



EUROPEAN COMMISSION

DIRECTORATE-GENERAL FOR FINANCIAL STABILITY, FINANCIAL SERVICES AND CAPITAL  
MARKETS UNION

Bank, insurance and financial crime  
**Insurance and pensions**

Brussels,  
FISMA/D4/MH/et/Ares(2020)4339939

EIOPA  
Mr Justin Wray  
Head of Policy Department  
Westhafentower  
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60327 Frankfurt  
GERMANY

*Via email: [justin.wray@eiopa.europa.eu](mailto:justin.wray@eiopa.europa.eu)*

**Subject: Request to modify the techniques, data specifications and parameters used for determining the technical information on the relevant risk-free interest rate term structure**

Dear Mr Wray,

I would like to follow up on my letter of 6 April 2020 with reference Ares(2020)1950274. With that letter, I acknowledged the receipt of your letter of 30 March 2020 informing us, pursuant to Article 43 of the Delegated Regulation (EU) 2015/35, of a reduction in the expected long-term real interest rate and proposing to modify the ultimate forward rate.

After having carefully reviewed all the documents submitted and having carefully monitored the impact of the COVID-19 crisis on the insurance sector, I hereby request EIOPA to proceed with the reduction of the ultimate forward rate according to your proposal of 30 March 2020 to a level of 3.6%.

These modifications shall be used by EIOPA, pursuant to Article 77e(1) of the Directive 2009/138/EC, for laying down and publishing technical information for the calculation of technical provisions and basic own funds for reporting with reference date starting as from 1 January 2021.

We remain at your disposal for further queries, if any.

Yours sincerely,

(e-signed)

Didier Millerot  
Head of Unit

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