

Joint wrap-up of the meeting by the IRSG and the OPSG

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Frankfurt 26 November 2013

Gabriel's opening

- * Development goes towards consumer protection
 - * This theme debated all through the day – what is the relation between insurance and occupational pensions and what is the role of consumer protection in this debate.
 - * Development of personal pensions doesn't make this easy.

Justin: EIOPA's strategic outlook for 2014

- * Omnibus II an important development – now implementation goes forward with a new confidence
- * Up to 60 technical guidelines...
- * Delegated acts ...
- * EIOPA will be busy with SII work – at the same time a lot of work around the HBS for IORPs.

Justin continues...

- * First QIS for IORP's
 - * Showed various vulnerabilities
 - * EIOPA continues to develop the new solvency framework: HBS
- * Returns and costs crucial in DC pensions
- * EIOPA aims to facilitate for more cross border DC schemes
 - * Prudential framework
 - * Social and labour law
 - * Point of reference for EU pensions

Steve: EC update

- * Focus on solvency II as a result of omnibus II
 - * First things first...
- * Calibrations, transitional periods, matching adjustment, national flexibility, capital add-ons, institutional issues, implementation, delegated acts, technical standards...
- * This all may be relevant for occupational pensions in the end as well – how will we be involved?

Steve: IORP directive

- * Proposal on pillars II and III (governance and disclosure) will be slightly postponed
 - * Perhaps early 2014.
- * OPSG will study the proposal carefully.

What about LTI?

- * Steve: EIOPA's work on asset calibration part of this
- * Gabriel: IORP review connected with this, but LTI within a sound asset – liability framework
 - * We should be careful with what we promise to the politicians as they might then expect it

Andrew: Regulation and Financial stability

- * Risks and actions
- * Now for insurance – occupational pensions perhaps in the future
 - * Ongoing feasibility study on stress testing for IORP's.
 - * What is the role of occupational pensions in systemic risks and too big to fail debates?

Pauline: EIOPA on Consumer Protection

- * Identify and deal with consumer protection in all pensions
 - * Important that there is close co-operation with the stakeholder groups

Katja: Consumer Lounge

- * Soon and important
- * Language is a real issue if this is to become a real Consumer Lounge

Break-out sessions

- * Don't try to fix it if it isn't broken –
 - * Carlos: But what if we haven't realized that there is a real problem?
 - * Adapted regulation
- * Where can conflicts of interest appear?
 - * Many points possible
 - * Experience from members states important

Break-out sessions

- * Insurance or pensions – what's the difference?
 - * Alignment of interests
- * Well governed – is not as the same
- * Carlos:
 - * proportionality important
 - * Body language to be watched

IRSG and OPSG outlook for work 2014

- * Benne:
 - * Fundamental issues
 - * Adequate, safe and sustainable pensions – is this still possible?
 - * Pensions systems on the move – additional savings needed
 - * Is harmonization an answer?
 - * It is about economics
 - * DB – DC – Mixed? Participants want safe and adequate pensions – at what cost?

Benne continues...

- * OPSPG will have three sub-groups
 - * HBS (a lot of technical work before autumn)
 - * Occupational DC (costs and charges, payout phase...)
 - * Consumer Protection (demarcation line between DC)
- * IORP II review part one: Governance and disclosure
 - * proportionality a key issue
- * Personal pensions may have to be looked at separately later on

IRSG and OPSG outlook for work 2014

- * Kay and Olav:
 - * Prioritizing and focusing our work essential
- * Technical standards stemming from SII – how much?
- * Own initiative work – how much?

Final words

- * “Politics is the art of looking for trouble, finding it everywhere, diagnosing it incorrectly and applying the wrong remedies.”

Groucho Marx