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Implementation of the IORP II Directive - Update on EIOPA Projects

Governance and risk assessment

EIOPA Occupational Pensions Stakeholder Group meeting
Frankfurt, 4 July 2018

- **Why is the topic on the agenda?**

- OPSG was asked to share relevant market practices in relation to IORP II governance and risk assessment requirements

- **What is expected from the OPSG?**

- Share views on implementation issues regarding IORP II governance and risk assessment requirements

- **What are the next steps?**

- EIOPA to engage with the OPSG on emerging findings in Q4 2018
- Concluding the work in Q2 2019

- Guidance on governance and risk assessment documents
- Setting EIOPA's supervisory expectations on the risk assessment of IORPs
 - Practical implementation of EIOPA's opinion on a common framework for risk assessment and transparency
 - Standard definition / classification of operational risks and ESG risks
 - Common supervisory approach on IORPs' operational risk management and IORPs' assessment of ESG risks in the effective implementation of the management of investments

- Many thanks for valuable contributions
 - Statement of Investment Policy Principles
 - Approach to ESG factors and risk assessment

- Project Group will take on board examples and market practices shared by the OPSG
 - Particularly relevant to principle-based guidance on governance and risk assessment documents

- Complete mapping exercise with NCAs (Q2 2018)
 - Map out current supervisory practices and expected changes to supervision with IORP II
 - Identify implementation issues
- Initial drafting of guidance and principles (Q3 2018)
- Initial ideas on a common supervisory approach for IORPs' risk assessment (Q4 2018)
- Conclude work (Q2 2019)