

INSURANCE AND REINSURANCE STAKEHOLDER GROUP MEETING

DATE: 23 SEPTEMBER 2020 09:30 – 13:00 CEST

LOCATION: VIDEO CONFERENCE

MEETING CONCLUSIONS

AGENDA ITEM 01: Approval of the draft agenda

CONCLUSIONS AND ACTION POINTS

1. The draft agenda (EIOPA-IRSG-20-29) was adopted.

AGENDA ITEM 02: Discussion of IRSG working methods and work plan

2. The IRSG Chairperson discussed possible deliverables of the IRSG and on how best to ensure member's active involvement in upcoming work, taking into account their expectations.

CONCLUSIONS AND ACTION POINTS

3. Members endorsed the IRSG Work Plan [[LINK](#)].
4. Members to indicate in the work plan [[LINK](#)] their interest to participate actively in the various subgroups.
5. IRSG Meeting documents should be made available seven working days ahead each meeting, to allow enough time for members to read through the material.
6. At the beginning of each IRSG meeting the "update of the IRSG Work Plan" shall be a recurrent agenda item for discussion and decision to keep track of deadlines and deliverables.
7. At the end of each meeting, Members will be given the floor to make suggestions for possible topics for discussion at the following meeting.
8. Benoit Hugonin to lead the subgroup on the "Supervisory Statement on the use of risk mitigation techniques".
9. Marcin Kawiński to lead the subgroup on "Sustainability-related disclosures (templates)".
10. Marcin Kawiński to lead the subgroup on "Taxonomy-compliant product disclosures".

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11. Juan-Ramon Pla to lead the subgroup on “consumer trends” while Members were invited to send ideas for topic of the next thematic review
12. Pierpaolo Marano to lead the subgroup on “thematic review on Bancassurance.”
13. Lauri Saraste to lead the subgroup on “methodology for Insurance Stress Testing”
14. Tony O’Riordan to lead the subgroup on “shared resilience solutions”
15. Lauri Saraste to lead the subgroup on “climate change scenarios in the ORSA”

AGENDA ITEM 03: Update by EIOPA Chairperson

16. EIOPA’s Chairperson referred to recent publications on EIOPA’s website:
 - Q1-Q2 2020 Financial Stability [Report](#), published on 30 July
 - [Statement](#) issued to (re)insurers regarding dividend distributions and share buy backs, published on 2 April
 - Supervisory [Statement](#) on the Solvency II recognition of schemes based on reinsurance with regard to COVID-19 and credit insurance, published on 21 July
 - EIOPA’s [submission to the European Commission](#) of the draft regulatory and implementing technical standards on the pan-European Personal Pension Product (PEPP), published on 14 August
 - Public [consultation](#) on the methodology for Insurance stress testing, with comments expected by 2 October, especially on the liquidity section.
17. He informed members about EIOPA’s Board of Supervisors meeting (29-30 September), highlighting that important decisions were expected regarding:
 - EIOPA’s Approach to Product Oversight Governance (POG) Supervision
 - Insurance Stress Test in 2021
 - Guidelines on Information and communications technology (ICT) security and Governance
 - Sustainable finance: consultation on climate change scenarios in the Own Risk and Solvency Assessment (ORSA)

AGENDA ITEM 04: Update by the European Commission (COM)

18. The European Commission representative updated the group about the upcoming hearing in the European Parliament on 2 October of:
 - Ms Mairead McGuinness, proposed as new Commissioner for “Financial Stability, Financial Services and Capital Markets Union” (FISMA), and
 - Mr Valdis Dombrovskis (current Commissioner for FISMA), proposed to take over the trade portfolio in the Commission.
19. Members further took note of the new COM initiatives as follows:
 - Action Plan to boost the European Union’s Capital Markets Union (CMU) [[LINK](#)],
 - New Digital Finance Package [[LINK](#)]

MEETING CONCLUSIONS

- Public Consultation on Solvency II [\[LINK\]](#)
 - DG FISMA's Call for Tender to procure a study on: Best Practices and Performance of Auto-enrolment Mechanisms for Pension Savings [\[LINK\]](#)
20. Several members expressed concerns regarding the timeline of the upcoming disclosure requirements on sustainability risks review, to which the Commission replied that the legal (level 1) text does not allow for any delay. One member suggested to consider instead some flexibility on the content, i.e. via a phased-in approach. The Commission indicated that they would reflect on that particular point.

AGENDA ITEM 05: Solvency II holistic impact assessment

21. EIOPA staff presented the results ([EIOPA-IRSG-20-31](#)) of the information request for the Solvency II holistic impact assessment. With regard to EIOPA's objective for an overall balanced outcome of the review of Solvency II, members pointed out that the balance depends on the point in time considered and the items that are included/excluded from the assessment. Some members suggested to aim for a balanced outcome at country level, while other proposed to include changes to the interest rate risk calibration.

CONCLUSIONS AND ACTION POINTS

22. IRSG members were invited to participate in an online event on 23 October 2020 on the review of Solvency II, in particular the implications of the Covid-19 pandemic on EIOPA's advice.

AGENDA ITEM 06: Sustainability-related disclosures

23. EIOPA Management Board member pointed out the importance of setting standards to drive the pre-contractual information delivered to consumers on sustainable investment products. Standardising the disclosure of information relating to green features of investment products is necessary in order to ease comparison and informed choice by consumers when buying investment products. He also pointed at the crucial need to avoid a reputational risk and foster consumer confidence in the financial sector.
24. EIOPA staff further presented the ongoing consultation related to product templates ([EIOPA-20-548](#)). Members raised concerns that one-size-fits-all approach to product templates as the documents in the scope of the Sustainable Finance Disclosure Regulation are very diverse in terms of language, target audience and length. To address information overload, the use of layering and website publication to mitigate the effects of the length of the proposed templates might help.

CONCLUSIONS AND ACTION POINTS

25. Members agreed on a timeline to respond despite the strong time constraint.

AGENDA ITEM 07: Members' views on EIOPA's issue note on "Shared resilience solutions for pandemics"

26. EIOPA presented the key elements of its recently published Issues Paper on shared resilience solutions for pandemics.
27. Members welcomed the issues paper, noting that: from a consumer perspective, the possibility of a "solidarity" mechanism between affected lines of business and those experiencing windfalls from the confinement, may be a way forward. Furthermore, action on policy wording should be supported, as evidenced by the UK High Court decision on business interruption cover. Finally, considering the different responses that are being developed across Member States, EU coordination will prove challenging.

CONCLUSIONS AND ACTION POINTS

28. IRSG to provide advice by 21 October 2020.

AGENDA ITEM 08: Members views on EIOPA's draft Supervisory Statement on the use of risk mitigation techniques by insurance undertakings

29. EIOPA staff updated members about the upcoming consultation on the supervisory statement on the use of risk mitigation techniques. EIOPA acknowledged the importance of reinsurance as a good risk mitigation technique. Only in few cases, there seems to be less interest in risk-mitigation and more in capital reduction. This statement stressed the importance of a balance between the two.
30. One member expressed concerns if reinsurance business were to be pre-approved as a risk-mitigation technique by supervisors.

CONCLUSIONS AND ACTION POINTS

31. IRSG to deliver advice by 24 November 2020.

AGENDA ITEM 09: Any Other Business (AOB)

CONCLUSIONS AND ACTION POINTS

32. Members were invited to the next (online) joint meeting, taking place with the OPSG and EIOPA Board of Supervisors Members on 25 November 2020.
33. One Member suggested to discuss at the joint meeting how EIOPA makes use of its various convergence tools (opinions, statements, supervisory statements, including their consultation mechanisms).

Participants

Chairperson: Michaela Koller / **Vice-Chairperson:** Paul Fox

MEETING CONCLUSIONS

First Name	Last Name	Country	Member representing	Attendance
Mireille	Aubry	France	Industry	Present
Pauline	Azzopardi	Malta	Consumers & Users	Present
Typhaine	Beaupérin	Belgium/France	Professional associations	Present
Monica	Calu	Romania	Consumers & Users	Present
Desislav	Danov	Bulgaria	Consumers & Users	Present
Niko	Daskalakis	Greece	SMEs	Present
Claudia	Donzelmann	Germany	Industry	Present
Paul	Fox	United Kingdom	Consumers & Users	Present
Hugh	Francis	United Kingdom	Industry	Present
Liisa	Halme	Finland	Employees	Present
Liane	Hirner	Austria	Industry	Present
Benoît	Hugonin	France	Industry	Present
Marcin	Kawiński	Poland	Academics	Present
Michaela	Koller	Germany	Industry	Present
Xavier	Larnaudie Eiffel	France	Industry	Present
Pierpaolo	Marano	Italy	Academics	Present
Anthony	O'Riordan	Ireland	Professional associations	Present
Tomas	Paulauskas	Lithuania	Consumers & Users	Present
Juan - Ramón	Plá	Spain	Industry	Present
Patricia	Plas	Belgium	Industry	Present
Guillaume	Prache	France/Belgium	Consumers & Users	Present
Tito	Rodrigues	Portugal	Consumers & Users	Present
Galit	Saar	Sweden	Industry	Present
Lauri	Saraste	Finland	Industry	Present
Bruno	Scaroni	Italy	Industry	Excused
Martin	Schmalzried	Czech Republic	Consumers & Users	Present
Antti	Talonen	Finland	Academics	Present
Greg	Van Elsen	Belgium	Consumers & Users	Present
Gisella	van Vollenhoven	Netherlands	Industry	Present

Other participants:

EIOPA Senior Management and staff members, MB/BoS members, DG FISMA representative (contact Stakeholder.Groups@eiopa.europa.eu)