Bolder, Simpler, Faster: EIOPA's views for better regulation and supervision 2.0

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CONTENTS

I. GENERAL CONTEXT

1.1 The geopolitical, economic and technological environment continues to evolve rapidly, reinforcing the need for Europe to respond with greater unity, agility and speed. A well-functioning and integrated Single Market is central to Europe's economic growth, resilience and competitiveness. Effective regulation and supervision are essential to maintaining trust, safeguarding financial stability and ensuring that the Single Market realises its full potential.

1.2 Building on the *Bolder, Simpler, Faster* agenda and the progress achieved to date, EIOPA continues to refine its approach to regulation and supervision. This paper sets out EIOPA's updated perspective, highlighting actions already taken or ongoing, as well as further steps to reduce unnecessary complexity and burden while preserving the effectiveness of the framework and its core objectives of policyholder protection, financial stability and supervisory convergence.

1.3 EIOPA believes that simplification must be guided by a European perspective, ensuring that collective interests take precedence over national priorities. One of the greatest opportunities for simplification lies in reducing regulatory fragmentation through greater harmonisation and a stronger focus on delivering clear European added value, rather than accommodating divergent national preferences. Simplification efforts should therefore be pursued holistically, promoting supervisory convergence and preventing unnecessary regulatory divergence that could undermine the Single Market. Importantly, simplification should not merely shift burdens between different levels of governance – from the European to the national level – or from industry to supervisors.

1.4 Simplification should also be pursued with a long-term perspective. While some measures may involve short-term adjustment costs, their benefits can materialise over time through greater efficiency, clarity and effectiveness. At the same time, simplification should not create new complexity through subsequent ad hoc interventions or lead to an undue weakening of supervisory requirements. Simplification should be a lasting endeavour, rather than a pendulum that swings back towards greater regulatory complexity in the years ahead. Success will depend on a collective effort to strike the right balance between reducing unnecessary burdens and safeguarding policyholder protection, financial stability, supervisory convergence and the integrity of the Single Market.

1.5 Looking ahead, further progress will require a shift in mindset. Emphasis on principles and outcomes is needed to develop regulatory and supervisory frameworks that are simpler, more efficient and better adapted to a rapidly changing environment, while maintaining resilience and high standards of protection. We need to recognise that both markets and consumer expectations are evolving. They are becoming more digital, agile and virtual. Legislation that seeks to resist this transformation and preserve the status quo may protect established businesses in the short term, but it could undermine the EU's ability to keep pace with global developments.

II. ACTIONS TAKEN AND ONGOING

2.1 EIOPA, together with its Members, is committed to promoting simplification and burden reduction in a constructive and balanced manner. Simplification is not viewed as a one-off exercise, but as a continuous process of ensuring that regulatory and supervisory requirements remain necessary, proportionate and effective in delivering EIOPA's objectives.

2.2 To this end, EIOPA will continue to critically assess which data is needed and effectively used for supervision, evaluate the impact of new supervisory actions or instruments, while further strengthening its impact assessments.

2.3 This approach is reflected in initiatives already undertaken or currently underway across key areas such as governance, legislative implementation and policy work, policymaking and supervision.

GOVERNANCE

2.4 EIOPA undertook a comprehensive review of its internal working group structure to improve efficiency and make better use of EIOPA and NCA resources. The review aligned the governance framework with the strategic activity areas set out in EIOPA's Strategy Towards 2030 and reduced the number of working groups. This simplified the governance structure, strengthened coordination and brought together EIOPA and NCA expertise more efficiently.

LEGISLATIVE IMPLEMENTATION AND POLICY WORK

Insurance prudential reporting

2.5 At the end of 2023, EIOPA embarked on a significant simplification initiative of two Implementing Technical Standards (ITSs), that set out supervisory reporting and disclosure requirements under Solvency II framework. As part of this initiative, reporting requirements for SMEs were streamlined, reducing reporting obligations by around a thousand data points.

2.6 Following the review of the Solvency II Directive, EIOPA revised the aforementioned ITSs in 2026 with the aim of further reducing reporting obligations while preserving the information necessary for effective supervision. This work was assessed against the 25% burden-reduction benchmark set out in the European Commission's communication *A simpler and faster Europe*[1]. EIOPA's proposals exceed this benchmark overall, with a 26% reduction in quarterly templates and a 30% reduction in annual templates for solo undertakings. For small and non-complex undertakings (SNCUs), the reductions were even more significant, at 36% for quarterly templates and 44% for annual templates. Overall, this represents a 22% reduction in the number of data points.

2.7 Further, EIOPA carried out a comprehensive review of its existing Level 3 framework, with the aim of reducing, where appropriate, the volume and complexity of supervisory guidance. As

[1] European Commission, *A simpler and faster Europe*, COM(2025) 47 final.

a first step, EIOPA reviewed 12 sets of guidelines affected by the Solvency II review and simplified nine of them. In most cases, the reductions exceeded the 25% benchmark. In this context, 77 out of 201 guidelines were deleted (around 38%).

2.8 As a second step, EIOPA streamlined a further 13 sets of guidelines outside the original scope of the Solvency II review, removing redundant provisions and guidance with limited added value, particularly for the industry. This resulted in the deletion of 83 of 294 guidelines (around 28%), as well as the repeal of one set of guidelines on ancillary own funds.

2.9 In parallel, EIOPA continued its established approach of developing Level 3 measures only where necessary, to support the consistent implementation and supervision of the Solvency II framework, while taking into account the specific needs arising from the revised framework.

Proportionality

2.10 To support the implementation of the new Solvency II proportionality framework, EIOPA finalised technical specifications to promote a convergent application of the new Solvency II proportionality framework across the EU, particularly in relation to SNCUs and small and non-complex groups (SNCGs).

2.11 EIOPA's analytical assessment suggests that around 660 undertakings, including captives, may fall within the small and non-complex framework, representing around 28% of EEA undertakings. This underlines the importance of effective implementation, as the new proportionality framework could have a meaningful impact on a significant part of the insurance market.

Sustainability

2.12 The Solvency II review introduced a requirement for insurers to prepare sustainability risk plans addressing financial risks arising from sustainability factors. In developing the related approach, before the Level 2 measure was deprioritised, EIOPA sought, where possible, to leverage existing sustainability reporting requirements and data, avoiding the creation of unnecessary additional obligations. This was intended to support a proportionate implementation of the new requirement while ensuring continued access to reliable, standardised and consistent sustainability data for supervisors, insurers and occupational pension funds.

Data and digitalisation

2.13 Digitalisation, particularly artificial intelligence (AI), offers significant opportunities to enhance efficiency and reduce unnecessary burdens across the insurance sector and supervision. EIOPA supports a regulatory framework that enables the responsible use of these technologies while safeguarding operational resilience, consumer protection and financial stability. EIOPA also promotes data-driven supervisory tools and digital technologies to streamline supervisory processes, facilitate automation and reduce administrative burdens, with a particular focus on supporting small and non-complex undertakings (SNCUs).

2.14 In implementing the Digital Operational Resilience Act (DORA), applicable since January 2025, EIOPA limited Guidelines to areas where National Competent Authorities identified significant implementation challenges requiring additional supervisory guidance.

2.15 Following the revised Solvency II Directive, EIOPA published a discussion paper in March 2026 on potential legislative and non-legislative measures to develop integrated data reporting.

2.16 In the context of the AI Act and related initiatives, EIOPA works to ensure coherence between horizontal and sectoral legislation, including through continuous engagement with the European AI Board and the European AI Office.

2.17 EIOPA has adopted an experimentation-driven approach to explore how technology can support supervisory activities, particularly in the extraction and analysis of information from regulatory disclosures. Examples include the SG REFORM Greenwashing SupTech project PRIIPs KID extraction tool. The Greenwashing SupTech project uses a combination of rule-based methodology and image-based detection to identify and extract relevant information from disclosures. The PRIIPs KID tool has subsequently been enhanced with generative AI capabilities, improving the accuracy and completeness of the data extraction process. These initiatives demonstrate EIOPA's commitment to exploring and deploying innovative technological solutions to strengthen supervisory capabilities and improve data-driven supervision to avoid additional reporting burdens for the industry.

Financial stability

Liquidity monitoring

2.18 EIOPA has begun work to identify how current liquidity-monitoring reporting could be reduced or replaced with analysis based on Solvency II data.

Insurance Recovery and Resolution Directive (IRRD)

2.19 In developing the 19 guidelines and technical standards mandated by the IRRD, EIOPA has sought to minimise the burden on NCAs and undertakings and simplify the regulatory framework, while ensuring that the resulting measures remain robust and effective. This approach was pursued within the parameters of the Level 1 framework and informed by feedback received through the public consultations conducted between April and July 2025. Examples of the specific simplification and burden reduction measures introduced for each instrument are set out in annexes which EIOPA published together with the relevant instruments (this and this annexes for batch 1 instruments; this annex for batch 2 instruments).

III. THE WAY FORWARD

Building on the measures described above, EIOPA will continue its simplification work, reducing unnecessary burdens and further strengthening supervisory convergence.

LEGISLATIVE IMPLEMENTATION AND POLICY WORK

Proportionality

3.1 EIOPA's Advisory Committee on Proportionality (ACP) is further strengthening its approach to proportionality by developing a methodology, together with a set of guiding principles, to support its consistent application across the work of all EIOPA's working group structures. This work builds on the ACP's existing role and experience and aims to provide a more systematic framework for ensuring that EIOPA's actions and measures consider the specific characteristics of the sectors within its remit and do not impose burdens beyond what is necessary to achieve its policy objectives.

Data and digitalisation

3.2 Experience gained from applying DORA will inform the review foreseen for 2028, including possible simplification of information registers, cyber incident reporting and the designation process for Critical ICT Third-Party Providers.

3.3 EIOPA will also finalise its report on potential legislative and non-legislative measures for integrated data reporting by the end of 2026, continue working with the European AI Board and the European AI Office to promote coherence between horizontal and sectoral legislation, and advocate that future regulatory reporting and disclosures enable automatic data extraction for RegTech and SupTech solutions, building, where relevant, on the European Single Access Point (ESAP) framework.

Financial stability

Insurance stress testing

3.4 EIOPA takes account of the impact of its work programme on NCAs and industry and seeks to avoid undue burdens arising from overlapping implementation and financial stability workstreams. In this context, EIOPA will postpone the next EU-wide bottom-up insurance stress test from 2027 to 2028, easing pressure during the initial implementation of Solvency II and the IRRD, while continuing to develop top-down stress testing. Building on the experience of the Fit-for-55 exercise, EIOPA is also strengthening its top-down analytical capabilities, with a view to assessing a longer cycle for bottom-up stress tests, potentially extending to four years or more.

Pension stress testing

3.5 To support the IORP sector's transition from defined benefit to defined contribution schemes, the upcoming IORP stress test exercise will also be postponed.

Consumer protection

Retail Investment Strategy (RIS)

3.6 Under RIS, EIOPA will focus on implementing the new framework by delivering technical advice to the European Commission, developing regulatory and implementing technical standards, issuing guidelines and developing new IT tools. In line with EIOPA's Strategy Towards 2030, this work will be guided by simplification, proportionality and burden reduction, while supporting effective supervision and reducing the risk of poor consumer outcomes.

3.7 This will include aiming, where possible, for shorter and more streamlined legislative and technical texts and making use of already existing information and frameworks, specifying only what is necessary to make the RIS operational and avoiding additional requirements not clearly required by the mandates. Where Level 1 permits it, EIOPA would favour concise principles/criteria focussed on good outcomes for consumers, over detailed processes, mandatory indicators or extensive documentation requirements.

3.8 For new Insurance Distribution Directive (IDD) disclosures, the aim is to leverage and ensure consistency with existing disclosure templates, such as the non-life Insurance Product Information Document (IPID) and the Packaged Retail and Insurance-based Investment Products – Key Information Document (PRIIPs KID), rather than creating parallel concepts, to ensure a coherent disclosure architecture and to limit new burdens on insurers.

3.9 For Value for Money benchmarking, EIOPA will draw as far as possible from existing work on this topic, with a view to further simplifying the methodology where possible and feasible, while also avoiding additional reporting by prioritising PRIIPs, Solvency II and existing supervisory data.

3.10 For new cross-border reporting obligations on intermediaries, EIOPA will seek to limit reporting to essential items, drawing from the lessons of the Solvency II review.

Insurance Distribution Directive (IDD)

3.11 In parallel, EIOPA will identify targeted opportunities to simplify requirements under the IDD in preparation for its future review. This work will seek to remove unnecessary complexity and streamline requirements where appropriate, while maintaining a high level of consumer protection and consistent supervisory outcomes across the Single Market.

3.12 Further, EIOPA regularly collects and publishes information on national general good rules and is assessing whether the administrative burden arising from these rules remains proportionate to their consumer protection objectives. The outcome of this assessment could inform future simplification proposals.

International

3.13 EIOPA will support a more coordinated approach to assessments of third-country professional-secrecy regimes by facilitating, where appropriate, the use of an assessment completed by one Member State as a basis for others.

POLICYMAKING

3.14 In line with the guiding principles set out in the general context, EIOPA promotes simplification from the earliest stages of the EU legislative and regulatory cycle. New legislation and review cycles should be supported by robust impact assessments, including an assessment of administrative burdens and expected policy outcomes for both industry and supervisors.

3.15 Earlier and more structured involvement of EIOPA, particularly on horizontal files, could help the European Commission and co-legislators better assess the need, scope and feasibility of technical mandates. Such mandates should be realistic, proportionate and focused on clear added value, for example by providing necessary technical details or supporting supervisory convergence. In its technical input to the European Commission and the co-legislators, EIOPA seeks to identify unnecessary complexity, assess the feasibility and proportionality of proposed requirements, and promote legislation that takes implementation considerations into account from the outset. Adequate consultation periods and realistic implementation timelines are equally important to ensure effective implementation.

3.16 EIOPA also supports a more systematic assessment of the cumulative impact of legislative timelines across the insurance and pensions sectors, taking into account also the supervisory and market capacity available to implement new requirements. Through its technical advice and input to legislative negotiations, EIOPA will support the European Commission in identifying where overlapping application dates, compressed transitional periods or the simultaneous implementation of major initiatives could place undue pressure on NCAs, EIOPA or market participants, and in exploring opportunities for more coherent sequencing, where appropriate.

3.17 Within the boundaries of Level 1 legislation, EIOPA will also contribute to sustainable implementation through appropriate proportionality and the development of clear supervisory expectations. Such sequencing can help avoid implementation peaks, support market readiness and preserve supervisory capacity, while maintaining the intended policy outcomes. In this context, a more structured dialogue with industry is essential to identifying where complexity and practical implementation challenges arise, and to developing solutions that can be implemented within the existing legislative framework.

SUPERVISION

3.18 Acting as a cohesive European supervisory community – guided by shared values, mutual trust and a common commitment to addressing shared challenges – represents the next step in strengthening supervisory convergence and is essential to a well-functioning Single Market. This concept of supervisory unity reflects the ambition to move beyond convergence towards a more coordinated approach, in which EIOPA and NCAs act with a common European mindset. Operating in supervisory unity can help ensure clear expectations, consistent supervisory approaches and timely and effective enforcement. It can also contribute directly to simplification and burden reduction by enabling EIOPA and NCAs to coordinate actions from the outset and share tools, expertise and resources.

3.19 Nevertheless, supervisory unity alone may not always be sufficient to achieve the most efficient and consistent supervisory outcomes. In this context, consideration could be given to strengthening the mandate of the EIOPA Board of Supervisors, including, where appropriate and in exceptional circumstances, the ability to intervene and adopt directly enforceable measures where an NCA is unable or unwilling to act. Such an approach could help address the complexity and duplication inherent in the current multi-layered supervisory framework, while ensuring more timely and consistent supervisory action in matters of European relevance.

3.20 Greater harmonisation can help reduce regulatory and supervisory fragmentation and improve efficiency. Where harmonisation alone is insufficient to ensure consistent and effective supervision across the EU, a more centralised approach may be warranted. The guiding principle should therefore be to harmonise where possible and centralise where needed. In areas such as the supervision of cross-border insurance business under the freedom of establishment and freedom to provide services, such an approach could strengthen market integration, promote a level playing field and reduce administrative burdens for both supervisors and market participants. Ultimately, it could contribute to a more integrated and competitive European Single Market.

IV. CONCLUSION

3.21 EIOPA's approach combines measures already delivered or ongoing with a clear agenda for further action. By embedding proportionality, stronger impact assessment, better use of data and closer supervisory coordination throughout the regulatory cycle, EIOPA aims to make regulation and supervision simpler, faster and more effective. This work will remain anchored in policyholder protection, financial stability, supervisory convergence and the integrity of the Single Market.

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