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EUROPEAN INSURANCE
AND OCCUPATIONAL PENSIONS AUTHORITY

EIOPA's work on implementing the PEPP Regulation

EIOPA-IRSG-19-17
Insurance and Reinsurance Stakeholder Group meeting
Frankfurt, 10 April 2019

- Why is the topic on the agenda?
 - o PEPP Regulation approved in European Parliament on 4 April – tight timeline for EIOPA’s work on deliverables - objective is to have an initial discussion on those deliverables
- What is expected from the IRSG?
 - o Obtain some initial feedback on the PEPP Regulation:
 - In what areas of the deliverables for EIOPA, do you see specific challenges?
 - How much appetite do you see for take-up of PEPP in the market?
 - How can EIOPA best engage with stakeholders on this issue?
- Next steps
 - o Further progress reports by EIOPA at June & September IRSG meetings, followed by public consultation Q4 2019/Q1 2020

- Council agreement on 13 February 2019
- EP approval due (plenary, 1st reading) on 4 April 2019
- Entry into force expected for mid-May 2019
- Technical standards expected by Q2 2020
- Regulation becomes applicable 12 months after publication of Delegated Acts

Overview of EIOPA's deliverables



- Preparatory phase:
 - o Development of technical input: technical advice on delegated acts, draft RTS and ITS
 - o Development of policies, processes and implementing structures, most importantly for IT infrastructure: central public register and notifications
- Execution and maintenance phase:
 - o Registrations, modifications and deregistrations
 - o Supervisory convergence and cooperation: product intervention powers, mediation, etc.

EIOPA's technical input – to be delivered within 12 months



- Information documents of PEPP:
 - o PEPP KID (RTS)
 - Design of the documents and methodology for presentation/calculation of key items
 - Conditions for revising KIDs
 - Conditions on the provision of the KID when advising or offering for sale
 - o PEPP Benefit Statement (RTS)
 - Design of the documents and rules to determine the assumptions on benefit projections
 - Supplementary information: presentation of where and how to obtain additional information on the PEPP or the provider, e.g. annual accounts, SIPP

Including consumer and industry testing

EIOPA's technical input – to be delivered within 12 months (cont)



- Features of PEPP:
 - Cost cap for the Basic PEPP (DA and RTS): which costs to include in the cap, adequacy of 1%
 - Risk-mitigation techniques (RTS): minimum criteria for life cycling, buffers and guarantees
- Supervision and cooperation between NCAs and EIOPA:
 - Supervisory Reporting (DA and ITS)
 - Cooperation between NCAs and EIOPA and information exchange (ITS)
 - EIOPA's product intervention powers (DA): criteria and factors to be applied in the assessment

1. In what areas of the deliverables for EIOPA, do you see specific challenges e.g. cost cap, PEPP KID/PBS, risk mitigation techniques? What aspects does EIOPA need to take into account in its work?
2. How much appetite do you see for take-up of PEPP in the market? What can EIOPA do to enhance take-up of the PEPP?
3. How can EIOPA best engage with stakeholders on this issue?