

Risk Dashboard: European insurers' risk levels remain broadly stable

The European Insurance and Occupational Pensions Authority (EIOPA) published today its [Risk Dashboard based on the fourth quarter of 2020 Solvency II data](#).

The results show that insurers' exposures to macro risks remain at high level while all other risk categories remain at medium level. The European supervisors expect an increase in credit risks over the next 12 months, reflecting concerns over corporate indebtedness.

With regards to macro risk, Gross Domestic Product growth and inflation forecasts registered new upward revision. The long-term yields have increased across currencies in the first quarter of 2021. Financial markets remain broadly stable, amid an increase in bond volatility and concern over commercial real estate investments.

Solvency positions for life business showed an improvement, while non-life business slightly deteriorated. Insurers' profitability, measured by the return on assets and the return on excess of assets over liabilities improved due to positive market performance. Despite this improvement the insurers' profitability remained lower compared to pre-COVID levels.

Insurance risks remain at medium level in spite of the deterioration of some indicators. The catastrophe loss ratio significantly increased and year-on-year premium growth for non-life continued deteriorating. On the other hand, year-on-year premium growth for life reported a slight recovery after the deterioration in the previous quarters.

Market perceptions remain at medium level with an increasing trend. The insurance sector, both life and non-life, underperformed the stock market in the first quarter of 2021.

Transparency register: Council adopts new rules making registration of interest representatives mandatory

The Council has adopted new rules, in agreement with the European Parliament and the Commission, to ensure transparent and ethical interest representation.

The new joint framework expands the scope of the existing register and introduces the registration of interest representatives in the transparency register as a prerequisite for certain activities covered by the Interinstitutional agreement, such as those aimed at influencing policy, legislation or decision-making in relations with any of the three institutions.



Transparency and accountability are essential for maintaining the trust of Union citizens in the legitimacy of the political and legislative decision making in the Union. Joining the transparency register is a new clear commitment by the Council in favour of these values.

Ana Paula Zacarias, Secretary of State for European Affairs of Portugal

Each of the signatory institutions has pledged to apply the joint framework set out in the Interinstitutional agreement, taking into account their specific role, and will be able to adopt complementary transparency measures. In this context, the Council has adopted a decision on the regulation of contacts between the General Secretariat of the Council and interest representatives, as part of the negotiated package. This decision includes new rules, making conditional upon prior registration of the interest representatives in the register their meetings with senior staff of the Secretariat of the Council, as well as their participation in thematic briefings and public events organised by the General Secretariat and their access to the Council premises.

Next steps

On 20 May, the three institutions will sign the Interinstitutional agreement and the joint political statement accompanying it. The texts will then be published in the EU Official Journal and are expected to entry into force in early July.

Background

The Commission presented its proposal for a new Interinstitutional agreement on a mandatory Transparency Register for interest representatives covering the Parliament, the Council and the Commission in 2016. Since 2011, the Parliament and the Commission have jointly operated a public register for interest representatives. The Council has been an observer since 2014.

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Travel restrictions: Council adds Israel to the list of countries for which member states should gradually lift restrictions on non-essential travel



Following a review under the recommendation on the gradual lifting of the temporary restrictions on non-essential travel into the EU, the Council updated the list of countries for which travel restrictions should be lifted to add Israel. As stipulated in the Council recommendation, this list will continue to be reviewed every two weeks and, as the case may be, updated.

Based on the criteria and conditions set out in the recommendation, as from 6 May 2021 member states should **gradually lift the travel restrictions at the external borders for residents of the following third countries:**

- Australia
- Israel
- New Zealand
- Rwanda
- Singapore
- South Korea
- Thailand
- China, subject to confirmation of reciprocity

Travel restrictions should also be gradually lifted for the special administrative regions of China: Hong Kong and Macao, subject to confirmation of reciprocity.

Residents of Andorra, Monaco, San Marino and the Vatican should be considered as EU residents for the purpose of this recommendation.

The **criteria** to determine the third countries for which the current travel restriction should be lifted were updated on 2 February 2021. They cover the epidemiological situation and overall response to COVID-19, as well as the reliability of the available information and data sources. Reciprocity should also be taken into account on a case by case basis.

Schengen associated countries (Iceland, Lichtenstein, Norway, Switzerland) also take part in this recommendation.

Background

On 30 June 2020 the Council adopted a recommendation on the gradual lifting of the temporary restrictions on non-essential travel into the EU. This recommendation included an initial list of countries for which member states should start lifting the travel restrictions at the external borders. The list is reviewed every two weeks and, as the case may be, updated.

On 2 February 2021, the Council adopted an amending recommendation which updated the criteria to determine the countries for which restrictions should be lifted. These are the criteria currently applied to the review of the list. The amending recommendation also set out measures for travellers including PCR testing and quarantine and provided for the rapid reintroduction of restrictions where the situation worsens quickly or a high incidence of variants of concern is identified.

On 3 May 2021, the Commission presented a proposal to further ease the current restrictions on non-essential travel, in view of the developments in the epidemiological situation and the progress of vaccination campaigns. This proposal increases the threshold of cumulative COVID-19 cases for countries included in the list and allows for non essential travel of vaccinated persons. At the same time, it introduces an 'emergency break' mechanism to limit the entry of variants of concern into the EU. This proposal is currently under discussion within the Council.

The Council recommendation is not a legally binding instrument. The authorities of the member states remain responsible for implementing the content of the recommendation. They may, in full transparency, lift only progressively travel restrictions towards countries listed.

A member state should not decide to lift the travel restrictions for non-listed third countries before this has been decided in a coordinated manner.

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PESCO: Canada, Norway and the United States will be invited to participate in the project Military Mobility

Following the requests of Canada, Norway and the United States of America to participate in the **PESCO project Military Mobility**, the Council today adopted positive decisions authorising the coordinator of this project – the Netherlands – to invite the three countries. Canada, Norway and the United States of America will be the first third states to be invited to participate

in a PESCO project.



Today, the Council approved the participation of the US, Canada and Norway in the Military Mobility PESCO project. Their expertise will contribute to the project and, with it, to improving military mobility within and beyond the EU. This is an area of shared priority and common interest in our transatlantic relations. It will make EU defence more efficient and contribute to strengthen our security.

Josep Borrell, High Representative for Foreign Affairs and Security Policy

The decisions by the Council confirm that the participation of Canada, Norway and the United States of America in the PESCO project Military Mobility meets the general conditions as established in Decision (CFSP) 2020/1639 of November 2020. Some of these conditions are political in nature; others are focused on the substantive contribution by the third state to the PESCO project, or prescribe certain legal requirements.

The PESCO project Military Mobility is a strategic platform enabling the **swift and seamless movement of military personnel and assets** throughout the EU, whether by rail, road, air or sea. This is important to EU security and defence, its preparedness and resilience, as well as to EU CSDP missions and operations.

On 5 November 2020, the Council adopted decision (CFSP) 2020/1639 establishing the general conditions under which third states could exceptionally be invited to participate in individual PESCO projects.

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[Invitation letter by President Charles Michel to the members of the European Council ahead of their informal meeting in Porto on 7-8 May 2021](#)



It is my pleasure to invite you to our informal meeting in Porto, where Prime Minister Costa is kindly hosting us. Following the High Level Conference

organised by the Portuguese Presidency on 7 May, which will focus on social matters, we will have our working dinner, where we will address the COVID-19 situation and prepare the EU-India leaders' meeting of the following day. We will also touch upon other issues of international concern.

Our morning discussion on 8 May will concentrate on how we can best ensure an inclusive recovery, with education and skills at the heart of our political action. We will focus on ways to create jobs and improve job quality, and fight poverty and social exclusion. We will also address how to support all those affected by the COVID-19 crisis and who have, for example, seen their education, training or participation in the labour market disrupted. The Porto Declaration, which we expect to adopt at this meeting, sets out our vision for Europe's ambitious digital, green and fair transition.

We will then welcome Indian Prime Minister Modi, who will join us via video conference for the EU-India Leaders' meeting that same day. Our focus will be on strengthening EU-India cooperation. The President of the Commission will update us on the latest trade developments with India. Our meeting takes place against the dramatic backdrop of the COVID-19 pandemic recently hitting India and for which the EU and Member States are providing support. Beyond this immediate priority, we will discuss how to reinforce our Strategic Partnership with India. I believe the current global situation may allow us to open a new important chapter in our relationship and we should make the best of this opportunity.

As to the practical proceedings, our informal dinner on 7 May will start at 7:45 pm. We will resume the following day at 9:30 am, and will then proceed to the EU-India Leaders' meeting over a working lunch from 12:30 pm. All times indicated are in local Porto (WEST) time. I look forward to seeing you in Porto.

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