

EIOPA'S DRAFT TECHNICAL ADVICE ON MINIMUM COMMON STANDARDS FOR INSURANCE GUARANTEE SCHEMES (IGS) IN THE EU

Stakeholder workshop 17 June 2026

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Agenda

1. Welcome and opening remarks
2. Introduction to EIOPA's draft advice
3. EIOPA's approach to the call for advice

Q&As

4. Key aspects per policy area identified

Q&As

5. Next steps and concluding remarks

Practical Information on participating in the meeting

- After some brief introductory remarks and description of the approach followed, the presentation will focus on the four policy areas identified in the Call for Advice.
- There will be **two Q&As**, one the overall approach and another one after introducing the policy areas of the Advice, to allow for audience engagement and discussion
- Questions can only be submitted in written form using the **Q&A button** in the upper right corner of the MS Teams meeting screen. In your written question please include:
 - Identify yourself before the question with your **full name + organisation**
 - The moderator will open the floor for comments/questions after speakers have provided their presentation based on your submitted written question
- Please submit only comments/questions which are inside the scope of the event.

2. Introduction to EIOPA's draft advice

Introduction to EIOPA's advice

- In 2020, EIOPA published an Opinion on harmonization of IGS advising positively on the establishment of minimum common standards for IGS in the EU
- Article 98 of IRRD regulation requires the Commission to issue a report on assessing the appropriateness of minimum common standards, consulting EIOPA throughout the process
- On 1 August 2025, EIOPA received the Call for Advice on specific topics with deadline for submission 31 May 2026, which has been extended to 31 August 2026.
- This stakeholder workshop aims to:
 - Introduce to EIOPA's draft advice, including the main outcomes from the analysis and the advice
 - Provide explanation to any unclarities on the process at this stage
 - Support the preparation of stakeholders' contributions to the ongoing [Public consultation on the draft technical advice on minimum common standards for insurance guarantee schemes \(IGS\) in the EU](#)

3. EIOPA's approach to the call for advice

Structure of the advice

- EIOPA's answer to the call for advice contains two documents:
 - EIOPA's advice; and
 - Technical Annex for EIOPA's Advice.
- Both documents complement each other and are subject to the ongoing public consultation.
- Both documents will be submitted to the European Commission end of August.

The policy advice

- The advice as well as the annex are structured content wise into four policy areas, as requested by the Call for Advice (see details in section ‘4. Key aspects per policy area identified’):
 - General topics about potential impact of harmonised IGS
 - Description of potential for harmonizing operational functioning of IGS
 - Description of conditions for effective funding of IGS
 - Overview of interaction with IRRD and potential variants of harmonized IGS
- The policy advice is informed by
 - A public online survey conducted by EIOPA throughout February 2026 (following the [EIOPA public workshop on Insurance Guarantee Schemes](#) on 4 February)
 - Ongoing [Public consultation on the draft technical advice on minimum common standards for insurance guarantee schemes \(IGS\) in the EU](#) with deadline 26 June 2026

Objectives used for the policy advice

- Each of the policy areas are assessed against four policy objectives:
 - **Objective 1: Effective and efficient policyholder protection;**
 - **Objective 2: Level playing field and harmonization;**
 - **Objective 3: Transparency and comparability; and**
 - **Objective 4: Simplification and burden reduction.**
- Objective 1, objective 2 and objective 3 are applied in accordance with the EIOPA's 2020 Opinion to allow comparability and a coherent approach. Objective 4 – simplification and burden reduction – has been added to allow reflecting on the cost estimation for the insurance sector (i.e. funding requirements from levy collection), national authorities (i.e. resource impact due to new tasks) or on society in general (i.e. new legislative changes).
- The advice has been developed in line with EIOPA's views for better regulation and supervision, enhancing convergence through simpler, more efficient frameworks.

General Questions or Comments on EIOPA's approach

(Specific questions on EIOPA's advice will be discussed later)

4. Key aspects per policy area identified

4.1 General topics about potential impact of harmonised IGS

Background information

EIOPA Opinion 2020:

- EIOPA advises that national **IGSs should cover specific life policies and specific non-life policies**, and in particular:
 - **claims-related protection where the failure of an insurer could lead to considerable financial or social hardship** for policyholders and beneficiaries (such as, for instance, fire insurance, accident insurance, liability, suretyship products if the beneficiary is a natural person, sickness and other damages to property)
 - **contract-related protection** (such as, for instance, health, savings, and life including occupational pensions by life insurers falling under Solvency II).
- Member States should have the flexibility to identify the policies commercialized at national level, which correspond to the business lines to be covered at EU level and provided by the Solvency II Directive. Member States could also extend coverage to other lines of business relevant in their jurisdiction.

Background information

The Call for Advice is requesting EIOPA to:

1. Supplement the previous advice with information on the **level of standardization** of those policies across the EU, their **cross-border relevance** and whether the coverage of these policies by IGS would have a significant **economic impact** in terms of increase protection and additional costs for the insurance sector.
2. Provide advice on the **advantages and disadvantages** of generic, all-encompassing IGS covering all life insurance policies, non-life insurance policies or both and specific, more focussed IGS covering only one type or a selection of types of policies.
3. Advice on **how minimum common standards for IGS could result in the insurance sector offering more services across the EU, and how consumers could benefit** from increased choice of insurance services and higher protection in case of failure – where necessary and possible distinguishing across types of insurance policies.

Level of standardization, cross-border relevance and economic impact

Main results of the analysis

- Significant standardisation in the core risks by various insurance products occurs, even though the exact scope, amount, and terms of policy coverage varies.
- Insurance-based investment products have some clear common core features.
- While coverage is also standardized for liability and health products, these products are also highly dependent on national legal and social systems.
- There is no clear correlation between the compulsory nature of some insurance products and IGS coverage.
- EIOPA's Solvency II data shows that non-life insurance dominates cross-border activity.
- The failure of an insurance company can have different but at time significant consequences for individual policyholders, beyond the broader economic effects.
- The introduction of minimum harmonized IGSs is expected to yield long-term economic benefits for the insurance industry which could ultimately outweigh the initial implementation costs.

Reduction of fragmentation in the single market

Main results of the analysis

- EIOPA's behavioural study found that the introduction of minimum harmonized IGSs increases the likelihood of consumers purchasing insurance across various product types.
- According to this study, minimum harmonized IGSs would enhance consumers' willingness to engage with cross-border insurance providers, especially when offered at competitive prices.
- The introduction of minimum harmonized IGSs reduces the perceived impact of insolvency for both domestic and foreign providers across all three products (household, health and life insurance).

General topics about potential impact of harmonised IGS

EIOPA's advice

- The existing presence of IGSs across many Member States provides a solid foundation for harmonization.
- A targeted IGS covering specific life and non-life policies is identified as the optimal approach, as it balances robust consumer protection with cost efficiency while minimizing the risk of over-protection.
- The assessment validates the insurance policies outlined in the EIOPA's 2020 opinion as eligible candidates for IGS coverage.
- Establishing an IGS that covers all life policies alongside specific non-life policies would be also a suitable option, as it balances policyholder protection with cost efficiency while aligning with objectives to enhance transparency and consumer safeguards.

4.2 Description of potential for harmonizing operational functioning of IGS

Background information

EIOPA Opinion 2020:

The topics related to operational functioning were **not covered in 2020, except for the conditions of continuation of policies by IGS**. These topics are part of the targeted update requested by the Commission in the Call for Advice.

The Call for Advice is requesting EIOPA to:

provide advice on **the appropriateness of minimum common standards** for IGS regarding their **operational functioning**. In particular, EIOPA is requested to assess the appropriateness of minimum common standards with regard to:

- the trigger moment(s) for IGS activation;
- the time for the submission of claims the deadline for payouts to policyholders in compensation cases;
- the conditions and timing for a continuation of policies by IGS; and
- the place of IGS in the insolvency ranking. EIOPA is expected to draw lessons from the overview of existing IGS and present the advice as a timeline with key moments.

Triggers for IGS activation

Main results of the analysis

- Regarding trigger moment(s) for IGS activation, current practices vary but most Member States that have an IGS either have insolvency as a trigger or some administrative or judicial decision related to it.
- Harmonising triggers moments for IGS activation would bring predictability and simplicity of IGSs systems across the EU as well as ensure a relative equality of treatment by avoiding significant timing differences between policyholders of different Member States or within a single Member State.
- Furthermore, there seem to be strong incentives to align conditions for triggering IGS in insolvency and in resolution.

EIOPA's advice

- EIOPA is of the view that there are strong reasons to require IGSs across Member States to be activated when an insurance or reinsurance undertaking is failing or likely to fail and there is no reasonable prospect of this failure being prevented within a reasonable time (conditions of Article 19(1), points (a) and (b) of the IRRD).

Time for submission of claims

Main results of the analysis

- Current practices related to the time for the submission of claims significantly diverge across Member States, with timeframes spanning between a few months up to over a decade. In some Member States, no formal deadline is specified at all.
- Harmonisation would ensure both that policyholders benefit from clear and sufficient time to make their claims and consistency of treatment across the EU.
- Therefore, the introduction of a common time limit for policyholders to submit claims would contribute to a greater degree of consistency in the treatment of policyholders and thus foster consumer protection across the EU.

EIOPA's advice

- EIOPA is of the view that a harmonised time allowed for policyholders to make their claims should be set across the Member States.

Deadline for payouts to policyholders in compensation cases

Main results of the analysis

- Currently, for the Member States with a defined time limit for the IGS to payout policyholders, differences range from a few weeks to three years.
- Differences in the time allowed to policyholders to receive compensation after an insurance failure might lead to unequal treatment between customers that are in similar situations. However, it is also an area where flexibility is needed.
- Since claims need to be checked and accepted - and may be disputed - the payout time cannot be based solely on the notification of the claim.

EIOPA's advice

- EIOPA is of the view that setting up a maximum time for payouts to policyholders, while leaving to Member States the possibility to define a faster one, would be beneficial for policyholders.

Conditions and timing for continuation of policies by IGS

Main results of the analysis

- In EIOPA's 2020 opinion, it was stated that the continuation of insurance cover might be more beneficial for policyholders than the pure compensation of their losses, particularly for life or long-term non-life insurance policies where it might be more difficult to find equivalent cover and that the function of national IGSs should therefore not be limited to payouts. The CfA requests EIOPA to detail when continuation of policies should occur.
- Depending on the specific setup in each Member State, issues related to continuation of policies may already be covered through resolution, national insolvency legislation, and/or existing IGSs.

EIOPA's advice

- Given that discretion and flexibility are needed at national level to take into account as appropriate the nature and circumstances of each case (as both recital 36 of IRRD and the background document on the opinion on the 2020 review of Solvency II note), EIOPA is of the view that conditions and timing for continuation of policies by IGSs should be harmonised only on the guiding principle of protection of the interest of policyholders, beneficiaries and claimants.

Insolvency ranking

Main results of the analysis

- After IGS have at least partially compensated policyholders, they are usually subrogated to the rights of those policyholders for the amount compensated against the insurer or against other parties who may have caused or contributed to the loss.
- As for insurance claims, Article 275 of Solvency II organises their precedence over other claims. IGS, however, do not necessarily enjoy the same level of protection as insurance claims (Article 277, same Directive).
- Placing IGSs at a strong and harmonized insolvency ranking would contribute to increase confidence in their financial soundness and therefore in their capacity to compensate policyholders. It would also provide more fairness in between contributors (and creditors) from various Member States and generally reduce funding needs from the industry or policyholders.

EIOPA's advice

- EIOPA is of the view that IGS should have a harmonised ranking in insolvency across Member States at the same rank as insurance claims according to the option that each Member State decided to follow under Article 275(1) of Solvency II.

4.3 Description of conditions for effective funding of IGS

Background information

EIOPA 2020 Opinion:

- EIOPA advises that Member States should ensure that IGSs have in place adequate systems to determine their potential liabilities. The available **financial means of IGSs should be proportionate to determined liabilities**.
- EIOPA is of the view that **IGSs should be funded on the basis of ex-ante contributions by insurers, possibly complemented by ex-post funding arrangements in case of capital shortfalls**. Further work is needed in relation to specific situations where a pure ex-post funding model could potentially work, subject to adequate safeguards.
- An **appropriate target level for the funding of IGSs** should be defined across Member States, taking into account the national market specificities. This target level should be accompanied by a suitable transition period to ensure that the target level can be achieved without major disruptions to the industry.
- Moreover, EIOPA advises to consider the introduction of upper limits to the annual contributions made by an individual insurer or from the industry as a whole into IGSs to mitigate the risk of overburdening the industry.

The Call for Advice is requesting EIOPA to:

1. Provide advice under which **specific situations a pure ex post model could work and how such a model with adequate safeguards could look like**, under the assumption of a harmonised ‘home country principle’ to geographical coverage.
2. Advise how a **combined funding model, mainly based on ex post funding but incorporating some ex-ante funding, could be set up**, where necessary differentiating across types of insurance policies.

Adequate safeguards to ensure that liquidity is immediately available

Main results of the analysis

- Immediate liquidity, when an insurer fails, is one of the major challenges for IGS funding, especially, but not limited to, systems that rely on ex-post funding, where resources are collected only after a failure. Therefore, adequate safeguard measures applied are key to ensure sufficient immediate liquidity, when needed.
- Potential measures for liquidity safeguards include emergency borrowing, and credit lines or statutory borrowing powers, borrowing between different IGS within one Member State if different national IGS cover different lines of business thus not simultaneously affected by one failure. Another safeguard could be given by the failing insurer's assets required by law such as ring-fenced asset portfolios which can be immediately transferred to the IGS. In ex-ante funded systems (or hybrid systems with high ex-ante portion), collecting additional ex-post levies after a failure has occurred can serve as another supplementary safeguard.

EIOPA's advice

- EIOPA is of the view that IGS should consider a minimum requirement for Member States to establish liquidity safeguards especially but not limited to systems that rely on ex post funding, while allowing flexibility regarding form and scale of these safeguard measures.

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

Main results of the analysis

- Ex-post levy collection for IGS, functioning as liquidity safeguard, may be effective under specific conditions and may not pose additional risk to financial stability.
- Examples of such conditions are that insurance failures must be largely idiosyncratic rather than driven by a common shock and the financial strength of surviving insurers is not threatened by the ex-post levy collection. Ex-post levy collection may also be applied under the condition of non-concentrated markets without dominant insurers, where failures are typically small in scale. A credible framework must include clear, enforceable levy powers to ensure timely levy collection.

EIOPA's advice

- EIOPA is of the view that IGS should consider the minimum requirement that any ex-post levy collection as safeguard measure should be grounded on an assessment of national market conditions.

Considerations on combined or hybrid funding

Main results of the analysis

- A combined or hybrid funding, maintained by ex-ante and ex-post contributions, requires careful design to balance preparedness, proportionality, and flexibility. The ex-ante element mainly provides immediate liquidity, enabling early interventions such as maintaining cover or facilitating portfolio transfers.
- IGS target level depend on market size and market concentration as well as the time horizons under which safeguard measures could be applied to mitigate liquidity shortfalls.
- Operational buffers, which keep the IGS continuously functional regardless of failures occurring, reduce the reliance on other immediate safeguard measures.

EIOPA's advice

- EIOPA is of the view that for hybrid funding models of IGS, it should ensure sufficient ex-ante funding or operational buffer as safeguard measure, without specifying the percentage for ex-ante funding expressed in minimum target levels allowing national flexibility in determining the appropriate level.
- However, the underlying assumption is that Member States decide on their national funding model as mainly based on ex-ante or ex-post levy collection.

4.4 Overview of interaction with IRRD and potential variants of harmonized IGS

Background information

EIOPA 2020 Opinion:

- The 2020 Opinion included not only advice on the minimum harmonization of IGSs, but also on the review of the Solvency II Directive and the introduction of minimum common standards on recovery and resolution for (re)insurers in the EU. A direct connection between recovery and resolution and IGS was not specified in the Opinion. **With the application of the IRRD in 2027, minimum harmonization of recovery and resolution will be achieved, therefor the Call for Advice includes the request to investigate its interactions with the potential harmonization of IGSs.**

The Call for Advice is requesting EIOPA to:

- Considering that IRRD entered into force on 28 January 2025 and will apply as of 29 January 2027, EIOPA is requested to provide advice on the expected interaction between IRRD and potential minimum common standards for IGS in the EU, in particular regarding:
 - the institutional setup of national resolution authorities and IGS;
 - the different functions of IGS;
 - the manner in which IGS would share losses in resolution; and
 - the IRRD requirement to establish financing arrangements.

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

Main results of the analysis

- The lack of harmonization of IGS, particularly in terms of functions, and the potentially fragmented implementation of the IRRD's financing arrangements requirement across Member States creates a risk of divergent outcomes when insurers fail. Greater alignment of IGS-mandates could help mitigate this risk and could contribute to a consistent application of resolution tools.
- An IGS's ability to support resolution depends heavily on its mandate and design, as IGS can perform a range of different roles and functions.
- In jurisdictions where IGS or resolution financing arrangements can support continuity tools, such as portfolio transfers, policyholders may experience uninterrupted coverage, aligning with the IRRD's objectives. By contrast, in Member States where IGS are limited to payout functions, these cannot contribute to a continuation of policies.

EIOPA's advice

- EIOPA is of the view that, considering the ongoing transposition and upcoming implementation of the IRRD and the subsequently unclarity and diversity of the specific implications in Member States, no preferred option can be provided for this policy issue.

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

Main results of the analysis

- The IRRD requires each Member State to designate an NRA without referring to the institutional design of IGS, resulting in diverse configurations. These structural differences influence how effectively NRAs and IGS coordinate during resolution.
- Effective resolution planning requires clarity on the IGS' availability and capabilities, including funding capacity, operational constraints, and speed of mobilisation.
- Coordination challenges arise when NRAs and IGS operate under separate governance structures.

EIOPA's advice

- EIOPA is of the view it is essential to ensure sufficiently effective cooperation and coordination, optimizing the effective application of resolution tools and powers. Therefore, a requirement for formal cooperation arrangements between NRAs and IGS should be set as a minimum.

5. Next steps and concluding remarks

5. Next steps

- Stakeholders are invited to submit their feedback to the ongoing [Public consultation on the draft technical advice on minimum common standards for insurance guarantee schemes \(IGS\) in the EU - European Insurance and Occupational Pensions Authority](#)
- The online survey is divided into the advice and the technical annex and structured into the four areas for policy issues identified (see for details section 4. ‘Key aspects per policy area identified’).
- Stakeholders can choose to comment on (parts of) the advice and / or on the technical annex.
- Deadline for submitting a response to this public consultation is **Friday 26 June 2026, 23:59 CEST**.
- Your input to the consultation is welcome, as the input will be used in the further development of EIOPA’s advice considering stakeholders’ knowledge on the topic and essentially interested on EU/EEA regulation.
- After the public consultation, the advice and its annex will be revised and submitted to the Commission by end of August 2026. In addition, the **final advice and the resolution of stakeholders’ comments will be published on EIOPA’s website beginning of September**.

THANK YOU!

For more information visit:
<https://www.eiopa.europa.eu>

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