

EIOPA Board of Supervisors
Frankfurt am Main, 20-21 October 2011

Approved Minutes

Chairperson: Gabriel Bernardino

Members and Observers:

Voting: AT: Peter Braumüller, BE: Françoise Masai (2nd day only), BG: Angel Djalazov (1st day only), CY: Nicos Koullapis, CZ: Zuzana Silberová, DE: Gabriela Hahn, DK: Jan Parner, EE: Raul Malmstein, FI: Hely Salomaa, FR: Danièle Nouy, GR: Charalampos Vogiatzis, HU: József Banyar, IE: Matthew Elderfield (1st day only), IT: Flavia Mazzarella, LV: Irena Krumane, LT: Mindaugas Salcius, LU: Victor Rod (1st day only), MT: Marisa Attard, NL: Joanne Kellermann, PL: Damian Jaworski, PT: Mario Ribeiro, RO: Rodica Popescu, SK: Julia Cillikova, SI: Mihael Perman (1st day only), ES: Ricardo Lozano Aragues, SE: Martin Andersson, UK: Ed Forshaw (Acting Alternate - ESC Chair)

Non-Voting: BE: Michel Flamee, Wim Coumans, DE: Thomas Schmitz-Lippert (JCFC Chair), EE: Kaido Tropp, FR: Cyril Roux, IE: Niahm Gaudin (2nd day only), IS: Rúnar Guðmundsson, IT: Fausto Parente, Amborgio Rinaldi, LI: Alexander Imhof, LU: Claude Wirion (2nd day only), NL: Thijs van Woerden, NO: Morten Baltzersen, Lisbeth Strand RO: Ion Giurescu, Adina Maria Dragomir, SK: Peter Palus, SI: Jurij Gorisek, ES: Luis Bautista, SE: Malin Björkmo, , UK: Bill Galvin, COM: Karel Van Hulle, EBA: Adam Farkas, ESMA: Verena Ross, ESRB Francesco Mazzaferro

Experts from Members and Observers:

AT: Gerlinde Taurer, BE: Ann Devos, BG: Stefan Stoilkov, CZ: Jan Bouska, LT: Ruta Osencoviene, NL: Petra Hielkema (1st day only), PL: Katarzyna Małgorzata Chrzanowska, PT: Ana Teresa Moutinho, RO: Coca Constantinescu, ES: Ana Maria Aznar, UK: Fiona Rogers

EIOPA Working Group Chairs:

Patrick Darlap (FSC Chair), Petra Faber-Graw (IGSC Chair), Olaf Ermert (FinReq Chair), Pauline de Chatillon (CCPFI Chair), Brendan Kennedy (OPC Chair), Paolo Cadoni (IntMod Chair)

EIOPA Staff:

Carlos Montalvo Rebueta (EIOPA Executive Director), Patrick Hoedjes (EIOPA Director of Operations), Catherine Coucke, Simona Dascalu, Sophia Milili-Makrydakis, Andrew Mawdsley, Sandra Desson, Manuela Zweimueller (day 1), Beatriz Ferriz (day 1), Teresa Turner (day 1), Justin Wright (day 1), Katarzyna Wojtkiewicz (day 1), Pamela Schuermans (day 2), Jarl Kure, Daniel Perez (day2), Juan Lumbreras (day 2), Iwona Krasniewska (day 2), David Cowan (day 2), Tilmann Roth (day 2)

1. Welcome and introductory remarks by the EIOPA Chair

The Chair welcomed attendees to the 5th meeting of Board of Supervisors. The Chair informed about the notification of UK FSA nominating Edward Forshaw as the Alternate Member for this current meeting.

The Chair ascertained that the assembly had been duly called and was competent to pass resolutions.

2. Adoption of the Agenda

Conclusions and Action points:

- Draft Agenda (EIOPA-BoS-11/021) was adopted without amendments (*decision by simple majority*).

3. Update by Chair and Commission (COM)

Conclusions and Action points:

No conclusion or action point was taken.

4. Colleges and Crisis Management Update

4.1. Update on the work of the Crisis Management Task Force and presentation of initial output

4.2. Q1-Q2 2011 Feedback college meetings (oral update)

Conclusions and Action points:

- The Crisis Management Task Force will present a report on the Crisis Management Framework to the Board of Supervisors meeting of 13 December.
- The EIOPA College Team will present regularly a written report to Board of Supervisors on the functioning of colleges.
- EIOPA will upload the Helsinki plus list on the restricted area of EIOPA's website by early November 2011.

5. Strategic orientation

5.1. General EIOPA strategic orientation

5.2. EIOPA strategic orientation on colleges

5.3. EIOPA strategic orientation on Financial stability

Conclusions and Action points:

- The Board of Supervisors agreed to send written comments re the draft General EIOPA Strategic orientation paper. The deadline for contributions is 2 weeks [Deadline **7 November**]. The revised paper will be presented to adoption by the Board of Supervisors meeting of 13 December and will be used for EIOPA's external communications.
- EIOPA agreed to complete the draft EIOPA Strategic orientation on international relations in a separate document.
- The Strategic orientation papers will be used as a basis for EIOPA's multi-annual work programme.
- The Board of Supervisors agreed to send written comments re the draft EIOPA Strategic orientation on colleges and EIOPA strategic orientation on Financial stability. The deadline for contributions is 2 weeks [Deadline **7 November**]. Written approval will follow this last round of comments.

6. Equivalence

6.1. EIOPA Final Advice to the European Commission - Equivalence assessment of the Swiss supervisory system in relation to articles 172, 227 and 260 of the Solvency II Directive

6.2. EIOPA Final Advice to the European Commission - Equivalence assessment of the Bermudan supervisory system in relation to articles 172, 227 and 260 of the Solvency II Directive

6.3. EIOPA Final Advice to the European Commission - Equivalence assessment of the Japanese supervisory system in relation to

article 172 of the Solvency II Directive

6.4. Comments & resolution template: Swiss Assessment

6.5. Comments & resolution template: Bermudan Assessment

6.6. Comments & resolution template: Japanese Assessment

Conclusions and Action points:

- The Board of Supervisors adopted the Advice to COM on the Equivalence assessments of the Swiss, Bermudan and Japanese supervisory systems and respective template for comments & resolutions (*decision by simple majority*).
- The Board of Supervisors mandated the Equivalence Committee to undertake work towards establishing a Memorandum of Understanding (MMoUs) on professional secrecy and supervisory cooperation with the countries assessed to be signed by each Competent Authority and EIOPA.

7. Internal Procedures

7.1. Internal procedures on Working Groups and Instruments

7.2. Internal Procedures on Files and Communication

7.3. Ethic Rules

7.4. Breach of Union Law

7.5. Internal Rules on the use and treatment of classified information

7.6. Internal note for drafting technical standards

7.6a Template on draft TS

7.7. Guidelines and Recommendations: Framework, process and style guide

7.7a Template on G&R

Conclusions and Action points:

- The Board of Supervisors agreed to send concrete drafting suggestions to EIOPA on all draft documents by **7 November**.
- EIOPA will table the documents that affect the internal processes of the Board of Supervisors Members for the Board of Supervisors approval.
- EIOPA will keep the Board of Supervisors updated on the other internal procedures.
- EIOPA Working Groups should ensure the election of their vice-chairs.
- The Board of Supervisors agreed to send information to EIOPA on the national authorities competent for the various Directives under the scope of EIOPA regulation.

8. Pensions

8.1. Update on the Call for Advice (oral update)

8.2. Feedback from the first round of consultation (presentation)

8.3. Consultation papers on 23 CfA topics (approval

for consultation)

8.3a Background paper on consultation

Conclusions and Action points:

- The Board of Supervisors adopted the 2nd Consultation Paper on EIOPA Draft Advice on the Revision of the IORP Directive. The consultation period will start on 25 October 2011 and end on 02 February 2012 (*decision by simple majority*).
- The Board of Supervisors adopted the Feedback paper on responses to the first consultation and agreed to publish it on EIOPA's website (*decision by simple majority*).

9. IT and Data Committee (ITDC)

9.1. EIOPA IT & Data strategy plus annexes

9.2. Colleges collaborative tool – business requirements

9.3. Register – oral update

9.4. Cover Letter to Board

9.5. Presentation on ITDC progress

Conclusions and Action points:

- The Board of Supervisors agreed to initiate the preparation of EIOPA Database Implementation Project with the steps and assumptions as proposed.
- The Board of Supervisors adopted the report on the IT strategy and mandated that EIOPA implement the IT-related goals set out in the IT strategy report (*decision by simple majority*).
- The Board of Supervisors adopted the Data Specification Report, including the exchange of individual information for identified needs (*decision by simple majority*).
- The Board of Supervisors mandated ITDC to further develop the EIOPA Data Specifications Report.
- The ITDC will present for approval in the Board of Supervisors meeting of February 2012 a detailed project plan, including impact assessments and timeline scheduled of the Database Implementation Project in view of the public procurement process.
- The Board of Supervisors adopted the decision to use XBRL on a mandatory basis for the data exchange between NSA and EIOPA (*decision by simple majority*).
- The Board of Supervisors adopted the decision to mandate the ITDC to develop Guidelines and Recommendations on the use of XBRL as a standard for the exchange of data between Undertakings and NSAs (this will include also an Impact Assessment) (*decision by simple majority*).
- The Board of Supervisors mandated ITDC to perform data cross-checking in the area of information on register of undertakings before publishing the register.
- The Board of Supervisors adopted College Collaborative Tool Business Requirements and mandated ITDC to start the development of the project (*decision by simple majority*).

10. Closed session

Conclusions and Action points:

No conclusion or action point was taken.

11. Solvency II – Public consultation on Reporting and ORSA

11.1. Introduction to consultation on Reporting Standards and ORSA guidelines (presentation given at meeting)

11.2. Highlighted Issue on Risk Concentration template

11.3. G&R ORSA

11.4. Reporting Package

Conclusions and Action points:

- The Board of Supervisors adopted for Consultation a package of Solvency II Reporting Templates (*decision by simple majority*).
- The Board of Supervisors mandated FSC, IGSRR and IGSC to finalize the work on the financial stability reporting needs and to table this proposal at the 13 December Board of Supervisors meeting for public consultation.
- The Board of Supervisors adopted the Consultation Paper on the ORSA Guidelines (*decision by simple majority*).
- For both Consultation Papers the consultation period shall start on 04 November 2011 and end on 15 January 2012.

Solvency II – Time Line and Work Plan

11.5. Presentation of timeline for EIOPA

11.6. Overview of SII timeline

Conclusions and Action points:

- The Board of Supervisors adopted the proposed timeline for EIOPA deliveries on Solvency II Technical standards (RTS/ITS) (*decision by simple majority*).

IGSC

11.7. Update on Interim Work

11.8. Highlighted issues

11.9. Election of Chair of IGSC – CV of candidate proposed by Management Board

Conclusions and Action points:

- The Board of Supervisors agreed to send written comments on the interim guidelines by 7 November. The paper will then be revised by IGSC.
- The Board of Supervisors agreed to share the revised version of the interim guidelines with NAIC.

- The Board of Supervisors agreed to send written comments on need for binding process covering the exchange of information in colleges by 7 November.
- The IGSC will produce for the 13 December Board of Supervisors meeting a pro/cons working paper on the options of having mandatory/optional process regarding exchange of information between college members.
- The Board of Supervisors elected Mr. Fausto Parente (IT) as Chairperson of the EIOPA IGSC Working Group. The duration of his mandate and duties are established in the EIOPA internal procedure and IGSC mandate (*decision by simple majority*).

12. Consumer protection and financial innovation

12.1. Draft Report on best disclosure and selling practices for Variable Annuities

12.2. Draft Report on Financial Literacy and Education Initiatives by Competent Authorities

12.3. Draft Guidelines and Recommendations on Complaints-Handling by Insurance Undertakings

12.4. Draft Report on Good Practices on Complaints-Handling by Insurance Undertakings

Conclusions and Action points:

- The Board of Supervisors adopted for public consultation the Report on Good Practices for Disclosure and Selling of Variable Annuities (*decision by simple majority*).
- The Board of Supervisors adopted for public consultation the Guidelines on Complaints-Handling by Insurance Undertakings and the Best Practices Report on Complaints handling by Insurance Undertakings (*decision by simple majority*).
- Both reports will be sent out for public consultation for a period of 10 weeks.
- The Board of Supervisors adopted the Report on Financial Literacy/Education initiatives by competent authorities. The Report will be sent to the Stakeholder Groups (*decision by simple majority*).

13. Update on development of EIOPA

Conclusions and Action points:

The issue was brought for discussion. No conclusion or action point was taken.

14. AOB

Conclusions and Action points:

No conclusion or action point was taken.

Frankfurt am Main,

[signed]

Gabriel Bernardino
Chairperson of EIOPA