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EUROPEAN INSURANCE
AND OCCUPATIONAL PENSIONS AUTHORITY

Good Practices on Communication Tools and Channels Public consultation feedback & resolution

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Occupational Pensions Stakeholder Group Meeting
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- Issue
 - Overview of comments received
 - Resolution of comments

- Actions asked from OPSG
 - No specific action required at this stage
 - *Ad hoc* feedback on any issues raised in the presentation

- Next steps
 - EIOPA to draft final report

- **Received 24 responses and 327 comments**
 - Most answers from industry associations
 - Some responses from IORPS and governmental agencies
 - No responses from consumer associations
- **Generally supportive of the Good Practices**
- **Most comments reinforce some aspects highlighted in the report or may be answered with reference to scope of Report and of Good Practices**
- **Valuable input provided by industry on major sources of concern (costs and suitability) and on practical examples (feature of tools and evaluation of communication strategy)**

Topic

Legal basis to develop GPs

Comments

- EIOPA has no legal basis to develop GPs
- GPs should not be mandatory

Resolution

- Part of EIOPA's tasks and powers as set out in EIOPA Regulation
- GPs are not legally binding on any party nor subject to the "comply or explain" mechanism

Topic

Addresses of GPs

Comments

- GPs should only apply to IORPs and insurance undertakings, not employers
- GP's seem to imply unlimited obligations for pension providers

Resolution

- Good practices are aimed at any party interested in maintaining and continuously improving effective communication practices
- Good Practices are not legally binding on any party nor subject to the “comply or explain” mechanism

Topic

Criteria for selecting GPs

Comments

- How the proposed GPs relate to the fact finding exercise
- Additional criteria could have been considered: size of IORP, size of class of non-reacting members, type of pension promise, who bears the cost of running the IORP, tailor-made information, up-to date information, usefulness, relevance, etc.

Resolution

- GPs are based on already existing practices and selected based on criteria: scheme member engagement, cost efficiency and accessibility
- These are criterion or individual circumstance to be considered by market participants or desirable attributes of communication itself

Topic

Report should consider additional issues

Comments

- Report should consider content of communication, relevancy, completeness and usefulness of information, type of language, how to increase member engagement, how to tackle non-reacting or vulnerable members, etc.
- Most GPs consider and promote internet-based solutions

Resolution

- Recognise importance of issues
- Report focuses on communication tools and channels not content or presentation of information
- Some issues are complementary to the scope of this Report
- Good Practices do not aim to promote a specific communication tool or channel

Topic

Cross-pillar information

Comments

- Communication campaigns should include all pension entitlements
- Reference to the TTYPE project should be made

Resolution

- Noted. This would depend on the existence or development of national tracking services. Although a complementary issue, a reference to this possibility has been added to GP 2
- Added reference to the TTYPE project

Topic

Costs

Comments

- Cost and complexity of implementing some GPs (GP 2, GP 3 and GP 7), in particular for small IORPs and multi-employer schemes

Resolution

- GPs are non-binding and considered case by case
- Noted & added general reference @ intro of GP section

Good Practice 4 – Pension calculators

Comments

- Need to use consistent assumptions and up-to-date data to be meaningful
- Relevant data and calculation methods across different pension calculators should be standardised
- Should allow for different scenarios to be considered

Resolution

- Added reference to possible features of pension calculators (e.g. scenarios and decumulation options) and highlighted importance to use relevant and updated data, accepted methodologies and to include appropriate disclosures and warnings when estimates are provided

Good Practice 6 – Evaluation of communication strategy effectiveness

Comments

- Assessing effectiveness may be costly (considering the examples provided in Report)
- Testing communication before it is made available is more cost-efficient

Resolution

- Added examples of “new information” as provided by stakeholders
- Added reference to *ex ante* testing as a complement to *ex post* evaluation

- **Workstream to finalise:**
 - Resolution on comments
 - Draft Final Report

- **Submit Final Report for BoS adoption**
 - Via written procedure



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Discussion
