



EIOPA-BoS-14/042

**EIOPA Board of Supervisors Meeting
27-28 March 2014
Approved Deliberations and Conclusions**

Chairman: Gabriel Bernardino

Members and Observers:

Voting: AT: Peter Braumüller, BE: Jean Hilgers, BG: Ralitsa Agayn-Guri (Acting Alternate), CY: Nicos Koullapis, CZ: Zuzana Silberová, DE: Felix Hufeld (Day 1), Thomas Schmitz-Lippert (Day 2), DK: Jan Parner, EE: Andres Kurgpõld, ES: Pablo Muelas Garcia, FI: Hely Salomaa, FR: Sandrine Lemery, GR: Ioannis Chatzivasiloglou, HR: Gordana Letica, HU: Kornél Kisgergely, IE: Cyril Roux (2nd day only), IT: Alberto Corinti, LT: Mindaugas Salcius, LU: Victor Rod, MT: Marisa Attard, NL: Joanne Kellermann, PL: Damian Jaworski, PT: Mario Ribeiro, RO: Adina Maria Dragomir (Acting Alternate), SK: Julia Cillikova, SI: Sergej Simoniti, SE: Asa Larson, UK: Ed Forshaw (Acting Alternate)

Non-voting: BE: Luc Kaiser, Wim Coumans, DE: Thomas Schmitz-Lippert (Day 1), IS: Rúnar Guðmundsson, IE: Mark Burke, IT: Fausto Parente, Rinaldi Amborgio, LI: Alexander Imhof, LU: Claude Wirion, SI: Maja Krumberger, UK: Nigel Peaple, COM: Steve Ryan, EBA: Corinne Kaufman, ESMA: Sophie Vuarlot Dignac, ESRB: Francesco Mazzaferro (1st day only), Jeroen Brinkhoff (2nd day only)

Experts:

AT: Gerlinde Taurer, CZ: Jan Bouska, DE: Petra Faber Graw, FI: Teija Korpiaho, FR: Philippe Richard, HU: József Banyar, NO: Runa Sæther, PL: Katarzyna Malgorzata Chrzanowska, RO: Rodica Popescu, ECB: Jerome Henry (item 15)

EIOPA Working Group Chairs:

Patrick Darlap (FSC Chair), Pauline de Chatillon (CCPFI Chair), Evelyn Masse (FinReq Chair), Fausto Parente (IGSC Chair), Damian Jaworski (Peer Review Chair), Veronique Hijl (IGSRR Chair), Edward Forshaw (Equivalence Committee Chair)

EIOPA Staff:

Carlos Montalvo Rebuella (EIOPA Executive Director), Manuela Zweimüller (EIOPA Head of Regulations), Patrick Hoedjes (EIOPA Head of Operations and Oversight), Susanne Rosenbaum, Catherine Coucke (EIOPA senior legal counsel), Sophia Millili-Makrydakis, Katja Würtz (items 3, 11), Katarzyna Wojtkiewicz (items 5,6,9), Philip Codrai (items 5,6), Danny Janssen (items 5,6), Pamela Schuermans (item 8), Justin Wray (items 8, 17), Maria Frantzi (item 9), Andrew Candland (item 10), David Cowan (item 11), Andrew Mawdsley (items 13, 14, 15), Juan Zschiesche (items 13, 14), Daniel Perez (item 15), Barthold Kuipers (item 16)

1.	Welcome and introductory remarks by the Chairman	Information
<p>Conclusions:</p> <ul style="list-style-type: none"> ▪ Not applicable <p>Action points:</p> <ul style="list-style-type: none"> ▪ Not applicable 		
2.	Adoption of the Agenda	Decision by SMV ¹
<p>Conclusions:</p> <ul style="list-style-type: none"> ▪ Draft Agenda (EIOPA-BoS-14/024 Rev.1) was adopted with one addition: "Risk free rate 		

(RFR) project.”		
Action points:		
<ul style="list-style-type: none"> ▪ Not applicable 		
3.	Update by Chairman, Executive Director (ED) and COM	Information
Conclusions:		
<ul style="list-style-type: none"> ▪ Not applicable 		
Action points:		
<ul style="list-style-type: none"> ▪ Not applicable 		
4.	Elections: <ul style="list-style-type: none"> ▪ Management Board member ▪ Chair of EIOPA CCPFI ▪ Chair of EIOPA ITDC 	Decision by SMV ¹ Decision by SMV ¹ Decision by SMV ¹
Conclusions:		
<ul style="list-style-type: none"> ▪ Alberto Corinti (IVASS, IT) was elected as MB member. ▪ Ludwig Pflieger (FMA, AT) was elected as CCPFI Chair. ▪ Patrick Hoedjes (EIOPA) was re-elected as ITDC Chair. 		
Action points:		
<ul style="list-style-type: none"> ▪ Not applicable 		
5.	Work Programme 2015	Decision by SMV ¹
Conclusions:		
<ul style="list-style-type: none"> ▪ BoS adopted, by simple majority voting, the draft Work Programme 2015. Action points: 		
<ul style="list-style-type: none"> ▪ Current draft version of the Work Programme 2015 to be submitted to EU Institutions. ▪ BoS to provide specific comments on the document by 30 April 2014. 		
6.	Annual report (AR)	Discussion
Conclusions:		
<ul style="list-style-type: none"> ▪ The document was well received by the BoS with a few specific amendments being suggested. ▪ After corrections are made in annexes, the AR 2013 can be submitted to the EU Institutions. 		
Action points:		
<ul style="list-style-type: none"> ▪ EIOPA to include the suggested amendments. ▪ EIOPA to submit AR 2013 to EU institutions. 		
7.	Quality Control Committee - Mandate 2014-2015	Information
Conclusions:		
<ul style="list-style-type: none"> ▪ The BoS was informed by the Chair of the QCC, about the QCC 2013-Annual Activity 		

Report and the QCC mandate for 2014 and 2015 as approved by the MB in January 2014.

- The QCC Chair reported on the status of the analysis of the BoS' comments to the Decision of the MB on EIOPA's Procedure on Independence and Decision Making Processes regarding Declarations of interests, including the ongoing cooperation of the 3ESAs (legal services).

Action points:

- The QCC to present clarifications and a potential Decision of the MB on EIOPA's Procedure on Independence and Decision Making Processes regarding Declarations of interests at the June BoS meeting.

8.	SII - Approval draft ITS set 1 for consultation (incl. colleges GL)	Decision by SMV ¹
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Conclusions:

- BoS adopted, by simple majority voting, all draft ITS and the GL without material modifications for consultation
- The BoS agreed to include an automatic stop-the-clock mechanism in the ITS on USP, MA and AOF in the respective consultation papers.
- All draft ITS and the GL were approved without material modifications for consultation starting 1 April (ITS) and 2 April (GL).

Action points:

- ITS and GL to be released for consultation.

9.	Data to be provided to EIOPA during preparatory phase	Decision by SMV ¹
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Conclusions:

- The BoS adopted, by simple majority voting, that National Competent Authorities compliant with the EIOPA Guidelines on Submission of Information to National Competent Authorities, shall submit to EIOPA the data collected from the reporting institutions following the below conditions:

Data to be reported

- Competent authorities shall submit to EIOPA the data included in the EIOPA Guidelines on Submission of Information to National Competent Authorities collected from institutions in their jurisdictions in accordance with Section III (the Quantitative information) of the respective EIOPA Guideline, with the exception of *Ring Fenced Funds* and *Remaining* data.

Institutions covered

- Competent authorities shall submit data following criteria defined in the EIOPA Guidelines on Submission of Information to National Competent Authorities collected from institutions in their jurisdictions in accordance with Section II (Scope of the submission of information – Thresholds to be applied) of the respective EIOPA Guidelines.

Reporting frequency and remittance dates

- Competent authorities shall submit data with the frequency described in the EIOPA Guidelines on Submission of Information to National Competent Authorities.

Quality of data

- With the submission of the relevant data to EIOPA's central database, competent authorities warrant the data has undergone the taxonomical and agreed quality checks. EIOPA shall conduct additional validations checks of the data received to ensure

consistency.

Technical specifications of the reporting system

- Data should be reported in the XBRL format.

Confidentiality arrangements

- The security level assigned to data coming to EIOPA should correspond to the highest level assigned to this data in Member State. All data submitted to EIOPA according to this Decision shall be covered by the EU law framework of professional secrecy and confidentiality requirements as applicable to EIOPA.
- This decision is applicable to the preparatory phase: 31.12.2014 - 31.12.2015.

Entry into force

- This Decision shall apply from the date of application of the EIOPA Guidelines on Submission of Information to National Competent Authorities.

Action points:

- ITDC to specify:
 - details of remittance (delays) between collection at the national level and submission to EIOPA;
 - definition of the common additional (to taxonomical) checks performed by NCAs (within the range defined in the Note);
 - definition of the additional checks performed by EIOPA (within the range defined in the Note).
- After the remaining details are confirmed, EIOPA to issue the decision on reporting by Competent Authorities to EIOPA during the Preparatory Phase.
- EIOPA to implement the infrastructure, define details of the technical specifications of the reporting system, the quality and security controls in place to move to the collection of information during preparatory phase.

10.	Center of Expertise Internal Models: <ul style="list-style-type: none">• Opinion on Common Application Package for internal models• Way forward on internal model indicators	Decision by SMV ¹ Decision by SMV ¹
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Opinion on Common Application Package for internal models

Conclusions:

- The BoS approved that EIOPA issues an Opinion as set out in para 2.1 to 2.5 of the cover note and approved the text of the Opinion.

Action points:

- EIOPA to publish the Opinion on Common Application Package for internal models.

Way forward on internal model indicators

Conclusions:

- The BoS agreed the next steps as set out in section 7. of the paper.

Action points:

- EIOPA to articulate how the indicators project can add value for national authorities by providing them with the EU-peer analysis they need to carry out supervision.

	<ul style="list-style-type: none"> EIOPA to provide justification of the data items requested and information on the timing of the project. EIOPA in conjunction with the Internal Models Committee to write a paper on how independent proxy-based indicators could be integrated into the supervisory ladder of intervention. 	
11.	One minute guide on Complaints-Handling by insurance intermediaries	Decision by SMV ¹
<p>Conclusions:</p> <ul style="list-style-type: none"> The BoS adopted, by simple majority voting, the “One Minute Guide on the Guidelines on complaints-handling by insurance intermediaries” <p>Action points:</p> <ul style="list-style-type: none"> EIOPA to publish the One Minute Guide on the Guidelines on complaints-handling by insurance intermediaries 		
12.	Closed session	Discussion
13.	Note for BoS on Liquidity swaps	Discussion
<p>Conclusions:</p> <ul style="list-style-type: none"> The BoS welcomed the note and considered several follow-up actions The follow-up actions should however not be considered a priority at this stage. <p>Action points:</p> <ul style="list-style-type: none"> NCA and EIOPA to continue monitoring this issue. EIOPA to submit the document to the Supervisory Review Process team to consider this issue in the context of the SII Prudent Person Principle. EIOPA to send the document to the Joint Committee for their consideration, as there are cross-sectorial implications. 		
14.	Note for BoS on IORPS and Crisis Management	Discussion
<p>Conclusions:</p> <ul style="list-style-type: none"> The BoS agreed that the work on the applicability of crisis management techniques to IORPs should continue. It was acknowledged that a) there is little value in continuing the discussion on the role of EIOPA and its powers in this field; and b) reaching strong conclusions as to whether IORPs can have systemic relevance or how the transmission channels would work is not possible at this stage. As a consequence, it was decided to adopt a pragmatic approach, i.e. to develop a practical and pre-emptive framework in the short term and to consider the open issues (e.g. the systemic relevance of IORPs) as a medium- to long-term project. On the latter, the conclusions of the stress test should provide some valuable input. The BoS agreed that the framework should be based on the one developed for insurance, but should be adapted content wise to reflect the specific nature of IORPs. <p>Action points:</p> <ul style="list-style-type: none"> EIOPA to develop a first draft framework on the basis of the existing one, but adapting its content to IORPs. 		

	<ul style="list-style-type: none"> EIOPA to submit the draft to OPC for comments and observations before discussing it at an upcoming BoS meeting. 	
15.	Insurance Stress Test - project planning	Discussion
<p>Conclusions:</p> <ul style="list-style-type: none"> The BoS agreed with the general design of the skeleton report The BoS agreed with the proposed project planning <p>Action points:</p> <ul style="list-style-type: none"> FSC to further develop the skeleton of the report in line with the steering received to be presented for BoS written approval in mid-April. Members to nominate staff for the central validation team in EIOPA. EIOPA to launch the consultation of the templates with selected stakeholders as scheduled in stress test timeline. Include the basic RFR curves developed as per March Delegated Acts. 		
16.	Risk Free Rate (RFR)	Discussion
<p>Conclusions:</p> <ul style="list-style-type: none"> Not applicable <p>Action points:</p> <ul style="list-style-type: none"> EIOPA to circulate the RFR project proposal to BoS for comments on scope and governance. 		
17.	Pensions – Stress Test	Decision by SMV ¹
<p>Conclusions:</p> <ul style="list-style-type: none"> BoS approved option 2 of the FSC proposal for a two-stage approach to the IORP stress test: Conduct preparatory work in 2014, and to carry out an IORP stress test in 2015 BoS agreed to undertake a comprehensive stress test including IORPs providing DC schemes. <p>Action points:</p> <ul style="list-style-type: none"> FSC and its FSC/OPC pensions stress test subgroup to conduct the further technical work in 2014 in preparation for the IORP stress test in 2015. 		
18.	AOB	Information
<p>Conclusions:</p> <ul style="list-style-type: none"> Not applicable <p>Action points:</p> <ul style="list-style-type: none"> Strategy Day will take place on 8 May in Athens. Extraordinary BoS meeting with particular focus on SII to be held on 21 May in Frankfurt. Next regular BoS meeting to be held on 25-26 June in Frankfurt. 		

¹: Decision by simple majority (Article 44(1) 1st para. EIOPA Regulation)

²: Decision by qualified majority (Article 44(1) 2nd para. EIOPA Regulation)

Frankfurt am Main,
[Signed]

Gabriel Bernardino
Chairperson of EIOPA