



Mr Peter Braumueller  
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**ECB-PUBLIC**  
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**Adverse scenario for the EIOPA 2021 EU-wide insurance sector stress test**

25 March 2021

Dear Peter,

On behalf of the ESRB Chair, Madame Christine Lagarde, I am hereby officially transmitting to you the ESRB adverse scenario for the EIOPA 2021 EU-wide stress test. The scenario was formally approved via Written Procedure without objection ahead of the General Board meeting on 25 March 2021.

The documentation has been prepared in line with Articles 23 (Identification and measurement of systemic risk) and 32 (Assessment of market developments, including stress tests) of the EIOPA regulation. As in previous years, the scenario has been developed by the ESRB Task Force on Stress Testing in close collaboration with the ECB. It has benefitted from input of the EIOPA Risk and Financial Stability Committee and been discussed by the ESRB Advisory Technical Committee. Moreover, I am pleased to inform you that the calibration of this year's scenario has taken into account the special report by the European Court of Auditors from November 2018.

The ESRB Chair asked me thank you and the colleagues at EIOPA for the good cooperation between EIOPA and the ESRB, which has been key to the development of the scenario.

I look forward to discussing the outcome of the 2021 EIOPA stress test at one of the General Boards meetings later this year.

With best regards,

Francesco Mazzaferro