

Commissioner Albuquerque
European Commission

2026-02-18

Need for simplification and to avoid new burdens, for example on Insurance Guarantee Schemes

Dear Commissioner Albuquerque,

Insurance Sweden strongly supports the European Commission's commitment to reducing unnecessary complexity in EU rules, to cut administrative burdens and simplify legislation. Efficient and effective regulation is vital but over-regulation leads to significant unnecessary costs not only for Swedish insurers but also indirectly for customers and reduces capacity and ability to innovate and grow. The Commission's target of a 25% reduction by 2029 provides a clear and welcome recognition that meaningful changes are needed and the level of ambition.

The insurance industry, because of its very wide role in society, has to comply with many regulations. It has therefore been especially impacted by the exponential growth in the breadth and complexity of EU regulation. For example, there were 12 legislative texts at EU level impacting insurers in 2012, and there will soon be about 70¹. Insurers face significant increases to already high burdens from new regulations already due for implementation. Achieving an overall reduction will be very challenging indeed and even limiting increases will need significant effort. However, based on discussions, drafts and proposals being put forward by the Commission at working level and by EIOPA we are concerned that the need for simplification is not prioritised as it needs to be.

In Sweden we are proud that we either do not have, or have already addressed, many of the issues that have led to certain EU regulations, but we find our insurance companies never-the-less facing significant costs to implement new requirements that are not needed or not justified by the limited benefits. One example is the Insurance Recovery and Resolution Directive (IRRD) under which the Commission is assessing the appropriateness of minimum common standards for insurance guarantee schemes (IGS).

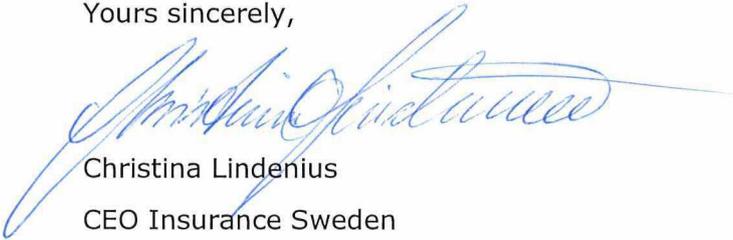
¹ Insurance Europe

The desired outcome, that all EU citizens have very high level of protection and do not experience significant hardship from failures of an insurance company is supported strongly by Insurance Sweden. However, in Sweden insurance customers are already very well protected without having an IGS due to insurers following their duty to customers as well as the regulatory requirements and supervisors monitoring effectively and taking action where necessary. There have been no insurance failures in Sweden over the decades² and there is no evidence that existing resolution processes are not sufficient if needed. Solvency II has ensured since 2016 even higher levels of protection and supervisory oversight and this will be even enhanced further by the Solvency II Review. Imposing new IGS regulation on Sweden in the name of harmonisation rather than evidence of a need would add costs and burdens without benefits to justify them.

We urge the Commission to ensure that the simplification imperative is also applied to insurance-related regulation so that costs and burdens are reduced where possible and new regulation is avoided, except where there is clear and strong evidence it is needed. We also urge that the focus is on achieving outcomes and to avoid imposing changes and costs on those countries where the outcomes are being achieved. IGS is a good example where these approaches should be applied, but they should also be applied to other ongoing developments such as Retail Investment Strategy (RIS) and Supplementary Pensions Package.

We would welcome the opportunity to discuss this further with you or your team.

Yours sincerely,



Christina Lindenius
CEO Insurance Sweden

² PACICC, *When, Where and How Often Insurers Fail: The Global Failed Insurer Catalogue – 2025 Update*.