

EIOPA Board of Supervisors Meeting

28-29 June 2018

Final Minutes

Chairman: Gabriel Bernardino

Voting: AT: Peter Braumüller, BE: Jean Hilgers, BG: Karina Karaivanova, CY: Victoria Natar, CZ: Zuzana Silberova, DE: Petra Faber-Graw (1st day (PoA)), Frank Grund (2nd day), DK: Carsten Brogaard, EE: Andres Kurgpold, ES: Francisco Carrasco Bahamonde, FI: Teija Korpiaho, FR: Mary-Cecile Duchon (PoA, 1st day), Sandrine Lemery, GR: Ioanna Seliniotaki, HR: Ante Žigman, HU: Koppany Nagy, IE: Sylvia Cronin, IT: Alberto Corinti, LT: Marius Dumbauskas, LU: Claude Wirion (1st day), LV: Dina Mikelsoņa, MT: Marianne Scicluna, NL: Olaf Sleijpen, PL: Damian Jaworski, PT: Jose Almaca, SK: Zuzana Kardosova (PoA), SI: Gorazd Čibej, SE: Asa Larson, UK: David Rule

Non-voting: BE: Dominik Smoniewski, BE: Henk Becquaert, DE: Thomas Schmitz-Lippert, HR: Ilijana Jeleč, IE: Gerry Cross (2nd day), IS: Rúnar Guðmundsson, IT: Alessia Angelilli, IT: Ambrogio Rinaldi, LI: Philipp Fuchs, LU: Annick Felten, NL: Thijs van Woerden, NO: Ann Viljugrein, PL: Mariusz Smetek, PT: Mario Ribeiro, RO: Valentin Ionescu, UK: Lesley Titcomb, COM: Nathalie Berger (1st day), Steve Ryan (2nd day), EBA: Philippe Allard, ESMA: Mette Sicard Filtenborg, ESRB: Dieter Hendrickx (1st day), Francesco Mazzafero, EFTA SA: Per Christian Bærøe

Welcome and introductory remarks by the EIOPA Chairman	Information
<p>1. Adoption of the Agenda</p> <p>Conclusions: Not applicable</p> <p>Action points: Not applicable</p>	<p>Decision by SMV¹</p>
<p>2. Update by Chairman, Executive Director and COM</p> <p>Conclusions: Not applicable</p> <p>Action points: Not applicable</p>	<p>Information</p>
<p>3. EIOPA Stakeholder Groups selection (IRSG and OPSG)</p> <p>Conclusions:</p> <p>BoS adopted, by simple majority voting, the proposals for the composition of the new Stakeholder Groups as contained in 'Insurance and Reinsurance Stakeholder Group (IRSG) renewal 2018' (EIOPA-BoS-18-270, 15 June 2018), and b) and 'Occupational EIOPA – Westhafen Tower, Westhafenplatz 1 - 60327 Frankfurt – Germany - Tel. + 49 69-951119-20;</p>	<p>Decision by SMV¹</p>

Pensions Stakeholder Group (OPSG) renewal 2018, (EIOPA-BoS-18-271, 15 June 2018).

Action points:

- EIOPA to proceed with the setup of the new IRSG and OPSG and to contact the selected candidates to get their confirmation.

4. First Iteration Draft Single Programming Discussion Document 2020-2022

Conclusions:

- BoS agreed that the first Iteration of the Draft Single Programming Document 2020-2022 provides a good basis for EIOPA to continue with the more detailed planning of its future work while suggesting minor revisions to further enhance the document.

Action points:

- EIOPA to introduce the agreed revisions and updates to the strategic objectives and strategic action areas.

5. Update by PSC Information

Conclusions:

- BoS noted the recent developments in the Policy Steering Committee (PSC).

Action points:

- Not applicable

6. EIOPA Sustainable Finance Action Plan Information

Conclusions:

- BoS adopted, by simple majority voting, the 'EIOPA Sustainable Finance Action Plan' and its governance (EIOPA-BoS-18-263, 12 June 2018). The proposed actions under the Plan could be commenced. BoS adopted, by simple majority voting, the amendment to the Policy Steering Committee (PSC) mandate (EIOPA-BoS-18-264, 12 June 2018).
- BoS supported a leading role for the PSC in the development of the Sustainable Finance Action Plan.
- It was agreed to reflect the BoS discussion in a redrafted section on the context of EIOPA's work on sustainable finance.

Action points:

- EIOPA to redraft the section on what does sustainable finance mean for insurers and pension funds.
- EIOPA to send the redrafted section to BoS for further comments.
- EIOPA to circulate the amended PSC mandate to the PSC members.
- EIOPA to elaborate the plans providing more detail on specific deliverables and resources.

7. RFR methodology: Volatility adjustment for the Danish krone Decision by SMV¹

Conclusions:

- BoS adopted, by simple majority voting, the proposed amendments to the

methodology of calculating the Volatility Adjustment (VA) of the Danish krone and for Denmark (EIOPA-BoS-18-269, 12 June 2018).

Action points:

- EIOPA to publish the new Volatility Adjustment (VA) of the Danish krone for Denmark, with the aim for the market to implement it by the end of September 2018.

8. IAIS Strategic Plan and Financial Outlook Discussion

Conclusions:

- BoS supported the 'Direction of Travel' on the discussion over five-year strategic plan of the International Association of Insurance Supervisors (IAIS), including its new High Level Goals.

Action points:

- EIOPA to regularly update BoS on the work of the Strategic Planning and Financial Outlook Task Force (SPFO).

9. Update by SSC Information

Conclusions:

- BoS noted the recent developments in the area of the Supervisory Steering Committee.

Action points:

- Not applicable

10. Update on IT developments Information

Conclusions:

- BoS noted the importance of, and the developments in the IT and Data area over the last years.

Action points:

- Not applicable

11. Update by RFSC Information

Conclusions:

- BoS noted the recent developments in the Risk and Financial Stability Committee (RFSC) area.

Action points:

- Not applicable

12. Discussion Paper on a potential harmonised framework on IGS Decision by SMV¹

Conclusions:

- BoS welcomed the Discussion Paper and noted that it provides a balanced view for a sensitive topic.

Action points:

- EIOPA to launch a BoS written procedure on the 'Discussion Paper on Resolution Funding and National Insurance Guarantee Schemes', (EIOPA-BoS-18-225, 13 June 2018).

- Following BoS adoption, EIOPA to launch a 12 week public consultation on the Discussion Paper.

13. Cyber Risk Survey

Discussion

Conclusions:

- BoS welcomed the report on cyber risk based on the results of an earlier cyber-risk survey.
- The details from the conducted interviews with EU participating companies could be shared as agreed at the meeting.

Action points:

- NCAs to send final written comments to EIOPA by 6 July 2018.
- Shortly thereafter, EIOPA to publish the cyber-risk report along the lines of the BoS comments received at this BoS meeting.
- EIOPA to share the details from the interviews conducted with the EU participating companies among Members.

14. IORP ST 2019: Proposal for Project Initiation

Decision by SMV¹

Conclusions:

- The project road map has been well received and the launch of the Project Group has been agreed.
- The next iteration should be discussed on coverage and disclosure in the BoS in September 2018.

Action points:

- EIOPA to launch the project group and amend the road map as agreed.

15. Insurance ST 2018: Update

Information

Conclusions:

- BoS welcomed the work of the project group on the 2018 EU-wide stress test and the proposal to launch the new RFSC project group on stress test methodology.
- The importance of the allocation of sufficient resources from NCAs was highlighted.
- The importance of collection and discussion on key elements of models used in the group consolidated based approach as well as all relevant simplifications was stressed.

Action points:

- NCAs that did not submit the list of the relevant simplifications yet to report them to the project group or to confirm the absence of agreed simplifications.
- The project group to set the stage for NCAs to report the key elements of the models used in the group consolidation approach.
- NCAs directly involved in the 2018 EU-wide stress test to consider to commit more resources in the central activities (e.g. central validation and drafting).
- EIOPA to bring a proposal for a new project group on stress test methodology in the September BoS.

16. Macroprudential policy in insurance	Decision by SMV¹
<p>Conclusions:</p> <ul style="list-style-type: none"> BoS adopted, by simple majority voting, the document 'Other potential macroprudential tools and measures to enhance the current framework', (EIOPA-BoS-18/227, 11 June 2018). BoS agreed on the relevance of the topic, welcomed the work done and agreed on the conclusions. <p>Action points:</p> <ul style="list-style-type: none"> EIOPA to implement a change in Box 3 ('The dynamics of capital in insurance and its policy implications') in order to avoid confusions. The term 'technical provisions' would be replaced by 'best estimate'.) EIOPA to adapt the lay-out in line with the other two papers and publish the document afterwards. 	
17. Closed Session	Confidential exchange of information
18. Review Panel: Draft Final Report Peer Review on Propriety of AMSB Members and Qualifying Shareholders	Decision by SMV¹
<p>Conclusions:</p> <ul style="list-style-type: none"> BoS adopted, by simple majority voting, the 'Draft Final Report Peer Review on Propriety of AMSB Members and Qualifying Shareholders', (EIOPA-BoS-18-239, 11 June 2018). <p>Action points:</p> <ul style="list-style-type: none"> EIOPA to prepare the final version and provide more clarity to the recommended actions by including the words 'risk-based' and 'proportionate' regarding the on-going assessment of AMSB and qualifying shareholders. 	
19. Strategy note on increasing transparency publishing EIOPA Peer Review Reports	Decision by SMV¹
<p>Conclusions:</p> <ul style="list-style-type: none"> BoS adopted, by simple majority voting, the proposal for increased transparency as set out in the 'Strategy note on increasing transparency publishing EIOPA Peer Review Reports' (EIOPA-BoS-18/256, 12 June 2018). <p>Action points:</p> <ul style="list-style-type: none"> Review Panel to amend the methodology/handbook for approval by BoS in September 2018. Review Panel to simultaneously prepare a pilot on the 'Peer review of the Supervisory Practices for the Application of the Proportionality Principle in Governance Requirements regarding Key Functions Draft Final Report' so that a tangible example can support informed decision making by BoS. 	

20. Update by CCPFI	Information
<p>Conclusions:</p> <ul style="list-style-type: none"> BoS noted the recent developments in the area of the Consumer Protection and Financial Innovation Committee. <p>Action points:</p> <ul style="list-style-type: none"> Not applicable 	
21. IDD: First batch of Q&As	Decision by SMV¹
<p>Conclusions:</p> <ul style="list-style-type: none"> BoS adopted, by simple majority voting, the 'Questions & Answers on the Insurance Distribution Directive (IDD) and its implementing measures' (EIOPA-BoS-18/260, 7 June 2018). <p>Action points:</p> <ul style="list-style-type: none"> EIOPA to publish the 'Questions & Answers on the Insurance Distribution Directive (IDD) and its implementing measures'. EIOPA to add a disclaimer in publication that the Questions & Answers are not legally binding and do not prevent NCAs from maintaining or introducing stricter standards on a national level to protect consumers where IDD provides for this. 	
22. Big Data thematic review	Decision by SMV¹
<p>Conclusions:</p> <ul style="list-style-type: none"> BoS approved, by simple majority voting, 'Issues Note – Thematic Review on Big Data' (EIOPA-BoS-18/281, 14 June 2018) and surveys ('Big Data thematic review NCA survey' (EIOPA-BoS-18/282, 14 June 2018), 'Big Data thematic review – Consumer Associations Survey' (EIOPA-BoS-18/283, 14 June 2018), 'Industry survey - Big Data thematic review' (EIOPA-BoS-18/284, 14 June 2018)). BoS agreed to launch the thematic review during the summer recess. The deadline for NCAs to reply to the survey has been extended until 15 August 2018. <p>Action points:</p> <ul style="list-style-type: none"> EIOPA to share with NCAs the final surveys which they will subsequently distribute within their respective insurance markets 	
23. AOB	Information
<p>Voting Results: Not applicable</p>	
<p>Written Procedure: Not applicable</p>	
<p>Conclusions: Not applicable</p>	
<p>Action points: Not applicable</p>	

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

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

[Signed]

Gabriel Bernardino

Chairperson of EIOPA