



EUROPEAN COMMISSION

Directorate-General for Financial Stability, Financial Services and Capital Markets Union

Director General

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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 Solvency II implementing measures

Dear Mr Bernardino, *Dear Gabriel*

Between September 2015 and January 2016, the Commission conducted a public consultation in which inviting all interested parties to provide feedback and empirical evidence on the benefits, unintended effects, consistency and coherence of the financial legislation adopted in response to the financial crisis (the Call for Evidence). This initiative will help the Commission to assess the efficiency, consistency and coherence of the overall EU regulatory framework for financial services.

Solvency II, which fully entered into application on 1 January 2016, was identified as one area where significant improvements could be achieved, in the areas of simplification, technical consistency and impact on long-term investments. Considering that the Commission intends to review the standard formula by 2018, technical work should start as soon as possible to ensure that appropriate solutions are found.

I am pleased to enclose a Call for Advice with this letter, focusing on two of our three priorities for this review: proportionate and simplified application of the requirements, and removal of unintended inconsistencies. Additional internal work within DG FISMA will be conducted on the removal of unjustified constraints to financing, to identify precisely how the review could help to achieve this objective. EIOPA's technical advice may be requested in this area at a later stage.

To ensure a timely review of Solvency II implementing measures, I would invite EIOPA to provide its final technical advice, including a cost-benefit analysis, by 31 October 2017. However, where necessary, a staggered approach could be adopted and partial advice submitted before the submission of the final advice. I would be grateful if you could share with us your timetable to answer this request.

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 technical advice.

Yours sincerely,



Olivier Guersent

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Enclosures:

REQUEST TO EIOPA FOR TECHNICAL ADVICE ON THE REVIEW OF SPECIFIC ITEMS IN THE SOLVENCY II DELEGATED REGULATION (Regulation (EU) 2015/35)