

## **Occupational Pensions Stakeholder Subgroup on “Solvency Issues” Mandate**

### **I. Background**

During the 26 November 2013 meeting in Frankfurt, the OPSG Chair, based on the draft work plan of the Occupational Pensions Committee (OPC), proposed to establish three standing subgroups for the duration of the OPSG mandate on:

1. Solvency issues IORP II
2. Occupational DC
3. Consumer protection issues

It was further agreed that the focus of the subgroup on the Solvency Issues IORP II will mirror EIOPA work on the holistic balance sheet (HBS) and the upcoming consultations on the following areas:

- Sponsor support
- Supervisory responses
- Discretionary decision making
- Benefit reduction mechanisms
- Boundaries cash flows included in liabilities

This subgroup is organised in respect of the Article 10 of the Rules of Procedures.

Following discussions at the May and July 2015 meetings, it was agreed to update the mandate in line with the revised OPSG Work Plan for the interval 2015-2016.

### **II. Tasks of the Subgroup**

- Task 1: to prepare an OPSG opinion on EMIR.
- Task 2: to prepare OPSG opinion(s) on the Consultation Paper on Further Work on Solvency of IORPs [issued in October 2014]
- Task 3<sup>1</sup>: Response to the initial results of EIOPA Quantitative Assessment exercise (October 2015)
- Task 4<sup>2</sup>: Response to the initial results of EIOPA Pensions Stress Test (October 2015)

---

<sup>1</sup> See footnote 1

<sup>2</sup> See footnote 1

- Task 5: Further work on EMIR exemption for IORPs
- Task 6: Own initiative work on Quantitative Easing
- Any other tasks decided upon by OPSG

### III. Expiration of mandate

As it is expected that EIOPA will be considering Solvency Issues for IORPs for the foreseeable future, the mandate of the Solvency Issues IORP II subgroup expires upon completion of a report on the above tasks and latest on the date of expiry of the OPSG, namely March 2016.

### IV. Organisation of work

The work is organized through conference calls with the members of the subgroup and one or two representatives of EIOPA for organizational / technical support.

The Subgroup leader sends documents at least one half-day before the conference call gathering the subgroup members' comments.

The Subgroup leader sends draft documents to the full OPSG at least 2 weeks ahead of the regular meetings.

### V. Subgroup lead

- Subgroup leader: Niels Kortleve [IORPs]
- Lead of EMIR workstream: Niels Kortleve;
- Members: Janwillem Bouma, Charlotta Carlberg, Ruth Goldman, Thomas Keller, Michaela Koller, Matti Leppälä, Marianne Osterkorn, Martine van Peer and Klaus Struwe.

### VI. Members

- Subgroup members: Janwillem Bouma, Lukasz Budzynski, Michaela Koller, Niels Kortleve, Joachim Schwind, Martine Van Peer and Allan Whalley [Industry representative]; Ruth Goldman and Philip Shier [Professional Associations]; Thomas Keller [SME]; Neil Walsh [Employee]; Alberto Floreani [Academic].

### VII. Deliverables

<b>OPSG Subgroup on Solvency Issues IORP II</b>	<b>Timeline</b>	<b>OPSG expected date of discussion/ approval*</b>	<b>Priority</b>
<b>Milestones and deliverables</b>	(Q2-Q4 2014- Q1-Q4 2015)		<b>High (H), Medium (M), Low (L)</b>
Opinion on EMIR	Q3 2014	19 May 2014 and 7 July 2014 +subsequent written approval	Delivered
Consultation Paper on Further Work on Solvency of IORPs	Q4 2014/ Q1 2015	December 2014-January	Delivered

<b>OPSG Subgroup on Solvency Issues IORP II</b>  <b>Milestones and deliverables</b>	<b>Timeline</b>  (Q2-Q4 2014- Q1-Q4 2015)	<b>OPSG expected date of discussion/ approval*</b>	<b>Priority</b>  <b>High (H), Medium (M), Low (L)</b>
		2015	
OPSG work on Low interest rate environment and quantitative easing	Q4 2015	Discussion July 2015 Position paper October 2015	M
Feedback statement on 'Advice to Commission on solvency of Institutions for Occupational Retirement Provision (IORP)'	Q1 2016	February 2016	H (if and when possible within duration of mandate)
Feedback statement on EIOPA's stress test for IORPs	Q1 2016	February 2016	H

\*OPSG meeting dates 2014: 19/05; 07/07; 15/10 and Joint BoS-IRSG 26/11

\*OPSG meeting dates 2015: 10/03; 08/05; 08/07; 20/10 and Joint BoS-IRSG 01/12.

\* OPSG meeting date 2016: 24/02.