

# CONSULTATION PAPER

on the proposal for Regulatory Technical Standards on the independence of valuers for resolution under Article 24(6), point (a), of the Directive (EU) 2025/1 of the European Parliament and of the Council of 27 November 2024 establishing a framework for the recovery and resolution of insurance and reinsurance undertakings

EIOPA-BoS-25/585  
8 December 2025



**eiopa**

European Insurance and  
Occupational Pensions Authority

## TABLE OF CONTENTS

Responding to this paper	4
Consultation Paper Overview & Next Steps	6
1. Background and analysis	7
Objective	7
Analysis	7
2. Draft regulatory Technical Standard	12
Annex I: Impact Assessment	18
Objectives	18
Policy issues	18
Policy options	19
Impact of the policy options	20
Comparison of policy options	23
Preferred option	24
Annex II Overview of Questions for Consultation	26

## RESPONDING TO THIS PAPER

EIOPA welcomes comments on the Consultation Paper on the proposal for Regulatory Technical Standards on the independence of valuers for resolution under Article 24(6), point (a), of the Directive (EU) 2025/1 of the European Parliament and of the Council of 27 November 2024 establishing a framework for the recovery and resolution of insurance and reinsurance undertakings.

Comments are most helpful if they:

- ▶ respond to the question stated, where applicable;
- ▶ contain a clear rationale; and
- ▶ describe any alternatives EIOPA should consider.

Please send your comments to EIOPA via EU Survey ([https://ec.europa.eu/eusurvey/runner/RTS\\_Independence\\_of\\_valuers](https://ec.europa.eu/eusurvey/runner/RTS_Independence_of_valuers)) by 20 March 2026, 23:59 CET.

Contributions not provided via EU Survey or after the deadline will not be processed. In case you have any questions please contact [IRRD\\_PC@eiopa.europa.eu](mailto:IRRD_PC@eiopa.europa.eu).

### Publication of responses

Your responses will be published on the EIOPA website unless: you request to treat them confidential, or they are unlawful, or they would infringe the rights of any third-party. Please, indicate clearly and prominently in your submission any part you do not wish to be publicly disclosed. EIOPA may also publish a summary of the survey input received on its website.

Please note that EIOPA is subject to Regulation (EC) No 1049/2001 regarding public access to documents and EIOPA's rules on public access to documents.<sup>1</sup>

### Declaration by the contributor

By sending your contribution to EIOPA you consent to publication of all non-confidential information in your contribution, in whole/in part – as indicated in your responses, including to the publication of the name of your organisation, and you thereby declare that nothing within your response is unlawful or would infringe the rights of any third party in a manner that would prevent the publication.

### Data protection

Please note that personal contact details (such as name of individuals, email addresses and phone numbers) will not be published. EIOPA, as a European Authority, will process any personal data in line

---

<sup>1</sup> [Public Access to Documents.](#)

with Regulation (EU) 2018/1725. More information on how personal data are treated can be found in the privacy statement at the end of this material.

## CONSULTATION PAPER OVERVIEW & NEXT STEPS

EIOPA carries out consultations with regard to its draft technical standards in accordance with Articles 10 and 15 of Regulation (EU) No 1094/2010.

This Consultation Paper presents the draft technical standards.

The analysis of the expected impact from the proposed policy is covered under Annex I (Impact Assessment).

### Next steps

EIOPA will revise the proposal in view of the stakeholder comments received. EIOPA will publish a report on the consultation including the revised proposal and the resolution of stakeholder comments.

## 1. BACKGROUND AND ANALYSIS

Article 24(6), point (a) of Directive (EU) 2025/1<sup>2</sup> (IRRD) requires EIOPA to draft regulatory technical standards (RTS) to specify the circumstances in which a person is deemed to be independent from both the resolution authority and the entity subject to resolution, as identified in Article 1(1), points (a) to (e), to perform valuation for resolution purposes.

### OBJECTIVE

An independent valuation of assets and liabilities for the purposes of resolution is crucial to ensure the fair treatment of policyholders, shareholders, beneficiaries, claimants and other creditors. The fair treatment depends to a large extent on the prudence, credibility and accuracy of the valuation, which can be ensured through appropriate qualifications of the valuer and the absence of any conflict of interest that may influence the valuation. Ensuring the independence of the valuer can support the efficient resolution of the entity under resolution and limit legal disputes.

An appropriate regulatory framework on criteria for assessing the independence of the valuer provides clarity to the prospective valuer, as well as for the appointing authority on the terms of the appointment. The objective of this RTS is to ensure legal certainty, secure a level playing field in the market and confidence in the quality of valuation in the resolution process. To this end, various elements to secure the independence of a valuer need to be addressed, including qualifications, experience, ability, knowledge and resources of the valuer, as well as structural independence and potential conflicts of interest between the valuer and the entity or resolution authority. Requirements need to be proportionate and enable a timely appointment of a qualified valuer.

EIOPA's approach in drafting the RTS aims to ensure a level playing field across financial sectors for the independence of valuers for resolution purposes, while having regard to any specificities for the resolution of (re)insurance entities. The consultation proposal was developed in line with EIOPA's views for better regulation and supervision, thereby enhancing supervisory convergence through simpler, more efficient frameworks.<sup>3</sup>

### ANALYSIS

The analysis for drafting this RTS focuses on addressing potential specificities for the resolution of (re)insurance entities, which are different from other financial actors. Where relevant, however, the analysis includes a comparison with the regulation applicable to credit institutions and investment firms or central counterparties.

---

<sup>2</sup> Directive (EU) 2025/1 of the European Parliament and of the Council of 27 November 2024 establishing a framework for the recovery and resolution of insurance and reinsurance undertakings and amending Directives 2002/47/EC, 2004/25/EC, 2007/36/EC, 2014/59/EU and (EU) 2017/1132 and Regulations (EU) No 1094/2010, (EU) No 648/2012, (EU) No 806/2014 and (EU) 2017/1129.

<sup>3</sup> [Bolder, Simpler, Faster: EIOPA's views for better regulation and supervision](#)

The RTS considered the existing approach under Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms (Bank Recovery and Resolution Directive, BRRD)<sup>4</sup> as well as its accompanying measures and guidance.<sup>5</sup> The analysis also considered the requirements of Regulation 2021/23 on a framework for the recovery and resolution of central counterparties (CCPRR Regulation).<sup>6</sup> The aim is to ensure consistency where possible while ensuring that the insurance-specific features are properly captured where needed.

The empowerment in Article 24(6), point (a) of the IRRD is almost identical with the empowerments under Article 36(14) of the BRRD and Article 25(6)(a) of the CCPRR Regulation. The three empowerments require EIOPA, EBA and ESMA respectively to specify the circumstances in which a person is independent from both the resolution authority and the relevant entity to perform valuations for resolutions purposes.

The analysis focused on the following areas:

#### *Types of valuation*

The mandate in Article 24(6), point (a) of the IRRD refers explicitly to the valuation under Article 23 (valuation for the purpose of resolution), and not to the valuation in Article 56 (valuation of difference in treatment).

While the valuations under Articles 23 and 56 are distinct valuations, having regard to the fact that Article 24(6), point (c) of the IRRD grants a mandate to the Commission for the adoption of regulatory

---

<sup>4</sup> Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council.

<sup>5</sup> Regulation (EU) 2021/23 of the European Parliament and of the Council of 16 December 2020 on a framework for the recovery and resolution of central counterparties and amending Regulations (EU) No 1095/2010, (EU) No 648/2012, (EU) No 600/2014, (EU) No 806/2014 and (EU) 2015/2365 and Directives 2002/47/EC, 2004/25/EC, 2007/36/EC, 2014/59/EU and (EU) 2017/1132.

EBA Final report. Draft Regulatory Technical Standards on independent valuers under Article 36(14) of Directive 2014/59/EU. 6 July 2015.

Articles 37 to 41 of Commission Delegated Regulation (EU) 2016/1075 of 23 March 2016 supplementing Directive 2014/59/EU of the European Parliament and of the Council with regard to regulatory technical standards specifying the content of recovery plans, resolution plans and group resolution plans, the minimum criteria that the competent authority is to assess as regards recovery plans and group recovery plans, the conditions for group financial support, the requirements for independent valuers, the contractual recognition of write-down and conversion powers, the procedures and contents of notification requirements and of notice of suspension and the operational functioning of the resolution colleges.

[Handbook on independent valuers for resolution | European Banking Authority.](#)

<sup>6</sup> Articles 2 to 5 of Commission Delegated Regulation (EU) 2023/1616 of 3 May 2023 supplementing Regulation (EU) 2021/23 of the European Parliament and of the Council with regard to regulatory technical standards specifying the circumstances in which a person is deemed to be independent from the resolution authority and from the central counterparty, the methodology for assessing the value of assets and liabilities of a central counterparty, the separation of the valuations, the methodology for calculating the buffer for additional losses to be included in provisional valuations, and the methodology for carrying out the valuation for the application of the 'no creditor worse off' principle.

ESMA Final report. Draft RTS specifying the requirements for independent valuers, the methodology for assessing the value of the assets and liabilities of a CCP, the separation of the valuations, the buffer for additional losses to be included in provisional valuations and the methodology for carrying out the valuation for the purpose of the 'no creditor worse off' principle (Articles 25(6), 26(4) and 61(5) of CCPRR). 12 May 2022.

technical standards concerning the separation of the valuations under Articles 23 and 56 IRRD, it can be inferred that the regulatory technical standard under Article 24(6)(a) would also be relevant in the framework of Article 56.

Cross-sectoral comparison:

- Furthermore, a comparable interpretation has been followed in the context of Articles 25(6)(a) and 61 the CCPRR Regulation when adopting the corresponding Commission Delegated Regulation (EU) 2023/1616. For the resolution of central counterparties, Commission Delegated Regulation (EU) 2023/1616 refers to the ‘no creditor worse off’ valuation (Article 2).
- For the resolution of credit institutions and investment firms, BRRD refers explicitly to the valuation of difference in treatment (Article 74 BRRD).

As a result, EIOPA’s draft regulatory technical standards explicitly include reference to the valuation in the context of Article 56.

### *Elements of independence*

The analysis assessed whether the upfront establishment of a list of potential valuers by resolution authorities would be beneficial. This can enhance the preparedness and can be considered to be good practice especially where urgent action is needed.

Cross-sectoral comparison:

- For the resolution of central counterparties, Article 2 of Commission Delegated Regulation (EU) 2023/1616 requires resolution authorities to establish a list of potential valuers that meet the requirements laid down in the regulation upfront, and to review the list on a regular basis.

However, the additional burden of such a requirement would not be considered appropriate considering the resolution of a (re)insurance entity may allow for more time than, for example, the resolution of central counterparties.

Hence, EIOPA proposes not to introduce the requirement for such a list in the RTS.

### *Material common or conflicting interest*

The analysis assessed how the previous employment of the valuer by the entity under resolution or the performance of a statutory audit for the entity under resolution could impact the valuer’s independence. On one hand, such previous engagements could impair the independence of the valuer. On the other hand, setting a requirement preventing such previous employment might further limit the number of potential valuers to choose from. As finding an independent valuer might already be challenging, it seems justified to require only that the valuer shall not have completed a statutory audit of the relevant entity the year preceding the date on which that person's eligibility to act as valuer is assessed. The same would apply for the legally required audit of the solvency and financial condition report pursuant to Article 51a of Directive 2009/138/EC as amended by Directive (EU) 2025/2 (Solvency



II Directive).<sup>7</sup> For other audits performed under different regulations or at the discretion of the entity, the provisions to assess the material common or conflicting interest would apply.

Cross-sectoral comparison:

- For the resolution of central counterparties, Article 3 of Commission Delegated Regulation (EU) 2023/1616 stipulates that a valuer is deemed to have an actual material conflicting interest if it has been employed by the central counterparty or a relevant public authority during the period of 3 years preceding the assessment of its independence.
- This is not required for the independence of valuers for the purpose of the resolution of credit institutions and investment firms. Instead, with regard to material common or conflicting interest, Article 41 Commission Delegated Regulation (EU) 2016/1075 as well as Article 3 of Commission Delegated Regulation (EU) 2023/1616 require that the valuer shall not have completed a statutory audit of the relevant entity the year preceding the date on which that person's eligibility to act as valuer is assessed.

#### *Qualifications, experience, ability, knowledge and resources*

The analysis assessed whether a specific certification or accreditation should be required to ensure the independence of the valuer. For example, the accreditation as statutory auditor ensures the upfront adherence to a set of known professional standards. Such qualifications can contribute to the professional independence of the valuer. However, in the case of resolution of (re)insurance activity, it is important to secure adequate knowledge and ability, in particular of actuarial and financial mathematics. The resolution of a (re)insurance entity will require knowledge and experience for the valuation of the assets and liabilities, the latter requiring specific knowledge depending on the form (life or non-life business) and lines of business of the entity. Valuers possessing this specific expertise are not per definition statutory auditors but may be rather actuaries certified according to national standards. It seems not appropriate to require the valuer to be a statutory auditor in the proposed RTS, or to require another specific accreditation, which may differ from one Member State to another. Therefore the RTS requires 'necessary qualifications, experience, ability and knowledge', without further specifying these in detail. A cost-benefit analysis of this policy choice is included in more detail in the impact assessment (see Annex).

Cross-sectoral comparison:

- For the resolution of central counterparties, Article 4 Commission Delegated Regulation (EU) 2023/1616 requires the valuer to be a statutory auditor. Commission Delegated Regulation (EU) 2016/1075 does not require this for the resolution of credit institutions and investment firms. In addition, Article 4 of Commission Delegated Regulation (EU) 2023/1616 requires from the person considered for the position of valuer to provide a confirmation in writing of necessary experience, ability and knowledge (a) of the valuations made of financial instruments, of valuation in post-trading, and in particular of the instruments cleared by the CCP; (b) of Regulation (EU) 2021/23 and Regulation (EU) No 648/2012; (c) to apply and understand the recovery plans and rulebooks of the CCP; (d) to apply and understand the resolution plan of the CCP and applicable resolution tools under Regulation (EU) 2021/23.

---

<sup>7</sup> Directive (EU) 2025/2 of the European Parliament and of the Council of 27 November 2024 amending Directive 2009/138/EC as regards proportionality, quality of supervision, reporting, long-term guarantee measures, macro-prudential tools, sustainability risks and group and cross-border supervision, and amending Directives 2002/87/EC and 2013/34/EU.

- For the resolution of credit institutions and investment firms, Commission Delegated Regulation (EU) 2016/1075 does not require particular accreditation and refers to necessary qualifications, experience, ability and knowledge’.

### *Conclusions of the analysis*

Based on a comparison of the regulations for the resolution of credit institutions and investment firms, and of central counterparties, EIOPA, for its RTS follows the approach of Commission Delegated Regulation (EU) 2016/1075.

## 2. DRAFT REGULATORY TECHNICAL STANDARD



EUROPEAN COMMISSION

Brussels, xx.xx.xx  
C(20..) yyy final

**COMMISSION DELEGATED REGULATION (EU) No .../...**  
**of XXX**

**supplementing Directive (EU) 2025/1 of the European Parliament and of the Council with regard to regulatory technical standards specifying the circumstances in which a person is deemed to be independent for the purposes of valuation**

**(Text with EEA relevance)**

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Directive (EU) 2025/1 of the European Parliament and of the Council of 27 November 2024 establishing a framework for the recovery and resolution of insurance and reinsurance undertakings and amending Directives 2002/47/EC, 2004/25/EC, 2007/36/EC, 2014/59/EU and (EU) 2017/1132 and Regulations (EU) No 1094/2010, (EU) No 648/2012, (EU) No 806/2014 and (EU) 2017/1129, and in particular Article 24(6), third subparagraph, thereof,

Whereas:

- (1) In order to safeguard the independence of valuers, this Regulation specifies that the valuer needs to possess the qualifications, experience, ability, knowledge and resources to be able to effectively carry out the valuation without undue reliance on any relevant public authority or the relevant entity. This, however, does not preclude the valuer from making use of internal systems, data, and models of the entity under resolution. Valuers should exercise independent and critical judgement, in particular by assessing the assumptions, expert judgements, and methodologies embedded in entity's data and internal models, to ensure that the valuation remains impartial and prudent.
- (2) While the valuation under Article 23 of Directive (EU) 2025/01 is distinct from the valuation performed under Article 56 of that Directive, the rules applicable for the independence of valuers should apply for both valuations. This approach also ensures consistency with Articles 25(6)(a) and 61 of Regulation (EU) 2021/23 and Articles 2 and 3 of Commission Delegated Regulation (EU) 2023/1616.
- (3) Independence can be endangered if valuation is performed by a person who is employed by or affiliated to any relevant public authority, including the resolution authority, and the institution or entity concerned. Therefore, the valuer should not be an employee or contractor of, nor in a group with, any relevant public authority, including the resolution authority, or the institution or entity concerned.
- (4) It is also necessary to ensure that the valuer does not have any material interest in common or in conflict with any relevant public authority, including the resolution authority, and the institution or entity concerned. This requirement includes senior management, controlling shareholders, group entities and significant creditors, for instance, when the valuer is a significant creditor of the institution or entity concerned. A statutory auditor who has completed an audit of the institution or entity concerned in the year preceding the independent valuer's assessment for eligibility to act as valuer should not be regarded as independent under any circumstances. The same would apply to the auditor of the Solvency and Financial Condition Report carried out in accordance with Article 51a of Directive 2009/138/EC.
- (5) This Regulation is based on the draft regulatory technical standards submitted to the European Commission by the European Insurance and Occupational Pensions Authority.
- (6) The European Insurance and Occupational Pensions Authority has conducted open public consultations on the draft regulatory technical standards on which this Regulation is based,

analysed the potential related costs and benefits and requested the advice of the Insurance and Reinsurance Stakeholder Group established by Article 37 of Regulation (EU) No 1094/2010,

HAS ADOPTED THIS REGULATION:

*Article 1 - Definitions*

For the purposes of this Regulation, the following definitions apply:

- (1) ‘appointing authority’ means the legal or natural person responsible for selecting and appointing the valuer for the purposes of conducting the valuation referred to in Article 23 and Article 56 of Directive 2025/1/EU;
- (2) ‘relevant entity’ means any entity referred to in points (a) to (e) of Article 1(1) of Directive 2025/1/EU whose assets and liabilities are to be valued pursuant to Article 23 and Article 56 of Directive 2025/1/EU;
- (3) ‘relevant public authority’ means the appointing authority, the resolution authority or the authorities referred to in points (a) to (g), and point (k) of Article 65(2) and the second authority referred to in point (h) of Article 65(2) of Directive 2025/1/EU.

*Article 2 - Elements of independence*

A legal or natural person may be appointed as a valuer. The valuer shall be deemed to be independent from any relevant public authority and the relevant entity where all the following conditions are met:

- (a) the valuer possesses the qualifications, experience, ability, knowledge and resources required under Article 3 of this Regulation to be able to effectively carry out the valuation without undue reliance on any relevant public authority or the relevant entity;
- (b) the valuer is separate from the relevant public authorities and the relevant entity in accordance with Article 4 of this Regulation;
- (c) the valuer has no material common or conflicting interest within the meaning of Article 5 of this Regulation.

*Article 3 - Qualifications, experience, ability, knowledge and resources*

- 1. The valuer shall possess the necessary qualifications, experience, ability and knowledge in all matters considered relevant by the appointing authority.
- 2. The valuer shall hold, or have access to such human and technical resources as the appointing authority considers appropriate to carry out the valuation. The assessment of adequacy of resources shall take into account the nature, size and complexity of the valuation to be performed.
- 3. During the conduct of the valuation the valuer shall not seek nor take instructions or guidance or seek nor accept financial or other advantages from any relevant public authority or the relevant entity.
- 4. Paragraph 3 shall not prevent:
  - (a) the provision of instructions, guidance, premises, technical equipment or other forms of support where, in the assessment of the appointing authority, this is considered necessary for achieving the goals of the valuation;
  - (b) the payment to the valuer of such remuneration and expenses as are reasonable in connection with the conduct of the valuation.

*Article 4 – Structural, legal and operational separation*

- 1. For effective structural, legal and operational separation of the valuer from any relevant public authority, including the resolution authority, and the relevant entity., the following requirements shall apply:
  - (a) where the valuer is a natural person, the valuer shall not be an employee or contractor of any relevant public authority or the relevant entity;
  - (b) where the valuer is a legal person, the valuer shall not belong to the relevant public authority, or the same group of companies as the relevant entity.

*Article 5 - Material common or conflicting interests*

1. The valuer shall not have an actual or potential material interest in common or in conflict with any relevant public authority or the relevant entity.
2. For the purposes of paragraph 1 the appointing authority shall consider an actual or potential interest to be material whenever it could influence, or could be reasonably perceived to influence the valuer's judgement in carrying out the valuation.
3. For the purposes of paragraph 1, the appointing authority shall consider interests in common or in conflict with at least the following parties to be relevant:
  - (a) the senior management and the members of the management body of the relevant entity;
  - (b) the legal or natural persons that control or have a qualifying holding in the relevant entity;
  - (c) the creditors identified by the appointing authority, or such other authority as may be empowered to perform this task in the Member State concerned, to be significant on the basis of the information available to the appointing authority or such other authority as may be empowered to perform this task in the Member State concerned;
  - (d) each group entity.
4. For the purposes of paragraph 1, the appointing authority shall consider at least the following matters to be relevant:
  - (a) the provision by the valuer of services, including the past provision of services, to the relevant entity and the persons referred to in paragraph 3, and in particular the link between those services and the elements relevant for the valuation;
  - (b) personal and financial relationships between the valuer and the relevant entity and the persons referred to in paragraph 3;
  - (c) investments or other material financial interests of the valuer;
  - (d) in relation to legal persons, any structural separation or other arrangements that have been put in place to address any threats to independence such as self-review, self-interest, advocacy, familiarity, trust or intimidation, including arrangements to differentiate between those staff members who may be involved in the valuation and other staff members.
5. Without prejudice to paragraphs 3 and 4, a person shall be deemed to have an actual material interest in common or in conflict with the relevant entity where the valuer, in the year preceding the date on which that person's eligibility to act as valuer is assessed, has completed a statutory audit of the relevant entity pursuant to Directive 2006/46/EC or the audit of the solvency and financial condition report pursuant to Article 51a of Directive 2009/138/EC.
6. Any person considered for the position of valuer, or appointed as a valuer shall:
  - (a) maintain, in accordance with any applicable codes of ethics and professional standards, policies and procedures to identify any actual or potential interest which may be considered to constitute a material interest in accordance with paragraph 1;
  - (b) notify without delay the appointing authority of any actual or potential interest which the valuer considers may, in the assessment of the authority, be considered to amount to a material interest in accordance with paragraph 1;
  - (c) take appropriate steps to ensure that none of the staff or other persons involved in carrying out the valuation have any material interest of a kind as referred to in paragraph 1.

*Article 6 – Entry into force*

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

*For the Commission*

*The President*

*On behalf of the President*

*[...]*

*[Position]*



## ANNEX I: IMPACT ASSESSMENT

### OBJECTIVES

The main objective of the technical standards is to fulfil the mandate established in Article 24 of Directive (EU) 2025/1, which is to specify the circumstances in which for valuation purposes, a person is deemed to be independent from both the resolution authority and the entity subject to resolution. In drafting these technical standards, EIOPA takes the general resolution objectives of Directive (EU) 2025/1 as a basis, supplementing them with specific relevant objectives specifically for the purpose of the RTS.

The general objectives relevant for the drafting of this RTS are:

- Meeting the resolution objectives
- Proper functioning of the internal market and ensuring level-playing field

With regard to the above objectives, the following specific objectives have been pursued in drafting the RTS:

- Ensure **fair treatment** of policyholders, beneficiaries and claimants by seeking to promote the independence of the valuer, to support fair and prudent valuation of the entity's assets and liabilities.
- Ensure a **level playing field** through a common minimum harmonization of rules across the financial sector on the general criteria for assessing independence of valuers for resolution purposes
- Ensure a **proportionate approach** to enable in practice the appointment of independent valuers, having regard to the needs of the resolution process at hand.

### POLICY ISSUES

#### Policy Issue A: Whether to specify in detail the necessary qualifications, experience, ability and knowledge to ensure independence

Qualifications, experience, ability, and knowledge are essential to securing the independence of valuers because they establish a strong foundation of professional competence and ethical integrity.

Relevant qualifications contribute to demonstrating that the valuer has met rigorous educational and professional standards. These qualifications often include adherence to ethical codes and continuous professional development, which reinforce the valuer's understanding of the importance of independence and objectivity. Without formal

qualifications, a valuer may lack awareness of regulatory expectations and professional conduct standards, which are vital to maintaining impartiality in their work.

Furthermore, experience, ability, and knowledge ensure that valuers can effectively apply their skills in real-world contexts without undue influence. Experience builds judgment, allowing valuers to conduct independent valuation, and the ability ensures that valuers can critically assess financial information and apply standards, enabling the valuer to challenge the entity's valuation.

The valuation of insurance activity requires, for example, specific knowledge of techniques and handling of data which depend on the type of insurance activity (life / non-life) and the lines of business of the insurer. To ensure that the valuer possesses the necessary qualifications, experience, ability and knowledge, the question arises if detailed requirements should be specified in the regulation, to ensure the independence of the valuer.

## POLICY OPTIONS

As a benchmark against which the policy options are assessed, a 'no change' option is introduced.

**Policy option A.1 (no change option): Not refer to qualifications, experience, ability and knowledge as a criterion to assess independence**

This option would basically not refer to qualifications, experience, ability and knowledge as a criterion to ensure independence.

**Policy option A.2: Refer to qualifications, experience, ability and knowledge as a criterion to assess independence without specifying details**

Under this option, qualifications, experience, ability and knowledge are introduced as a criterion to ensure independence, but without specifying in detail what qualifications, experience, ability and knowledge are required.

**Policy option A.3: Refer to qualifications, experience, ability and knowledge as a criterion to ensure independence setting out detailed requirements**

Under this option, qualifications, experience, ability and knowledge are introduced as a criterion to ensure independence, specifying in detail what qualifications, experience, ability and knowledge are required.

## IMPACT OF THE POLICY OPTIONS

In assessing the impact of the policy options, special attention is devoted to the potential areas or functions where the costs could arise as a result of the different policy options. A more detailed estimation of the (monetary) costs would depend on several variables, such as the company-specific process and procedures, the size and nature of the entity and the applicable resolution framework at national level, including the potential contribution to financing arrangements.

**Policy option A.1: Not refer to qualifications, experience, ability and knowledge as a criterion to ensure independence**

Policy option A.1		
Costs	Policyholders	Not referring to the need for qualifications, experience, ability and knowledge may impair the quality, and with it potentially the independence of the valuer. This may negatively impact on the valuation. Inadequate assessment of the assets, liabilities and obligations can be at the expense of policyholders, who may bear the costs, depending on the financing arrangement.
	Industry	Not referring to the need for qualifications, experience, ability and knowledge, as a condition to ensure the independence of the valuer may impact the quality of the valuation of the assets and liabilities. Legal or operational costs can arise if additional valuations would be required. Depending on the financing arrangement, such costs may have to be borne by the entity under resolution or spill over to other insurers in the market. (see also potential costs resulting from additional national guidance, below).
	Appointing authorities	The lack of reference to qualifications, experience, ability and knowledge may give too little guidance to enable appointing authorities to ensure the quality, and with it the independence of a potential valuer. Lack of guidance can result in the need for establishing criteria at national level, adding regulatory burden and cost for the resolution authorities, affecting also potentially the industry. Lack of guidance may also result in potential legal challenge of the appointment.
	Other	The lack of reference to qualifications, experience, ability and knowledge may give too little guidance to potential valuers when applying to be selected, adding to potential costs for preparing applications. Other stakeholders (creditors,...) may be affected by costs referred to above following challenge of the independence of the valuer due to absence of criteria.
Benefits	Policyholders	Less prescription on the elements for the appointment of an independent valuer may seem the least burdensome and costly. This may secure a broad pool of potential valuers. This could

		support the timely appointment of the valuer and a swift resolution process.
	Industry	Idem with above.
	Resolution authorities	Idem with above.
	Other	Idem with above.

**Policy option A.2: Refer to qualifications, experience, ability and knowledge as a criterion to ensure independence without specifying details**

Policy option A.2		
Costs	Policyholders	Not specifying the details of the requirements regarding qualifications, experience, ability and knowledge may result in foregoing the specific skills required for the valuation of insurance assets and liabilities. It may also lead valuers to rely too much on the valuation assumptions of the entity under resolution, whereas the valuer's expertise is required to perform an independent assessment. Not specifying the details of the criteria may therefore contribute to potentially appointing unfit valuers who may perform inadequate valuation of the assets and liabilities. This may be at the potential expense of the policyholders due to additional resolution expenses incurred by the resolution authority/undertaking, also if additional valuations are needed.
	Industry	Not specifying the details of the requirements regarding qualifications, experience, ability and knowledge may result in foregoing the specific skills required for the valuation of insurance assets and liabilities. This may affect the valuation, causing additional costs resulting from inadequate valuation. Depending on the financing arrangement, such costs may have to be borne by the entity under resolution or spill over to other insurers in the market.
	Appointing authorities	Not specifying the details may still give too little guidance to enable appointing authorities to ensure the quality and with it the potential independence of a valuer. Lack of guidance can result in the need for establishing criteria at national level, adding regulatory burden and cost for the resolution authorities, affecting also potentially the industry. Lack of guidance may also result in potential legal challenge of the appointment..
	Other	The lack of specifications may result in too little guidance to potential valuers for their application. The selection of the valuer may be considered too 'subjective' in the absence of defined criteria. As a result, prospective valuers may need to investigate (at cost) the criteria and face the risk of being rejected in failing

		to fulfil criteria which are not expressly defined. This may add to the cost of the resolution.
<b>Benefits</b>	Policyholders	General criteria may leave more room for specification of the needs for the valuation to adapt to the resolution at hand. This may improve the cost-efficiency and expediency of the resolution. This may be to the benefit of the policyholders.
	Industry	Not specifying in detail the requirements allows for potentially identifying a greater number of appropriately independent valuers. Requirements can be adapted based on market specificities or the resolution case at hand, allowing for appropriate flexibility in the choice of the valuer. This may also benefit the entity under resolution if it contributes to cost-efficient and expedient resolution.
	Appointing authorities	General criteria provide guidance to the appointing authorities while leaving open the possibility to adapt requirements based on market specificities, the business model or portfolio of the entity and the resolution at hand. This may allow for potentially identifying a greater number of appropriately independent valuers and a potentially more targeted appointment. It may also allow for a more proportionate application of the regulation, lowering the overall cost of the resolution.
	Other	Idem with above.

**Policy option A.3: Refer to qualifications, experience, ability and knowledge as a criterion to ensure independence setting out detailed requirements**

Policy option A.3		
<b>Costs</b>	Policyholders	Identifying all applicable requirements across Member States, with varying legal and professional frameworks regulating the sectors in which valuers operate is difficult and may unintendedly create gaps in regulation, leading to potential arbitrage. Over time, a prescriptive detailed list may not be adapted to (national) developments. The detailed requirements may create the adverse effect of discarding otherwise qualified independent valuers, only on the basis that a specific requirement is not met. Or on the contrary, meeting the specific requirement could be seen as a 'tick-the-box', which would prevent further scrutiny of the valuer's qualifications, to the detriment of the independence. Overall, this may lead to foregoing the appointment of an appropriate valuer, further adding to the cost of the resolution (prolonged search for valuer, ...) which may be at the expense of the policyholder.
	Industry	Setting out detailed requirements specifying the qualifications, experience, ability and knowledge for the appointment of the valuer may unintendedly lead to the exclusion, on strict legal grounds, of otherwise appropriate valuers, for the resolution at hand. This may lead to delays in the appointment, or the

		appointment of less appropriate valuers, which can add to the operational costs of the resolution. Depending on the financing arrangement, such costs may have to be borne by the entity under resolution or spill over to other insurers in the market
	Appointing authorities	Setting out detailed requirements specifying the qualifications, experience, ability and knowledge for the appointment of the valuer may unintendedly lead to the exclusion, on strict legal grounds, of otherwise appropriate valuers, for the resolution at hand. This may lead to delays in the appointment, or the appointment of less appropriate valuers, which can add to the operational costs of the resolution. Depending on the financing arrangement, such costs may have to be borne by the appointing authority.
	Other	Too prescriptive requirements for the criteria may bar potential valuers, which would be appropriate for the resolution at hand, from applying. This may lower the pool of potential valuers, delay resolution efforts or add to the overall cost of the resolution.
<b>Benefits</b>	Policyholders	A prescriptive list of requirements may decrease the risk for misinterpretation, provide legal certainty and prevent potential conflicts between parties. This may, as a result, improve the effectiveness of the resolution, to the benefit of the policyholders.
	Industry	A prescriptive list of requirements may decrease the risk for misinterpretation, provide legal certainty and prevent potential conflicts between parties. This may, as a result, improve the effectiveness of the resolution, to the benefit of the entity under resolution.
	Appointing authorities	A prescriptive list of requirements may decrease the risk for misinterpretation, provide legal certainty and prevent potential conflicts between parties. This may, as a result, improve the conditions under which an appointing authority could select the valuer and improve the effectiveness of the resolution, to the benefit of the entity under resolution and other parties.
	Other	A prescriptive list of requirements may improve the clarity and legal certainty for prospective valuers in their application. This may, as a result, improve the effectiveness of the resolution.

## COMPARISON OF POLICY OPTIONS

EFFECTIVENESS (0,+,++)			
	Legal certainty	Level playing field	Proportionality
<b>Policy option A.1</b>	0	0	+

<b>Policy option A.2</b>	+	++	+
<b>Policy option A.3</b>	+	0	0

<b>EFFICIENCY (0,+,++)</b>			
	Legal certainty	Level playing field	Proportionality
<b>Policy option A.1</b>	0	0	0
<b>Policy option A.2</b>	+	++	++
<b>Policy option A.3</b>	+	0	0

Having inadequately qualified valuers may increase risks of independence, and may lead to incorrect valuation of the assets, liabilities or other obligations towards policyholders and beneficiaries. A sufficiently proportionate approach to the qualification of the valuer should at the same time prevent undue obstacles to the identification of potentially qualified valuers. Having a proportionate level of guidance, by specifying high-level principles can contribute to a more effective resolution, adapted to the circumstances of the resolution (type of business of entity under resolution or national specificities relating to professional standards of potential valuers). Undertakings and policyholders, as well as appointing authorities would, on balance, benefit from lower resolution costs where general principles support the selection from a broader pool of potential valuers, allowing adapting the selection to local and business-specific circumstances.

## PREFERRED OPTION

While some cost may arise from the requirement for valuers to possess necessary qualifications, experience, ability and knowledge to secure their independence, these seem proportionate and conducive to securing the independence of the valuer. For this reason, and in order to contribute to a level playing field within the financial sector option A.1 is discarded.

Option A.3 provides potentially, at face value, greater (legal) certainty based on detailed prescriptive requirements. However, considering the difficulty in setting out all applicable requirements, this may unintentionally lead to including less qualified valuers or excluding potentially valuable independent valuers on the basis of the strict application of the law and actually reduce legal certainty.

The technical standards are drafted in a principle-based manner. This aims to ensure appropriate alignment with the approaches under Commission Delegated Regulation 2016/1075/EU and Regulation 2021/23/EU and to allow for sufficient flexibility for the

appointing authorities to tailor the specific requirements to the specific resolution case at hand. In seeking to align where relevant, Option A.2 mostly contributes to a level playing field in resolution approaches, on the basis of that few sectoral specificities would be required to set out general criteria of independence for valuers. Furthermore, detailing the information and documents that should be required from the valuers will be difficult and/or undesirable as this might differ much from one Member State to another, as well as from one resolution case to another (even within a specific Member State). For those reasons option A.2 is chosen to be most effective in meeting the objectives.

As to efficiency, while option A.3 may seem efficient in securing legal certainty, this would be but at the cost of potential regular regulatory updates, with the risk of continued inadequate representation of applicable requirements across Member States. Option A.1 does not mean any of the objectives set out, while option A.2 creates a balance between setting out requirements, efficiently in a proportionate manner.

**On the basis of the above assessment, the technical standards implement option A.2.**



## ANNEX II OVERVIEW OF QUESTIONS FOR CONSULTATION

The questions are set out in an EU-Survey ([https://ec.europa.eu/eusurvey/runner/RTS\\_Independence\\_of\\_valuers](https://ec.europa.eu/eusurvey/runner/RTS_Independence_of_valuers)).



## PRIVACY STATEMENT

### ► Introduction

1. The European Insurance and Occupational Pension authority (EIOPA) is committed to protecting individuals' personal data in accordance with Regulation (EU) 2018/1725<sup>8</sup> (further referred as "the Regulation").
2. In line with Articles 15 and 16 of the Regulation, this privacy statement provides information to the data subjects relating to the processing of their personal data carried out by EIOPA.

### ► Purpose of the processing of personal data

3. Personal data is collected and processed to manage online public consultations EIOPA launches, and to conduct online surveys, including via online platform EUSurvey<sup>9</sup>, and to facilitate further communication with participating stakeholders (e.g., when clarifications are needed on the information supplied or for the purposes of follow-up discussions that the participating stakeholders may agree to in the context of the consultations or surveys).
4. The data will not be used for any purposes other than the performance of the activities specified above. Otherwise you will be informed accordingly.

### ► Legal basis of the processing of personal data and/or contractual or other obligation imposing it

5. The legal basis for this processing operation are the following :
  - Regulation (EU) 1094/2010, and notably Articles 8, 10, 15, 16, 16a, 29 and 71 thereof
  - EIOPA's Public Statement on Public Consultations
  - EIOPA's Handbook on Public Consultations

---

<sup>8</sup> Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC, OJ L 295, 21.11.2018, p. 39–98.

<sup>9</sup> For more information on the processing of personal data in EUSurvey, please see the [dedicated privacy statement](#).

6. In addition, in accordance with Article 5(1)(a) of the Regulation, processing is lawful as it is necessary for the performance of a task carried out in the public interest.

#### ▶ **Controller of the personal data processing**

7. The (internal) controller responsible for the processing of personal data is the Head of EIOPA's Risks and Financial Stability Department.

8. Address and email address of the controller:

Westhafen Tower, Westhafenplatz 1  
60327 Frankfurt am Main  
Germany  
[DataController@eiopa.europa.eu](mailto:DataController@eiopa.europa.eu)

#### ▶ **Contact detail of EIOPA's Data Protection Officer (DPO)**

9. Westhafenplatz 1, 60327 Frankfurt am Main, Germany  
[dpo@eiopa.europa.eu](mailto:dpo@eiopa.europa.eu)

#### ▶ **Types of personal data collected**

10. The following personal data might be processed:
- Contact details (name, email address, phone number).
  - Employment details (company and job title).

#### ▶ **Recipients/processors of the personal data collected**

11. Data will be collected and disclosed to the relevant staff members part of the Department/Unit in charge of the consultation/surveys and also to other EIOPA's staff on a need-to-know basis (e.g IT staff, security officer).

#### ▶ **Retention period**

12. Personal data collected are kept by until the finalisation of the project the public consultation or the survey relate to.
13. The personal data collected in EUSurvey are deleted from EUSurvey as soon as the period to provide answers elapsed.

#### ▶ **Transfer of personal data to a third country or international organisations**

14. No personal data will be transferred to a third country or international organisation. The service provider is located in the European Union.

► **Automated decision-making**

15. No automated decision-making including profiling is performed in the context of this processing operation.

► **What are the rights of the data subject?**

16. Data subjects have the right to access their personal data, receive a copy of them in a structured and machine-readable format or have them directly transmitted to another controller, as well as request their rectification or update in case they are not accurate. Data subjects also have the right to request the erasure of their personal data, as well as object to or obtain the restriction of their processing.
17. Where processing is based solely on the consent, data subjects have the right to withdraw their consent to the processing of their personal data at any time.
18. Restrictions of certain rights of the data subject may apply, in accordance with Article 25 of Regulation (EU) 2018/1725.
19. For the protection of the data subjects' privacy and security, every reasonable step shall be taken to ensure that their identity is verified before granting access, or rectification, or deletion.
20. Should the data subjects wish to exercise any of the rights provided in paragraphs 16 and 17 above, please contact EIOPA's DPO ([dpo@eiopa.europa.eu](mailto:dpo@eiopa.europa.eu)).

► **Who to contact if the data subjects have any questions or complaints regarding data protection?**

21. Any questions or complaints concerning the processing of the personal data can be addressed to the internal Data Controller ([DataController@eiopa.europa.eu](mailto:DataController@eiopa.europa.eu)) or EIOPA's DPO ([dpo@eiopa.europa.eu](mailto:dpo@eiopa.europa.eu)).
22. Alternatively, the data subjects can have recourse to the **European Data Protection Supervisor** ([www.edps.europa.eu](http://www.edps.europa.eu)) at any time, **as provided in Article 63 of the Regulation.**