

Comments Template on EIOPA-CP-11/006 Response to Call for Advice on the review of Directive 2003/41/EC: second consultation		Deadline 02.01.2012 18:00 CET
Company name:	Le cercle des épargnants	
Disclosure of comments:	EIOPA will make all comments available on its website, except where respondents specifically request that their comments remain confidential. <i>Please indicate if your comments on this CP should be treated as confidential, by deleting the word Public in the column to the left and by inserting the word Confidential.</i>	Public
<p>The question numbers below correspond to Consultation Paper No. 06 (EIOPA-CP-11/006).</p> <p>Please follow the instructions for filling in the template:</p> <ul style="list-style-type: none"> ⇒ <u>Do not change the numbering</u> in column "Question". ⇒ Please fill in your comment in the relevant row. If you have <u>no comment</u> on a question, keep the row <u>empty</u>. ⇒ There are 96 questions for respondents. Please restrict responses in the row "General comment" only to material which is not covered by these 96 questions. ⇒ Our IT tool does not allow processing of comments which do not refer to the specific question numbers below. <ul style="list-style-type: none"> ○ If your comment refers to multiple questions, please insert your comment at the first relevant question and mention in your comment to which other questions this also applies. ○ If your comment refers to parts of a question, please indicate this in the comment itself. <p>Please send the completed template to CP-006@eiopa.europa.eu, in MSWord Format, (our IT tool does not allow processing of any other formats).</p>		
Question	Comment	
General comment		

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1.	We agree with the analysis of the options. This analysis should be applied to all institutions that offer retirement schemes (including insurance products) and address the following questions : fair competition and regulatory arbitrage avoidance.	
2.	The main question is : how ensure that the principle "same risk same capital" is respected.	
3.	We support a full application of IORP to all types of pension schemes.	
4.		
5.	Yes	
6.	Ring fencing should be avoided as much as possible as it could lead to less risk spreading.	
7.	Ring fencing should be avoided as much as possible as it could lead to less risk spreading.	
8.	Ring fencing should be avoided as much as possible as it could lead to less risk spreading.	
9.	We support the introduction of privilege rules. Similar privilege rules are applied in article 275 et 276 of the Solvency II Framework Directive.	
10.	We agree with the analysis and fully support option 2.	
11.		
12.	The Holistic Balance Sheet could be a good tool as it ensures greater transparency and disclosure and would make comparable all the institutions together. The Holistic Balance Sheet should be based on a fully harmonised risk's measurement and made public.	
13.	Yes	
14.	The reference to Solvency II transfer value should apply to all IORPs in order to contribute to a level playing field.	
15.	Yes	
16.	We support option 2 (insert text similar to recital 46 of Solvency II Directive).	
17.	We agree with the EIOPA view to adopt art 76(1),(4) and 76 (5). We prefer option 2 regarding 73(3) : technical provisions based on a market consistent basis.	
18.	We support option 2 : use of the transfer value in the meaning of Solvency II for calculating technical provisions.	

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19.	We are supportive of amending article 77(2) of the Solvency II Directive.	
20.	Yes	
21.	Same appropriate solutions must be implemented in both IORP and Solvency II directives. We support option 2. The long-term nature of pension guarantees should be considered in all cases (insurance and IORP).	
22.	Yes	
23.	We prefer option 3 : include discretionary benefits in technical provisions with the exception of surplus funds. The same principle should apply for insurance contracts.	
24.	Yes The same principle should apply for insurance contracts.	
25.	Yes	
26.	We support an introduction of Article 81 of Solvency II Directive in the revised IORP Directive.	
27.	We support an introduction of Article 82 of Solvency II Directive in the revised IORP Directive.	
28.	We support an introduction of Article 83 of Solvency II Directive in the revised IORP Directive.	
29.	We support an introduction of Article 84 of Solvency II Directive in the revised IORP Directive.	
30.	We support an introduction of Article 85 of Solvency II Directive in the revised IORP Directive.	
31.	Yes	
32.	Yes	
33.	Sponsor support should not be value as an asset or as reinsurance since the sponsor is out of the scope of IORP directive. We suggest treating sponsor as ancillary own funds.	
34.	We agree : articles 87-99 of Solvency II Directive on own funds should be applied to IORPs.	
35.	Yes	
36.	We support a uniform security level for any institution that offers retirement schemes (insurance companies and IORPs) across Europe : "same risk same capital" . we recommend a specific	

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	probability@99.5%.	
37.	We consider the current calibration of Solvency II (in particular one year horizon) is not suitable for long term guarantees. The same principle should apply for insurance contracts and IORPs.	
38.	The Solvency II rules for SCR should be applied to IORPs and Insurance contracts in the same manner.	
39.	We support an annual calculation.	
40.	The Solvency II rules for MCR should be applied to IORPs and Insurance contracts in the same manner.	
41.	The inclusion of protection schemes is not considered in Solvency Directive. The same principle should apply for insurance contracts and IORPs.	
42.	We agree that capital requirement for operational risk should be applied to DC schemes. The same principles should apply for insurance contracts and IORPs.	
43.	We consider Article 136 and 141 of Solvency II are suitable to IORPs.	
44.	We consider Article 138 and 139 of Solvency II are suitable to IORPs. The recovery period should be consistent with the time horizon (with the risk). The same principle should apply for insurance contracts and IORPs.	
45.	We agree : Articles 137 and 140 of Solvency II Directive should be applied to IORPs.	
46.	We agree : Article 142 of Solvency II Directive should be applied to IORPs.	
47.	We believe that the prudent person principle together with the freedom of investment principle are sufficient basis.	
48.	We support the freedom of investment principle.	
49.		
50.	Article 132 to 135 of Solvency II Directive should be applied to IORPs.	
51.	We agree with EIOPA that the current prohibition on borrowing should be retained including its current exception. However, as EIOPA correctly indicates, it should be made clear that subordinated loans are exempted from the prohibition of borrowing.	

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52.	Articles 27 and 28 of Solvency II Directive should be applied to IORPs.	
53.	Yes	
54.	We do support harmonization and the principle: "same risk same rules".	
55.	Yes	
56.	Yes	
57.	Public	
58.	We consider Articles 155(1), 155(4) and 155(8) of Solvency II should be applied to IORPs.	
59.	We consider Articles 36 of Solvency II should be applied to IORPs.	
60.	The same principle should apply for insurance contracts and IORPs.	
61.	We consider Articles 34(7) and 38 of Solvency II should apply to IORPs.	
62.	We share EIOPA's view on chain outsourcing and location of the main administration. However, in the event that an entity is already supervised by another authority, a clarification is needed to avoid overlap of supervision.	
63.	Yes, with the principle: "same risk same rules".	
64.	Yes there are differences between insurers and IORPs on general governance requirement, but EIOPA should keep in mind that mutual insurance companies should have similar requirements when they have a similar structure as IORPs.	
65.	Yes	
66.	Yes	
67.	The powers should be the same as the powers used under Solvency II regime.	
68.	We consider Articles 44 of Solvency II should apply to IORPs.	
69.	We do agree : ORSA is suitable to IORPs as it helps the management body to understand and manage the risk.	
70.	ORSA apply to different risk (assets, guarantees, operational risk...), so it could be suitable for IORPs where members bear all risk.	
71.	We consider ORSA should apply even in the event that the Holistic Balance Sheet approach is adopted.	

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	The two approaches are different : ORSA gives a dynamic and prospective view of the risks.	
72.	We consider Articles 46 of Solvency II should apply to IORPs.	
73.		
74.	We consider Articles 47 of Solvency II should apply to IORPs.	
75.	Regarding Audit : the same principle should apply for insurance contracts and IORPs.	
76.	We consider Articles 48 of Solvency II should apply to IORPs.	
77.	Regarding actuarial function : the same principle should apply for insurance contracts and IORPs.	
78.	We agree : independence of the actuarial function is important. We consider reporting lines, segregation of duties as necessary criteria.	
79.	We agree with the analysis and prefer option 2.	
80.	We consider Article 49 of Solvency II is suitable to IORPs.	
81.	Yes	
82.	The minimum outsourcing contract elements should at least include: <ul style="list-style-type: none"> - requirements to safeguard continuity, - obligation to inform the IORP in case of problems, - necessary powers for the IORP to issue instructions and obtain information, - requirements on exit provisions, - minimum data protection requirements - explicit or implicit costs ceilings. - confidentiality clause, - information duty and cooperation with auditor and Competent authority. 	
83.		
84.		
85.		
86.		
87.		

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88.		
89.		
90.	We consider Article 35 of Solvency II is suitable to IORPs.	
91.	The same information requirements should apply for insurance contracts and IORPs.	
92.	We support the introduction of a unique format for DC schemes which make them comparable.	
93.		
94.	We consider Article 185(5) of Solvency II is suitable to IORPs.	
95.	We consider Articles 51-56 of Solvency II should apply to IORPs.	
96.	Yes	