Insolvency Harmonisation: *Updates and perspectives for 2026*

Myriam Mailly reports on the latest updates in the EU and the latest information made available to INSOL Europe members on the INSOL Europe website

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For updates on new technical content recently published on the INSOL Europe website, visit: www.insol-europe.org/technical-content/introduction or contact Myriam Mailly at: technical@insol-europe.org

> *Lexis+UK is finalising a new piece of analysis in order to provide full up-to-date information for the benefit of the INSOL Europe members*

Implementation of EU Directive 2019/1023

INSOL Europe/Lexis+UK joint project: All EU individual articles and the final consolidated table now available!

With the last report for **Poland** now available, all the EU Member states and the UK are now covered in relation to national implementations of the EU Directive 2019/1023. I am grateful to Paweł Kuglarz and Mateusz Kaliński from Tatara & Partners Restructuring & Insolvency Law Firm for delivering the report for Poland at this ultimate stage of the implementation of the Directive!

The final version of the **consolidated table** produced by Lexis+UK is available at *www.insol-europe.org/technical-content/insol-europelexispsl-research-on-implementation-of-the-eu-directive-20191023*

Please note that the results of this research are only available to members of INSOL Europe (you must log in to access to individual articles as well as to the consolidated table).

INSOL Europe/Lexis+UK joint project: Latest updates available soon!

I am pleased to let you know that Lexis+UK is finalising a new piece of analysis in order to provide full up-to-date information for the benefit of the INSOL Europe members.

Indeed, it has been asked to the current or new contributors of the INSOL Europe/Lexis+UK joint project (all EU Members States & the UK) to indicate (1) whether practice has shown a more precise interpretation of the legislative implementation text or if there is any other major legal amendments since the implementation ; (2) 3 items that they believe are working well regarding restructuring plans in their jurisdiction; and 3 items that they believe that could be improved.

Final version of the tracker on the EU Restructuring and Insolvency Directive

All pieces of national legislation implementing the EU Directive are still available thanks to our dedicated tracker (final version) at: *www.insol-europe.org/tracker-eu-directive-on-restructuring-and-insolvency*

Latest news from the EU (2026)

EU Insolvency III – New Directive now published!

Now that the informal interinstitutional negotiations at technical level ended on 19 November 2025 with a provisional political agreement, seen as acceptable by both the European Parliament and the Council, the JURI committee of the European Parliament (EP) has voted in favour on the provisional agreement on 11 December 2025.

This provisional agreement has now been approved both by all Member States and by the European Parliament. First reading at the European Union Parliament took place on 9 March 2026 (discussion) and 10 March 2026 (vote) where the members of the Parliament approved the text without any modifications. With the approval by all Member States which took place on 30th March 2026 the text is now adopted.

Indeed, by a letter dated as at 5 December 2025, the Chair of the JURI committee (EP) had been informed that should the EP adopt its position at first reading in the exact form the text agreed on 19 November 2025, the Council would approve the EP's position and the act shall be adopted in the wording which corresponds to the position of the European Parliament.

The final text of the Directive (EU) 2026/799 of the European Parliament and of the Council of 30 March 2026 harmonising certain aspects of insolvency law is available at: *https://eur-lex.europa.eu/eli/dir/2026/799/oj*

EU 28th regime for innovative companies, including in the area of insolvency

As a reminder, the 28th regime initiative should be relevant for insolvency experts as far as it is indicated that such a regime would simplify applicable rules and reduce the cost of failure by addressing specific aspects within relevant areas of law, including *insolvency*, labour and tax law.

On 20 January 2026, the European Parliament adopted a resolution containing recommendations to the European Commission regarding the initiative entitled "*the 28th Regime: a New Legal Framework for Innovative Companies*". Among the measures sought by members of the European Parliament, it should be noted the wish to establish a single, harmonised set of rules in order to ensure a level playing field for businesses throughout the Union, *including in the area of insolvency.*

Against that background, the European Commission published a proposal on 18 March 2026 for EU Inc., introducing a new single set of corporate rules as the cornerstone of the EU's 28th regime (COM(2026) 321 final). Regarding the insolvency of an EU Inc. that is an *innovative startup*, the proposal (Chapter X).

- Complements the approximation of substantive insolvency laws achieved by the Insolvency III proposal (endorsed by the Council on 30th March 2026);
- Reintroduces key elements previously removed, including a simplified winding-up proceedings and a framework for electronic auction of assets. Indeed, the proposal provides several measures to ensure faster, simpler and more affordable proceedings when innovative startups become insolvent;
- Large access to electronic means of communication for all procedural steps, aiming at reducing costs of closure;
- Appointment of an insolvency practitioner (subject to court discretion in certain circumstances), ensuring compliance with legal requirements and protection of creditors' interests as well as protection of the rights of employees or the conformity with environmental law standards;
- Use of the "inability to pay debts as they mature" test as the opening criterion (with specific conditions to be defined by Member States, if any);
- An expeditious simplified winding-up, to be conducted and concluded within six months from the request;
- A EU uniform standard form to request the opening of the winding-up proceedings (without mandatory involvement of a lawyer or any other legal professional);
- Possibility of a temporary stay of individual enforcement actions;
- Realisation of assets through online judicial auctions (unless deemed inappropriate), interconnected via the European e-Justice Portal;
- Specialisation of national courts for disputes involving EU Inc. companies.

Next steps

On 19 March 2026, the European Council adopted its conclusions on competitiveness and the single market, among other items. In particular, it calls for a 28th regime for company law to be addressed as a high priority. Given its importance, the European Commission from its side calls on the European Parliament and the Council to reach an agreement on the EU Inc. proposal by the end of 2026.

New on the INSOL Europe website: Latest National and global insolvency statistics

Short commentaries on national insolvency statistics are now available for Greece, Spain, Finland, Luxembourg, Hungary, Poland, Germany, Slovakia, Cyprus, England & Wales, Croatia and Slovenia.

Latest **Eurostat** quarterly statistics on declarations of bankruptcies (released on 16 February 2026) are now available as well as the Year 2025 for France and Q3 2025 for Italy.

According to the **Economic Outlook Report 2026–2027** (Source: Allianz Trade), corporate insolvencies are expected to continue rising worldwide: +6% in 2025 and +5% in 2026, with gradual stabilisation beginning in 2027 (–1%). If these forecasts materialise, this would mark five consecutive years of rising insolvencies, with levels approximately 24% higher than the pre-pandemic average.

In addition to geopolitical tensions and trade disruptions affecting global supply chains and exports, another key driver of this increase is likely to be the still-tight financing conditions resulting from high interest rates. The report also notes that Western Europe could begin stabilising earlier, with some countries experiencing a slowdown or even a slight decline in insolvencies from 2026 onward.

See more on our website at: *www.insol-europe.org/technical-content/national-insolvency-statistics*

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