Insurance *matters*

2026

Perspectives on the future of insurance in Europe

Insurance *matters*

Europe is entering a phase where the big question is no longer what needs to be done, but how to make it happen

From investment and retirement security to resilience, innovation and competitiveness, the priorities are increasingly clear. The challenge now is turning ambition into action.

The contributors to *Insurance Matters 2026* bring perspectives from across Europe and beyond: policymakers, regulators, industry leaders and other voices helping to shape the future. While they approach these issues from different angles, a common theme emerges: Europe's success will depend on its ability to invest with confidence, adapt to change and build resilience in an increasingly uncertain world.

At Insurance Europe, we are grateful to everyone who has contributed to this edition. Their insights enrich an important debate at a time when Europe needs practical solutions as much as ambitious ideas.

We hope these pages inform, challenge and inspire. Above all, we hope they contribute to the conversations that will help shape Europe's next chapter.

Contents

Confidence for a more competitive and resilient Europe

Europe stands at a defining moment. Geopolitical tensions, demographic change, climate risks and technological transformation are reshaping our economies and societies at remarkable speed. At the same time, Europe needs to strengthen its competitiveness, increase investment and reinforce its economic security.

These challenges are significant. But they also present an opportunity to strengthen Europe's foundations for growth and prosperity.

The question is not whether Europe can adapt. It is whether we can mobilise the confidence, investment and collective effort needed to succeed in a rapidly changing world.

Confidence as a strategic asset

Confidence is the invisible capital on which every successful economy depends.

Businesses need confidence to invest in new technologies, infrastructure and innovation. People need confidence to save for retirement, buy a home or start a business. Governments need confidence that societies can withstand shocks and recover from disruption.

Insurance helps create that confidence

By protecting people against uncertainty and helping businesses manage risk, insurers enable economic activity that might otherwise be delayed or not take place at all.

By pooling, pricing and managing risk, insurance turns uncertainty into something that can be understood, planned for and managed.

In an increasingly uncertain world, that role becomes critical.

Investing in Europe's future

Europe has considerable strengths, including skilled workers, world-class businesses, strong institutions and substantial household savings.

The challenge is to turn these strengths into long-term investment and sustainable growth.

Initiatives such as the Savings and Investments Union can help strengthen the connection between European savings and European investment. This matters not only for financial markets, but even more for Europe's ability to finance innovation, infrastructure, the energy transition and technological development.

Insurers have an important role in this ecosystem. As long-term investors and providers of retirement and savings solutions, they help channel capital towards productive investment while supporting financial security for millions of Europeans.

Mobilising long-term capital will be central to Europe's future prosperity. Insurance can make an important contribution.

Building resilience for the long term

Economic growth and resilience are sometimes presented as separate objectives. In reality, they reinforce one another.

Communities recover more quickly when they are protected against climate-related risks. Businesses can invest with greater confidence when they can manage risk effectively. Households can plan for the future with greater certainty when they have access to reliable protection and retirement solutions.

Closing protection gaps, improving preparedness and strengthening resilience are therefore economic priorities as well as social ones.

The insurance sector has an important role to play, bringing expertise, data, investment capacity and practical risk-management experience to these challenges.

A shared responsibility

No single institution or sector can meet Europe's challenges alone. We all have a role to play.

Progress will depend on cooperation between policymakers, regulators, businesses and civil society. It will require long-term thinking, responsible innovation and a willingness to turn shared challenges into practical solutions.

The contributions in this year's *Insurance Matters* reflect the breadth of that conversation. They explore how Europe can strengthen investment, improve resilience, embrace innovation and build the foundations for future prosperity.

Together, they point to a common conclusion: confidence is needed to turn ambition into action.

Looking ahead

Europe's future will be shaped by the decisions we make today.

Insurance cannot solve every challenge Europe faces. But it can help create the conditions for people, businesses and societies to move forward with greater confidence. It can support investment, strengthen resilience and help manage the risks that accompany change.

That gives our sector both a clear responsibility and a significant opportunity.

Insurance has an important role to play in building a more competitive, resilient and prosperous Europe, while giving people and businesses the confidence to invest, innovate and plan for the future.

Frédéric de Courtois

President, Insurance Europe

Turning Europe's priorities into practical action

Brussels' policy debate is undergoing a transformation. For most of the past decade, the focus was on identifying the challenges and setting the ambition. Today, the focus is shifting to delivery. Competitiveness, economic security, resilience and investment have moved to the centre of the European agenda.

The priorities are clear. Now, the challenge is to turn them into tangible results. For the insurance sector, this is both a responsibility and an opportunity.

Insurance is often viewed through a regulatory lens. Yet, its contribution extends far beyond financial services. Whether helping families rebuild after natural catastrophes, supporting retirement security or enabling a business to invest and grow with confidence, insurance underpins economic and societal resilience in ways that are often overlooked.

As Europe confronts demographic change, rising climate risks, cyber threats and the need to mobilise greater investment, many of the challenges insurers face mirror those facing Europe.

Turning savings into investment

Europe has substantial savings, but too little of that is transformed into the productive investment needed to support innovation, infrastructure, competitiveness, and long-term growth.

The Savings and Investments Union offers an important opportunity to strengthen this connection.

Insurers have a dual role to play. They help households save for the future, while also investing those savings in the real economy as long-term institutional investors. Unlocking this potential requires policies that encourage long-term saving, support investment and remove unnecessary regulatory obstacles.

Earlier this year, we published our statement, Delivering the Savings and Investments Union: From Ambition to Impact, and convened policymakers and industry leaders to discuss how the Savings and Investments Union can translate ambition into concrete outcomes. As we enter the second half of the mandate, we look forward to the next decisive steps needed to deliver on the commitments made at its outset.

Building resilience and closing protection gaps

Few challenges illustrate the growing strategic importance of insurance more clearly than the widening protection gaps across Europe.

Significant gaps remain in areas such as natural catastrophes, cyber risks, health and retirement provision. In the case of natural catastrophes, climate change is increasing both the frequency and severity of extreme weather events. As a result, the concern is growing among policymakers that a lack of or inadequate insurance cover increases the pressure on household, business and public finances.

Closing these gaps requires raising awareness of the importance of insurance, but also improving insurability. Greater emphasis must therefore be placed on prevention, adaptation, preparedness and risk reduction.

Insurers can contribute expertise, modelling capabilities, data and experience. Public authorities can create frameworks that encourage risk reduction and strengthen resilience over the long term.

Whatever the approach, lasting solutions require close cooperation between insurers, public authorities, businesses and citizens.

Through our climate resilience advocacy, we have worked to place these priorities more firmly on the EU policy agenda and contribute to the growing recognition that maintaining access to affordable protection requires action well beyond the insurance sector alone.

Enabling innovation and digital transformation

Artificial intelligence and data-driven technologies offer major opportunities to transform insurance. They can improve prevention, strengthen risk assessment and help deliver better customer service.

To realise these benefits, Europe needs a digital framework that is clear, balanced, and consistent – and that allows insurers to use data and deploy new technologies responsibly. Inappropriate or overlapping requirements can create uncertainty, discourage innovation, and stifle investment.

Trust, innovation and competitiveness should reinforce one another, supported by proportionate governance and greater legal certainty.

Through our continued engagement with policymakers and our work on data policy, data protection, the Digital Omnibus and artificial intelligence, we strive to promote rules that foster innovation and competitiveness while maintaining high standards of consumer protection.

A window for smarter regulation

The need for a clearer regulatory framework extends far beyond the digital sphere. It should be a guiding principle across the policymaking process. Here too, Europe has an opportunity to strengthen its competitiveness.

Strong consumer protection and financial stability remain essential foundations of trust and of an economy where investment can flourish. These objectives are however not advanced by unnecessary complexity, overlapping requirements or disproportionate reporting burdens.

Simplification is not deregulation. It is about making rules clearer, more coherent and more effective. It means applying proportionality in practice, reducing duplication and considering the cumulative impact of regulation on investment, innovation and growth.

Europe has taken welcome steps in this direction. The challenge now is to move from rhetoric to results. Simplification must become an integral part of the regulatory culture at every stage, enabling insurers to invest, innovate and serve customers more effectively, without compromising on the high standards trust depends on.

Shaping Europe's future together

Insurance Matters 2026 reflects this broader shift from ambition to delivery. Our aim is to provide a platform for ideas, expertise and practical solutions at a time when Europe increasingly needs all three. It also gives greater prominence to the voices helping to shape Europe's future.

The articles in this edition explore many of the issues at the heart of the European agenda: investment, retirement security, protection gaps, innovation, competitiveness and resilience.

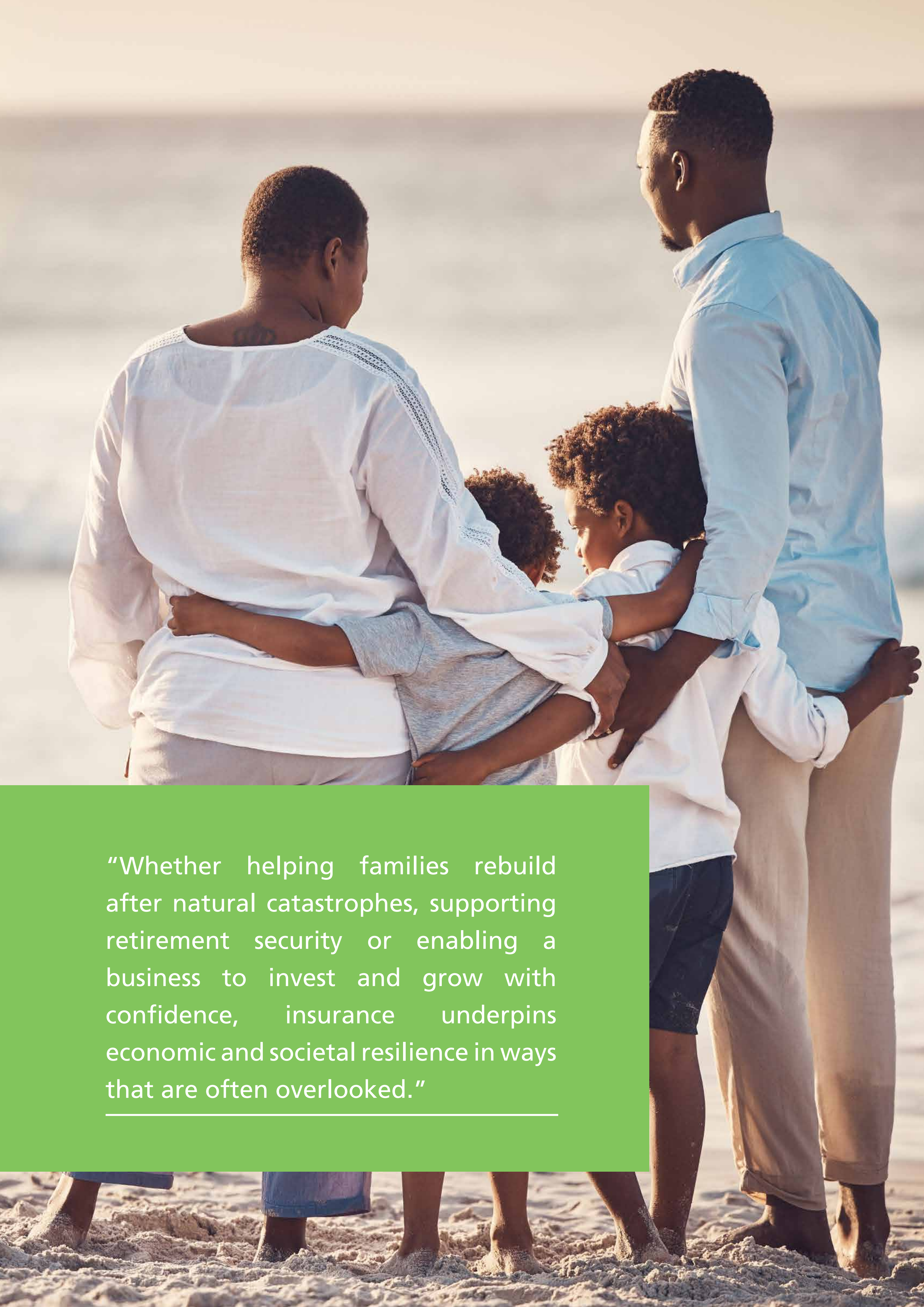
These debates matter as Europe's future will be determined by the ability to turn the identified priorities into concrete action. Effective policies, practical solutions and sustained cooperation will be essential.

Insurance Europe will continue to contribute evidence, expertise and constructive engagement to that effort. Together with our members, partners and policymakers, we will work to ensure that insurance is recognised not simply as part of the system, but as a strategic partner in delivering the solutions Europe needs.

Europe's future will depend on investment, innovation and our ability to adapt. The insurance sector is ready to contribute.

Thea Utoft Høj Jensen

Director General, Insurance Europe



"Whether helping families rebuild after natural catastrophes, supporting retirement security or enabling a business to invest and grow with confidence, insurance underpins economic and societal resilience in ways that are often overlooked."

Putting Europe's savings to work

Nadia Calviño

President, European Investment Bank Group

A new world is in the making. Real technological revolutions are in full swing – from artificial intelligence to quantum computing, from aerospace to health and biotech, to advanced modular reactors.

These breakthroughs are about to transform the way economies work, grow, and prosper. And they are unfolding against the backdrop of a rapidly shifting geopolitical landscape, and the growing impact of climate change.

This challenging landscape is also an opportunity for Europe. With world-class researchers, entrepreneurs and industrial ecosystems, a highly skilled workforce, and a vast single market of almost half a billion people, Europe can lead the way into tomorrow's world. And with €40 trillion in financial assets held by EU households, Europe has the money and the firepower to build on these strengths and secure its future prosperity, strategic autonomy, and resilience.

Over the past few months, we see accelerating progress towards channelling Europe's capital into productive investment – towards investment that harvests the potential of innovation and European talent. Minds are focused and things are moving.

Pan-European by design, the EIB Group is leveraging its unique position as Europe's largest venture capital financier to complement regulatory initiatives towards a Savings and Investments Union, with a bottom-up approach: that means bringing concrete instruments to the market, which offer an avenue for public and institutional investors, including insurers and reinsurers, to join forces and mobilise large-scale capital for Europe's most promising innovators – the companies building tomorrow's economy.

The European Tech Champions Initiative (ETCI) is a massive success story of such bottom-up approach. It's the largest fund of funds of its kind in Europe, fully dedicated to supporting tech pioneers to scale and become global champions.

During its first phase, backed by six EU Member States and the EIB Group, ETCI anchored the creation of 15 European mega-funds, doubling their number in Europe, and helped finance a new generation of 47 technology scale-ups, including 15 unicorns.

With the second phase of ETCI, launched in July 2026 with the support of all EU Member States and private institutional investors, Europe is moving to the next level. The expanded initiative aims to mobilise up to €80 billion for European technology scale-ups and will be around four times larger than its predecessor. It will triple the number of mega-funds anchored in Europe and, critically, triple the average ticket size available to companies. This matters because scale-ups need capital of the right size, at the right time, from investors able to support global growth from Europe.

ETCI 2.0 is designed with institutional investors in mind. It offers diversified exposure, access to leading fund managers, co-investment opportunities and a pan-European platform to improve visibility, market intelligence and investor dialogue. By expanding beyond mega-funds to include mid-sized growth funds, it can support companies at different stages of their scaling journey and across a broader range of European ecosystems.

With the first closing expected in October, the door is open to the insurance industry to join a truly pan-European effort, giving our citizens opportunities to build long-term wealth, and ensuring that European companies can access the capital needed to innovate and grow.

Beyond ETCI, the EIB Group is deploying a broader set of tools to make the Savings and Investments Union tangible for companies and investors. These include TechEU and the TechEU Platform as a single entry point to EIB Group financing and advisory solutions for innovative firms; venture debt, scale-up debt and co-investment instruments to support companies across their growth cycle; an exit toolbox combining enhanced growth finance, acquisition finance, convertible instruments and support for listing on European stock markets; securitisation, guarantees and green finance instruments to deepen capital markets and crowd in institutional investors; and active portfolio management approaches, including originate-to-distribute models, to recycle capital and strengthen European secondary markets.

This comprehensive toolbox complements national initiatives such as France's Tibi programme and Germany's WIN, as well as pan-European instruments such as the ScaleUp Europe Fund, which has been launched by the European Commission in partnership with institutional investors. Together, they offer the full palette of tools for European innovators. And show that public-private cooperation can mobilise institutional capital towards technology and growth financing, decisively closing the funding gap for European firms.

The message is clear: Europe is determined to make sure its best companies are financed, scaled and grow into global leaders. Determined to build a bridge between European savers and the opportunities created by the next generation of companies, so that the dividends of growth, jobs, resilience and prosperity created by these companies benefit our societies.

By turning Europe's savings into Europe's strength, we secure our future.

Nadia Calviño is President of the European Investment Bank and a former Vice-President and Minister for Economy of Spain. She previously chaired the IMF's International Monetary and Financial Committee and spent 12 years at the European Commission in senior roles covering competition, financial services and the EU budget. An economist and lawyer by training, she has been widely recognised for her leadership in economic policy, digital transformation and international cooperation.

Financing longer lives, financing Europe's future

Alison Martin

CEO Life, Health and Bank Distribution, Zurich Insurance Group

Europe faces a paradox.

Policymakers are rightly focused on how to strengthen competitiveness, finance the energy transition, support innovation and respond to demographic change. These priorities are often discussed separately. They should not be.

At their core, they are connected by the same challenge: how do we mobilise long-term capital more effectively while helping people manage the financial risks of longer lives?

Europe does not suffer from a shortage of capital. It suffers from a shortage of pathways that connect savings to productive investment. An estimated €10 trillion of household savings are currently held in the EU in low-yield bank deposits rather than being invested in capital markets. This means they remain underutilised, while citizens are being asked to take greater responsibility for their own financial wellbeing in retirement and later life. At the same time, Europe needs significant investment to modernise infrastructure, strengthen resilience and support future growth.

For decades, Europe could largely treat these as separate issues. Competitiveness was an economic challenge. Retirement security was a social challenge. Today, they are becoming inseparable. A continent that struggles to deliver adequate retirement outcomes will also struggle to mobilise the long-term capital needed to finance innovation, infrastructure, and growth.

As insurers, we see this every day. Life insurance is not just a financial product. It is a long-term promise of security, resilience and support throughout the different stages of life. It helps people prepare for retirement, protect their families, recover from setbacks and navigate uncertainty with greater confidence.

But insurance also plays a wider economic role. Because our business model is built around long-term promises, we invest with a long-term horizon. That makes insurers natural providers of patient capital to governments, businesses, infrastructure and communities.

This role is becoming more important. Across Europe, ageing populations, stretched public finances and rising health needs are shifting more responsibility to the private sector and, increasingly, to individuals. People are living longer, but they are also asked to manage more complex financial decisions with less certainty about retirement income, healthcare costs and future support.

This is not only a social issue. It is an economic one.

A Europe that helps citizens build stronger financial security will also be better placed to mobilise private capital for growth. The challenge is to design a system that makes this connection work in practice.

Therefore, I am convinced that the Savings and Investments Union (SIU) is a crucial opportunity. Done well, it can help create clearer pathways from household savings to long-term investment. But it must work for all citizens. Citizens need more than access to investment products. They need solutions that combine investment with protection, ensuring good value for money next to guidance and reliability. They need confidence that their savings can support them through longer lives, not only generate returns in favourable market conditions. Central to any initiative under the SIU heading must be a genuine respect for customer choice: individuals differ in their risk appetite, financial circumstances and time horizons, and a one-size-fits-all approach is not desirable.

Achieving a thriving SIU also calls for deploying every tool available – from sustained progress on financial literacy and customer-appropriate product design to ensuring a level playing field on taxation that puts long-term savings on equal footing with other asset classes. Employers, too, have a meaningful role to play: by offering group life insurance, disability cover and occupational pension schemes, they can reach employees at scale and make a tangible difference to the financial resilience of citizens across Europe.

At the same time, Europe must address another obstacle: regulatory complexity. We strongly welcome the Commission's ambitious simplification agenda: simpler, more consistent regulation reduces friction and unlocks innovation.

If Europe is serious about unlocking investment and strengthening financial security, three priorities need to be delivered:

- First, make the Savings and Investments Union work for citizens by helping households move from passive saving to confident long-term investing.
- Second, recognise insurance-based savings, retirement and protection solutions as a core part of Europe's long-term investment ecosystem.
- Third, reduce unnecessary regulatory friction so that capital can move more efficiently across the Single Market and support productive long-term investment.

The prize is significant. If Europe succeeds in creating stronger pathways from saving to investing, from protection to prosperity and from longer lives to greater financial security, the benefits will extend far beyond the financial sector. Citizens will be better prepared for the future, businesses will have greater access to long-term capital and economies will be better equipped to invest, innovate and grow.

Alison Martin is CEO Life, Health and Bank Distribution, with over 20 years of leadership experience in the insurance and reinsurance sectors. Before taking on her current role in 2026, she served as CEO EMEA and Bank Distribution at Zurich and held several senior executive positions at Swiss Re.

Protecting Europe's future, investing in its growth

Maria Luís Albuquerque

European Commissioner for Financial Services and the Savings and Investments Union

With approximately €10 trillion in total assets, including around €200 billion in alternative assets, insurers are an important category of institutional investors funding European growth and innovation.

However, despite the billions of investments from institutional investors, Europe's financing needs continue to grow. We need European companies to be able to grow and scale in Europe, remain competitive and innovative, and successfully navigate the green and digital transitions. At the same time, we need to invest more in our defence, security and strategic autonomy in a geopolitical environment. Public funding is important but needs to be matched with long-term patient capital if we are to support our ambitions. Together with my team and services, we have been taking steps to incentivise private financing of productive projects by institutional investors such as insurers, reinsurers and pension funds.

Enabling the insurance sector to play its role

Long-term investments

The recent reform of Solvency II has given a clear message: insurers and reinsurers' investment role is crucial. The recalibrated rules on valuation and capital allow the insurance industry to play a stronger role in financing the economy. For example, through reduced capital requirements, insurers have the right incentives to increase their exposure into long-term equity investments.

Venture capital and private equity can qualify too for the favourable treatment, provided insurers are willing and able to stay invested for at least five years. This means more capital reaching European companies at critical stages of their development, rather than having to look elsewhere for the financing they need. Again, aiming to broaden the investor base for European innovation, preferential prudential treatment will now apply to equity investments under legislative programmes. This makes it easier for insurers to invest alongside the public sector in strategic areas, for example, helping a clean-tech company expand production or a promising start-up reach commercial scale.

Securitisation

Our reformed Solvency II rules also mean improved risk sensitivity of capital requirements for securitisations. The reform introduces, for the first time, a risk-based differentiation between tranches of a securitisation, making it much more attractive to invest in a simple and transparent (STS) issuance or the senior tranche of a non-STS issuance. A more vibrant securitisation market would allow banks to share risks with capital markets, freeing up lending capacity for new business growth throughout Europe but also creating new interesting investment opportunities for insurers.

Simplification and proportionality

Reporting and administrative requirements have also come up time and time again as a major constraint for European businesses, and this Commission has made it its goal to reduce this burden significantly. The revised Solvency II rules have brought in a new proportionality framework to substantially reduce regulatory burden for small and non-complex undertakings. Under the new regime, insurers meeting simple criteria will have an automatic right to benefit from all simplified rules of the framework. Other insurers will also benefit from more proportionality embedded in the reporting and disclosure framework, while maintaining robust prudential standards.

Overall, our work on Solvency II has recalibrated the regulatory framework, with a very broad goal of boosting investment in the EU. The next step belongs to the market.

Closing protection gaps and financing the economy

Yet strengthening insurers' capacity to invest is only a part of the picture. The growing scale and complexity of today's risks is also exposing significant gaps in protection. In recent years, this has become even more apparent in areas such as climate-related risks and natural perils, but also in terms of pension protection gaps as regards our retirement schemes. Cyber risk is also emerging as a significant protection gap, as the growing exposure of business and public services to cyber threats continues to outpace the development of affordable and comprehensive insurance solutions.

Climate risks and natural catastrophes

Having witnessed yet another summer of devastating wildfires throughout the EU, it's worth underlining the protection gap for natural catastrophes. Bridging this protection gap (less than a quarter of climate related loss is covered by insurance) requires that the private insurance market steps up to the challenge and plays a larger role in protecting households and businesses against the growing economic losses of climate-related events. Beyond providing compensation after disasters, insurers can actively contribute to strengthening climate resilience and supporting adaptation efforts. More broadly, insurers can also help raise awareness regarding climate risks and the importance of preparedness and adaptation.

Simpler and faster compensation mechanisms can help economies in entire regions to get back on their feet more quickly after a climate event. Cooperation with private and public actors, including through early warning systems and risk monitoring, is particularly relevant to help families, businesses, and public authorities better anticipate, manage, and reduce climate-related loss.

Pension gaps

In terms of pension gaps, it is a joint effort between Member States and the industry to create awareness that, given the demographic challenges, pay-as-you-go systems alone may not always be enough to ensure adequate income in retirement.

Public pension systems remain a Member State competence, and our work does not seek to change them. What we can do at European level is help strengthen occupational and private pensions schemes across the EU, including by improving their investment opportunities and long-term returns across the EU.

To that end, the role of increased investment freedoms and opportunities across more diverse asset classes in the internal market needs to be reinforced, backed by efficient governance and risk management, adequate transparency and effective supervision.

Pension tracking systems and dashboards are essential. They allow citizens to know their pension rights and policymakers to track pension coverage and adequacy. In this context, the insurance sector has a particularly important role to play.

Insurers have the expertise, the long-term perspective and the investment capacity needed to help millions of Europeans prepare more effectively for retirement, while simultaneously supporting long-term investment in Europe's economy.

Reaping the benefits of an integrated insurance market

Advancing European financial integration

The Savings and Investments Union will provide genuine momentum to European financial integration. While the Market Integration and Supervision Package of December 2025 can mark an important step forward for harmonised supervision of capital markets through a reinforced role for European Securities and Markets Authority (ESMA), reforms in the insurance area have, so far, been centred primarily on the modernisation of the prudential framework. This naturally invites a broader strategic reflection on how far Europe may wish to advance the integration of its insurance market and identify remaining obstacles beyond the prudential framework.

Supervisory convergence

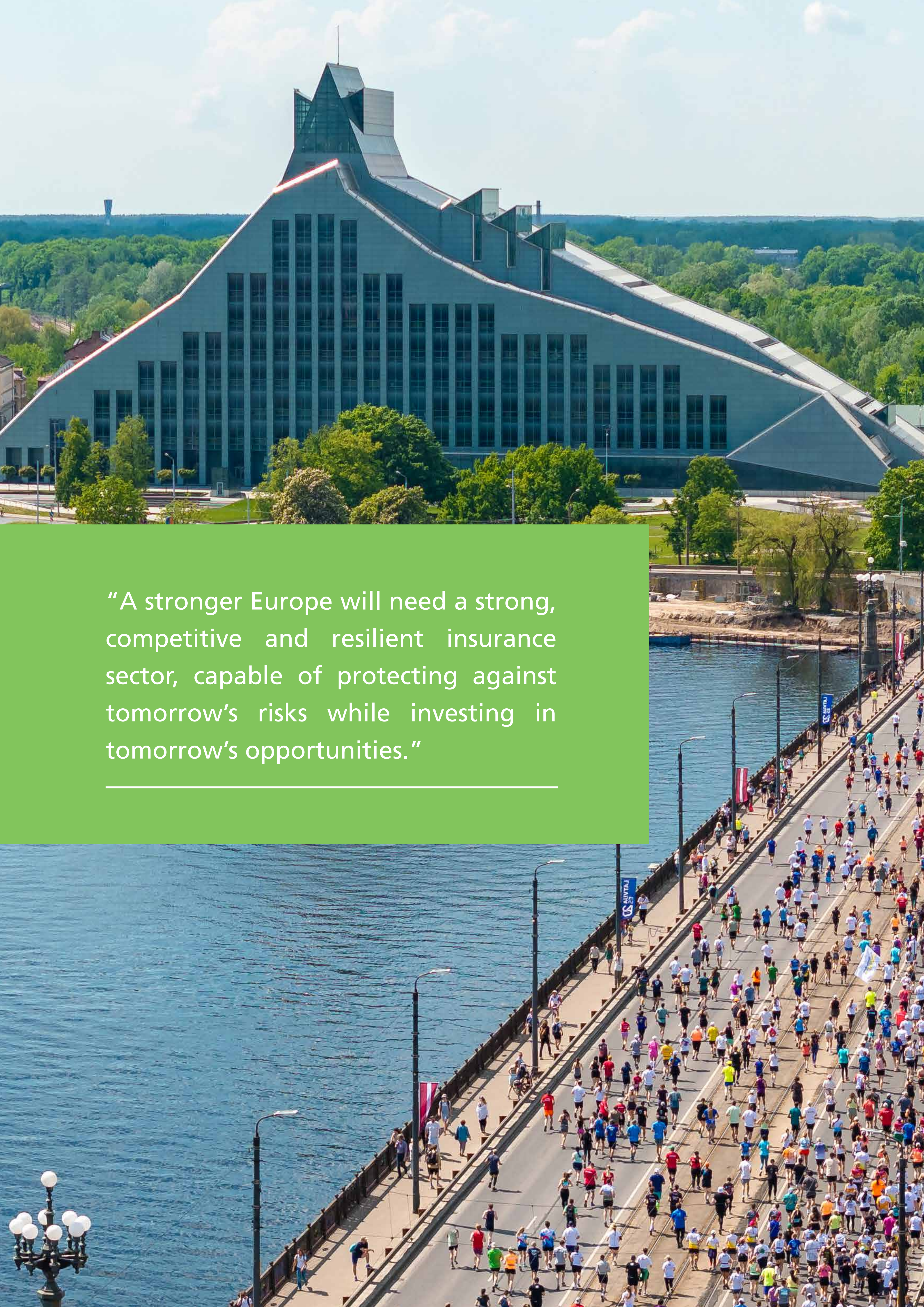
It might also be worth reflecting on whether the current framework is sufficiently effective in enabling EIOPA to foster supervisory convergence and address challenging and complex cross-border cases in a timely and effective manner. A credible and trustworthy supervisory architecture is essential to deepening the Single Market for insurance products and services.

Protecting against tomorrow's risks and investing in tomorrow's opportunities

Insurers have a central role to play in Europe's future. As major institutional investors and providers of long-term, patient capital, they can help finance the investment Europe needs to innovate, grow and remain competitive. At the same time, as risk managers and providers of protection, they are essential partners in addressing some of the defining challenges of our time, from climate-related risks and protection gaps to demographic change and adequate retirement income.

A stronger Europe will need a strong, competitive and resilient insurance sector, capable of protecting against tomorrow's risks while investing in tomorrow's opportunities.

Maria Luís Albuquerque is the European Commissioner for Financial Services and the Savings and Investments Union. She is responsible for EU financial services policy, capital markets union development, and the Savings and Investments Union framework. Formerly Portugal's Minister of Finance, she brings extensive experience in fiscal policy, banking supervision, and European financial governance.



"A stronger Europe will need a strong, competitive and resilient insurance sector, capable of protecting against tomorrow's risks while investing in tomorrow's opportunities."

Partnering for smart pension reform

Stephen Frank

President of the Global Federation of Insurance Associations; President and CEO of the Canadian Life and Health Insurance Association

Retirement security is becoming one of the defining public policy challenges of our time. Populations are ageing, people are living longer, and traditional sources of retirement income are under growing pressure. For insurers, this is not an abstract demographic trend. It goes to the heart of our industry's purpose: helping people manage risk, plan with confidence and turning lifetime savings into lifetime income.

The scale of the challenge is significant. The Global Federation of Insurance Associations (GFIA) estimates that the annual global pension protection gap is roughly US$1 trillion, larger than the protection gaps identified for cyber risk, health and natural catastrophes. That number is striking, but its real significance is human. It represents people who will have to delay retirement due to inadequate savings and governments that will struggle to fill the gaps with public pension and income-support systems that are already under strain.

The response should not be to view retirement income as solely a government problem or a matter of individual responsibility. Sustainable pension reform requires a balanced system in which public programmes provide a foundation, workplace savings are expanded, and individual savings are supported by clear incentives and practical advice. Each pillar matters. The policy objective should be to make it easier for more people to save enough to achieve their individual retirement goals and to convert assets into reliable retirement income for life.

GFIA | A global federation

Established in October 2012, GFIA now comprises 42 member associations and three observer associations. It represents the interests of insurers and reinsurers in 68 countries that account for more than US$4trn (€3.8trn) of insurance premiums, or 89% of the global total. GFIA's secretariat is headquartered at Insurance Europe.

To get there, several reforms deserve priority.

First, automatic enrolment and automatic escalation can help overcome inertia, particularly for younger workers and those without strong workplace plans. Evidence is that if the system makes saving the easy choice, participation rises. That does not remove personal choice; it simply recognises that design can help people act in their own long-term interest.

Second, policy should support broader access to retirement savings vehicles for workers in small businesses, the self-employed and those in non-traditional employment. Pooled plans, simplified administration and modern digital enrolment can reduce barriers for employers while giving workers a more realistic path to long-term savings.

Third, reform must focus not only on accumulation, but also on decumulation. Individuals are increasingly being asked to manage longevity, market and inflation risk on their own. Insurance products, including annuities and other lifetime income solutions, have an important role to play by converting savings into predictable income for life. Public policy should encourage product innovation, clear disclosure and advice models that help consumers understand how guaranteed income can fit within a broader retirement plan.

Fourth, tax and regulatory settings should reinforce long-term behaviour. Retirement savings policies work best when they are stable, understandable and designed around the realities of how people make decisions. Frequent rule changes, overly complex limits or uneven treatment of comparable products can undermine confidence. Public policy should align incentives to broaden coverage, increase savings rates and incentivise prudent risk management.

Finally, the insurance industry cannot close the pension gap alone. Governments set the policy framework, employers play a critical role in plan access, and individuals ultimately make decisions about saving and retirement. But insurers bring capital, risk expertise, distribution, data, claims and customer experience to the table. We understand longevity risk. We understand guarantees. And we have a direct interest in building systems that are financially sustainable and trusted by consumers.

Helping individuals around the world retire with dignity is one of the defining policy challenges facing our industry. The debate on how best to do that should move beyond narrow arguments about the role of the public versus private. The best path forward will leverage the best of each, to ensure stronger public foundations, expand workplace savings, support individual saving through clear incentives and advice, and help people convert assets into reliable income throughout retirement.

Stephen Frank is President and CEO of the CLHIA, bringing over 20 years of public and private sector experience to the role. He advocates on behalf of Canada's life and health insurance sector for policies and perspectives that support a sound and successful insurance system for the benefit of all Canadians. As President of GFIA, Stephen chairs the Executive Committee and General Assemblies. In this role, he is spokesperson for the global insurance industry to national governments, international regulators and standard setters.

Smarter regulation for a more competitive Europe

Stine Bosse

Member of the European Parliament

There is no point in calling for simpler regulation if what we really mean is less regulation.

Healthy societies need rules. We need regulation to protect people from dangerous chemicals, reduce the consequences of climate change, safeguard our freshwater resources and ensure a stable and responsible financial sector. These rules exist for a reason.

Yet some political movements today seem to believe that simplification is simply a matter of deleting regulation. I strongly disagree.

Citizens and businesses are not asking for a regulatory free-for-all. They are asking for rules that make sense. Rules that work together rather than contradict each other. Rules that are easy to understand and implement, and rules that serve the societies and businesses they were created for.

If we are serious about simplification, we should be much more ambitious.

One of the biggest steps Europe could take would be to harmonise rules across the European Union. Today, directives can be implemented differently across 27 Member States. For a company operating across Europe, that creates unnecessary complexity, costs and uncertainty.

A truly European set of rules could change that.

Imagine what this could mean in finance, biotech, pharmaceuticals or the digital industry. Companies could spend less time navigating different national requirements and more time developing, investing and growing. Implementation would become simpler, costs could be reduced and businesses would have a genuine level playing field across the single market.

It would also strengthen our competitiveness. European companies compete with businesses in the United States and China that already operate in much more integrated markets. Europe should be able to offer the same advantage while maintaining the high standards that protect our citizens and societies.

Of course this cannot happen overnight. But the direction should be clear. We need one strong and simple single market.

That also means finally making progress on our Capital Markets Union. If we want European companies to grow and scale in Europe, they need better access to European capital. A fragmented market makes that unnecessarily difficult.

There are also many ways to make complex legislation simpler. But simplification requires proper preparation. Rushed political processes and poorly prepared omnibus packages risk creating new problems instead of solving existing ones.

We should also become much better at using technology to make legislation simpler. AI can help us understand how different pieces of legislation interact and identify contradictions and unnecessary complexity. As our regulatory landscape becomes more complicated, we need better tools to understand the consequences of the decisions we make.

Otherwise, even with the best intentions, we risk making a bigger mess while trying to clean things up. That creates uncertainty for businesses and investors and ultimately leads to poorer legislation.

Simplification should therefore not become another word for deregulation.

Europe needs to keep its strategic goals clear. Competitiveness means transitioning towards our own energy resources. It means protecting our clean water reserves and public health. It means having efficient approval procedures, strengthening our single market and giving European businesses better access to capital.

In the financial sector, we know that ignoring risks does not make them disappear. The same is true for climate change, public health and our natural resources. Failing to act today simply makes the bill larger tomorrow.

We can make Europe simpler, faster and more competitive without giving up the protections that make our societies strong.

That should be the ambition.

Stine Bosse is a Danish politician and former business executive. She is a Member of the European Parliament for Renew Europe and Vice-Chair of the European Parliament's Committee on Public Health (SANT). She has also served on the boards of Allianz, Nordea, and TDC.

A stronger Europe needs smarter regulation

Claire-Marie Coste-Lepoutre

Member of the Board of Management of Allianz SE and Chief Financial Officer

Guaranteeing appropriate conditions for businesses to thrive has always been a key precondition of a healthy economy. It is even more critical in today's increasingly uncertain and divisive global environment.

Recent years have evidenced the EU's urgent need to strengthen its economy and invest in innovation and competitiveness, as it works to enhance its position in the technological race, defence and security, while also advancing its overall strategic autonomy. Europe's competitiveness depends on its ability to mobilise investment, foster innovation and support businesses and citizens through periods of uncertainty and transformation.

The insurance sector is a central actor in these endeavours, as it plays a key role in our society and economy, not only by offering protection to individuals and businesses, but also by supporting economic activity and investing in strategic priorities and initiatives, including sustainable projects.

Approximately 70% of European insurers' investments are held within the EU, notably in corporate and sovereign bonds as well as in equities. Such long-term, diversified investment patterns contribute to market stability and underpin the inherently stabilising role of insurers in times of financial distress.

To maximise the sector's contribution to Europe's strength, insurers should operate under well-designed and calibrated regulations. Good regulation is a prerequisite of a healthy insurance sector as it builds trust, protects policyholders and ensures financial stability. Well-designed and calibrated regulation that is proportionate to the risk is welcomed and supported by the insurance industry.

However, currently the sector remains constrained by an increasingly complex and overly prescriptive regulatory environment, often developed in silos and without full consideration of cumulative impacts, leading to overlapping and duplicative obligations.

Over the past decade, the regulatory framework applicable to insurers has expanded significantly, with numerous new legislative and supervisory requirements added across prudential, sustainability, digital and consumer protection frameworks. Although these initiatives pursue honourable public policy objectives, their cumulative effect has created an increasingly layered regulatory environment. As a result, companies must devote growing resources to unnecessarily complex compliance, limiting their ability to innovate, invest and contribute fully to Europe's competitiveness.

Making simplification work in practice

In this context, the industry welcomes the Commission's initiative to place simplification at the heart of its competitiveness agenda, as well as its commitment to reducing administrative burdens for companies by at least 25% by 2029. Targeted and efficient regulation is key to creating a business environment that strikes the appropriate balance between the promotion of competitiveness and cross-border growth, while at the same time preserving customer protection, trust and market confidence.

Building on this momentum, further efforts are needed to ensure that simplification delivers tangible results in practice. The objective should not be to remove safeguards, but to reduce unnecessary friction and enhance the proportionality, coherence, and practicality of financial regulation and supervision, ensuring that the insurance industry remains both trustworthy and globally competitive.

A key challenge is that individual initiatives are often developed separately, while firms must implement them simultaneously. Even where each measure appears justified in isolation, the substantial cumulative effect is often overlooked. Greater attention should therefore be paid to how different pieces of legislation interact and to the overall burden they create collectively.

To achieve this, rules should be developed on the basis of clear justification and demonstrable added value. Priority should be given to fully independent impact assessments that appropriately incorporate an evaluation of global market dynamics and geopolitical developments throughout the entire legislative process and across different legal instruments.

While simplification should be pursued across the regulatory framework, several areas illustrate where targeted action could deliver meaningful benefits without compromising policy objectives.

Targeted action where burdens are greatest

We believe this requires a stronger focus on targeted adjustments to specific areas where operational burdens are most evident. For the Insurance Recovery and Resolution Directive (IRRD), a "stop-the-clock" mechanism should be introduced, allowing a pause in implementation to reassess its scope, proportionality and implementation timelines. In relation to Solvency II, a more calibrated approach to Pillar 2 and Pillar 3 requirements should be implemented, without compromising the political agreement and building on the progress achieved through the Solvency II review. The EU Green Taxonomy should be further simplified to

reduce excessive reporting requirements, while greater efforts should be made to avoid overlaps and reduce bureaucracy under the Digital Operational Resilience Act (DORA).

Looking ahead, new initiatives should also be carefully assessed against existing legislation and market needs. In this respect, the insurance sector has called for a reconsideration of the Financial Data Access (FIDA) proposal and continues to question the case for an EU-wide Insurance Guarantee Scheme (IGS) framework, given the strong policyholder protection already provided by Solvency II and the new IRRD framework.

Through targeted adjustments to legislation and a meaningful simplification agenda that reduces duplicative reporting requirements and streamlines the regulatory framework, we can together foster a more efficient environment that avoids unnecessary compliance costs and, where appropriate, removes redundant legislation. This would enable the industry to better allocate resources, strengthen protection for individuals and maintain affordable coverage.

A regulatory framework fit for Europe's future

The critical objective should be better regulation:

“The objective should not be to remove safeguards, but to reduce unnecessary friction and enhance the proportionality, coherence, and practicality of financial regulation and supervision.”

rules that are effective, proportionate and coherent, while supporting investment, innovation and growth. Europe has a unique opportunity to create a regulatory framework that is both robust and enabling. By focusing on proportionality, coherence and practical implementation, policymakers can strengthen competitiveness while preserving the high standards of consumer protection and financial stability that underpin trust in the European insurance sector. Insurers stand ready to contribute to this effort and to continue supporting Europe’s growth, resilience and long-term prosperity.

Claire-Marie Coste-Lepoutre is Member of the Board of Management of Allianz SE and Group Chief Financial Officer (CFO) since January 2024. Before moving into her current role, she served as Head of Group Actuarial, Planning and Controlling and Group Chief Actuary. Prior to that, Claire-Marie was CFO at Allianz Global Corporate & Specialty (AGCS), the Allianz Group’s dedicated carrier for corporate and specialty insurance business. She is a qualified French actuary and Allianz executive who has held senior finance leadership roles across Allianz Group, including CFO of Allianz Global Corporate & Specialty and Allianz Benelux, following earlier experience at McKinsey & Company and SCOR Reinsurance.

Closing protection gaps and strengthening resilience: the role of the insurance sector

Mathias Cormann

Secretary-General, Organisation for Economic Co-operation and Development (OECD)

Insurance strengthens financial, economic and social resilience. It gives households and businesses the confidence to invest, knowing they are protected against risks outside their control. And when risks do materialise, insurance provides the funding to rebuild and recover quickly – funding that would otherwise fall on households, lenders or taxpayers. This contribution doesn't stop at paying claims after the fact: the insurance sector helps households, businesses and governments understand and quantify risks and how to reduce them, while providing a price signal to incentivise prevention and risk reduction.

Today, in Europe and across the world, there are large gaps in financial protection for many types of risks – including natural hazards, health, cyberattacks or retirement income adequacy. Less than half of all natural hazard losses between 2000 and 2024 were insured in 24 of 38 OECD member countries – including 17 of 27 European OECD Members[1]. The picture is similar elsewhere. Cyber insurance take-up among small and medium-sized businesses is estimated at only 10-30% across several industry surveys[1]. And long-term care systems leave close to half of older people who need care at risk of poverty – even after public support, with out-of-pocket costs averaging 70% of an older person's median income across the OECD[2].

These gaps stem from different causes, and each calls for a different response. For some risks – such as business disruptions linked to state-backed cyberattacks, pandemics or power blackouts – insurance is simply not available, or only in very limited amounts. In other cases, cover is available but unaffordable: rising wildfire losses have pushed up premiums sharply in parts of Australia, Canada and the United States, with some insurers withdrawing from the highest-risk areas altogether[3]. And for many risks, there simply is not enough take-up: households and businesses underestimate their exposure, are unaware that coverage is available, don't take advantage of financial incentives for risk reduction, or expect that governments will come to their rescue regardless[3].

Closing the gaps through public-private cooperation

Addressing these gaps and their underlying drivers will require closer cooperation between the insurance sector and governments. Where needed, that means establishing public-private insurance programmes to secure the availability of affordable cover: the flood risk programmes now operating in fifteen OECD countries have helped drive insured shares of flood losses to 70-84% in Norway, Denmark, France, Switzerland and the United Kingdom, well above the OECD average of around 32%[3]. It also means building risk awareness and insurance literacy to lift take-up. And most importantly, it means leveraging the distinct strengths of governments and insurers to reduce the underlying risk itself – the only sustainable approach to maintaining long-term insurability. In practice, that means sharing data and expertise on risk and risk reduction, rewarding prevention through premium discounts and conditions[4], and funding resilient rebuilding once damages are incurred[5].

This is where the OECD adds value. We maintain the comparable, cross-country data on insured losses and take-up that allow a government to see exactly where it stands against its peers – including by surveying public-private programmes directly to document what different insurance models deliver. And we bring governments, regulators and the insurance sector to the same table to work through these choices together – work that has already helped shape the G7 High-Level Framework for Public-Private Insurance Programmes against Natural Hazards.

We will keep providing the data, the analysis and the platform for cooperation needed to close insurance gaps, in Europe and more broadly. Because every gap closed today is a household, a business, a government free to plan and invest with confidence, and better placed to grow through whatever comes next. This is what resilience means in practice, and it is work worth continuing – together.

Mathias Cormann has served as the OECD's sixth Secretary-General since 1 June 2021. His priorities include promoting strong, sustainable, inclusive and resilient growth; advancing climate action towards global net zero by 2050; harnessing the opportunities of digital transformation and AI while managing associated risks; supporting open, well-functioning global markets and rules-based trade; and advancing OECD standards through membership and partnerships. Before joining the OECD, Mathias served as Australia's Minister for Finance, Leader of the Government in the Australian Senate and Federal Senator for Western Australia.

Endnotes

1. OECD (2026), Financial Protection Against Catastrophic Risks: Floods, Fires and Other Major Risks. OECD Publishing, Paris.
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5. Swiss public insurers fund up to half the cost of household risk-reduction measures; Flood Re and participating UK insurers offer GBP 10 000 to build resilience into post-flood repairs; the US National Flood Insurance Program offers up to USD 30 000 for the same purpose. OECD (2026), Financial Protection Against Catastrophic Risks: Floods, Fires and Other Major Risks, and OECD (2023), Enhancing the Insurance Sector's Contribution to Climate Adaptation.

From diagnosis to action: closing Europe's protection gap

Dr Thomas Blunck

Member of the Board of Management of Munich Re; RAB Chair (September 2025 to September 2026)

The numbers that opened the Insurance Europe Reinsurance Advisory Board's (RAB) January paper are striking. Average annual economic losses from natural catastrophes globally are now about 2.5 times those in the four decades leading up to 2020. In the EU's 27 Member States, the protection gap – the share of those losses that goes uninsured – has sat around 65% for years. And the risk picture continues to evolve, with the 2021 Ahr valley floods, the 2023 Mediterranean thunderstorms, and severe hailstorms across northern Italy among the reminders of how exposed European communities have become.

A closer look at the numbers, though, suggests the challenge is more nuanced than it first appears. European home insurance remains affordable, between 0.3% and 0.6% of average disposable household income across the five largest EU economies[1]. In many of the countries where Europe's protection gap is widest, the cover that exists is not always being taken up.

That is the argument presented in *Closing the gap, not the market*, published by the RAB in January 2026. Europe's NatCat protection gap is shaped less by supply than by demand and prevention, and those are areas where policy can make a real difference.

The diagnosis holds up

Country comparisons show wide variation. Germany, which has no national NatCat scheme, has a protection gap of around 55%. Spain, with one of Europe's most established schemes, sits at 60%. Italy's gap is above 80%, and fewer than 10% of Italian home insurance

1 McKinsey & Company, Global insurance report, 2025.

policies include the optional natural-hazards add-on. Greece's gap reaches 90%, with standard home insurance take-up below 20%.

The pattern across these figures is consistent: the widest gaps tend to sit where households and businesses are least likely to take up the cover that is available. Closing the protection gap, then, begins with closing the demand gap.

A market ready to do more

On the supply side, global reinsurance dedicated capital has nearly doubled over the last decade, approaching US$ 770 billion in 2024. Europe remains home to many of the world's leading reinsurers, and their capital is diversified across continents and perils in ways that national pools typically cannot replicate. Balancing flood risk in Germany against earthquake risk in Japan and hurricane risk in Florida is how European NatCat risk can be priced efficiently and at scale.

That diversification also helps reinsurers continue to price risk accurately as the climate shifts. Munich Re research, published earlier this year in Nature Geoscience in collaboration with the European Severe Storms Laboratory, found that very large hailstorms are increasing more quickly in Europe than in any other region. European reinsurers have been modelling these risks for decades and stand ready to take on more of Europe's NatCat risk as insurance penetration grows.

Five recommendations for the Climate Resilience Framework

The European Commission's integrated framework for climate resilience, expected in the fourth quarter of 2026, is one of the most significant NatCat policy files of this mandate. The RAB's January paper set out five recommendations which contribute to discussions taking place at this moment:

- **Ensure private-market leadership**. NatCat risks in Europe remain fundamentally insurable within private markets. Public-private partnerships can build effectively on that capacity.
- **Increase insurance penetration**. This is arguably the biggest lever available. Public education, risk awareness and well-designed demand-side incentives can help close more of the gap than new public supply alone.
- **Enable access to global reinsurance**. Cross-border access, risk-based prudential rules and the continued use of internal models all support a healthy reinsurance market in Europe.
- **Build back better — or elsewhere**. Building codes, land-use rules and flood defences slow the growth of losses over time. EIOPA's ongoing consultation on adaptation measures under Solvency II is a welcome step in the same direction: giving appropriate credit to investments that reduce risk.
- **Don't shoot the price messenger**. Risk-based pricing is how insurance rewards prevention. Flat or subsidised premiums can unintentionally weaken that signal.

What is the protection gap?

The share of economic losses from natural catastrophes not covered by insurance is commonly cited at around 65% in the EU's 27 Member States. Some of those losses are inherently uninsurable or consciously retained, so the insurable gap is narrower. Either way, it is large and persistent.

Risk-based pricing, in one sentence

When premiums reflect the true risk of an asset, they help keep coverage financially sustainable and give asset owners a clear sense of what is worth investing in prevention.

A partnership built for the long term

The Commission's framework is set for Q4 2026. If it builds on the direction the RAB set out in January, with adaptation first, demand-side measures, risk-based pricing preserved, and access to global reinsurance maintained, it has the potential to be a meaningful step forward in closing Europe's NatCat protection gap.

That gap is real, but with the right framework in place, it can be reduced significantly. What it requires is a clear partnership between public authorities and the private insurance and reinsurance market. In this framework, governments set the rules, invest in prevention, and raise awareness, while reinsurers continue carrying the risk.

Thomas Blunck is CEO of the Reinsurance Group at Munich Re and a member of the company's Board of Management since 2005. He has held senior leadership roles across underwriting, claims, finance and reinsurance operations. Dr. Blunck also served as Chair of Insurance Europe's Reinsurance Advisory Board (RAB) from 2025 to 2026.

Financial stability, sustainable growth and the role of insurance

Andrew Bailey

Governor, Bank of England and Chair, Financial Stability Board (FSB)

Insurance plays a fundamental role in the economy. It allows households and businesses to manage uncertainty, to pool risks that would otherwise be difficult to bear individually, and to plan for the future with greater confidence. Insurance supports economic activity, strengthens resilience and helps underpin trust in the financial system. It supports household and business confidence to take risks, supporting economic activity. A resilient and well-functioning insurance sector is therefore an essential part of a stable financial system – one that can provide vital services to individuals and businesses in the economy in both good times and bad.

One significant form of uncertainty facing many households is the provision of income in retirement. Life insurers play an important role both as providers of retirement income for millions of people and as a source of long-term finance that supports investment and growth across the economy. They are also structurally well placed to match long-dated savings with long-term investment opportunities, with investments in infrastructure, housing, energy transition projects and other long-term assets. A well-functioning life insurance sector therefore contributes not only to individual security, but also to the financing of investment, innovation and economic resilience.

The contribution of insurance, however, extends beyond retirement provision and long-term investment. Non-life insurers and reinsurers also play a central role in enabling economic activity by helping households and businesses manage a wide range of risks, from natural catastrophes and property damage to cyber threats, liability risks and business interruption. By absorbing and diversifying losses across firms, sectors and jurisdictions, they

help economies maintain resilience through shocks. In that sense, insurance supports growth not only by financing investment, but also by giving people and businesses the confidence to take productive risks.

Insurance is built on long-term trust. Policyholders need confidence that promises made today will be honoured many years into the future. Businesses need confidence that risks can be managed and that insurance protection will be available when it is needed. The wider economy needs confidence that long-term savings are being invested in a way that is resilient as well as productive. Financial stability and sustainable growth are therefore not competing objectives.

Managing growing financial interconnectedness

As the insurance sector has grown in scale and complexity in many advanced economies, so have its connections with the broader financial system. In the life insurance sector, structural shifts have resulted in increasing ownership of life insurers by private equity firms and affiliated asset managers, greater allocations to a wider range of assets including private credit, and in the increasing use of cross-border risk transfer arrangements. These developments can bring positive benefits. They can help to distribute risks more widely in the financial system, contribute to a vibrant and competitive marketplace, bring additional capital into the sector, expand choices for policyholders and help finance a broader set of investment opportunities.

At the same time, these developments also require careful attention. The International Association of Insurance Supervisors (IAIS) has raised concerns around transparency, asset quality, valuation practices, credit ratings, liquidity and the complexity of some risk transfer structures. This puts a premium on robust valuation, credible credit assessment, strong risk management and sufficient transparency. When risks become more complex, more opaque or more widely distributed across borders and regulatory perimeters, vulnerabilities may be harder to identify early and harder to manage under stress.

This brings me to the importance of international standards. As insurance markets become more international, and as large insurance groups operate directly and indirectly across multiple jurisdictions, robust global standards that support a common understanding of how risks should be assessed and managed become increasingly important. They help supervisors assess firms on a consistent basis, support cooperation between authorities, and maintain trust among policyholders, firms, markets and regulators.

The adoption of the Insurance Capital Standard (ICS) in 2024 was therefore an important milestone in international supervisory cooperation. Developed through extensive collaboration between supervisors around the world, the ICS provides a globally comparable risk-based measure of capital adequacy for internationally active insurance groups. It also provides something equally valuable: a shared supervisory language.

Private credit is a good example of where a shared supervisory language is essential. The FSB recently published a report on the financial stability vulnerabilities in private credit and highlighted how differences in definition across jurisdictions make it hard to assess exposures and potential transmission channels. Given the growing interlinkages between asset managers, banks, insurers and private equity firms, regulators, markets and firms need to understand where risks are building, how they are being measured, and how they would behave under stress. The FSB work on private credit reinforces that notwithstanding the benefits private credit brings, it also embeds several vulnerabilities that need to be addressed to support long-term growth.

We should therefore avoid creating a false dichotomy between growth and stability. The real challenge is to support an insurance sector that can provide protection, retirement security, productive investment and resilience through stress. That requires transparency, strong risk management, effective supervision and credible international standards.

Ultimately, this is about trust: trust that retirement income will be paid when it falls due; trust that insurance protection will be available when shocks occur; trust that risks are understood and well managed; and trust that the financial system can support sustainable growth without storing up vulnerabilities for the future. That trust is the foundation of both financial stability and a strong, growing economy.

Andrew Bailey has served as Governor of the Bank of England since March 2020. He was previously Chief Executive of the Financial Conduct Authority and Deputy Governor for Prudential Regulation and Chief Executive of the Prudential Regulation Authority. During his career at the Bank, he has held several senior positions, including Executive Director for Banking Services and Chief Cashier, Head of the Special Resolution Unit and Private Secretary to the Governor.

Why insurance matters for Europe's future

Fabian Rupprecht

Group CEO, Helvetia Baloise Group

Europe stands at a crossroads. Geopolitical uncertainty, climate change, demographic pressure and technological disruption are testing the continent's economic model all at once. Faced with so many challenges simultaneously, the natural response is to retreat into caution – to safeguard what has been built rather than risk it in pursuit of something new. But competitiveness has rarely been built on caution alone. It depends on the willingness to take calculated risks, to invest through uncertainty, and to have the means to recover when those risks do not pay off.

This is where insurance comes in, and it deserves a far more central place in the conversation about Europe's future than it currently holds. Insurance is too often understood only as a safety net – something that pays out after a loss. That view misses its real contribution. Insurance converts uncertainty into risk that can be understood, priced, shared and absorbed. In doing so, it gives entrepreneurs the confidence to start something new, gives households the security to plan for the future, and gives communities the capacity to rebuild after a natural catastrophe. Insurance is not primarily about protecting the status quo. It is about making progress possible.

Why progress requires risk-taking

Every meaningful act of progress carries risk – launching a business, entering a new market, developing new technology, investing in transformation. When important risks become uninsurable, unaffordable, or simply poorly understood, something quietly breaks in an economy: investment slows, innovation stalls, and social confidence erodes. Insurance turns risk-taking from an existential gamble into a calculated economic decision. That makes it essential infrastructure, not a peripheral financial product.

Unlocking opportunities through AI

The most common question about artificial intelligence in this industry concerns efficiency: faster claims, leaner operations, lower costs. Those things matter, but they overlook the more strategic opportunity. The most valuable contribution AI can make to insurance is expanding what is insurable in the first place – identifying risk earlier, improving prevention, and helping insurers shift from simply covering losses to actively preventing them.

At the same time, the risks AI introduces should not be underestimated. It creates new categories of cyber, liability, operational and trust-related risk that demand real transparency, accountability, data protection and human oversight. Europe's task is to pursue AI adoption that strengthens productivity and competitiveness without sacrificing the trust the industry depends on. Insurers have a dual role here: applying AI responsibly within their own businesses and helping other sectors adopt it with greater confidence.

Protection gaps are competitiveness gaps

Europe talks a great deal about the investment gap. It talks far less about the protection gap, and that is a mistake – the two are deeply connected. Gaps are widening across natural catastrophe cover, cyber risk, health, pensions and longevity, and each of these gaps leaves households, businesses and entire communities more exposed. Closing them is not a matter of insurance alone; it requires prevention, climate adaptation, stronger risk awareness, and – where it makes sense – carefully designed public-private partnerships that combine the reach of the state with the risk expertise and capital strength of the industry. Stronger protection does more than preserve balance sheets after a crisis. It is what allows businesses and communities to keep investing and adapting despite growing uncertainty.

Turning potential into impact

There is one more dimension worth stating plainly: protection and long-term investment are two sides of the same business model in insurance. Europe needs sustained investment in infrastructure, climate adaptation, energy systems, digital capabilities and innovative companies to restore its productivity. Insurers are positioned to support that transformation twice over – by protecting the risks tied to investment, and by deploying long-term capital to finance it. Few industries can simultaneously provide confidence, resilience and long-term investment capacity the way insurance can. Insurers also help safeguard public finances by covering losses and providing support to individuals and businesses after disasters, reducing the need for government intervention and taxpayer-funded assistance.

Insurance as the foundation for growth

Europe does not need to choose between scale and proximity, between AI-enabled efficiency and human trust, or between protection and progress. Its competitiveness will depend on combining them. Insurance is usually described by what happens after a loss. Its greater contribution begins long before that – in the confidence it creates to invest, to build, and to try again after setbacks. What the industry needs now is a European framework that safeguards trust and financial stability while leaving genuine room for innovation, public-private cooperation and responsible risk-taking. With that framework in place, insurance will not just protect Europe's status quo. It will help write its next chapter.

Fabian Rupprecht joined Helvetia as Group CEO in October 2023. Following the merger of Helvetia and Baloise in December 2025, he became Group CEO of Helvetia Baloise Group. Before joining Helvetia, he was CEO International Insurance and a member of the Management Board of NN Group. He previously held several international leadership positions at AXA, including roles in life and health insurance, finance and emerging markets.

Digital transformation and supervision in insurance

Petra Hielkema

Chairperson, European Insurance and Occupational Pensions Authority (EIOPA)

Digitalisation has been reshaping insurance for years. However, the pace, scale, and complexity of technological progress and AI in recent years are unlike anything seen before. The integration of new data sources, complex analytical tools, and a highly digitalised environment is transforming the way insurance operates and how it delivers value to customers.

EIOPA's 2025 survey on the use of Generative Artificial Intelligence across the European insurance sector found that 65% of the 347 respondents were actively using GenAI, although most use cases remained at proof-of-concept stage. This expansion is happening in a controlled manner, as 64% of insurers are focusing on back-office applications and "assisted AI systems", which are technologies that operate under human oversight.

However, the next stage of the transformation is likely to be more consequential. More advanced forms of automation are expected to grow significantly over the medium term. Agentic AI is one of them, marking a shift towards technologies that can make decisions without direct human intervention. This trend is already visible in insurance distribution. EIOPA's analysis indicates a growing use of GenAI-powered chatbots and sales tools.

At the same time, customer-side adoption is changing the other end of the value chain. A 2025 Geneva Association survey of 6 000 insurance customers across China, France, Germany, Japan, the United Kingdom and the United States found that 68% used GenAI assistants when buying insurance. This shows that the insurance journey may begin outside the knowledge or control of a regulated undertaking, with consumers using general-purpose AI to understand policy terms, compare products and summarise disclosures.

These technologies may improve efficiency and support innovation. However, as AI systems are increasingly used to provide information, support advice, handle claims or shape customer journeys, questions about accuracy, explainability, potential bias and human accountability become increasingly important. They also heighten cyber and operational risks, increase reliance on external technology providers and may lead to greater market concentration and interconnectedness.

These developments underline the importance of strong governance frameworks, effective risk management practices and robust supervisory oversight. In this regard, EIOPA, together with the other two European Supervisory Authorities (ESAs), released a joint statement in June 2026 calling for enhanced governance and consistent supervision to mitigate ICT risks arising from frontier AI models in the EU financial sector. The ESAs encouraged financial entities and competent authorities to use the statement as a basis for supervisory dialogue, taking into account existing supervisory expectations.

The EU's robust regulatory frameworks offer a strong foundation on how to deal with AI. The AI Act established an important horizontal framework for the use of AI across sectors. At the same time, insurers remain subject to sector-specific requirements under legislation such as Solvency II, the Insurance Distribution Directive (IDD) and the Digital Operational Resilience Act (DORA). Supervisors need to ensure that these frameworks work coherently together, without gaps, duplication or conflicting supervisory expectations. EIOPA's 2025 Opinion on AI governance and risk management clarifies how existing insurance-sector requirements apply to AI systems not classified as high-risk under the AI Act, using a risk-based, proportionate and holistic approach. The Opinion covers areas such as data governance, fairness, explainability, cyber security and human oversight.

Lastly, supervisors cannot effectively oversee innovation without innovating their own supervisory practices and making sure that they evolve in line with market and technology developments.

To be efficient, authorities need sufficient AI expertise to understand and challenge firms, and they need adequate tools to perform their duties effectively. Equally important is cooperation and coordination. AI is global and cross-sectoral, so supervisors must strengthen domestic and international channels to share knowledge, best practices, and experiences. EIOPA regularly organises industry roundtables on the AI Act, conducts market surveys like the GenAI survey, and engages closely with the European Commission's AI Office to clarify sector-specific implications.

AI will continue to evolve, and its most important applications in insurance may still lie ahead. Supervisors do not need to predict each of them. But they do need to build the capabilities, evidence base and common approaches that allow them to assess new developments as they emerge and to hold firms accountable for their use of AI.

If supervision can evolve alongside the market, innovation and sound risk management do not need to be competing objectives.

Petra Hielkema has chaired EIOPA since September 2021. Her mandate has been extended for a second five-year term from 1 September 2026. She is a member of the Joint Committee, the DORA Oversight Forum, and the ESRB Steering Committee and General Board. She was appointed Vice Chair of the IAIS Executive Committee in December 2024 and is Champion of the IAIS FinTech Forum.

What cycling taught me about resilience

Jolien D'hoore

Sports Manager, AG Insurance-Soudal

Elite sport teaches you many things, but few lessons stay with you as powerful as the ability to respond when life doesn't go like you have imagined.

In cycling, the unexpected is never far away: a crash, a puncture, a sudden change in weather, a tactical surprise from a rival team. You learn quickly that preparation matters, but so does the capacity to adapt, to stay calm and to trust the people around you. Those same principles have shaped my transition from athlete to leader and they continue to guide me today as Sports Manager at AG Insurance–Soudal, the Belgian women's cycling team.

When plans change

There is one moment from my career that stands out when I think about resilience. It was a race where everything had been planned in detail: the course, the strategy, the timing of the lead-out. Yet halfway through, I crashed and it forced me to rethink everything.

Physically, I was shaken. Mentally, I had seconds to decide whether to continue, how to reposition myself and how to save the race. What carried me through was not just fitness or determination, but preparation, support and the ability to stay composed when circumstances spun beyond my control.

That experience taught me that resilience is not a heroic trait reserved for dramatic moments. It is built quietly, long before anything goes wrong. It grows through repetition, through honest conversations with teammates, through the discipline of showing up every day. It is strengthened by knowing you are not alone, that you have a team, a structure and a plan that can absorb shocks and help you move forward.

Leadership beyond the finish line

When I stepped into a management role, I realised how naturally these lessons transfer to leadership. Leading a team requires the same balance of preparation and adaptability.

You make decisions under pressure, often with incomplete information. You build trust not by being perfect, but by being consistent, transparent and willing to listen. And you learn that the strongest teams are those where people feel supported enough to take initiative, make mistakes and grow.

Preparing for the unexpected

Cycling also taught me the importance of anticipating risk. In a race, you constantly scan for danger: a narrowing road, a change in wind direction, a rider moving unpredictably. You cannot eliminate risk, but you can prepare for it. Leadership works the same way. Whether you are guiding athletes, managing staff or navigating organisational challenges, you need structures that help you respond effectively when the unexpected happens.

This is where the link to insurance becomes surprisingly natural. Insurance is, at its core, about preparation and support, about having the right protections in place so that setbacks do not become catastrophes. In sport, we talk about marginal gains, about the small things that make a big difference. Insurance operates on a similar principle: it provides stability, confidence and the freedom to focus on performance rather than fear.

Resilience is collective

At AG Insurance–Soudal, I see every day how preparation and support empower people. Our riders train hard, but they also rely on a network of coaches, medical staff, logistics experts and partners who help them perform at their best. When something goes wrong, and in cycling something always goes wrong eventually, that support system ensures they can recover, reset and continue. It's a reminder that resilience is not just an individual quality; it is a collective one.

For leaders, whether in sport or business, the message is the same. You cannot predict every challenge, but you can build an environment where people feel equipped to face them. You can encourage open communication, invest in preparation and create a culture where setbacks are treated as part of the journey rather than signs of failure. And you can ensure

> “Uncertainty is part of life. It is part of sport. It is part of leadership.”

that the right support is in place, from strong teams to reliable systems, that unexpected moments become opportunities to learn rather than reasons to panic.

Uncertainty is part of life. It is part of sport. It is part of leadership.

What matters is how we prepare for it, how we respond to it, and how we support one another through it.

Cycling taught me that resilience is not about avoiding the unexpected, but about meeting it with confidence, clarity and a strong team at your side. Those lessons continue to guide me today and I hope they resonate with anyone navigating change, challenge or the unknown.

Jolien D’hoore is a Belgian former professional road and track cyclist and Olympic bronze medallist. She won bronze in the omnium at the 2016 Rio Olympics and is a 29-time Belgian national track champion and four-time national road champion. Since retiring from cycling in 2021, she has served as sports manager at AG Insurance–Soudal, the Belgian women’s cycling team.

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