



EIOPA consults on the application of supervisory ladder

NEWS
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Today, the European Insurance and Occupational Pensions Authority (EIOPA) published a [consultation on the Statement on supervisory practices and expectations in case of breach of the Solvency Capital Requirement \(SCR\)](#).

EIOPA is gathering feedback on this statement which aims to promote supervisory convergence in the application of the supervisory ladder, in particular addressing the recovery plan required in case of breach of the SCR. The supervisory practices addressing the supervisory ladder are necessarily flexible and should consider the specific situation of the insurance or reinsurance undertaking. However, it is important that when certain triggers are reached, such as non-compliance with the Solvency Capital Requirement (SCR), a minimum convergent approach is applied to ensure a similar protection of policyholders and beneficiaries across Europe. The ongoing uncertainty linked

with COVID-19 can potentially lead to breaches of SCR in the future, therefore supervisory convergence in this area is timely, however the Statement is intended to be applicable at any time and is not COVID-19 specific.

The deadline for submission of feedback is Wednesday 17 February 2021.

EIOPA will consider the feedback received, develop impact assessment and publish a final report on the consultation as well as submit the supervisory statement for adoption by its Board of Supervisors.

[Submit your feedback](#)