

Cumulative regulatory burden: EU requirements affecting insurers since March 2023

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Introduction

Major new and revised EU requirements affecting insurers since March 2023

In March 2023, the European Commission committed to reducing reporting requirements by 25%, as part of its wider objective of reducing red tape and strengthening European competitiveness. The Commission subsequently made simplification and burden reduction a central part of its work programme.

Despite this clear and strong commitment being made, (re)insurers have had to implement, or prepare to implement, a significant number of new and revised EU regulatory requirements across prudential regulation, recovery and resolution, sustainability, digitalisation, anti-money laundering and other areas.

Scope

The table in the annex provides an overview of the **major measures with direct or material implementation consequences for insurers**. It includes measures adopted after March 2023 as well as earlier legislation where the principal implementation or application fell after March 2023. It does not seek to catalogue every horizontal EU requirement applying to companies more generally.

Some of these frameworks have already been subject to subsequent simplification, postponement or scope reduction, notably CSRD/CSDDD and the AI Act. At the same time, the overall picture shows the large number of new rules that insurers had to implement in parallel with the EU's simplification agenda.

The burden does not stop at Level 1

It is also important that the burden does not end with Level 1 legislation. Delegated and implementing acts, technical standards, guidelines, supervisory expectations, national implementation and ad hoc data requests can substantially increase the operational requirements arising from these frameworks.

The issue is therefore not whether each individual measure pursues a legitimate objective. It is whether the regulatory framework as a whole is designed and implemented in a way that avoids unnecessary cumulative costs, duplication and complexity.

Principles for reducing cumulative regulatory burden

Insurance Europe supports the EU's simplification agenda and its objective of making regulation more proportionate, coherent and workable. To translate that ambition into tangible reductions for insurers, simplification needs to address the **interaction between regulatory requirements**, rather than considering each legislative file in isolation.

- **Report once, use many times**

Data or information already provided to a public authority should be reused wherever possible. Companies should not be required to provide the same, or substantially similar, information repeatedly to different authorities or under different EU frameworks.

- **Remove duplication and requirements that do not add value**

Existing requirements should be systematically screened across legislation. This should include aligning definitions, data requirements, templates and timelines; deleting unnecessary data points and reports; reducing reporting frequency where justified; and simplifying overlapping governance, planning and disclosure requirements, **as well as group and solo requirements**.

- **Build proportionality into regulatory design**

Proportionality should operate in practice and from the outset. The scope, frequency and level of detail of regulatory requirements should reflect the nature, scale, complexity and risk of the activities concerned, rather than creating extensive requirements first and introducing exemptions later. Eligibility criteria for proportionality measures should always reflect the specificities of the insurance sector to enable a sufficiently wide scope of beneficiaries.

- **Simplify across the full regulatory lifecycle**

Simplification should apply throughout the regulatory lifecycle, **including Level 1, Level 2 and Level 3 measures**, supervisory practice and national implementation. At Level 1, simplification efforts should focus on a set of high-impact changes, including measures that should be taken forward through a Financial Services Omnibus, as recommended by Member States and many in the European Parliament. At Levels 2 and 3, delaying technical standards alone will not necessarily deliver simplification where the underlying requirements remain burdensome. Technical standards or guidelines should not recreate complexity removed by legislators, ad hoc supervisory requests should be coordinated, and Member States should avoid unnecessary gold-plating.

- **Assess cumulative impact before adding new requirements**

Impact assessments and regulatory reality checks should consider the **existing stock of requirements affecting the same companies**, including interaction with other legislation. Where new requirements are necessary, policymakers should identify opportunities to simplify or remove existing requirements and ensure that projected savings are not offset elsewhere.

These principles should be applied immediately to ongoing files that affect insurers.

The objective is straightforward: simplification should result in a measurable reduction in the total time, cost and resources required to comply with EU regulation, rather than savings in one area being offset by new or duplicative requirements elsewhere.

Annex - Major requirements implemented or requiring implementation since March 2023

Framework / legislation	Relevant timing	Level 1 pages*	Level 2/3 package**	Main implications for insurers
DORA - Regulation (EU) 2022/2554 + Directive (EU) 2022/2556	Applies since 17 Jan 2025	90	12 Level 2 acts + 2 Guidelines currently listed by EIOPA. (EIOPA)	ICT risk management, incident reporting, resilience testing, third-party risk management and registers.
CSRD / ESRS - Directive (EU) 2022/2464	First reporting from FY 2024; framework subsequently simplified	66	Initial Level 2 package: 1 delegated regulation containing 12 ESRS (Reg. (EU) 2023/2772; c. 284 pages), followed by further amendments/simplification measures in 2025–26. (Finance)	Sustainability reporting, data and assurance requirements.
Taxonomy extension - Delegated Regulations (EU) 2023/2485 and 2023/2486	Applies principally from 1 Jan 2024	-	These are themselves 2 major Level 2 delegated regulations (c. 233 pages combined) extending screening criteria/disclosures.	Additional Taxonomy eligibility/alignment and disclosure requirements.
Solvency II review - Directive (EU) 2025/2	Applies from 30 Jan 2027	91	13 technical standards in scope: 7 new + 6 revised; 3 of the new mandates were subsequently deprioritised. In addition, several Guidelines were revised/new; EIOPA's July 2026 final package alone contained 8 sets of Guidelines/technical standards. (EIOPA)	Revised prudential, reporting, governance, proportionality, sustainability and group requirements.
IRRD - Directive (EU) 2025/1	Applies from 30 Jan 2027	100	19 RTS/ITS/Guidelines + a cooperation-agreement framework mandated to EIOPA. (EIOPA)	Entirely new recovery and resolution planning, governance, resolvability, data and reporting framework.

EMIR 3 -Regulation (EU) 2024/2987	Applies largely since 24 Dec 2024	71	ESMA's work programme identified at least 18 new RTS/ITS deliverables/mandates, plus revisions to existing RTS. These cover the active account requirement, supervisory procedures, margin/participation requirements, clearing thresholds, PTRR and other areas. (ESMA)	Revised clearing and operational requirements for financial counterparties.
AI Act - Regulation (EU) 2024/1689	Phased application; generally from 2 Aug 2026, with some requirements later	144	Article 97 now contains 14 delegated-act empowerments, alongside additional implementing acts and Commission Guidelines. (EUR-Lex)	AI governance, transparency, risk-management and compliance requirements.
Data Act -Regulation (EU) 2023/2854	Applies since 12 Sep 2025	71	2 delegated-act empowerments under Articles 29(7) and 33(2); no ESA-style RTS/ITS package. (EUR-Lex)	Data access/use, sharing, contractual and cloud-switching requirements.
CSDDD - Directive (EU) 2024/1760, as amended	Application postponed/simplified	58	No ESA-style package. Implementation includes Commission model contractual-clause guidance, general/sector-specific Guidelines and implementing measures on reporting/ESAP-related technical issues. (EUR-Lex)	Corporate sustainability due-diligence obligations for companies/groups within scope.
ESAP - Regulation (EU) 2023/2859 + Directive (EU) 2023/2864	Phased implementation from 2026/27 onward	49	At least 2 core Joint Committee ITS already adopted: Reg. (EU) 2025/1338 on ESAP functionalities and Reg. (EU) 2025/1339 on collection-body tasks; further technical standards are mandated for later phases. (EUR-Lex)	Technical submission, metadata, formatting and accessibility requirements linked to existing public disclosures.
Revised Motor Insurance Directive - Directive (EU) 2021/2118	Transposition deadline 23 Dec 2023	23	More limited Level 2 package: notably an implementing regulation on the claims-history statement template, plus delegated powers in the Directive. (Finance)	Revised compulsory insurance, claims and compensation requirements.

End-of-life vehicles (ELVs) Regulation-Regulation (EU) 2026/1738	Regulation becomes applicable on 1 September 2028		Overall, Level 2 not relevant for insurers. Only one delegated act could require advocacy action in the future, but no specific deadline is set by Level 1.	New obligations for insurers to assess whether a vehicle is an ELV or not
Retail Investment Strategy (RIS) package - Proposal for a Directive amending Directives (EU) 2009/65/EC, 2009/138/EC, 2011/61/EU, 2014/65/EU and (EU) 2016/97 as regards the Union retail investor protection rules ; Proposal for a Regulation amending Regulation (EU) No 1286/2014 as regards the modernisation of the key information document	Expected application of RIS Directive and revised PRIIPs Regulation from July 2029	TBC	The RIS would introduce 24 new Level 2 & 3 measures in the Insurance Distribution Directive (IDD) and the PRIIPs Key Information Document (KID) Regulation altogether.	New requirements for the design and distribution of insurance products, costly revision of disclosure documents, additional reporting and record-keeping obligations, transmission of machine-readable KID for ESAP purposes.
EmpCo – Directive (EU) 2024/825	Applies from 27 Sep 2026	16	1 implementing regulation on the harmonised notice on legal guarantee of conformity and harmonised label for commercial guarantee of durability; Commission Q&A last updated on 22 Sep 2026. (EUR-Lex)	Requirements on environmental claims, sustainability labels and future environmental performance.

FASTER Directive – Council Directive (EU) 2025/50	Adopted in December 2024; Member States must transpose the Directive by 31 December 2028 and apply the rules from 1 January 2030.	32	<p>1 adopted RTS: Commission Delegated Regulation (EU) 2026/110 on the methodology for calculating market capitalisation and market capitalisation ratios.</p> <p>In addition, 6 mandates for Commission implementing acts covering eTRCs, the European Certified Financial Intermediary Portal, reporting, investor declarations and withholding tax relief requests (Articles 4(8), 6(5), 10(6), 11(6), 14(7) and 15(8)). (EUR-Lex)</p>	New documentation and reporting requirements related to cross-border investments, and the need to ensure equal access to fast-track relief procedures for Solvency II-regulated pension institutions and IORPs.
Pillar Two – Minimum Taxation Directive (EU) 2022/2523 / DAC9 – Directive (EU) 2025/872	<p>Pillar Two: adopted in December 2022 and applicable to fiscal years beginning from 31 December 2023 (UTPR generally from 31 December 2024).</p> <p>DAC9: adopted in April 2025 and generally applicable from 1 January 2026.</p>	97 (58 for Pillar Two + 39 for DAC9)	<p>OECD GloBE Administrative Guidance and safe harbour rules (not EU Level 2/3 acts).</p> <p>For DAC9, 1 Commission Implementing Regulation (EU) 2025/1325 establishes technical arrangements for the automatic exchange of top-up tax information between tax authorities. (EUR-Lex)</p>	Complex tax calculations, data collection and reporting for in-scope insurance groups, with overlaps between Pillar Two and existing anti-tax avoidance requirements.

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