



THE WORLD BANK



EIOPA/12/422

Memorandum of Understanding
between
the International Bank for Reconstruction and Development (IBRD) and
the International Development Association
and
the European Insurance and Occupational Pensions Authority (EIOPA)
15 March 2013

This Memorandum of Understanding ("Memorandum") represents a statement of intent between the International Bank for Reconstruction and Development (IBRD) and the International Development Association, together and referred to as "the World Bank" with headquarters at 1818 H Street N.W., Washington D.C. 20433 United States of America and acting through the Financial and Private Sector Development Vice Presidency, and the European Insurance and Occupational Pensions Authority ("EIOPA"), established by Regulation (EU) No 1094/2010 of the European Parliament and of the Council of 24 November 2010 (EIOPA Regulation), and located in Frankfurt am Main, Germany.

The IBRD and EIOPA are together referred to herein as the "Parties" with respect to the collaborative arrangements described below.

1. Background

- (a) The World Bank's mission is to reduce poverty, improve living conditions, and promote sustainable and comprehensive development in the developing world. The World Bank seeks to achieve these objectives by providing resources, building capacity, technical assistance, and extending knowledge-sharing services to its member countries, directly and through strategic collaboration in the public and private sectors. The World Bank undertakes extensive policy analysis and recommendations combined with in-country policy applications in member countries and is able to combine intellectual and financial support to its borrowers, capacity building and help interpret their wider interests in the global debate of financial sector issues including development and supervisory issues relating insurance sectors.
- (b) The European Insurance and Occupational Pensions Authority (EIOPA) was established as of January 1, 2011 in consequence of the reforms to the structure of supervision of the financial sector in the European Union. EIOPA is part of a European System of Financial Supervisors that comprises three European Supervisory Authorities, one for the banking sector, one for the securities sector and one for the insurance and occupational pensions sector, as well as the European Systemic Risk Board.

The objective of EIOPA is to protect the public interest by contributing to the short, medium and long-term stability and effectiveness of the financial system, for the Union economy, its citizens and businesses. EIOPA shall contribute to:

- (i) improving the functioning of the internal market, including in particular a sound, effective and consistent level of regulation and supervision,
- (ii) ensuring the integrity, transparency, efficiency and orderly functioning of financial markets,
- (iii) strengthening international supervisory coordination,
- (iv) preventing regulatory arbitrage and promoting equal conditions of competition,
- (v) ensuring the taking of risks related to insurance, reinsurance and occupational pensions activities is appropriately regulated and supervised; and
- (vi) enhancing consumer protection.

In the field of insurance one of the main aims of EIOPA for the coming years is the preparation of the new supervisory regime for insurance and reinsurance undertakings and particularly the conduct of all the necessary work for the implementation of the EU Directive on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II).

In the area of occupational pensions one of EIOPA's main tasks is to contribute to a sound, effective and consistent level of regulation and supervision of institutions for occupational retirement provision (IORPs) and to ensure that risks related to IORPs activities are appropriately regulated and supervised.

EIOPA may enter into administrative arrangements with international organizations, without prejudice to the respective competences of the Member States and the Union institutions.

2. Common Objectives under this Memorandum

The Parties have agreed to collaborate, with a focus on insurance, on the common projects and areas of collaboration as outlined below.

The Parties common objectives are to:

- (i) Contribute to the process of promoting a more risk-based regulatory and supervisory framework, and in this respect to the dissemination of knowledge and policy experiences;
- (ii) Foster efficient and effective supervision;
- (iii) Promote consumer protection, financial literacy and education initiatives by competent authorities; and
- (iv) Contribute to financial stability and identification of systemic risk.

3. Framework for Collaboration

This Memorandum provides a framework within which the Parties can develop and undertake collaborative activities in order to pursue more effectively the objectives identified in Section 2 above.

4. Collaborative activities

- (a) In their collaboration, the Parties will pursue joint actions encompassing diverse projects and topics in the following areas, but not limited to:
- (i) Sharing knowledge, ideas, best practice and lessons learned on matters of interest to the Parties and relevant to this Memorandum pursuant to their Common Objectives;
 - (ii) Providing facilities for seminars, workshops or conferences;
 - (iii) Providing access to seminars organized by each Party;
 - (iv) Providing access to training material developed by each Party; and
 - (v) Organizing and providing speakers at events of mutual interest.
- (b) The World Bank and EIOPA anticipate that any collaboration between the Parties and any resulting joint project will require the contribution of resources, the nature and extent of which would need to be agreed upon and set forth in one or more Terms of Reference. A Terms of Reference may consider such matters including the following:
- (i) Provision of staff time;
 - (ii) Provision of facilities for workshops, conferences or training seminars;
 - (iii) Sharing materials, information data and analytical tools;
 - (iv) Provisions of support to relevant stakeholders; and
 - (v) Such other resources as the Parties may agree.
- (c) Each collaborative activity shall be undertaken under the reserve of available resources (human and budgetary) and meeting rooms and shall be made in accordance with the regulations, rules, and policies of the Parties.
- (d) Each Party shall be responsible for its own costs of negotiating and drafting this Memorandum.

5. Implementation

- (a) The Parties will ensure regular and clear line of communication between one another in all aspects of their cooperation and collaboration.
- (b) The responsibility for the implementation of activities pursuant to this Memorandum shall lie with the Parties who will each designate and appoint two representatives, as indicated below. By written notice to the other Party, each Party may designate different persons as its representatives.

For the World Bank:

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- (c) The World Bank and EIOPA will carry out yearly an internal review at their respective headquarters to assess the progress and/or results of activities undertaken pursuant to this Memorandum. On the basis of such assessment, the Parties may keep in force, modify or terminate the Memorandum as provided for in subsection 10 below.
- (d) To the maximum extent practicable, each collaborative activity or project undertaken pursuant to this Memorandum should be fully implemented.

6. Limits to Agreement

- (a) This Memorandum shall not create legal obligations in respect of its Parties, the European Union and its Member States. Specific arrangements for individual activities will be set forth in written Activity Agreements to be jointly formulated by the Parties. The implementation of this Memorandum, which is not legally binding, is subject to the normal rules and decision making procedures applicable to each of the Parties.
- (b) This Memorandum is not a legal basis for the exchange of confidential information. Each party shall treat confidential information according to its requirements and rules on Professional Secrecy and Confidentiality.¹
- (c) Neither Party is restricted in any way from engaging a third party nor parties to pursue independently of the other Party the objectives described in this Memorandum.
- (d) Nothing in this Memorandum shall be construed as creating a joint venture, an agency relationship, or a legal partnership between the Parties.
- (e) Nothing in this Memorandum is intended to be, or should be construed as, a waiver of the privileges and immunities of either Party or its officers and employees, which privileges and immunities are hereby specifically reserved.
- (f) No public disclosure, press release or announcement concerning the execution of this Memorandum or the activities contemplated hereby shall be issued by either Party without the prior written consent of the other Party.

7. Intellectual Property

- (a) The Parties recognize the importance of protecting and respecting intellectual property rights.
- (b) No Party will acquire any right, title or interest in or to any intellectual property or names or marks of any other Party. The Parties shall agree in writing on the ownership of any intellectual property rights that may arise in any work to be created by the collaborative activities to be undertaken pursuant to this Memorandum, at the time of agreeing on the Activity Agreements for such activities. In the absence of any such written agreement, any intellectual property rights arising in any work created by the

¹ For EIOPA: Article 70 EIOPA Regulation; and, 'EIOPA's Rules on Professional Secrecy and Confidentiality' EIOPA-MB-11/008

Parties' collaborative activities undertaken pursuant to this Memorandum shall belong to the World Bank.

The World Bank hereby grants to EIOPA a perpetual, royalty free, non-exclusive, worldwide license to use intellectual property contained in any collaborative activity.

- (c) No work created under any activity undertaken pursuant to this Memorandum may be used for any commercial purpose by EIOPA or any of its affiliates, provided further that EIOPA may not seek to directly or indirectly benefit commercially from the World Bank's involvement in such activity. However, publications resulting from such collaborative activity and projects may acknowledge the collaboration of the Parties. The Parties will jointly formulate a text for such acknowledgment.

8. Names, Emblems, Logos

- (a) Neither the World Bank nor EIOPA will use the name, emblem or logo of the other, or any abbreviation thereof, without the prior written approval of the other in each case.
- (b) The Parties acknowledge that the names and marks (a) "International Bank for Reconstruction and Development ("IBRD"), International Development Association ("IDA"), "World Bank" and all variations thereof including their associated logos (collectively the Bank Name); and (b) "names and marks of EIOPA" and all variations thereof including their associated logo(s) (collectively, the "Names & Marks")) are the sole and exclusive properties of the World Bank and EIOPA, respectively. No Party will acquire any right, title or interest in or to any intellectual property or names or marks of any other Party under this Memorandum.

9. Disclosure and Publicity

The Parties may acknowledge and disclose to the public this Memorandum and information with respect to the collaborative activities contemplated herein. Such acknowledgement or disclosure may be made in accordance with the Parties' respective disclosure policies. The Parties agree to consult with each other concerning the manner and form of any such acknowledgement or disclosure.

10. Withdrawal and Amendments

This Memorandum may be modified or terminated at any time by mutual written agreement of the Parties. Further, the Memorandum may be terminated by either Party at its sole discretion.

11. Term

This Memorandum shall remain in effect for a period of three (3) years from the date set forth below.

12. Disputes and Controversies and Claims

In case of a dispute, controversy or claim between the Parties arising out of or relating to this Memorandum or an Activity Agreement for any activity undertaken pursuant thereto, the Parties shall attempt in good faith to reach an amicable resolution.

IN WITNESS WHEREOF, the Parties have caused this Memorandum to be signed, in duplicate originals, by their duly authorized representatives as of the date first written below.

Signed in Frankfurt am Main on 15 March 2013,

For the World Bank

For EIOPA

Michel Noel
Manager

Carlos Montalvo Reuelta
Executive Director