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COVER NOTE

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
To:	Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union

No. Cion doc.:	C(2026) 7021 final
Subject:	COMMISSION DELEGATED REGULATION (EU) .../... supplementing Directive 2009/138/EC of the European Parliament and of the Council with regard to regulatory technical standards specifying the applicability criteria for macroprudential analyses in the own risk and solvency assessment and as part of the prudent person principle, and specifying the applicability criteria, the content and the frequency of update of liquidity risk management plans

Delegations will find attached document C(2026) 7021 final.

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EUROPEAN
COMMISSION

Brussels, 9.10.2026
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COMMISSION DELEGATED REGULATION (EU) .../...

of 9.10.2026

supplementing Directive 2009/138/EC of the European Parliament and of the Council with regard to regulatory technical standards specifying the applicability criteria for macroprudential analyses in the own risk and solvency assessment and as part of the prudent person principle, and specifying the applicability criteria, the content and the frequency of update of liquidity risk management plans

(Text with EEA relevance)

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE DELEGATED ACT

Directive (EU) 2025/2 of the European Parliament and of the Council¹ amended Article 45(1) of Directive 2009/138/EC of the European Parliament and of the Council² by adding a point (e), which requires certain insurance and reinsurance undertakings, when requested to do so by their supervisory authority, to analyse in their own risk and solvency assessment (i) the macroprudential concerns that may affect their specific risk profile, their approved risk tolerance limits, their business strategy, their underwriting activities or their investment decisions, and their overall solvency needs and (ii) their activities that may affect the macroeconomic and financial markets' developments, and have the potential to turn into sources of systemic risk.

At the same time, Directive (EU) 2025/2 also added to Article 132 of Directive 2009/138/EC, which requires insurance and reinsurance undertakings to respect the prudent person principle when investing all their assets, the new paragraphs 5 to 8. The new paragraph 6 of that Article requires insurance and reinsurance undertakings, when requested to do so by their supervisory authority, (i) to take account of the macroprudential concerns when those insurance and reinsurance undertakings decide on their investment strategy; (ii) to assess the extent to which their investment strategy may affect macroeconomic and financial market developments and have the potential to turn into sources of systemic risk, and (iii) incorporate such considerations as part of their investment decisions.

Directive (EU) 2025/2 also inserted a new Article 144a into Directive 2009/138/EC. Paragraph 2 of that Article requires Member States to ensure that insurance and reinsurance undertakings draw up and keep up to date a liquidity risk management plan covering liquidity analysis over the short term. When requested to do so by their supervisory authorities, insurance and reinsurance undertakings are to extend such liquidity risk management plan to cover also to the medium and long-term.

Finally, Directive (EU) 2025/2 inserted a new Article 246a into Directive 2009/138/EC, which introduces a liquidity risk management plan at group level for participating insurance and reinsurance undertakings, insurance holding companies and mixed financial holding companies, applying mutatis mutandis the requirements stated in article 144a.

To enable the supervisory authorities to assess which insurance or reinsurance undertakings and groups) are to apply all those new macroprudential tools, Directive (EU) 2025/2 inserted a new Article 144d in Directive 2009/138/EC, of which paragraph 1 instructs the European Insurance and Occupational Pensions Authority ('EIOPA') to develop draft regulatory technical standards which contain criteria for making such an assessment. EIOPA developed such criteria, thereby taking into account the requirements, laid down in Article 144d(3) and 144d (4), of Directive 2009/138/EC, that the criteria to be taken into account are to be proportionate to the nature, scale, and complexity of the risks, and notably the level of interconnectedness with financial markets, the cross-border nature of insurance and

¹ 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 (OJ L, 2025/2, 8.1.2025, ELI: <http://data.europa.eu/eli/dir/2025/2/oj>).

² Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) (OJ L 335, 17.12.2009, p. 1, ELI: <http://data.europa.eu/eli/dir/2009/138/oj>).

reinsurance activities the investments of the insurance and reinsurance undertakings and the composition of the asset and liability portfolios.

Regarding liquidity risk management plans specifically, paragraph 2 of Article 144d and paragraph 4 of Article 246a instruct EIOPA to develop draft technical standards specifying the content and frequency of update of liquidity risk management plans both at solo and group levels.

2. CONSULTATIONS PRIOR TO THE ADOPTION OF THE ACT

EIOPA conducted a public consultation between 17 October 2024 and 9 January 2025 on the draft regulatory technical standards regarding the inclusion of macroprudential analyses in the own risk and solvency assessment and as part of the prudent person principle. A stakeholder event was held on 27 November 2024 to discuss the consultation paper. Seven stakeholders provided feedback. Based on the stakeholder feedback, the content of the draft regulatory technical standards was refined and the quantitative threshold increased to further ensure proportionality (namely from EUR 12 billion to EUR 20 billion in total assets in the Solvency II balance sheet of an insurance or reinsurance undertaking and group), without changing the general approach set out in the consultation paper.

EIOPA conducted between 1 October 2024 and 2 January 2025 a public consultation on the draft regulatory technical standards on liquidity risk management plans. A stakeholder event was held on 27 November 2024 to discuss the consultation paper. Ten stakeholders, including EIOPA's Insurance and Reinsurance Stakeholder Group, provided feedback. Based on the stakeholder feedback, several modifications were made to the draft regulatory technical standards to further ensure a risk-based and proportionate approach. The baseline threshold for doing the liquidity analysis over the medium and long term was increased from EUR 12 billion to EUR 20 billion and the default frequency of update of the liquidity risk management plan was decreased from quarterly to at least annually. Some provisions on the content were removed, most notably the requirements to report on the cash flow projections for specific time horizons and a common liquidity risk indicator. Those provisions would have required undertakings and groups to carry out additional calculations, while not contributing significantly to the quality of their liquidity risk management.

3. LEGAL ELEMENTS OF THE DELEGATED ACT

The legal bases for this delegated regulation are Article 144d(1), Article 144d(2) and Article 246a(4) of Directive 2009/138/EC.

Directive 2009/138/EC was amended by Directive (EU) 2025/2, *inter alia* to require insurance and reinsurance undertakings to consider macroprudential effects in the own risk and solvency assessment and the prudent person principle as regards their investment strategy. This Delegated Regulation specifies the applicability criteria to be taken into account by supervisory authorities when specifying the insurance or reinsurance undertakings and groups which are to be requested to perform those macroprudential analyses. This delegated regulation leverages on quantitative and qualitative criteria already used in the supervisory context. In particular, it combines an absolute threshold of EUR 20 billion in total assets of the Solvency II balance sheet of an insurance, or reinsurance undertaking and group, with a set of risk-based criteria related to interconnectedness, activity, substitutability, and liquidity risks. By using that approach, this delegated regulation ensures supervisory flexibility to determine relevant undertakings according to their systemic footprint.

The objective of this delegated regulation is to complement the effective micro-prudential supervision of the framework laid down in Directive 2009/138/EC with macroprudential elements to specifically gauge insurers' systemic impact including when it comes to investment decisions.

In addition, insurance and reinsurance undertakings and groups are requested to set up and keep up to date a liquidity risk management plan and submit it to supervisory authorities as part of the information referred to in Article 35(1) of Directive 2009/138/EC. While the obligation to conduct liquidity analyses over the short term applies to all (re)insurers except small and non-complex undertakings and undertakings benefitting from proportionality measures in accordance with article 29d of Directive 2009/138/EC, liquidity analyses over the medium and long term are to be requested by supervisory authorities to insurance or reinsurance undertakings and groups taking into account the set of quantitative and qualitative criteria stated in this delegated regulation. To ensure consistency in terms of policy objectives with the first section dedicated to macroprudential analyses, the second section of this delegated regulation, dedicated to liquidity risk management plans, introduces an absolute threshold of EUR 20 billion in total assets in the Solvency II balance sheet of insurance, or reinsurance undertakings and groups and a proposed set of risk-based liquidity criteria related to the composition of the asset and liability portfolios, the nature of and variability of insurance and reinsurance obligations and the exposures of assets' expected cash-flows to market fluctuations. By incorporating quantitative and qualitative criteria, this delegated regulation promotes supervisory convergence while accounting for national market specificities. The content and structure of the liquidity risk management plan consist of the overall assessment, assumptions underlying the projections of incoming and outgoing cash flows, results of the cash flow projections, buffers of liquid assets, liquidity risk indicators, and any other information. (Re)insurers will be requested to update their liquidity risk management plan at least annually and whenever the overall liquidity conditions change markedly. The content and frequency of update of liquidity risk management plan at solo level is to apply *mutatis mutandis* at group level, taking into account the impacts of significant risk concentration and intra-group transactions, and the same applies for any restrictions of transfer of liquidity on an ongoing basis and under stressed conditions.

By providing clear criteria for identification, this delegated regulation will promote supervisory convergence and support effective and efficient macroprudential supervision for insurers, reinsurers and groups, thereby contributing to the protection of policyholders and to the objective of burden reduction.

COMMISSION DELEGATED REGULATION (EU) .../...

of 9.10.2026

supplementing Directive 2009/138/EC of the European Parliament and of the Council with regard to regulatory technical standards specifying the applicability criteria for macroprudential analyses in the own risk and solvency assessment and as part of the prudent person principle, and specifying the applicability criteria, the content and the frequency of update of liquidity risk management plans

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

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

Having regard to Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II)³, and in particular Article 144d(1), third subparagraph, Article 144d(2), second subparagraph, and Article 246a(4), second subparagraph, thereof,

Whereas:

- (1) The criteria that supervisory authorities should take into account when determining which insurance or reinsurance undertakings and groups should be requested to consider and analyse whether their activities may affect the macroeconomic and financial markets' developments and have the potential to turn into sources of systemic risk, as referred to in Article 45(1), second subparagraph, point (e)(ii), of Directive 2009/138/EC, should be in line with the most recent approaches to assess the macroprudential relevance of insurance and reinsurance undertakings. Specifically, those criteria should be inspired by the insurance core principles adopted by the International Association of Insurance Supervisors in its Holistic Framework for the assessment and mitigation of systemic risk in the insurance sector⁴, endorsed at international level by supervisory authorities.
- (2) To identify insurance or reinsurance undertakings and groups that due to their size are more important from a financial stability perspective, quantitative criteria should be used as a priority. To strike a balance between the need, on the one hand, for financial stability monitoring and, on the other hand, for burden reduction, the quantitative criteria should be based on a threshold for total assets of EUR 20 000 000 000, which ensures sufficient market coverage both at Union and national level.
- (3) To identify additional insurance or reinsurance undertakings and groups that have not been captured by the application of the quantitative criteria, but for which their additional macroeconomic analyses in the own risk and solvency assessment, as referred to in Article 45(1), second subparagraph, point (e), of Directive 2009/138/EC, and incorporation of macroprudential considerations as part of the prudent person

³ OJ L 335, 17.12.2009, p. 1, ELI: <http://data.europa.eu/eli/dir/2009/138/oj>.

⁴ International Association of Insurance Supervisors, 'Holistic Framework for Systemic Risk in the Insurance Sector', November 2019, [191114-Holistic-Framework-for-Systemic-Risk.pdf](https://www.iaaisupervisors.org/wp-content/uploads/2019/11/191114-Holistic-Framework-for-Systemic-Risk.pdf).

principle, referred to in Article 132(6) of Directive 2009/138/EC, might be needed due to their risk profile, qualitative criteria should be used. Where the application of those qualitative criteria reveals that insurance or reinsurance undertakings and groups meeting the threshold for total assets of EUR 20 000 000 000 are not materially vulnerable to systemic risk, supervisory authorities should consider not to request those undertakings or groups to carry out the additional macroprudential analyses in the own risk and solvency assessment and to incorporate macroprudential considerations in the prudent person principle.

- (4) To ensure consistency with the framework of the recovery and resolution of insurance and reinsurance undertakings, as laid down in Directive (EU) 2025/1 of the European Parliament and of the Council⁵, the specifications of the criteria of substitutability in a cross-border context and of interconnectedness that supervisory authorities should take into account should be the same as the specifications laid down in the delegated regulation adopted pursuant to Article 5(12), point (a), of that Directive.
- (5) To ensure a proportionate and risk-based liquidity risk management plan, insurance or reinsurance undertakings and groups should provide the results of their own liquidity analysis in the liquidity risk management plan in accordance with the system of governance and risk management requirements laid down in Articles 41(3) and 44(2) of Directive 2009/138/EC. Moreover, liquidity risk management plans should take into account the governance requirements laid down in Article 259(1), point (a) and Article 260(1), point (d), of Commission Delegated Regulation (EU) 2015/35⁶, and be based on the insurance core principles on liquidity risk management of the International Association of Insurance Supervisors⁷.
- (6) The specification of the criteria for identifying insurance or reinsurance undertakings and groups which should also cover liquidity analysis over the medium and long term in the liquidity risk management plan requires a common understanding of the timeframes over which short-, medium- and long-term liquidity risks may materialise. To recognise the specific business model of insurance or reinsurance undertakings and groups compared to other financial institutions, the liquidity analysis over the short term should span a period of up to three months, whereas the liquidity analysis over the medium and long term should cover a period beyond three months.
- (7) To adequately capture the undertakings that may be exposed to material medium and long-term liquidity risks due to their structure or their risk profile, the criteria to be taken into account when identifying the insurance or reinsurance undertakings and groups that are to be requested to extend the liquidity risk management plan to cover also liquidity analysis over the medium and long-term should be both quantitative and qualitative. Those criteria should be proportionate to the nature, scale, and complexity of the risks involved, and they should support supervisory convergence.

⁵ 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 (OJ L 2025/1, 8.1.2025, ELI: <http://data.europa.eu/eli/dir/2025/1/oj>).

⁶ Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) (OJ L 12, 17.1.2015, p. 1, ELI: http://data.europa.eu/eli/reg_del/2015/35/oj).

⁷ Insurance Core Principle 16.8 and 16.9 in International Association of Insurance Supervisors, Insurance Core Principles and Common Framework for the Supervision of Internationally Active Insurance Groups, December 2024.

- (8) As for the macroprudential analyses, to identify insurance or reinsurance undertakings and groups that due to their size are requested to draw up and maintain a liquidity risk management plan covering liquidity analysis over the medium and long term, quantitative criteria should be used as a priority given that size is considered to be a liquidity risk amplifier. To strike a balance between the needs of financial stability monitoring and burden reduction, the quantitative criteria should be based on a threshold for total assets of EUR 20 000 000 000, which ensures sufficient market coverage both at Union and national level.
- (9) To identify additional insurance or reinsurance undertakings and groups that have not been captured by the application of quantitative criteria but which due to their risk profile may be prone to liquidity risks over the medium and long term, qualitative criteria should be used. The application of the qualitative criteria should also enable the supervisory authorities to identify insurance or reinsurance undertakings and groups that have been captured by the application of the quantitative criteria, but for which the assessment of the nature, scale, and complexity of liquidity related risks reveals that they are not materially vulnerable to medium and long-term liquidity risk and as such should not to be requested to include medium to long-term liquidity analysis in their liquidity risk management plans.
- (10) Depending on the group's structure and liquidity risk profile, the liquidity risk management plan over the medium and long term at group level may adequately capture the liquidity vulnerabilities of certain related insurance and reinsurance undertakings within the group, in particular where their individual liquidity risk profile is not material or is appropriately reflected in the group-wide assessment. Therefore, the requirement to have a liquidity risk management plan over the medium and long term at group level should not systematically imply the need for a separate liquidity risk management plan over the medium and long term for each related insurance or reinsurance undertaking within the group, and reciprocally.
- (11) The liquidity risk management plans should be easily accessible and comparable, in particular for the administrative, management or supervisory body of these undertakings and for the supervisory authorities. They should therefore follow a common structure.
- (12) Article 144a(5) of Directive 2009/138/EC allows insurance and reinsurance undertakings that apply the matching adjustment or the volatility adjustment to combine the liquidity risk management plan with the liquidity plan referred to in Article 44(2) of that Directive in relation to the assets and liabilities subject to those adjustments. The common structure of both plans should therefore be sufficiently flexible. To provide the readers of the liquidity risk management plan, including the supervisory authority, with a synthesis of the different components of the liquidity analysis, the liquidity risk management plan should start with an overall assessment of the adequacy of liquidity to settle obligations when they fall due.
- (13) A description of the assumptions underlying the projections of incoming and outgoing cash flows, notably specifying the material sources of liquidity risk to which the undertaking is exposed, enhances the readers' insights in the risk profile of insurance and reinsurance undertakings and contributes to the understanding of the liquidity risk management plan. Insurance and reinsurance undertakings should therefore provide information on these assumptions, both on an ongoing basis and under stressed conditions. For the same reason, the liquidity risk management plan should also describe the sources of liquidity risk considered, which may include margin and

collateral calls on derivatives, securities financing transactions and other exposures, redemptions by policy holders, potential natural and man-made catastrophes and a deterioration of the insurance and reinsurance undertakings' credit standing, and should specify the size of the shocks assumed in the stress tests and scenario analysis.

- (14) Insurance and reinsurance undertakings should use time horizons in the projections of incoming and outgoing cash flows that effectively capture their liquidity risk profile and the timing of their liquidity needs, which may include horizons expressed in days for daily margin and collateral calls. As a consequence, they should provide in the liquidity risk management plan the results of the cash flow projections for one or more time horizons within the short term and, where applicable, the medium and long term.
- (15) Liquidity risk on parts of the assets and liabilities may be borne by the policyholders and parts of the assets and liabilities may be ring-fenced, including in funds with life insurance obligations with profit participation, so that those assets are not available to provide liquidity to other parts of the insurance or reinsurance undertaking. Therefore, in the liquidity risk management plan, insurance and reinsurance undertakings should present the results of the cash flow projections separately for assets and liabilities relating to index-linked and unit-linked obligations and ring-fenced funds, including matching adjustment portfolios. For the same reason, insurance and reinsurance undertakings should also identify any internal liquidity restrictions and provide an assessment of whether those internal liquidity restrictions are complied with.
- (16) The results of the cash flow projections should provide the readers of the liquidity risk management plan, including the supervisory authorities, insight in the main drivers of the development of incoming and outgoing cash flows, the reliance on the buffers of liquid assets and other sources of liquidity to absorb any shortfalls, and the effectiveness of potential supervisory measures to restore the liquidity position of insurance and reinsurance undertakings. The liquidity risk management plan should therefore contain a breakdown of the projections of incoming and outgoing cash flows on an ongoing basis and under stressed conditions. The cash flow items to be distinguished should cover the main cash inflows and outflows of insurance and reinsurance undertakings, cash outflows that constitute important sources of liquidity risk, including margin and collateral calls, cash inflows originating from the buffers of liquid assets and other sources of liquidity, including unsecured funding, and the outgoing cash flows that supervisory authorities can temporarily restrict or suspend to remedy liquidity vulnerabilities in exceptional circumstances, in accordance with Article 144b(3) of Directive 2009/138/EC. To ensure a proportionate and risk-based approach, insurance and reinsurance undertakings should provide the prescribed cash flow items for the projections on an ongoing basis, and for the projections under stressed conditions only where those items change materially.
- (17) Insurance and reinsurance undertakings should maintain adequate liquidity to settle their financial obligations towards policyholders and other counterparties when they fall due, even under stressed conditions. The liquidity risk management plan should therefore contain a breakdown of the buffers of liquid assets and of the assumed haircuts, which should correspond to the loss in the value of the assets when the assets are transformed into liquidity under stressed conditions within the timeframe corresponding to the liquidity needs. That breakdown should be accompanied by an assessment of the reliability of the assets in providing liquidity, of the operational capacity of the insurance or reinsurance undertaking to convert assets into liquidity, and of the availability of arrangements with counterparties, also in stressed

circumstances, to transform liquid assets into liquidity and to provide other sources of liquidity.

- (18) The liquidity risk management plan should contain the latest values of the insurance and reinsurance undertakings' liquidity risk indicators, together with a description and explanation of their appropriateness. Although the liquidity risk indicators should be the insurance and reinsurance undertakings' own indicators, reflecting their specificities and liquidity risk profile, it is important to ensure that the indicators convey relevant information on the insurance and reinsurance undertakings' liquidity position. Therefore, the liquidity risk management plan should include indicators that signal whether liquidity exposures are within the insurance and reinsurance undertakings' approved risk tolerance limits and that compare liquidity resources and needs under normal and stressed conditions, including the commonly used liquidity coverage ratio and the excess liquidity metric.
- (19) The updating of the liquidity risk management plan ensures that the plan contains current and relevant information, but disproportionate costs of updating the content too frequently should be avoided. The liquidity risk management plan should therefore be updated annually, or more frequently to capture any significant fluctuations in liquidity risk exposures throughout the year. The liquidity risk management plan should also be updated following a significant change in the liquidity risk profile of the undertaking, or any major external development affecting significantly the relevance of the content of the liquidity risk management plan.
- (20) To mitigate any threats to the liquidity position of the group, participating insurance and reinsurance undertakings, insurance holding companies and mixed financial holding companies should describe in the liquidity risk management plan at group level the impacts of all significant intra-group transactions and risk concentrations.
- (21) Liquidity is not always freely transferable within a group when needed. Participating insurance and reinsurance undertakings, insurance holding companies or mixed financial holding companies should therefore ensure that the impacts described in the liquidity risk management plan at group level include any restrictions of transfer of liquidity within the group on an ongoing basis and under stressed conditions.
- (22) Under current rules, supervisory authorities across the Union are not endowed with suitable instruments to consider insurers' macroprudential footprint concerning their qualitative risk management tools and investment decisions. The financial crisis of 2008 revealed weaknesses in coping with systemic risk, which triggered a macroprudential overhaul of the financial regulation. Article 144d (1), points (a), (b) and (c), Article 144d(2), and Article 246a(4) of Directive 2009/138/EC empower the Commission to adopt regulatory technical standards to specify criteria to determine when insurance or reinsurance undertakings and groups are to be requested to incorporate macroprudential considerations into the own risk and solvency assessment and the prudent person principle, to draw up and maintain a liquidity risk management plan covering liquidity analysis over the medium and long term, and to specify the content and the frequency of update of the liquidity risk management plans both at solo and group level. By harmonising supervisory practices and framing public authorities' discretion, those criteria aim at supporting effective macroprudential supervision for insurance, reinsurance undertakings and groups, thereby contributing to the protection of policyholders. It is therefore necessary to include those regulatory technical standards in a single delegated regulation.

- (23) This Regulation is based on the draft regulatory technical standards submitted to the Commission by the European Insurance and Occupational Pensions Authority.
- (24) 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 in accordance with Article 37 of Regulation (EU) No 1094/2010 of the European Parliament and of the Council⁸,

HAS ADOPTED THIS REGULATION:

SECTION 1 – MACROPRUDENTIAL ANALYSES IN THE OWN RISK AND SOLVENCY ASSESSMENT AND AS PART OF THE PRUDENT PERSON PRINCIPLE

Article 1

Criteria for determining which insurance or reinsurance undertakings and groups have to carry out additional macroprudential analyses in the own risk and solvency assessment

1. For the purposes of Article 144d(1), point (a), of Directive 2009/138/EC, supervisory authorities shall give priority to the following criteria to identify the insurance or reinsurance undertakings and groups that shall be requested to carry out the additional macroprudential analyses referred to in Article 45(1), second subparagraph, point (e), of Directive 2009/138/EC:
 - (a) for insurance and reinsurance groups, whether the total assets, valued in accordance with Article 75 of Directive 2009/138/EC, exceed EUR 20 000 000 000;
 - (b) for insurance or reinsurance undertakings that do not belong to a group as referred to in point (a), whether the total assets, valued in accordance with Article 75 of Directive 2009/138/EC, exceed EUR 20 000 000 000.
2. To determine whether insurance or reinsurance undertakings and groups that do not fulfil the criteria set out in paragraph 1 are to be requested to carry out the additional macroprudential analyses referred to in Article 45(1), second subparagraph, point (e), of Directive 2009/138/EC, supervisory authorities shall take into account the following criteria:
 - (a) whether the insurance or reinsurance undertaking or group is materially interconnected with other financial institutions in accordance with the specifications of the criteria laid down in the delegated regulation adopted pursuant to Article 5(12), point (a), of Directive 2015/2375;
 - (b) whether the insurance or reinsurance undertaking or group carries out the following activities that are materially related to systemically relevant exposures:
 - (i) the use of derivative instruments;

⁸ Regulation (EU) No 1094/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Insurance and Occupational Pensions Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/79/EC (OJ L 331, 15.12.2010, p. 48, ELI: <http://data.europa.eu/eli/reg/2010/1094/oj>).

- (ii) activities related to exposures with macroprudential implications that can potentially generate spillover effects;
 - (iii) the offering of products with a guaranteed benefit or with variable annuities;
 - (iv) concentration in certain asset classes or common exposures on the asset side;
 - (c) whether the insurance or reinsurance undertaking or group is substitutable with other insurance or reinsurance undertakings or groups in accordance with the specifications of the criteria laid down in the delegated regulation adopted pursuant to Article 5(12) point (a), of Directive 2025/1;
 - (d) whether the insurance or reinsurance undertaking or group is materially exposed to liquidity risk on the basis of the liquidity risk sources referred to in Article 4(2) of this Regulation;
 - (e) where the insurance or reinsurance undertaking is part of a group that carries out the macroprudential analyses in the own risk and solvency assessment, whether the specificities of that undertaking are insufficiently or inappropriately captured in the analysis of the group.
3. To determine whether insurance or reinsurance undertakings and groups that fulfil the criteria set out in paragraph 1 are to be requested to carry out the additional macroprudential analyses referred to in Article 45(1), second subparagraph, point (e), of Directive 2009/138/EC, supervisory authorities may take into account also the criteria set out in paragraph 2. Non-compliance with those criteria, as well as the nature, scale and complexity of the risks may justify a determination not to request the additional macroprudential analyses.
 4. The supervisory authority of an insurance or reinsurance undertaking that is part of a group that is not requested to carry out the additional macroprudential analyses pursuant to paragraph 3 despite meeting the criteria set out in paragraph 1 may request that undertaking to carry out the macroprudential analyses in its own risk and solvency assessment on the basis of the criteria set out in paragraph 2.

Article 2

Criteria for determining which insurance or reinsurance undertakings and groups have to incorporate macroprudential considerations as part of the prudent person principle

1. For the purposes of Article 144d(1), point (b), of Directive 2009/138/EC, supervisory authorities shall give priority to the following criteria to identify the insurance or reinsurance undertakings and groups that shall be requested to incorporate macroprudential considerations as part of the prudent person principle referred to in Article 132(6) of Directive 2009/138/EC:
 - (a) for insurance and reinsurance groups, whether the total assets, valued in accordance with Article 75 of Directive 2009/138/EC, exceed EUR 20 000 000 000;
 - (b) for insurance or reinsurance undertakings that do not belong to a group as referred to in point (a), whether the total assets, valued in accordance with Article 75 of Directive 2009/138/EC, exceed EUR 20 000 000 000.

2. To determine whether insurance or reinsurance undertakings and groups that do not fulfil the criteria set out in paragraph 1, are to be requested to incorporate the macroprudential considerations as part of the prudent person principle referred to in Article 132(6) of Directive 2009/138/EC, supervisory authorities shall take into account the following criteria:
- (a) the criteria set out in Article 1(2), points (a) to (d), of this Regulation;
 - (b) whether within the insurance or reinsurance undertaking or group there is a material duration mismatch between assets and liabilities;
 - (c) whether the insurance or reinsurance undertaking or group uses leverage stemming from derivative instruments or securities financing transactions that create exposures contingent on the future value of an underlying asset;
 - (d) whether the insurance or reinsurance undertaking or group holds assets that are illiquid, are difficult to value or have an opaque and complex structure, including assets that are valued with alternative valuation methods in accordance with Article 10(5), (6) and (7) of Delegated Regulation (EU) 2015/35;
 - (e) where the insurance or reinsurance undertaking is part of a group that carries out the macroprudential analyses in the context of the application of the prudent person principle, whether the specificities of that undertaking are insufficiently captured in the analysis of the group.
3. To determine whether insurance or reinsurance undertakings and groups that fulfil the criteria set out in paragraph 1 are to be requested to incorporate the macroprudential considerations as part of the prudent person principle referred to in Article 132(6) of Directive 2009/138/EC, supervisory authorities may take into account also the criteria set out in paragraph 2. Non-compliance with those criteria, as well as the nature, scale and complexity of the risks, also taking into account whether additional macroprudential analyses are carried out in the own risk and solvency assessment, may justify a determination not to request the macroprudential considerations.
4. The supervisory authority of an insurance or reinsurance undertaking that is part of a group that is not requested to incorporate macroprudential considerations as part of the prudent principle pursuant to paragraph 3 despite meeting the criteria set out in paragraph 1, may request that undertaking to incorporate macroprudential considerations as part of the prudent person principle on the basis of the criteria set out in paragraph 2.

SECTION 2 - LIQUIDITY RISK MANAGEMENT PLANS

Article 3 **Definitions**

For the purposes of this Section, the following definitions shall apply:

- (a) ‘short term’ means the period of up to three months following the starting date of the projections;
- (b) ‘medium and long term’ means the period beyond three months from the starting date of the projections.

Article 4

Criteria for liquidity analysis over the medium and long term

1. For the purposes of Article 144d(1), point (c), of Directive 2009/138/EC, supervisory authorities shall give priority to the following criteria to identify insurance or reinsurance undertakings and groups which shall be requested to draw up and keep up to date a liquidity risk management plan also covering liquidity analysis over the medium and long term referred to in Article 144a(2) of Directive 2009/138/EC:
 - (a) for insurance and reinsurance groups, whether the total assets, valued in accordance with Article 75 of Directive 2009/138/EC, exceed EUR 20 000 000 000;
 - (b) for insurance and reinsurance undertakings that are not exempted from drawing up and keeping up to date a liquidity risk management plan at individual level in accordance with Article 246a(2) of Directive 2009/138/EC, whether the total assets, valued in accordance with Article 75 of Directive 2009/138/EC, exceed EUR 20 000 000 000.
2. To determine whether insurance or reinsurance undertakings and groups that do not fulfil the criteria set out in paragraph 1, are to be requested to draw up and maintain a liquidity risk management plan also covering liquidity analysis over the medium and long term based on their exposures and vulnerabilities to liquidity risk over the medium and long term, supervisory authorities shall take into account the following criteria:
 - (a) liquidity risk stemming from exposure to insurable events;
 - (b) liquidity risk stemming from policy holder behaviour;
 - (c) liquidity risk arising from the structure or composition of assets;
 - (d) liquidity risk stemming from counterparty risk;
 - (e) liquidity risk stemming from economic or market developments with impact on funding.
3. To determine whether insurance or reinsurance undertakings and groups that fulfil the criteria set out in paragraph 1 are to be requested to draw up and maintain a liquidity risk management plan also covering liquidity analysis over the medium and long term referred to in Article 144a(2) of Directive 2009/138/EC, supervisory authorities may take into account also the criteria set out in paragraph 2. Non-compliance with those criteria, as well as the nature, scale and complexity of the risks may justify a determination not to request to also cover liquidity analysis over the medium and long term in the liquidity risk management plan.

Article 5

Content and structure of the liquidity risk management plan

The liquidity risk management plan referred to in Article 144a(2) of Directive 2009/138/EC shall contain the information referred to in Articles 6 to 10 of this Regulation and have the following structure:

- (a) overall assessment;
- (b) assumptions underlying the projections;
- (c) cash flow projections;

- (d) buffer of liquid assets;
- (e) liquidity risk indicators;
- (f) any other information.

Article 6

Overall assessment of liquidity risk

The liquidity risk management plan shall contain the results of the following assessments:

- (a) whether the insurance or reinsurance undertaking complies with the risk tolerance limits for liquidity risk;
- (b) whether the insurance or reinsurance undertaking has adequate liquidity to settle its financial obligations towards policy holders and other counterparties when they fall due, even under stressed conditions;
- (c) whether there are any significant changes to the liquidity risk profile since the previous update of the liquidity risk management plan;
- (d) whether there are any vulnerabilities in the liquidity risk profile and liquidity risk management system of the insurance or reinsurance undertaking, and whether any actions have been undertaken to remedy those vulnerabilities.

Article 7

Description of the assumptions underlying the projections of incoming and outgoing cash flows

1. In the liquidity risk management plan referred to in Article 144a(2) of Directive 2009/138/EC, insurance and reinsurance undertakings shall describe the assumptions on which the projections of incoming and outgoing cash flows are based, for both of the following:
 - (a) projections on an ongoing basis;
 - (b) projections under stressed conditions based on the stress tests and scenario analysis referred to in Article 259(3) of Delegated Regulation (EU) 2015/35.
2. The description of the assumptions used for the projections under stressed conditions referred to in paragraph 1, point (b), shall specify separately the following:
 - (a) the material sources of liquidity risk to which the insurance or reinsurance undertaking is exposed;
 - (b) the size of the shocks applied in relation to the material sources of liquidity risk.

Article 8

Information on the results of the cash flow projections

1. In the liquidity risk management plan, insurance and reinsurance undertakings shall provide information on the results of the projections of incoming and outgoing cash flows referred to in Article 144a(2) of Directive 2009/138/EC.
2. The projections of the incoming and outgoing cash flows shall be in relation to all assets and liabilities of the insurance or reinsurance undertaking, including exposures

arising from off-balance sheet positions and the transfer of risk to special purpose vehicles.

3. The starting date of the projections of incoming and outgoing cash flows in relation to the assets and liabilities shall not predate the end of the quarter preceding the quarter in which the liquidity risk management plan has been drawn up or updated.
4. In the liquidity risk management plan, insurance and reinsurance undertakings shall provide the information on the results of the incoming and outgoing cash flows for the projections on an ongoing basis and under stressed conditions.
5. In the liquidity risk management plan, insurance and reinsurance undertakings shall provide the information on the results of the projections of incoming and outgoing cash flows for one or more time horizons, for both of the following analyses:

- (a) the liquidity analysis over the short term;
- (b) where applicable, the liquidity analysis over the medium and long term.

The time horizons referred to in the first subparagraph shall capture the material liquidity risk exposures and the timing of liquidity needs of the undertaking over the short term and, where applicable, the medium and long term.

6. In the liquidity risk management plan, insurance and reinsurance undertakings shall:
 - (a) identify any liquidity constraints within the insurance or reinsurance undertaking;
 - (b) provide an assessment of whether the projections of cash flows satisfy the liquidity constraints referred to in point (a).
7. Insurance and reinsurance undertakings shall provide the information on the results of the projections of incoming and outgoing cash flows separately for the following assets and liabilities, where applicable:
 - (a) the assets and liabilities in relation to index-linked and unit-linked life insurance obligations;
 - (b) the assets and liabilities in relation to each ring-fenced fund and matching adjustment portfolio.
8. The information on the results of the projections of incoming cash flows shall contain the total of all incoming cash flows, listing separately the results for the following items:
 - (a) gross written premiums;
 - (b) reinsurance cash inflows;
 - (c) cash inflows from intra-group transactions;
 - (d) investment income;
 - (e) sales of assets, other than the liquid assets referred to in Article 9;
 - (f) unsecured funding, excluding intragroup borrowing.

The information on the incoming cash flows shall be gross, without including cash flows in relation to the transformation of the assets included in one or more buffers of liquid assets into liquidity.

Insurance and reinsurance undertakings shall provide the incoming cash flow items referred to in the first subparagraph, points (a) to (f), for the projections on an ongoing basis and, where the cash flow items change materially, for the projections under stressed conditions.

9. The information on the results of the projections of outgoing cash flows shall contain the total of all outgoing cash flows, listing separately the results for the following items:
 - (a) claims and other technical outflows, excluding surrenders;
 - (b) surrenders;
 - (c) expenses, excluding bonuses and other variable remuneration;
 - (d) reinsurance cash outflows;
 - (e) cash outflows from intra-group transactions;
 - (f) purchases of assets;
 - (g) margin and collateral calls;
 - (h) dividend distributions to shareholders and other subordinated creditors;
 - (i) other payments to shareholders and other subordinated creditors;
 - (j) share buy-backs and repayment or redemption of own fund items;
 - (k) bonuses and other variable remuneration.

Insurance and reinsurance undertakings shall provide the outgoing cash flow items referred to in the first subparagraph, points (a) to (k), for the projections on an ongoing basis and, where the values of those items change materially, for the projections under stressed conditions.

10. The liquidity risk management plan shall show the net balance between incoming and outgoing cash flows separately, and contain a breakdown of the difference between the net and gross balance of incoming and outgoing cash flows, listing separately the results of the projections for the following items, where material:
 - (a) sales of liquid assets;
 - (b) funding secured by liquid assets;
 - (c) posting of liquid assets as collateral.

Article 9

Information on buffers of liquid assets and other sources of liquidity

1. In the liquidity risk management plan, insurance and reinsurance undertakings shall provide quantitative and qualitative information on the buffers of liquid assets of the insurance or reinsurance undertaking to cover any shortfall of incoming cash flows compared to outgoing cash flows over the time horizons that correspond to the timing of liquidity needs referred to in Article 8(5).
2. The quantitative information referred to in paragraph 1 shall contain a breakdown of the buffers according to the types of liquid asset, covering the following information for the total of liquid assets and separately for each type of liquid asset:
 - (a) the market value of the liquid assets at the starting date of the cash flow projections;

- (b) the haircut applied to the liquid assets;
 - (c) the value of the liquid assets after the application of the haircut referred to in point (b).
- 3. For the purposes of paragraph 2, point (b), the haircuts shall correspond to the loss in value when transforming the assets concerned into liquidity under stressed conditions within the time horizon that corresponds to the timing of liquidity needs referred to in Article 8(5), including the potential costs and financial losses arising from the sale of the assets.
- 4. The qualitative information referred to in paragraph 1 shall contain the results of the following assessments:
 - (a) whether the assets are sufficiently reliable to cover liquidity shortfalls under stressed conditions within the time horizons that correspond to the timing of liquidity needs referred to in Article 8(5), taking into account any encumbrances, the credit quality of the assets and marketability of the assets;
 - (b) whether the insurance or reinsurance undertaking has the operational capacity to transform the liquid assets into liquidity within the time horizons that correspond to the timing of liquidity needs referred to in Article 8(5);
 - (c) whether any arrangements with counterparties to transform liquid assets into liquidity or to provide other sources of liquidity continue to be available, even under stressed conditions, including the identification of those counterparties.

Article 10

Information on liquidity risk indicators

1. The liquidity risk management plan shall contain quantitative and qualitative information on the liquidity risk indicators used by the insurance or reinsurance undertaking to identify, monitor and address potential liquidity stress.
2. The liquidity risk indicators shall reflect the specificities and risk profile of the undertaking and include indicators that:
 - (a) signal whether liquidity risk exposures are within the established risk tolerance limits;
 - (b) compare liquidity resources and needs under normal and stressed conditions over the time horizons that correspond to the timing of liquidity needs referred to in Article 8(5).
3. The qualitative information referred to in paragraph 1 shall describe and explain why the liquidity risk indicators used by the insurance or reinsurance undertaking are appropriate to identify, monitor and address potential liquidity stress.

Article 11

Frequency of update of the liquidity risk management plan

Insurance and reinsurance undertakings shall update the liquidity risk management plan at least annually. They shall also update the liquidity risk management plan without delay following any significant change in the liquidity risk profile of the undertaking or any major external development affecting significantly the relevance of the content of the liquidity risk management plan.

Article 12

Content and frequency of update of liquidity risk management plans at group level

1. Articles 5 to 11 shall apply *mutatis mutandis* to the liquidity risk management plans at group level.
2. Participating insurance and reinsurance undertakings, insurance holding companies and mixed financial holding companies shall include in the liquidity risk management plan at the level of the group a description of the mechanism for managing liquidity and for identifying and addressing liquidity needs at group level, both on an ongoing basis and under stressed conditions, including a description of the availability and transferability of liquidity also in case of simultaneous liquidity needs within the group.
3. The information provided in the liquidity risk management plan at group level shall reflect any transferability restrictions imposed under applicable laws, regulations or supervisory requirements.

Article 13

Risk concentration and intra-group transactions

1. Participating insurance and reinsurance undertakings, insurance holding companies and mixed financial holding companies shall describe in the liquidity risk management plan at group level the impacts of significant risk concentrations and intra-group transactions as referred to in Articles 376(1) and 377(1) of Delegated Regulation (EU) 2015/35 on the liquidity management, the liquidity needs and resources of the group.

Participating insurance and reinsurance undertakings, insurance holding companies and mixed financial holding companies shall describe those impacts on an ongoing basis and under stressed conditions, including all restrictions on liquidity transferability that could limit or delay the use of intragroup transactions.
2. Participating insurance and reinsurance undertakings, insurance holding companies and mixed financial holding companies shall in their liquidity risk management plan assess the plausibility and consistency of the assumptions as regards intra-group transactions.

SECTION 3 – ENTRY INTO FORCE

Article 14

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, 9.10.2026

For the Commission
The President
Ursula VON DER LEYEN