

PRESS RELEASE

EIOPA and its Members agree on No-deal Brexit Memoranda of Understanding with the Bank of England and the Financial Conduct Authority

Frankfurt, 5 March 2019 – The European Insurance and Occupational Pensions Authority (EIOPA) and all National Competent Authorities (NCAs) of the European Economic Area (EEA) with competencies in insurance have agreed Memoranda of Understanding (MoUs) with the Bank of England in its capacity as the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA) of the United Kingdom (UK).

The MoUs take effect should the UK leave the European Union (EU) without a withdrawal agreement, the so-called “No-deal” Brexit scenario.

The following MoUs were agreed:

- A Multilateral Memorandum of Understanding (MMoU) on supervisory cooperation, enforcement and information exchange between the EEA NCAs and the UK Authorities
- A Bilateral Memorandum of Understanding (MoU) between EIOPA and the UK Authorities on information exchange and mutual assistance in the field of insurance regulation and supervision

These MoUs ensure cooperation in the fields of insurance prudential and conduct supervision (‘supervisory cooperation’), for mutual assistance and regular exchange of information with the aim:

- To maintain sound prudential and conduct supervision over (re)insurance undertakings and groups based either in the UK or in an EEA member state, with cross-border business activities in the EEA or the UK respectively
- To maintain financial stability of the financial markets within the EEA and/or the UK

The MoUs provide for the reciprocal flow of appropriate and reliable information to ensure risk-based and effective supervision of (a) cross-border (re)insurance establishments incorporated either in the UK or in an EEA member state, (b) cross-border groups, or (c) special purpose vehicles established in the UK or in an EEA member state.

Gabriel Bernardino, Chairman of EIOPA, said: *“These MoUs contribute to meet our primary objective of protecting policyholders and beneficiaries in the EEA member states and the UK, in*

case of “No-deal” Brexit scenario. They will ensure a continuous strong and close cooperation with our UK colleagues in any scenario.”

Background

The European Insurance and Occupational Pensions Authority (EIOPA) has issued the following Opinions and Statements linked with the withdrawal of the United Kingdom from the European Union:

- **19 February 2019** - [EIOPA calls upon national supervisory authorities to minimise the detriment to insurance policyholders and beneficiaries in case of a no withdrawal agreement between the United Kingdom and the European Union](#)
- **5 November 2018** – [EIOPA calls for immediate action to ensure service continuity in cross-border insurance](#)
- **28 June 2018** - [Opinion addressed to national supervisory authorities about the duty of insurance undertakings and insurance intermediaries to inform customers about the possible impact of the withdrawal of the United Kingdom from the European Union](#)
- **18 May 2018** - [Opinion on the solvency position of insurance and reinsurance undertakings in light of the withdrawal of the United Kingdom from the European Union](#)
- **21 December 2017** - [Opinion on service continuity in light of the withdrawal of the United Kingdom from the European Union](#)
- **11 July 2017** - [Opinion on supervisory convergence in light of the United Kingdom withdrawing from the European Union](#)

The National Competent Authorities (NCAs) of the Members States of the European Economic Area (EEA), i.e. of all 27 European Union Member States including Iceland, Liechtenstein and Norway will sign the Multilateral Memoranda of Understanding (MMoUs).