorities.

Article 3

Description of the insurance or reinsurance undertaking or the group

1. The description of the insurance or reinsurance undertaking or group shall comprise the following information:

- (a) a general description of the insurance or reinsurance undertaking or the group covered by the pre-emptive recovery plan or group pre-emptive recovery plan, including:
 - (i) a description of their overall global business;
 - (ii) their business model, including a list of the main jurisdictions in which they are active;
 - (iii) their core business lines and critical functions, where applicable. In case of a group, the critical functions of the insurance or reinsurance undertakings that are part of the group;
- (b) a mapping of core business lines and critical functions to the legal entities meeting the conditions set out in paragraph 2;
- (c) a detailed description of the legal and financial structures of the insurance or reinsurance undertaking or group. This shall include a description of intra-group interconnectedness with respect to any legal entities meeting the conditions set out in paragraph 2, including in particular a description of the following matters:
 - (i) all material intra-group financial exposures, reinsurance and other risk transfer arrangements of the insurance or reinsurance undertaking that are in place with other undertakings within the group covered by the plan, of which insurance or reinsurance undertaking is part;
 - (ii) legal arrangements, which shall cover material legally binding agreements between undertakings of the group covered by the plan, including distribution agreements, cost sharing arrangements, domination agreements and profit and loss transfer agreements;
 - (iii) operational interconnectedness, which concerns functions that are centralised in one legal entity and are important for the functioning of other legal entities or the group covered by the plan;
 - (iv) other financial support agreements or the relevance of group credit rating assessments or loan covenants, within the group covered by the plan;
- (d) a description of material connections of the insurance or reinsurance undertaking or the group with counterparties that are not part of the group covered by the plan, including:
 - (i) a description of significant exposures and liabilities to main counterparties;

- (ii) a description of significant services which are provided by the insurance or reinsurance undertaking or the group covered by the pre-emptive recovery plan or group pre-emptive recovery plan where their sudden discontinuation of the products or services has any significant adverse effect on the financial system;
- (iii) a description of significant services which third parties provide to the insurance or reinsurance undertaking or the group covered by the pre-emptive recovery plan or group pre-emptive recovery plan;
- (iv) any reinsurance and other risk transfer arrangements.

2. For the purposes of points (b) and (c) of paragraph 1, the reference to legal entities shall be understood as a reference to legal entities covered by the group pre-emptive recovery plan which:

- (a) substantially contribute to the profit of the insurance or reinsurance undertaking or group covered by the group pre-emptive recovery plan, to their funding, or holds an important share of its assets, liabilities or capital;
- (b) perform key commercial activities for the insurance or reinsurance undertaking or group covered by the group pre-emptive recovery plan;
- (c) centrally perform key operational, risk or administrative functions for the insurance or reinsurance undertaking or group covered by the group pre-emptive recovery plan;
- (d) bear substantial risks that could, in a worst-case scenario, jeopardize the viability of the insurance or reinsurance undertaking or group covered by the group pre-emptive recovery plan;
- (e) could not be disposed of or liquidated without likely triggering a major risk for the insurance or reinsurance undertaking or group covered by the group pre-emptive recovery plan; or
- (f) are significant for the Member States in which they operate.

3. The summary of the material changes, referred to in point (b) of Article 5(6) of Directive (EU) 2025/1, shall include any significant changes to the insurance or reinsurance undertaking or the the group of which the insurance or reinsurance undertaking is part, where those changes are material to the insurance or reinsurance undertaking or group to restore its financial position.

Article 4

Framework of indicators

1. The information on the framework of indicators shall include a detailed description of the following matters:

- (a) the identified quantitative and qualitative indicators that determine the triggers at which remedial actions should be considered or taken, and where possible, include a forward-looking element. The group pre-emptive recovery plan shall contain indicators that identify the triggers at the level of the ultimate parent undertaking for the group and at the level of the individual subsidiary undertakings. The extent to which indicators referring to subsidiary undertakings are considered in the group pre-emptive

recovery plans should, however, be proportionate to their relevance to the group and to policyholders, the real economy and the financial system in the Member States where those subsidiary undertakings operate;

(b) the consistency of the indicators with the general risk management framework of the insurance or reinsurance undertaking or group covered by the plan.

2. The indicators included in the framework shall be relevant to the business model and strategy of the insurance or reinsurance undertaking or group covered in the pre-emptive recovery plan or group pre-emptive recovery plan. Indicators relating to the capital position shall as a minimum contain any breach of the Solvency Capital Requirement, laid down in Title I, Chapter VI, Section 4, of Directive 2009/138/EC.

3. The framework of indicators shall include an explanation of the rationale for choosing the specific indicators and triggers by the insurance or reinsurance undertaking or group covered in the pre-emptive recovery plan or group pre-emptive recovery plan.

4. The plan shall explain how indicators shall trigger an escalation process within the affected insurance or reinsurance undertaking or group, which shall involve an examination of the best way to address a crisis situation.

5. The framework of indicators shall be designed to provide enough time for the administrative, management or supervisory body to:

(a) fully evaluate the circumstances of the stress;

(b) engage in effective decision-making on the appropriate remedial action(s);

(c) implement actions on the selected remedial action to respond effectively to the emerging stress event.

Article 5

Description of how the pre-emptive recovery plan or group pre-emptive recovery plan has been drawn-up, how it will be updated and how it will be applied

1. The pre-emptive recovery plan or group pre-emptive recovery plan, which is considered a part of the system of governance within the meaning of Article 41 of the Directive 2009/138/EC, shall include an adequate description of the following matters:

(a) how the pre-emptive recovery plan or group pre-emptive recovery plan was developed and updated, including, where appropriate:

(i) the role and function of persons responsible for preparing, implementing and updating each section of the plan;

(ii) the role and function of the persons who have overall responsibility for keeping the pre-emptive recovery plan or group pre-emptive recovery plan up-to-date;

(iii) identification of administrative, management or supervisory body and other relevant key function holders with significant roles in the development, approval and updating

of the pre-emptive recovery plan or group pre-emptive recovery plan, and a description of their role and responsibilities. External auditors involved in the revision of the plan shall be also identified;

- (iv) a description of how the plan is integrated in the corporate governance of the insurance or reinsurance undertaking or group covered by the plan and in the overall risk management framework;
- (v) confirmation that the pre-emptive recovery plan or group pre-emptive recovery plan has been assessed and approved by the management body of the insurance or reinsurance undertaking or ultimate parent undertaking in case of a group responsible for submitting the plan;
- (vi) if the considered insurance or reinsurance undertaking is part of a group covered by the plan, a description of the measures and arrangements taken within the group to ensure the coordination and consistency of remedial actions at the level of the group covered by the plan and of individual subsidiaries;

(b) the conditions and procedures necessary to ensure the timely implementation of remedial actions, including:

- (i) a description of the internal escalation and decision-making process that applies when the triggers of the indicators have been met to consider and determine which remedial action may need to be applied in reaction to the situation of financial stress that has materialised, covering:
 - the role and function of persons involved in this process, including a description of their responsibilities. If a committee is involved in the process, the role, the responsibilities and function of committee members shall be included;
 - the procedures that need to be followed;
 - the timeframe for the decision on the taking of remedial actions including when and how the relevant supervisory authorities will be informed about the fact that the indicators have been met;

(c) description of the frequency for the update of the pre-emptive recovery plan or group pre-emptive recovery plan , including:

- (i) Timing for keeping the plan up to date through regular updates, and at least every two years. The plan shall include the date when the update processes were finalized;
- (ii) Factors that will trigger an update due to events internal or external to the insurance or reinsurance undertaking or group covered by the plan, as those events could materially affect the undertaking or group or the viability of the plan, in line with Article 5(4) of the Directive (EU) 2025/1. The process shall ensure that any changes to the pre-emptive recovery plan or group pre-emptive recovery plan are communicated in a timely manner to relevant parties, including the supervisory authority.

Article 6

Range of remedial actions

1. The section on remedial actions shall set out a range of remedial actions designed to respond to severe macroeconomic and financial stress scenarios and which could reasonably be expected to restore the financial position of the insurance or reinsurance undertaking or group covered by the pre-emptive recovery plan or group pre-emptive recovery plan. The group pre-emptive recovery plan shall identify remedial actions to be taken at the level of that ultimate parent undertaking for the group perspective and at the level of its individual subsidiary undertakings covered by the plan, where appropriate. The remedial actions shall be described in a way that enables to assess the impact, credibility and feasibility of each remedial action. The section on remedial actions in the pre-emptive recovery plan or group pre-emptive recovery plan shall follow the same structure when presenting the information for each remedial action.
2. Remedial actions considered for the pre-emptive recovery plan or group pre-emptive recovery plan shall include measures which are extraordinary in nature as well as measures that could also be taken in the course of the normal business of the insurance or reinsurance undertaking or group covered by the pre-emptive recovery plan or group pre-emptive recovery plan. Remedial actions shall not be excluded for the sole reason that they would require a change to the current nature of the business of that insurance or reinsurance undertaking or group.
3. In particular, the section on remedial actions shall include the following information and analyses:
 - (a) a list and description of each remedial action;
 - (b) the range of remedial actions shall include, where appropriate:
 - (i) actions the primary aim of which is to conserve or restore the insurance or reinsurance undertaking or group's own funds through recapitalisation of the undertaking or group;
 - (ii) actions to ensure that the insurance or reinsurance undertaking or group has adequate access to liquidity so that the undertaking or group can carry on its operations and meet its obligations as they fall due;
 - (iii) actions to reduce the insurance or reinsurance undertaking or group's risk profile and related Solvency Capital Requirements set out in the Directive 2009/138/EC, or to restructure the insurance or reinsurance undertaking or group's business lines, including, where appropriate, an analysis of possible divestment of assets, insurance portfolios or business lines;
 - (iv) arrangements and measures the primary aim of which is to achieve a voluntary restructuring of liabilities, without triggering an event of default, termination, downgrade or similar;
 - (c) a description of the credibility and impact of each remedial action, which shall include:
 - (i) a description of the financial and operational impact on solvency, liquidity, capital composition, and operations of the insurance or reinsurance undertaking or group covered by the pre-emptive recovery plan or group pre-emptive recovery plan taking into account market behaviour in a systemic or idiosyncratic stress event.

- The description of the impact shall clearly identify the different entities of the group which may be materially affected by the remedial action or involved in its implementation;
- (ii) a description of the external impact and systemic consequences which sets out the expected impact on critical functions performed by the insurance or reinsurance undertakings covered by the pre-emptive recovery plan or group pre-emptive recovery plan and the impact on key stakeholders, in particular, on policyholders, on counterparties and, where applicable, on the rest of the group;
 - (iii) the valuation assumptions and all other assumptions made for the purpose of the assessments in points (i) and (ii). In particular, an assessment of the achievable value and marketability of the core business lines, operations and assets of the entity or entities to which the remedial action relates;
- (d) Outcome of the assessment of feasibility of each remedial action, which shall include:
- (i) outcome of the assessment of the risk associated with the remedial action, drawing on any experience of executing the remedial action or an equivalent measure;
 - (ii) outcome of the analysis and description of any material impediment to the effective and timely execution of the remedial action. For this purpose, a material impediment is any factor that could potentially negatively affect the timely execution of the remedial action including, in particular, legal, operational, business, financial, macroeconomic and reputational risks;
 - (iii) where applicable, outcome of the analysis of potential impediments to the effective implementation of each remedial action which result from the structure of the global group or of intra-group arrangements, including whether there are substantial practical or legal impediments known by the subsidiary (including any supervisory measures formally enforced) to the prompt transfer of own funds or the repayment of liabilities or assets;
 - (iv) solutions to the potential impediments identified under points (ii) and (iii);
 - (v) outcome of the assessment of the continuity of operations during implementing of each remedial action;
 - (vi) an explanation of the expected timeframe for the implementation and effectiveness of each remedial action;
- (e) outcome of the assessment of the effectiveness of the remedial actions and adequacy of indicators in a range of scenarios of severe macroeconomic and financial stress, as laid down in Article 5(7) of Directive 2025/1. The assessment shall identify which remedial actions could be appropriate in a specific scenario, the potential impact of the remedial actions, their feasibility, including the potential impediments to their implementation and compatibility, as mentioned in paragraph 4 of this article, and the timeframe required for their implementation.
4. The section on remedial actions shall include also the outcome of the assessment regarding the compatibility among remedial actions that could be implemented in the same period of the time. For each remedial action, the insurance or reinsurance undertaking or group shall consider the impact it may have on the implementation of any other remedial actions.

5. The pre-emptive recovery plan or group pre-emptive recovery plan shall include a description of how it will be ensured that, as part of the management information systems, the information necessary for the implementation of remedial actions is available for decision-making in stressed conditions in a reliable and timely way.
6. The pre-emptive recovery plan or group pre-emptive recovery plan shall establish adequate procedures for keeping supervisory authorities notified of an emerging stress scenario and for sharing plans on the remedial actions contemplated for implementation, including adequate time and governance controls to ensure that any applicable supervisory approvals are obtained.

Article 7

Communication strategy

1. The description of the communication strategy shall cover the following:
 - (a) internal communication, in particular to staff or other staff representatives;
 - (b) external communication, in particular to shareholders and other investors, policyholders, counterparties, financial markets, and the public generally, as appropriate.
2. The pre-emptive recovery plan or group pre-emptive recovery plan shall include a tailored communication strategy that recognises different communication needs depending on the stress scenario and the remedial actions being implemented. The communication strategy shall detail the scope, content and timing of the disclosures, and the form of communication. The insurance or reinsurance undertaking or ultimate parent undertaking in case of a group shall also consider additional resources (human, facilities, etc.) required to support the communication strategy.
3. The communication strategy shall consider circumstances under which the implementation of remedial actions shall be disclosed.

Article 8

Past breach of the Solvency Capital Requirement

1. In case that the insurance or reinsurance undertaking has breached the Solvency Capital Requirement laid down in Title I, Chapter VI, Section 4, of Directive 2009/138/EC and submitted a recovery plan in accordance with Article 138(2) of Directive 2009/138/EC at some point in the last 10 years, the pre-emptive recovery plan shall include in this section that recovery plan as well as an assessment of the measures taken to restore the undertaking's compliance with the Solvency Capital Requirement.

2. In case that the group has breached the group Solvency Capital Requirement laid down in Title III, Chapter I, Section I, of Directive 2009/138/EC and submitted a recovery plan in accordance with Article 218(4) of Directive 2009/138/EC at some point in the last 10 years, the group pre-emptive recovery plan shall include in this section that recovery plan as well as an assessment of the measures taken to restore the group's compliance with the group Solvency Capital Requirement.

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

[For the Commission

The

President]

[For the Commission

On behalf of the President]

[Position]

ANNEX I: IMPACT ASSESSMENT

OBJECTIVES

This draft RTS aims at providing a more harmonized EU framework by specifying the minimum content of the pre-emptive recovery plans and group pre-emptive recovery plans.

In drafting this RTS, EIOPA sticks to the general objectives of the Directive (EU) 2025/1:

- Enhance preparation, coordination and cooperation.
- Reduce the likelihood of failure.
- Ensure proper functioning of the internal market and level-playing field.

In particular, in view of the specific purpose of these technical standards, the following more specific objectives were identified:

- Promoting good risk management, enhancing readability of the pre-emptive recovery plan or group pre-emptive recovery plan to improve efficiency in a crisis situation, while,
- Reducing operational cost and burden for the insurance or reinsurance undertakings or ultimate parent undertaking.
- Effective and efficient supervision, guaranteeing the most relevant information is provided to the authorities to allow a proper assessment of the pre-emptive recovery plan or group pre-emptive recovery plan.

The starting point for this impact assessment is that existing provisions following from the level 1 text are already in place and that the other provisions included in this consultation paper will be implemented as proposed. As a result, this assessment only considers the additional impact of each specific policy issue under discussion.

POLICY ISSUES

POLICY ISSUE A: PRESCRIPTIVENESS OF CREDIBILITY AND FEASIBILITY ASSESSMENT

EIOPA is empowered to develop draft regulatory technical standards specifying the content of the pre-emptive recovery plans in order to ensure consistent application, according to Art. 5 (12) (c) IRRD referring to Art. 5 (6) IRRD. Notwithstanding the aforesaid, this policy issue considers the prescriptiveness of the content regarding the assessment of the pre-emptive recovery plan referred in art. 5 (7) Directive (EU) 2025/1, taking into consideration that the core of the content of a pre-emptive recovery plan is regulated in art. 5(1), (6) and (8) IRRD but there is a clear and direct link between these elements and “the credibility and feasibility assessment” under art. 5(7) IRRD. Article 7 (3) IRRD remits to art. 5 when regulating the group pre-emptive recovery plans.

POLICY OPTIONS

POLICY ISSUE A: PRESCRIPTIVENESS OF CREDIBILITY AND FEASIBILITY ASSESSMENT

Policy option A.0: Pre-emptive recovery plan or group pre-emptive recovery plan with no information regarding the assessment

Under this policy option, the draft RTS do not consider any aspect of the credibility and feasibility assessment of the pre-emptive recovery plan or group pre-emptive recovery plan, mentioned in Article 5 (7) of the Directive (EU) 2025/1, to be part of plan. Therefore, the full assessment will be part of a separate document.

Policy option A.1: Pre-emptive recovery plan or group pre-emptive recovery plan with only the outcome of the assessment

Under this policy option, the draft RTS considers that only the outcome of the credibility and feasibility assessment of the pre-emptive recovery plan or group pre-emptive recovery plan, mentioned in Article 5 (7) of the Directive (EU) 2025/1, shall be part of the plan. Therefore, the pre-emptive recovery plan or group pre-emptive recovery plan shall include a description of the impact of each remedial action and the outcome of the different assessments conducted by the insurance or reinsurance undertaking or ultimate parent undertaking regarding the indicators and the credibility and feasibility of the plan. Full assessment will be part of a separate document.

Policy option A.2: Pre-emptive recovery plan or group pre-emptive recovery plan with the full assessment

Under this policy option, the draft RTS considers that the full assessment of the credibility and feasibility of pre-emptive recovery plan or group pre-emptive recovery plan, mentioned in Article 5 (7) of the Directive (EU) 2025/1, shall be part of the plan. Therefore, the pre-emptive recovery plan or

group pre-emptive recovery plan shall include the full assessment of the impact of each remedial action and the full assessments conducted by the insurance or reinsurance undertaking or ultimate parent undertaking regarding the indicators and the credibility and feasibility of the plan, including all the underlying assumptions, criteria, calibrations, etc. used.

IMPACT OF THE POLICY OPTIONS

POLICY ISSUE A: PRESCRIPTIVENESS OF CREDIBILITY AND FEASIBILITY ASSESSMENT

Policy option A.0: Pre-emptive recovery plan or group pre-emptive recovery with no information regarding the assessment

The pre-emptive recovery plan or group pre-emptive recovery plan shall not include any information regarding the credibility and feasibility assessment under art. 5 (7) IRRD.

Policy option A.0		
Costs	Policyholders	-
	Industry	From an internal governance's perspective, in case the pre-emptive recovery plan or group pre-emptive recovery plan and its assessment are in different documents, there could be an increase of the risk of lack of consistency and it could hinder the revision of the assessment and the plan. In a number of cases, the undertaking or ultimate parent company shall be required by the supervisory authority to submit additional information regarding the credibility and feasibility assessment.
	Supervisors	The lack of information regarding the assessment will not ensure an adequate supervisory review. Supervisors shall make ad-hoc requirements regarding the assessments conducted by the insurance or reinsurance undertaking or ultimate parent company to be able to conduct at least a minimum review of the plan, increasing operational efforts.
	Other	-
Benefits	Policyholders	-
	Industry	Pre-emptive recovery plans or group pre-emptive recovery plan will be more readable and less time consuming in a crisis situation enhancing efficiency.

	Supervisors	Pre-emptive recovery plans or group pre-emptive recovery plans will be shorter and more readable.
	Other	-

Policy option A.1: Pre-emptive recovery plan or group pre-emptive recovery plan with the outcome of the assessment

Pre-emptive recovery plan or group pre-emptive recovery plan shall only include the outcome of the credibility and feasibility assessment under art. 5 (7) IRRD.

Policy option A.1		
Costs	Policyholders	-
	Industry	The inclusion of the outcome of the assessment will potentially increase the operational costs of the undertaking. In few specific cases, the undertaking or ultimate parent company shall be required to submit additional information regarding the credibility and feasibility assessment.
	Supervisors	Pre-emptive recovery plans or group pre-emptive recovery plans will not contain the full assessment, and where needed for a proper supervision, supervisors shall make ad-hoc requirements for additional information, increasing operational efforts in some cases.
	Other	-
Benefits	Policyholders	-
	Industry	This option will ease the revision of the plan and its consistency with the self-assessment.
	Supervisors	Pre-emptive recovery plans or group pre-emptive recovery plans will be readable, providing at the same time, relevant information from a supervisory perspective. Pre-emptive recovery plans or group pre-emptive recovery plans shall contain the most relevant information, and therefore, just in some specific cases, the supervisor will need to require ad-hoc information and in the majority of the cases, the information provided will be enough to guarantee a proper supervision.
	Other	-

Policy option A.2: Pre-emptive recovery plan or group pre-emptive recovery plan with the full assessment

Pre-emptive recovery plan or group pre-emptive recovery plan shall include the full credibility and feasibility assessment under art. 5 (7) IRRD.

Policy option A.2		
Costs	Policyholders	-
	Industry	The pre-emptive recovery plan or group pre-emptive recovery plan will probably be very extensive and therefore difficult to read and manage. In a crisis situation, it is essential to be efficient, so the insurance or reinsurance undertaking or ultimate parent company could be encouraged to develop an executive version to save time in a stressed situation. Therefore, under this option the operational costs increase.
	Supervisors	The pre-emptive recovery plan or group pre-emptive recovery plan will be difficult to read and therefore difficult to compare with other pre-emptive recovery plans or group pre-emptive recovery plans, increasing operational costs and potentially jeopardizing supervisory convergence.
	Other	-
Benefits	Policyholders	-
	Industry	The risk of inconsistency between the pre-emptive recovery plan or group pre-emptive recovery plan and the self-assessment will be minimized as both will be part of the same document.
	Supervisors	Under this option, all relevant information from a supervisory perspective will be included in the pre-emptive recovery plan or group pre-emptive recovery plan.
	Other	-

COMPARISON OF POLICY OPTIONS

The effectiveness and efficiency of the different policy options are compared in the following tables.

EFFECTIVENESS (0,+,,+)

	Enhancing readability and efficiency	Reducing operational costs	Allowing proper supervision
Policy option A.0	++	++	0
Policy option A.1	++	++	+
Policy option A.2	0	0	++

EFFICIENCY (0,+,++)			
	Enhancing readability and efficiency	Reducing operational costs	Allowing proper supervision
Policy option A.0	++	+	0
Policy option A.1	++	++	++
Policy option A.2	0	0	+

PREFERRED OPTION

Policy Option A.1, compared to Policy Option A.2, does not require the insurance or reinsurance undertaking or ultimate parent company to include the whole credibility and feasibility assessments in the pre-emptive recovery plans or group pre-emptive recovery plans, reducing the burden on the industry, but at the same time, allows a proper supervision as the pre-emptive recovery plans or group pre-emptive recovery plans shall contain the outcome of those assessments. Consequently, the supervisory authorities shall only need to require additional information in specific cases, unlike what happens in relation to Policy Option A.0 where, although in both cases the plans are expected to be readable, supervisory authorities shall need to require additional information in all the cases as the pre-emptive recovery plans or group pre-emptive recovery plans shall not include any reference to the credibility and feasibility assessment.

Based on the evidence provided in the assessment above, Policy Option A.1 has been indicated as the preferred option. Besides the efficiency and effectiveness and cost benefit analysis, this option is also the one that provides National Supervisory Authorities with the right tools for proper supervision while not exceeding the mandate of the IRRD.

OVERVIEW OF QUESTIONS FOR CONSULTATION

The questions are set out in an EU-Survey ([link](#)).



Privacy statement related to Public (online) Consultations

▶ Introduction

1. The European Insurance and Occupational Pension authority (EIOPA) is committed to protecting individuals' personal data in accordance with Regulation (EU) 2018/1725² (further referred as "the Regulation").
2. In line with article 15 and 16 of the Regulation, this privacy statement provides information to the data subjects relating to the processing of their personal data carried out by EIOPA.

▶ Purpose of the processing of personal data

3. Personal data is collected and processed to manage online public consultations EIOPA launches, and to conduct online surveys, including via online platform EUSurvey³, and to facilitate further communication with participating stakeholders (e.g., when clarifications are needed on the information supplied or for the purposes of follow-up discussions that the participating stakeholders may agree to in the context of the consultations or surveys).
4. The data will not be used for any purposes other than the performance of the activities specified above. Otherwise you will be informed accordingly.

▶ Legal basis of the processing of personal data and/or contractual or other obligation imposing it

5. The legal basis for this processing operation are the following :
 - Regulation (EU) 1094/2010, and notably Articles 8, 10, 15, 16, 16a and 29 thereof
 - EIOPA's Public Statement on Public Consultations
 - EIOPA's Handbook on Public Consultations
6. In addition, in accordance with Article 5(1)(a) of the Regulation, processing is lawful as it is necessary for the performance of a task carried out in the public interest.

² Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC, OJ L 295, 21.11.2018, p. 39–98.

³ For more information on the processing of personal data in EUSurvey, please see the [dedicated privacy statement](#).

▶ **Controller of the personal data processing**

7. The controller responsible for processing the data is EIOPA's Executive Director.
8. Address and email address of the controller:

Westhafen Tower, Westhafenplatz 1
60327 Frankfurt am Main
Germany
fausto.parente@eiopa.europa.eu

▶ **Contact detail of EIOPA's Data Protection Officer (DPO)**

9. Westhafenplatz 1, 60327 Frankfurt am Main, Germany
dpo@eiopa.europa.eu

▶ **Types of personal data collected**

10. The following personal data might be processed:
 - Contact details (name, email address, phone number).
 - Employment details (company and job title).

▶ **Recipients/processors of the personal data collected**

11. Data will be collected and disclosed to the relevant staff members part of the Department/Unit in charge of the consultation/surveys and also to other EIOPA's staff on a need-to-know basis (e.g IT staff, security officer).

▶ **Retention period**

12. Personal data collected are kept by until the finalisation of the project the public consultation or the survey relate to.
13. The personal data collected in EUSurvey are deleted from EUSurvey as soon as the period to provide answers elapsed.

▶ **Transfer of personal data to a third country or international organisations**

14. No personal data will be transferred to a third country or international organisation. The service provider is located in the European Union.

▶ **Automated decision-making**

15. No automated decision-making including profiling is performed in the context of this processing operation.

▶ **What are the rights of the data subject?**

16. Data subjects have the right to access their personal data, receive a copy of them in a structured and machine-readable format or have them directly transmitted to another controller, as well as request their rectification or update in case they are not accurate. Data subjects also have the right to request the erasure of their personal data, as well as object to or obtain the restriction of their processing.
17. Where processing is based solely on the consent, data subjects have the right to withdraw their consent to the processing of their personal data at any time.
18. Restrictions of certain rights of the data subject may apply, in accordance with Article 25 of Regulation (EU) 2018/1725.
19. For the protection of the data subjects' privacy and security, every reasonable step shall be taken to ensure that their identity is verified before granting access, or rectification, or deletion.
20. Should the data subjects wish to exercise any of the rights provided in paragraphs 16 and 17 above, please contact EIOPA's DPO (dpo@eiopa.europa.eu).

▶ **Who to contact if the data subjects have any questions or complaints regarding data protection?**

21. Any questions or complaints concerning the processing of the personal data can be addressed to EIOPA's Data Controller (fausto.parente@eiopa.europa.eu) or EIOPA's DPO (dpo@eiopa.europa.eu).
22. Alternatively, the data subjects can have recourse to the **European Data Protection Supervisor** (www.edps.europa.eu) at any time, **as provided in Article 63 of the Regulation.**