



EIOPA-BoS-19/099
31 January 2019

EIOPA Board of Supervisors Meeting

30-31 January 2019

Approved Deliberations and Conclusions

Chairman: Gabriel Bernardino

Voting: AT: Peter Braumüller, BE: Jean Hilgers, BG: Vladimir Savov, CY: Victoria Natar, CZ: Zuzana Silberova, DE: Frank Grund, DK: Per Plougmand Bærtelsen (1st day), Carsten Brogaard (2nd day), EE: Andres Kurgpold, ES: Francisco Carrasco Bahamonde, FI: Teija Korpiaho, FR: Patrick Montagner, GR: Ioanna Selinotaki, HR: Ante Žigman, HU: Ferenc Szebelédi, IE: Sylvia Cronin, IT: Alberto Corinti, LT: Marius Dumbauskas, LU: Claude Wirion, LV: Dina Mikelsona, MT: Alfred Parnis (PoA), NL: Olaf Sleijpen, PL: Damian Jaworski, PT: Jose Almaca (1st day), Ana Byrne (PoA), RO: Cristian Rosu, SK: Lucia Štefunková (1st day), Julia Cillikova (2nd day), SI: Gorazd Čibej, SE: Asa Larson, UK: David Rule

Non-voting: BE: Dieter Hendrickx, BE: Henk Becquaert, HR: Ilijana Jeleč, IE: Brendan Kennedy, Gerry Cross, IS: Rúnar Guðmundsson, IT: Ambrogio Rinaldi, LI: Alexander Imhof, LU: Annick Felten, NO: Ann Viljugrein, PL: Mariusz Smetek, SI: Mojca Piskuric, UK: David Fairs, COM: Nathalie Berger, EFTA SA: Per Christian Baeroe, EBA: Cedric Coraillon-Parquet, ESMA: Joe Heavey, ESRB: Olaf Weeken (1st day), Francesco Mazzaferro (2nd day)

Experts:

AT: Gerlinde Taurer, CZ: Hana Marčíková, DE: Petra Faber-Graw, ES: Javier Castillo, FR: Mary-Cecile Duchon, RO: Valentin Ionescu, SK: Zuzana Kardosova, Peter Tkac (2nd day), UK: Charlie Adam, Charlotte Wightwick

EIOPA Working Group Chairs:

Ludwig Pflieger (CCPFI Chair) (2nd day), Veronique Hijl (ITDC Chair)

Welcome and introductory remarks by the EIOPA Chairman	Information
Remarks: The Chairman welcomed the attendees to the first meeting of EIOPA's Board of Supervisors (BoS) in 2019.	
1. Adoption of the Agenda	Decision by SMV¹
Remarks: Not applicable Voting Results: BoS adopted, by simple majority voting, the agenda with a change clarifying that the decision on item 15 will be taken by qualified majority voting (QMV). Written Procedure: Not applicable	

<p>Conclusions: Not applicable</p> <p>Action points: Not applicable</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 Budget and Single Programming Documents</p> <p>3.1. EIOPA Budget 2018: Report on budget execution</p> <p>3.2. Single programming document 2019 – 2021</p> <p>3.2.1. Revised Single Programming Document 2019-2021</p> <p>3.2.2. EIOPA Budget 2019: Detailed budget breakdown</p> <p>3.3. Draft Single Programming Document 2020-2022</p> <p>3.3.1. Draft Single Programming Document 2020-2022</p> <p>3.3.2. EIOPA Budget 2020: draft estimate of revenue and expenditure</p>	<p>Information</p> <p>Decision by SMV¹</p> <p>Information</p> <p>Decision by SMV¹</p> <p>Decision by QMV</p>
<p><u>3. EIOPA Budget and Single Programming Documents</u></p> <p><u>3.1. EIOPA Budget 2018: Report on budget execution</u></p> <p>Conclusions:</p> <ul style="list-style-type: none"> • BoS took note of the 2018 budget execution information. <p>Action points:</p> <ul style="list-style-type: none"> • Not applicable 	
<p><u>3.2. Single programming document 2019 – 2021</u></p> <p><u>3.2.1. Revised Single Programming Document 2019-2021</u></p> <p>Conclusions:</p> <ul style="list-style-type: none"> • BoS adopted, by simple majority voting, the 'Revised EIOPA Single Programming Document 2019-2021' (EIOPA-BoS-19-010, 30 January 2019). • EIOPA must remain flexible and be ready to adapt its planning once further clarity is available. <p>Action points:</p> <ul style="list-style-type: none"> • EIOPA to monitor developments especially regarding the European Supervisory Authorities' (ESA) Review, Pan-European Personal Pensions initiative (PEPP) and Brexit; to revise Single Programming Document (SPD) accordingly, and return to BoS for re-adoption should it be required. 	

3.2.2. EIOPA Budget 2019: Detailed budget breakdown

Conclusions:

- BoS took note of the adopted budget 2019 breakdown information.

Action points:

- EIOPA to follow up with the European Commission (COM) on the 2019 budget breakdown.

3.3. Draft Single Programming Document 2020-2022

3.3.1. Draft Single Programming Document 2020-2022

Conclusions:

BoS adopted, by simple majority voting, the 'Draft Single Programming Document 2020-2022' (EIOPA-BoS-19-008, 30 January 2019) with the agreed corrections to revenue calculations.

Action points:

- EIOPA to submit the 'Draft Single Programming Document 2020-2022' to the EU Institutions following implementation of these revisions.
- EIOPA to monitor developments especially regarding ESAs review, PEPP, Brexit, revise SPD accordingly, and return to BoS for re-adoption should it be required.

3.3.2. EIOPA Budget 2020: draft estimate of revenue and expenditure

Conclusions:

- BoS adopted, by qualified majority voting, 'EIOPA Budget 2020' (draft estimate of revenue and expenditure, EIOPA-BoS-19-008, 30 January 2019).

Action points:

- EIOPA to verify and correct, if needed, the relevant documents, and inform BoS of the changes introduced.

4. EIOPA action plan – ECA audit recommendations Discussion

Conclusions:

- BoS welcomed and supported EIOPA's action plan with regard to the follow-up on the European Court of Auditors (ECA) audit recommendations. BoS made specific suggestions regarding the proposed follow-up actions concerning the ECA recommendations on supervision of cross-border companies, Internal Models (IM) and on the transparency on stress test methodology and results.

Action points:

- EIOPA to consider the suggestions made and to reflect them into the action plan for the implementation of the relevant ECA recommendations.
- EIOPA to reflect the action plan into its regular planning process, such as the supervisory convergence plan and the annual work programme, including a narrative explaining the action plan and considering the needed resources.

5. Election of a MB member

Decision by SMV¹

Conclusions:

- BoS elected, by simple majority voting, Mr Patrick Montagner as a Member of EIOPA's Management Board (MB) for a period of two and a half years.

Action points:

- Not applicable

6. Election of substitutes in the Mediation Panel Decision by SMV¹

Conclusions:

- BoS renewed, by simple majority voting, Ms Ioanna Seliniotaki's mandate as substitute and elected, by simple majority voting Ms Zuzana Silberová as substitute at EIOPA's Mediation Panel.

Action points:

- Not applicable

7. Policy Steering Committee

7.1 Update	Information
7.2 2019 Mandate	Decision by SMV¹

7.0 Policy Steering Committee

7.1 Update

Conclusions:

- BoS noted the report provided by the chair of the Policy Steering Committee (PSC).

Action points:

- Not applicable

7.2 2019 Mandate

Conclusions:

- The 2019 PSC mandate was approved.

Action points:

- Not applicable

8. Illiquid liabilities - Interim report and Call for information Decision by SMV¹

Conclusions:

- BoS adopted, by simple majority voting, the 'Illiquid Liabilities Information Request' (EIOPA-BoS-19-041, 11 January 2019).
- BoS supported to pursue the work as suggested in the interim report and, in particular to continue to explore all three approaches for the measurement of illiquidity.
- BoS approved the list of main elements for the request for information.

Action points:

- EIOPA to submit the Illiquid Liabilities request for information to BoS for approval by written procedure, jointly with the Long Term Guarantees (LTG) request for information, once the requirements in COM's Call for Advice on the Solvency II 2020 Review were analysed.

9. Questions and Answers

9.1 Convertible bonds

Decision by SMV¹

9.2 Ginnie Mae bonds

Decision by SMV¹

9.0 Questions and Answers

9.1 Convertible bonds

Conclusions:

- BoS agreed that further analysis is necessary to: understand better the mechanics of this sort of convertible bonds; what should be the conditions under which such bonds could be regarded as a risk mitigation technique; and what might be the impact of such bonds on insurers and the other parties involved.
- BoS agreed that no answer should be provided on this topic before the above-mentioned further analysis is carried out.

Action points:

- Further analysis to be carried out.

9.2 Ginnie Mae bonds

Conclusions:

- BoS approved, by simple majority voting, the proposed response as contained in the 'Explanatory Note on Q&A regarding the treatment of Ginnie Mae securities in the determination of the spread risk charge' (EIOPA-BoS-19/026, 30 January 2019), namely that Ginnie Mae securities do not fall under the provisions of Article 180(3) of the Solvency II Delegated Regulation.

Action points:

- EIOPA to publish the Report on its website.

10. IORP II: Information to Members Report

Decision by SMV¹

Conclusions:

- BoS adopted, by simple majority voting, the 'Implementation of IORP II: Report on other information documents for prospective and current members: guidance and principles based on current practices' (EIOPA-BoS-19/034, 10 January 2019).

Action points:

- EIOPA to publish the Report on its website.

11. Risk and Financial Stability Steering Committee

11.1 Update

Information

11.2 2019 Mandate

Decision by SMV¹

11.0 Risk and Financial Stability Steering Committee

11.1 Update

Conclusions:

- BoS noted the update provided by the Chair of the Risk and Financial Stability Committee (RFSC).

Action points:

- Not applicable

11.2 2019 Mandate

Conclusions:

- BoS adopted, by simple majority voting, the 'Risks and Financial Stability Committee Mandate' (EIOPA-BoS-19-011, 30 January 2019).

Action points:

- Not applicable

12. IORPs Stress Test 2019 package for informal Decision by SMV¹ consultation

Conclusions:

- BoS adopted, by simple majority voting, the '2019 Draft Stress Test Specifications for Informal Consultation' (EIOPA-BoS-19/015, 10 January 2019) and its accompanying documents.

Action points:

- EIOPA to launch the informal consultation.

13. Insurance Stress Test 2018: Potential Discussion recommendations and additional analysis

Conclusions:

- BoS supported the proposal on the reach-out exercise covering cyber risk.
- BoS agreed on the way forward in terms of further analyses to be provided in the Spring 2019 Financial Stability Report and potential recommendations to be developed based on the 2018 stress test results.

Action points:

- EIOPA to initiate a call for experts to work on cyber risk, accompanied by a short note describing the aim and main elements of the reach-out exercise.

14. Information Technology and Data Committee

14.1 Update

14.2 2019 Mandate

Information

Decision by SMV¹

14.0 Information Technology and Data Committee

14.1 Update

Conclusions:

- BoS acknowledged the 'EIOPA IT and Data Programme 2018 – Final Report' (EIOPA-BoS-19/087, 30 January 2019).

Action points:

- Not applicable

14.2 2019 Mandate

Conclusions:

- BoS adopted, by simple majority voting, the 'Information Technology and Data Committee (ITDC) Mandate' (EIOPA-BoS-19/018, 30 January 2019).

Action points:

- EIOPA to publish the 2019 ITDC mandate to EIOPA's website.

15. Recommendation on the treatment of Decision by QMV¹ unauthorised business

Conclusions:

- BoS welcomed the work on the Recommendations and considered the principles set out therein as useful.
- BoS agreed to revise the Recommendations to ensure that IDD is properly enforced but also to avoid unintended consequences.

Action points:

- EIOPA to revise the Recommendations.

16. Closed Session

Confidential exchange of information

17. Supervisory Steering Committee

17.1 Update

17.2 2019 Mandate

Information

Decision by SMV¹

17.0 Supervisory Steering Committee

17.1 Update

Conclusions:

- BoS noted the report of the Chair of the Supervisory Steering Committee (SSC).

Action points:

- EIOPA to send an email asking BoS to provide written comments within five working days on the new areas to be considered in the discussion regarding the revision of the Supervisory Convergence Plan for 2019 (in the SSC meeting on 13 February 2019).

17.2 2019 Mandate

Conclusions:

- BoS adopted, by simple majority voting, the 'Supervisory Steering Committee Mandate' (EIOPA-BoS-19/035, 10 January 2019).

Action points:

- Not applicable

18. Draft Opinion on proportionate supervision of Discussion SCR
Conclusions:

- The outcome of application of the proportionality principle should be prudent and the approach proposed should not be too complex that would not undermine the purpose.
- BoS to provide written comments on the draft Opinion within five working days from the date of the meeting.

Action points:

- EIOPA to send an email asking Members to provide written comments on the draft Opinion within five working days.

19. Committee on Consumer Protection and Financial Innovation
19.1 Update**Information****19.2 2019 Mandate****Decision by SMV¹**19.0 Committee on Consumer Protection and Financial Innovation19.1 Update**Conclusions:**

- BoS noted the report of the chair of the Committee on Consumer Protection and financial Innovation (CCPFI).

Action points:

- Not applicable

Conclusions:

- BoS adopted, by simple majority voting, the '2019 CCPFI Mandate' (EIOPA-BoS-19/028, 20 December 2018).

Action points:

- EIOPA to publish the 2019 CCPFI mandate on its website.

20. Final report on targeted amendments to the PRIIPs KID
Decision by SMV¹**Conclusions:**

- BoS adopted, by simple majority voting, the 'Final Report on targeted amendments to the PRIIPs KID' (EIOPA-BoS-19/064, 22 January 2019).

Action points:

- Subject to approval by BoS of the European Banking Authority's (EBA) and BoS of the European Securities and Markets Authority's (ESMA), EIOPA to publish the Final Report and Supervisory Statement on the Joint Committee website.
- ESAs to undertake a more comprehensive review of the Key Information Document (KID) focused on the Packaged Retail and Insurance-based Investment Products (PRIIPs) Delegated Regulation during 2019.

21. InsurTech - deliverables for the Commission FinTech Action Plan

21.1 Strategic discussion on InsurTech and next steps, including adjustments to the InsurTech TF mandate **Decision by SMV¹**

21.2 Report on outsourcing to the cloud **Decision by SMV¹**

21.3 Best practices report on licensing requirements, P2P insurance and principle of proportionality **Decision by SMV¹**

21.4 Note on barriers to InsurTech **Discussion**

21.5 InsurTech mandate 2019 **Decision by SMV¹**

21.0 InsurTech - deliverables for the Commission FinTech Action Plan21.1 Strategic discussion on InsurTech and next steps, including adjustments to the InsurTech TF mandate**Conclusions:**

- BoS adopted, by simple majority voting, the proposed priorities as contained in the 'InsurTech - deliverables for the Commission FinTech Action Plan and ITF next steps' (EIOPA-BoS-19/030, 31 January 2019).

Action points:

- Not applicable

21.2 Report on outsourcing to the cloud**Conclusions:**

- BoS adopted, by simple majority voting, the 'EIOPA contribution to the EU Commission FinTech Action Plan: outsourcing to the cloud' (EIOPA-BoS-19/036, 31 January 2019).

Action points:

- EIOPA to publish the report on its website.

21.3 Best practices report on licensing requirements, P2P insurance and principle of proportionality**Conclusions:**

- BoS adopted, by simple majority voting, the 'Report on best practices on licencing requirements, P2P insurance and principle of proportionality in an InsurTech context' (EIOPA-BoS-19/019, 31 January 2019).

Action points:

- EIOPA to publish the report on its website.

21.4 Note on barriers to InsurTech**Conclusions:**

- BoS supported the approach. EIOPA will assess possible ways to further develop this work stream.

Action points:

- EIOPA to present findings to COM's Expert Group on Barriers to Financial Innovation and assess possible ways to further develop this work stream.

Conclusions:

BoS adopted, by simple majority voting, the 'Insurtech Task Force Mandate' (EIOPA-BoS-19-031, 31 January 2019).

Action points:

- EIOPA to publish the 2019 InsurTech mandate on its website.

22. Review Panel

22.1 Results of the peer review on supervisory practices with respect to the application of the Prudent Person Rules for IORPs **Decision by SMV¹**

22.2 Review Panel mandate 2019 **Decision by SMV¹**

22.3 Updated Project Plan for Peer Review on Decision on the collaboration of the insurance supervisory authorities **Decision by SMV¹**

22.0 Review Panel22.1 Results of the peer review on supervisory practices with respect to the application of the Prudent Person Rules for IORPs**Conclusions:**

- BoS adopted, by simple majority voting, the 'Results of the peer review on supervisory practices with respect to the application of the Prudent Person Rule for IORPs' (EIOPA-BoS-19-020, 16 January 2019).

Action points:

- EIOPA to publish the 'Results of the peer review on supervisory practices with respect to the application of the Prudent Person Rule for IORPs' (EIOPA-BoS-19-020, 16 January 2019) on its website.

22.2 Review Panel mandate 2019**Conclusions:**

- BoS adopted, by simple majority voting, the 'Review Panel Mandate 2019' (EIOPA-BoS-19/022, 8 January 2019).

Action points:

- EIOPA to publish the 'Review Panel Mandate 2019' (EIOPA-BoS-19/022, 8 January 2019) on its website.

22.3 Updated Project Plan for Peer Review on Decision on the collaboration of the insurance supervisory authorities

Conclusions:

- BoS adopted, by simple majority voting, the 'Project Plan for Peer Review on Decision on the collaboration of the insurance supervisory authorities' (EIOPA-BoS-19-045, 14 January 2019).

Action points:

- EIOPA to launch the call for nominations for the Peer Review on Decision on the collaboration of the insurance supervisory authorities.

23. AOB

Information

Remarks:

Next BoS meeting is on 27-28 March 2019.

Voting Results: Not applicable

Written Procedure: Not applicable

Conclusions: Not applicable

Action points: Not applicable

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