

Technical provisions, long-term guarantee measures, own funds, equity risk, spread risk on securitisation positions, other standard formula capital requirements, reporting and disclosure, proportionality, and group solvency

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The Council took note of progress on a proposal for a directive setting new solvency rules for insurance companies ("Solvency II"), on the basis of a report from the Presidency.

The proposal is intended to establish a new framework for EU regulation and supervision in the insurance sector. It is also being used as an opportunity to recast 13 insurance directives into one legal text. It is aimed at further integration of the EU insurance market, the enhanced protection of policyholders and beneficiaries, improved competitiveness of EU insurers and re-insurers and promoting better regulation in the insurance sector.

Since the last progress report submitted to the Council, in December, the number of provisions on which substantial work is still needed has been significantly reduced, and the Presidency has started exchanges with representatives of the European Parliament.

The supervision of insurance groups operating in several Member States has given rise to discussion, given the innovative nature of the Commission's proposal on this issue, as well as the different circumstances obtaining in Member States and different views on how to ensure policyholder protection.

Other issues on which discussions have not yet concluded concern the treatment of equity risk, minimum capital requirements, surplus funds and participations.