

**Mary Frances Monroe**  
*Senior Advisor and Insurance Lead, IIF*

September 23, 2020

Mr. Gabriel Bernardino  
Chairman  
European Insurance and Occupational Pensions Authority (EIOPA)  
Westhafenplatz 1  
60327 Frankfurt am Main  
Germany  
Cc: [sharedresiliencesolutions@eiopa.europa.eu](mailto:sharedresiliencesolutions@eiopa.europa.eu)



Re: Issues Paper on Shared Resilience Solutions for Pandemics

Dear Mr. Bernardino:

The Institute of International Finance (IIF) and its insurance members are pleased to respond to EIOPA's *Issues Paper on Shared Resilience Solutions for Pandemics* (Issues Paper). IIF insurance members share the concerns of EIOPA staff regarding the availability of insurance coverage when risks cannot be pooled or diversified geographically or in the presence of significant aggregation or concentration risks.

EIOPA staff have well articulated the data and modeling challenges associated with non-damage business interruption (NDBI) risks and losses, as well as the potential obstacles associated with various risk prevention, mitigation and transfer measures. The Issues Paper is a helpful resource and we commend the authors for this important contribution to the dialogue on NDBI coverage. IIF members appreciate that the Issues Paper does not propose a specific course of action but, rather, highlights certain options that could be considered at national and European levels.

We agree that providing insurance cover for NDBI pandemic risks may require significant public involvement. As the Issues Paper points out, the strong dependency on government actions makes NDBI risk very difficult to measure and model. The design and implementation of a pandemic resilience solution may need to occur at the national level in order to accommodate this dependency. National solutions may also better accommodate local market conditions and legal frameworks. Since the outbreak of the COVID-19 pandemic, the insurance sector has been closely monitoring and analyzing the impact of the COVID-19 crisis and has also been engaged in discussions on future solutions to mitigate pandemic risks. In some jurisdictions, national industry groups are actively engaged in dialogue with local authorities and are in the process of presenting proposals that are designed to suit the local market and legal frameworks. Further dialogue and input from a broad range of stakeholders that leverages discussions at the local level are needed to identify any workable solution.

The key elements and principles for the development of a shared resilience solution for pandemic risks contained in the Issues Paper are well considered. Additional or alternative elements or principles, or the elaboration of the elements and principles set forth in the Issues Paper, are likely to emerge from greater

engagement with stakeholders and discussions at local and national levels. Thus, we urge EIOPA to consider these elements and principles to be preliminary and open to discussion and refinement.

Thank you for the opportunity to comment on the Issues Paper.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jeff Murre", with a long horizontal flourish extending to the right.