



eiopa

EUROPEAN INSURANCE
AND OCCUPATIONAL PENSIONS AUTHORITY

Main Achievements

October 2016 -
September 2017

1. Introduction

EIOPA is an independent advisory body to the European Commission, the European Parliament, the Council of the European Union. EIOPA's tasks are to ensure the stability of the financial system, transparency of financial markets and products as well as to protect policyholders, pension scheme members and beneficiaries. In order to achieve these aims EIOPA monitors and identifies trends, potential risks and vulnerabilities stemming from the micro-prudential level, across borders and across sectors.

EIOPA further aims to improve consistency of national supervision to achieve supervisory convergence strengthen oversight of cross-border groups and establish a European single rule book. EIOPA's main achievements to perform its strategic objectives of supervisory convergence, consumer protection and financial stability are summarised below.

2. To strengthen the protection of consumers

Technical Advice to the European Commission on possible Delegated Acts concerning the Insurance Distribution Directive (IDD): February 2017

The Technical Advice EIOPA developed at the request of the European Commission, is a substantial step forward in promoting a framework for better governance, suitability and accessibility of insurance products for consumers across the internal market. It provides a sound basis for delegated legislation under the IDD, in order to reinforce selling practices for direct sellers and intermediaries and ensure that advice to consumers is based on what best suits their needs and profiles.

In its Advice, EIOPA considers it of utmost importance that the interests of consumers are taken into account

throughout the product lifecycle, that third party payments, such as commissions, do not have a detrimental impact on the quality of services rendered to customers and that products sold are suitable and appropriate for the individual customer. EIOPA recommends concrete policy proposals with regard to Product Oversight and Governance (POG), conflicts of interest, inducements, and suitability or appropriateness of insurance-based investment products (IBIPs). EIOPA received valuable feedback from different stakeholders during the public consultation, which was used to ensure that the advice is sound, fit for purpose and proportionate.

Draft Implementing Technical Standards (ITS) on the Insurance Product Information Document (IPID): February 2017

The Insurance Product Information Document (IPID) can enhance the confidence of consumers in insurance products and strengthen consumer protection. The proposed design provides the key information about an insurance product in a clear, concise and accessible manner. Consumers, who typically might not read lengthy pre-contractual information, will now be empowered to compare different non-life insurance products and to make informed decisions.

EIOPA proposes a standardised presentation format for the IPID, which provides consumers across the European Union for the first time with concise, simple, and comparable information about non-life insurance products and by this, be able to take an informed decision when purchasing the insurance product. The proposed design is based on extensive consumer testing and on the input from different stakeholders obtained via public consultation.

Report on thematic review on monetary incentives and remuneration between providers of asset management services and insurance undertakings: April 2017

EIOPA has highlighted in its Consumer Trends Reports the potential conflicts of interest created in unit-linked products by monetary incentives and remuneration paid to the insurance undertakings by asset managers. To fulfil its mission and in line with its strategy towards a comprehensive risk-based and preventive framework for conduct of business supervision, EIOPA, in close cooperation with the National Competent Authorities, carried out this thematic review with the objective to assess the possible sources of potential consumer detriment in more detail. This Thematic Review is the first European Union-wide in-depth analysis of consumer protection issues in the unit-linked market. The highlighted

monetary practices raise concerns around potential conflicts of interest, which if not addressed properly could seriously undermine the functioning of the market, and result in consumer detriment. Besides the regulatory changes already under way, through the Insurance Distribution Directive and the Key Information Document for Packaged Retail Insurance Investment Products, EIOPA is now assessing, including through workshops and discussions with stakeholders, if further regulatory or supervisory actions need to be taken so that identified conflicts of interest are avoided or properly mitigated.

InsurTech Roundtable – How technology and data are reshaping the insurance landscape: June 2017

InsurTech/ digitalisation is of strategic importance for the insurance sector and is a topic that EIOPA is following closely. There are a number of opportunities arising from InsurTech, for both the industry and for consumers, but it is increasingly clear that digitalisation is raising a wide range of issues that deserve attention from the supervisory community in close cooperation with stakeholders. EIOPA therefore organised a roundtable discussion with stakeholders on the benefits and risks of digitalisation for the industry and consumers, as well as potential obstacles to effective innovation. Representatives from supervisory authorities, consumers,

incumbents, start-ups, consultancy firms and IT experts exchanged their views and experiences on the topic. Identified benefits included greater competition, better tailoring of products to consumer needs, and strengthening claims management and fraud detection with artificial intelligence. Issues were however identified in relation to the 'ethical' use of available information and the potential for consumer detriment. The identified issues and findings will support EIOPA in conducting further work on the evolving topic.

Fifth Annual Consumer Trends Report: December 2016

To identify and track emerging risks of consumer detriment in the insurance and pensions sectors, EIOPA published its fifth Annual Consumer Trends Report. An important emerging trend that was highlighted this year was on the use of innovative customer analytics and so-called 'Big Data', whereby insurers develop more customised products and new segmentation and pricing techniques. While this trend may be positive for consumers, it could also give rise to new consumer protection issues.

Despite recognising the benefits of the digital era, EIOPA will follow very closely the potential threats for consumers such as the availability and affordability of insurance for some consumers. Taking into account the magnitude and speed of the changes due to digitalisation and Big Data in the insurance and pension sectors, the report clarified that there would be a need to develop balanced regulatory and supervisory approaches on this issue to best protect consumers whilst also supporting innovation.

3. Supervisory Convergence

Scheduled reviews of Solvency II

As a maximum harmonisation framework for the whole EU it is important that Solvency II is subject to ongoing but proportional review. Two areas were foreseen for review from the outset: the solvency capital requirement and the measures known as the long term guarantees. Regarding the former, at the end of 2016, EIOPA issued a discussion paper on the review of specific items in the Solvency II Delegated Regulation. This covered most aspects of the solvency capital requirement (SCR) as requested by the Commission, including where appropriate a more proportionate approach. The review of the SCR standard formula marked the first phase of the Solvency II review process and EIOPA actively called upon stakeholders to share evidence-based information and necessary, justified changes. EIOPA was particularly interested in concrete

proposals to achieve the objective of more simplicity and proportionality whilst reflecting risk-sensitivity of the system and avoiding pro-cyclicality.

In respect of the long term guarantees, EIOPA issued the first annual Report on Long-Term Guarantees Measures (LTG) and Measures on Equity Risk as required by Solvency II on the application of these measures. For the first time EIOPA presented the use and impact of long-term guarantees measures and the measures on equity risks on the financial position of European insurers. The results of this stocktaking exercise confirmed a significant impact of these measures on the financial position of insurers whilst indicating that the measures work as intended, including on financial stability as demonstrated by EIOPA 2016 Insurance Stress Test.

Monthly production of risk free rates and symmetric adjustment of the equity capital risk

With the monthly production of the risk-free interest rates (RFR) and the symmetric adjustment of the equity capital risk (also known as the Equity Dampener), key components of the Solvency II framework are calculated consistently across the Union and are replicable for (re)insurance companies. Full production of technical information on the RFR for valuing insurance liabilities, including the associated components such as the volatility adjustment, and the full production of the symmetric adjustment

of the equity capital charge have been ongoing since January 2016 (following a preparatory phase launched in 2015). An external reviewer has assessed the accuracy and replicability of EIOPA's RFR model and the robustness of the RFR calculation process, including under stress conditions. Most of the recommendations to improve the internal controls and automate the RFR Production Process were implemented during 2016.

The methodology to derive the Ultimate Forward Rate (UFR) and its implementation process: April 2017

The methodology follows the principles laid down in the Solvency II legislative framework to be stable over time and be only adapted as a result of changes in long-term expectations. EIOPA's methodology derives the UFR in a transparent, prudent, reliable and objective manner that is consistent over time. Furthermore, the UFR takes into account expectations of the long-term real interest rate and of expected inflation. The methodology ensures that the UFR moves gradually and

in a predictable manner, allowing insurers to adjust to changes in the interest rate environment and ensuring policyholder protection. The methodology is a result of extensive work including a workshop with stakeholders, a public consultation and a detailed impact analysis. The UFR methodology will be applied for the first time in the calculation of the risk-free interest rates of January 2018 to be published in February 2018.

EIOPA's input into FSB's thematic peer review on corporate governance: April 2017

EIOPA provided valuable input into the Financial Stability Board's (FSB) stocktake of how member jurisdictions have implemented the G20/Organisation for Economic Co-operation and Development (OECD) Principles of Corporate Governance for publicly listed, regulated financial institutions. Effective corporate governance is critical to the proper functioning of the financial system and financial stability more generally. In particular, it plays a key role in the resilience of financial institutions and

helps to mitigate systemic risks. Recent experience has provided ample evidence of the impact that corporate governance failures can have on financial institutions and markets. The aim of the peer review was to identify effective practices and areas where good progress has been made while noting gaps and areas of possible weakness.

The EU-U.S. Covered Agreement on insurance and reinsurance measures: January 2017

The EU-U.S. Covered Agreement on insurance and reinsurance measures covers three areas of prudential insurance oversight: reinsurance, group supervision and exchange of information between supervisors. It represents a further step in the successful cooperation between the EU and U.S. insurance supervisors strengthening supervisory cooperation

and enhancing regulatory certainty and opportunities for (re)insurers operating on both sides of the Atlantic for the benefit of consumers. EIOPA will continue its intense cooperation with the U.S. authorities through the work of the EU-U.S. Insurance Project.

The EU – U.S. Insurance Project addresses cyber risk: January 2017

The EU – U.S. Insurance Project convened experts from the EU and the U.S. Department of the Treasury to discuss cyber security efforts in financial services, and to enhance transatlantic coordination on these and related issues. Cyber security is one of the key initiatives for the Project to continue and expand upon the EU-U.S. bilateral exchange of information and knowledge that has been underway since early 2012. It is crucial that the EU-U.S. Insurance Project addresses risks emerging in the world's

two largest insurance markets. Cyber risk presents a significant challenge but provides also opportunities for the insurance industry. Supervisors need to be particularly attentive about silent and accumulated exposure in the (re) insurers' portfolio in view of potential threats to financial stability in addition to breaches to security due to, for example, cyber-attacks.

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EIOPA and the Bermuda Monetary Authority (BMA) signed a Memorandum of Understanding (MoU): January 2017

The MoU provides the framework for regular exchanges of information, and sets forth the basis for further cooperation and increased mutual understanding in view of ensuring optimal supervision for insurance and reinsurance groups with international activities in the European Union and Bermuda. This Memorandum

of Understanding not only formalises and strengthens the ongoing cooperation between the two supervisory authorities; it is also an important step in reinforcing the effectiveness of insurance supervision globally.

EIOPA and the Organisation for Economic Co-operation and Development signed a Memorandum of Understanding (MoU): May 2017

The MoU with the Organisation for Economic Co-operation and Development (OECD) has been negotiated with a view to form a good basis enabling an efficient collaboration in the area of private pensions. As demographic changes, shifting career and work patterns, challenging economic environments and the need to save more for future retirement income are issues persistent in Europe as well as all over the world, the collaboration and potentially joint projects with the OECD are conducive to delivering

on EIOPA's mandate in the international context. Currently the key area of co-operation is the further development of pensions statistics and reaching an appropriate level of transparency on the private pensions sector.

EIOPA and the World Bank renew a Memorandum of Understanding (MoU): June 2017

The objectives of the MoU with the World Bank are to contribute to the process of promoting a more risk-based regulatory and supervisory framework, and in this respect to the dissemination of knowledge and policy experiences, to foster efficient and effective supervision, to promote consumer protection, financial literacy and education initiatives by competent authorities and to contribute to financial stability and identification of systemic

risk. In their collaboration, EIOPA and the World Bank will pursue joint actions such as sharing knowledge, ideas, best practice and lessons learned on common matters, sharing material, information data and analytical tools, providing support to relevant stakeholders and facilitating the organisation of seminars, workshops and conferences.

Up-date of the ITSs on Reporting and Disclosure and Insurance Taxonomy Release (2.2.0): July 2017

EIOPA has approved and submitted to the Commission draft corrections and amendments to the ITSs on Reporting and Disclosure and performed similar corrections and amendments to the Guidelines on Reporting for Financial Stability and the Guidelines on the Supervision of Branches of Third-country Insurance Undertakings. This up-date aimed to improve the understanding of the current requirements, the consistent application of technical standard and

to facilitate the reporting as well as improving the quality of the information reported. This was done in full alignment with the release of the Insurance Taxonomy version 2.2.0 in accordance with the plan approved in the taxonomy governance documentation. The new taxonomy will be applicable to the submissions related to the end of 2017.

Consultation paper on EIOPA's regular information requests towards NCAs regarding provision of occupational pensions information: July 2017

The aim of this initiative is to increase efficiency and to further strengthen the monitoring and analysis of the European occupational pensions sector through a single framework for EIOPA's regular information requests for the provision of occupational pensions information. There is a need for better, comparable and relevant information regarding

occupational pensions in Europe which is decisive to take informed policy decisions. EIOPA's proposal will minimise the reporting burden, increase efficiency in the reporting requirements for pension funds and further strengthen EIOPA's monitoring and analysis of the European occupational pensions market.

Tailored support and feedback to ensure consistent application of Solvency II

EIOPA works with National Competent Authorities (NCAs) to promote a consistent approach in the application of Solvency II based on good practice and a solid understanding of existing challenges and inconsistencies. Over the past 12 months, EIOPA carried out 12 bilateral reviews at NCAs. Since the creation of EIOPA's Supervisory Oversight Team, visits have been made to all national authorities,

giving EIOPA a comprehensive picture of Solvency II implementation across the Member States. The feedback EIOPA provides is based on real observation and comparisons between National Competent Authorities and directly supports implementation of regulation and improving the quality of supervision where it is needed.

The Insurance Balance Sheet Review and Pension Funds Asset Review of the Bulgarian insurance and pensions sector: February 2017

The exercise was an important milestone in achieving greater transparency and enhancing the trust of consumers. The Review was overseen by a Steering Committee composed of representatives of the Bulgarian Financial Supervision Commission (FSC), EIOPA, the European Commission, the Ministry of Finance of the Republic of Bulgaria, the Bulgarian National Bank and ESMA with the support of a Project Manager and eight independent external reviewers. The independent assessment covered the entire Bulgarian insurance market (individual and group level) and all universal, professional and voluntary pension funds in Bulgaria. The Insurance Balance Sheet Review revealed that 13 undertakings did not meet either an SCR and/or MCR ratio of 100%. Seven undertakings undertook subsequent measures to cover the capital deficit. In line with the agreed follow-up actions, the undertakings with capital shortfalls will have to submit to the FSC action plans for the implementation of remedial actions.

The Pension Funds Asset Review identified an aggregated adjustment before consistency assessment of around 0.3% of the total assets of the pension insurance companies. These adjustments result from the revaluation of financial instruments and investment properties according to the national legal framework. The Review also included an assessment of risks not fully captured by the legal framework, which are the basis for the recommendation of expanding the related parties' definitions in the current law.

EIOPA welcomed the good cooperation with the Bulgarian Authorities and will continue working with the FSC in order to support the implementation of the follow-up actions and to address areas of inconsistencies identified in the Review.

Colleges develop further towards a continuous platform for supervision of cross-border groups

EIOPA staff participates in colleges of supervisors, which oversee international insurance groups. In the last year, EIOPA participated in over 60 college meetings (including crisis management meetings for cross-border groups).

As a response to the new challenges resulting from the introduction of the new risk-based Solvency II framework, the strategy for colleges was reviewed and revised. The Colleges Strategy 2016-

2019 reflects the joint collective effort of National Competent Authorities and EIOPA to focus on the content of group supervision and tailor EIOPA's involvement in colleges to the specific risks and issues faced by the group. Additionally, given the available resources, risk-based choices are made about EIOPA's engagement in colleges either on an ongoing basis, or in certain time intervals, or where EIOPA in principle will not attend college meetings.

Internal models

EIOPA provides specific support in the highly technical area of internal models. EIOPA supported National Competent Authorities to reach joint decisions on the application of internal models, establishing a shared view on their assessment. While Day 1 internal model approvals were a major milestone in the enhanced cooperation of group supervisors, and the culmination of several years of development in internal model processes by EIOPA, the focus has now shifted to on-going supervision of the approved models. The Authority has started conducting bilateral visits to national authorities to review the approach taken to implementing the Supervisory Review Process for internal models. Two visits have been held so far with a further two planned for the remainder of 2017. This will result in feedback and recommendations aimed at improving the convergence of practices in this area.

The Authority continues to contribute to the processes for the approval of new models or model change for cross-border group internal models and in the past year attended six meetings of concerned supervisory authorities from the affected colleges.

To address areas of potential inconsistency and create a level playing field for Internal Models, EIOPA also ran three internal model consistency projects to assess consistency in key areas of internal models: modelling of sovereign risk, dynamic volatility adjustment and benchmarking of market and credit risk model calibrations. National Competent Authorities are currently using the benchmarking to question and challenge individual undertakings where they are responsible for the supervision. A non-life underwriting risk comparative study project was launched earlier in 2017.

Decision on the Collaboration of the Insurance Supervisory Authorities from all the European Union Member States in line with the requirements laid down in the Solvency II Directive: February 2017

The Decision further strengthens and enhances the cooperation between National Competent Authorities, especially in relation to cross-border activities through information and data exchange in areas such as authorisations, recovery plans and complaints-handling systems using efficiently the centralised database managed by EIOPA. Increased cross-border activities in the internal market and the growing internationalisation of business activities show that a strong, close and timely collaboration between insurance

supervisory authorities is needed. This Decision is fundamental in reinforcing this collaboration and in building together a common European supervisory culture. On the basis of this Decision a number of supervisory cross-border platforms on cooperation have been set up. These have enhanced the sharing of information and increased transparency on specific cross-border issues, facilitating more timely supervisory interventions.

Opinion on supervisory convergence in light of the United Kingdom withdrawing from the European Union: July 2017

The Opinion is addressed and providing guidance to the national supervisory authorities, in particular to those of the 27 Member States (EU27) remaining in the European Union, linked with the authorisation process and on-going supervision of undertakings regulated under Solvency II. It is setting out principles in the areas of authorisation and approvals, governance and risk management, outsourcing of critical and important activities as well as on-going supervision including monitoring. The principles set out in this Opinion support the national supervisory authorities to secure sound and convergent practices linked with the authorisation and supervision of activities of insurers based in the United Kingdom and

seeking relocation of activities in the 27 European Union Member States. Sound supervision demands appropriate location of management and key functions. Empty shells or letter boxes are not acceptable. EIOPA will continue to closely monitor the developments and any possible effects on financial stability and consumer protection applying a risk-based approach and using information collected from the national supervisory authorities. EIOPA will conduct its analysis and make use of its powers and oversight tools to support supervisory convergence through bilateral engagements with the supervisory authorities, providing opinions and initiating investigations as the need arises.

Peer review on the Statement of Investment Policy Principles for Institutions for Occupational Retirement Provision (IORPs): October 2016

The peer review on the Statement of Investment Policy Principles for Institutions for Occupational Retirement Provision (IORPs) was also completed, recommending best practices to improve the effectiveness, consistency and quality of supervisory outcomes when verifying the suitability of IORPs' investment policy.

The diverse application of the Statement of Investment Policy Principles in the conduct of supervision across Europe confirms the need for greater European supervisory convergence already in the early stage of implementing the IORP II Directive.

Supervisory review process handbook

Through the Supervisory Review Process (SRP) Handbook, EIOPA helps National Competent Authorities reach a convergent approach to supervision in specific and important areas where there is the potential for divergence. With this aim, in 2017, EIOPA delivered chapters on life technical provisions, own risk and solvency assessment and approval of model changes and extension of model scope. EIOPA also delivered training to NCAs supervisors on the Handbook reaching 116 supervisors from around 25 countries and 19 EIOPA experts.

EIOPA started the development of the definition of a common supervisory culture by defining the key characteristics of high-quality and effective supervision. The purpose of the paper is to establish a European approach towards a risk-based supervision by defining a common supervisory culture.

Breaches of Union Law

EIOPA has the power to investigate alleged breaches or non-application of Union law by National Competent Authorities. EIOPA may start an investigation upon its own initiative or following a request from a National Competent Authority, the European Parliament, the Council, the European Commission or the stakeholder groups. During the period between October 2016 and October 2017, EIOPA registered five inquiries requesting EIOPA to consider a breach of Union law investigation. In each case EIOPA carried out a careful assessment based on the information received from

the complainant and also taking into consideration the view of the competent authority concerned. One case has been solved following EIOPA's intervention. Three further requests were closed on the ground of non-admissibility – the grievance being outside EIOPA's scope of action. One case is still ongoing.

EIOPA is committed to consider and, if required, actively use the breach of Union law procedure in view of strengthening compliance with Union laws within the supervisory community.

4. To strengthen the financial stability of the insurance and occupational pensions sectors

Insurance Stress Test 2016

To assess insurers' vulnerabilities and resilience to severe adverse market developments based on a common analytical framework, EIOPA conducted its EU-wide stress test for the European insurance sector. The exercise assessed insurers' vulnerabilities and resilience to two severe market developments: A prolonged low yield environment and a 'double-hit' scenario. The 'low-for-long' scenario reproduced a situation of entrenched secular stagnation driving down yields at all maturities for a long period of time, while the 'double-hit' scenario reflected a sudden increase in risk premia combined with the low yield environment. The severity of the scenarios went beyond the Solvency II capital requirements.

In the first vulnerability assessment conducted after the implementation of the Solvency II regulatory framework, participating undertakings calculated the impact of these severe stress scenarios on their balance sheets with reference to 1 January 2016. The exercise involved 236 insurance undertakings at the solo level from 30 European countries, with market coverage of 77% in terms of

the relevant business (life technical provisions excluding health and unit linked) and included medium- and small-sized undertakings. The impact of both stress scenarios was of similar magnitude in terms of the reduction of the average assets over liabilities ratio, however not equally spread among undertakings or national markets. The different levels of vulnerabilities identified corresponded to the different market characteristics and/or balance sheet structures.

The results of the 2016 stress test confirmed the significant challenges for the European insurance sector triggered by the current macro-economic environment. The 2016 stress test, conducted for the first time since the implementation of the Solvency II framework, provided a 'high-resolution' picture of the vulnerabilities of the sector requiring particular supervisory attention. EIOPA will closely monitor the implementation of the recommendations by the National Competent Authorities in order to ensure a coordinated response to situations that may pose a threat to the viability of the supervised entity and, collectively, to the system as a whole.

Revised Risk Dashboard: January - June 2017

The Risk Dashboard presents EIOPA's quarterly risk assessment to identify and measure risks and vulnerabilities in the European insurance industry. With the implementation of the Solvency II regime in January 2016 substantial improvements as regards the risks' quantification and the reporting standards were introduced. The enhanced data for all (re)insurance undertakings subject to the Solvency II regime is the basis of the newly developed and improved analytical Risk Dashboard. The new Risk Dashboard

based on Solvency II data summarises the main risks and vulnerabilities in the European Union insurance sector by a set of risk indicators for the third quarter of 2016. The data is based on the financial stability and prudential reporting collected from 93 insurance groups and 3,076 solo insurance undertakings. The previous Risk Dashboard relied on Solvency I data provided by 32 large insurance groups in the European Union on the basis of best effort.

Financial Stability Report based on Solvency II data covering the whole year: January - June 2017

For the first time, the June Financial Stability Report provides analyses based on Solvency II data covering the whole year and reflects an analytical progress that brings additional insight into the financial stability assessment of the sectors. The EIOPA risk assessment further confirms the low interest rate environment as the main concern among national supervisors. In detail, assessing the quality of capital funds and solvency capital requirements reveals that some EU insurers have increased their total capital funds in the preparation of Solvency II, with a median value that is somehow stable from 2010 to 2016. An extensive analysis of the insurers' portfolios suggests that life insurers rely

heavily on fixed income assets which make them more vulnerable to low interest rates than non-life insurers. Furthermore, on an aggregate level, holdings of different types of assets exhibit a large heterogeneity across individual insurers. With an increasing interconnectedness within the financial sector, insurers are extensively exposed towards the banking sector but at country level the heterogeneity across individual insurers' exposures towards banks is also high. Finally, although one of the main challenges remains maintaining profitability, the current data reveals a relatively stable picture of the European insurance market.

Insurance sector statistics: January - June 2017

EIOPA published a first set of Solvency II statistics on the European insurance sector in June 2017. It is the first publication of comprehensive statistical information on the European insurance sector based on Solvency II regulatory reporting. The statistics contain up-to-date and high-quality data, including country breakdowns and distributions of key variables, providing a comprehensive picture of the European insurance sector, allowing comparability. The statistics will be published on a quarterly basis, starting with the third-quarter of 2016. They include aggregated country-level information about the balance sheet, own

funds, capital requirements, premiums, claims and expenses based on regulatory reporting of close to 3,000 insurance undertakings operating in Europe. Every publication is accompanied by a description of key aspects linked with the published statistics. Over time EIOPA will gradually increase the scope and level of detail of the statistics. Future releases will also provide end-year information and key profitability and financial stability indicators for the largest European insurance groups and undertakings on an aggregated level. The new statistics can be accessed via EIOPA's website.

Crisis Prevention; Opinion to the EU institutions on the harmonisation of Recovery and Resolution frameworks: January - June 2017

EIOPA published an Opinion on the Harmonisation of the Recovery and Resolution Framework for (Re)Insurers across the European Union addressed to the European Parliament, the Council of the European Union and the European Commission. The existing fragmented landscape of national recovery and resolution frameworks could cause significant barriers to the resolution of (re)insurers, particularly of cross-border

groups. To reduce this risk, to avoid unnecessary economic cost stemming from uncoordinated decision-making processes between national authorities and to ensure orderly resolution European action is required. Therefore, EIOPA calls for a minimum degree of harmonisation in the field of recovery and resolution for (re)insurers with the objective to increase policyholder protection and financial stability in the European Union.

5. EIOPA - a responsible, competent and professional organisation

Further implementation of EIOPA's new structure

Following the re-structure of EIOPA at the end of 2016, it was important to ensure the necessary changes were fully implemented down to the level of the team, the individual member of staff and their tasks. This included the establishment of the new Corporate Affairs Department, which merged a number of teams that were originally

separate entities and brought them into a departmental structure. To ensure synergies, the structures, links and working processes between the newly created Corporate Affairs Department and others, were adapted and contribute to the effective and efficient management of the Authority.

