



Director General

Brussels, 11 FEB. 2019
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Mr Gabriel Bernardino
Chairman
EIOPA
Westhafenplatz 1
60327 Frankfurt am Main
Germany

Subject: Formal request to EIOPA for technical advice on the review of the Solvency II Directive

Dear Mr Bernardino,

I am writing to you in the context of preparation of the review of the Solvency II Directive, scheduled for 2020. While the fundamental principles of the Solvency II Directive should not be questioned in the review (including the confidence level underlying the calibration of capital requirements and the market-consistent valuation), it should allow the conducting of a holistic and thorough assessment of the framework.

The Solvency II Directive provides that certain areas must be reviewed by the Commission in 2020, namely:

- long term guarantees measures and measures on equity risk¹;
- methods, assumptions and standard parameters used when calculating the Solvency Capital Requirement standard formula²;
- Member States' rules and supervisory authorities' practices regarding the calculation of the Minimum Capital Requirement³;
- group supervision and capital management within a group of insurance or reinsurance undertakings⁴.

Beyond that minimum scope, other parts of the Solvency II framework have been identified by the Commission services or by stakeholders as deserving a reassessment, such as the supervision of cross-border activities or the enhancement of proportionality principles, including as regards reporting, and also others.

¹ See Article 77f of the Solvency II Directive.

² See Article 111(3) of the Solvency II Directive.

³ See Article 129(5) of the Solvency II Directive.

⁴ See Article 242(2) of the Solvency II Directive.

Therefore, with this letter, I invite EIOPA to provide advice on the items identified in the Commission Call for Advice **by 30 June 2020**. I wish to emphasise that in order to ensure the overall consistency of the framework, this advice should be accompanied by a holistic and robust impact assessment.

I believe that close co-operation between EIOPA and the Commission on this matter should be maintained. To this end, I would propose that representatives of DG FISMA should participate, as an observer, in meetings / conference calls related to this advice.

Yours sincerely,



Olivier Guersent

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Enclosures: Request to EIOPA for technical Advice on the Review of the Solvency II Directive (Directive 2009/138/EC)