



EIOPA REGULAR USE

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EIOPA's Revised Single Programming Document 2020-2022 with Annual Work Programme 2020

Disclaimer: At the time of preparing Eiopa's Single Programming Document (SPD) 2020-2022, the Commission's Multi-Annual Financial Framework 2021-2027 had not been adopted. Furthermore, the manner in which the UK will withdraw from the EU was yet to be determined. Eiopa has therefore applied certain assumptions to its planning of work and resources for the years 2020 and beyond. As and when more information becomes available on these areas, Eiopa stands ready to adjust its plans accordingly.

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Foreword

This Single Programming Document sets out the activities that the European Insurance and Occupational Pensions Authority (EIOPA) will undertake during the period 2020 – 2022, underpinning its work to enhance consumer protection, strengthen supervisory convergence and protect financial stability in the insurance and pensions sector.

At the centre of its work, EIOPA will focus on the delivery of its strategic priorities, as well as two cross-cutting themes of digitalisation and sustainability. These priorities reflect both EIOPA's evolving role and the evolving European insurance and pensions landscape, while building on work already taken to establish the authority as a credible European supervisory authority.

Planning for this upcoming work was undertaken against a certain level of uncertainty, including in relation to the consequences of the decision of the UK to leave the EU. To mitigate the risks of this uncertainty, EIOPA has engaged with the EU Institutions based on its own strategic analysis of the next policy cycle, and defined contingency plans, allowing it to reduce the impacts of changing priorities and budgets. This has helped EIOPA in developing a robust work programme that will enable the Authority to support and enhance supervision of the European insurance and pension sectors, while continuing to make a valuable contribution to the completion of the Capital Markets Union.

A single market for insurance and pensions in Europe brings benefits to consumers and business alike, whether through more choice and better prices, or greater cross-border opportunities. At the same time, consumers must be able to expect a similar level of protection no matter where they are based nor where their pension or insurance provider is based.

Building a common supervisory culture is central to the Authority's work and will continue to be a key priority in the coming years. In particular, EIOPA will play a significant role in the review of Solvency II, as well as further strengthening cross-border supervision and the convergence of conduct of business supervisory practices.

In addition, EIOPA must also remain ready to respond to emerging trends and risks. The Authority will further develop its core financial stability products, including integration of pension data and ongoing monitoring of emerging risks.

As an organisation, EIOPA will continue to seek out efficiencies where possible. The Authority will also further develop its approach to corporate social responsibility.

Mission

EIOPA's mission 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.

This mission is pursued by promoting a sound regulatory framework and consistent supervisory practices in order to protect the rights of policyholders, pension scheme members and beneficiaries and contribute to the public confidence in the EU's insurance and occupational pensions sectors.

Acronyms

ABAC - Accrual Based Accounting
AD - Administrator
AML - Anti-Money Laundering
AST - Assistant
AWP - Annual Work Programme
CA - Contract agent
CMU - Capital Markets Union
DC - Defined Contribution
DLT - Digital Ledger Technology
EFTA - European Free Trade Association
EIOPA - European Insurance and Occupational Pensions Authority
ESRB - European Systemic Risk Board
FTE - Full time equivalent
GSIIIs - Globally systemically important insurers
HR - Human resources
IAIS - International Association of Insurance Supervisors
IBIPs - Insurance-based investment products
ICS - Insurance Capital Standards
ICT - Information and Communication Technology
IDD - Insurance Distribution Directive
IMOGAPIs - Internal Model On-going appropriateness indicators
IORP - Institutions for Occupational Retirement Provision
IRSG - Insurance and Re-insurance Stakeholder Group
ITS - Implementing Technical Standards
KID - Key Information Document
MFF - Multi-annual Financial Framework
MS - Member States
N/A - Not applicable
NCA - National Competent Authority

PRIIPs - Packaged retail and insurance-based investment products
PEPP - pan-European Personal Pensions Product
QRT - Quantitative Reporting Templates
RFR - Risk Free interest Rate
RTS - Regulatory Technical Standards
SAA - Strategic Action Area
SNE - Seconded National Expert
SRP - Supervisory Review Process
TA - Temporary Agent

Section I: General Context

The political context, funding and priorities: EIOPA's objectives for stable and well-functioning insurance and pensions markets contribute to the Commission's agenda in a number of key areas (e.g. the Capital Markets Union (CMU), digitalisation and sustainable finance). A new European Parliament and Commission in 2019 will mean new political priorities and initiatives for the next institutional cycle 2019-2024. There will also be a new Multi-Annual Financial Framework for the years 2021 – 2027, at the time of preparing this SPD, it was yet to be adopted, with the budgetary implications of the UK's decision to withdrawal from the EU still not certain.

The UK's withdrawal from the EU: The nature of the UK's relationship with the EU, along with its access to EU markets is, at the time of preparing this SPD, unclear. With a focus on ensuring a high-level of supervision within a EU27, EIOPA is ready to undertake work in support of establishing the new relationship with the UK.

Growing influence of the global insurance market: The global insurance market continues to grow in importance for the EU. EIOPA's ongoing effort in the development of the ICS ensures the EU perspective in the creation of a common worldwide language for supervisors and a level playing field for undertakings.

Digitalisation: The role and impact of digitalisation and technology enabled financial innovation will continue to evolve, influencing business models and distribution channels. There will be benefits and risks to consumers and industry alike, which EIOPA will need to take account in relevant regulatory and supervisory frameworks that need to maintain pace with the rapidly developing area.

Sustainable finance and climate change: Sustainability is a broad concept touching upon Environmental, Social and Governance (ESG) issues. Implications for insurers and pension funds include the increased frequency and severity of natural disasters stemming from climate change, presenting risks to insurer business models, potential implications for wider financial stability, and evolving government policy, engendering additional rules and requirements for companies to operate in sustainable ways.

Economic and financial environment: The European macroeconomic environment will remain challenging for the upcoming years. Risks resulting from low interest rates moving even to negative territory in Europe and the consequent potential search for yield behaviour has further increased. This is set against recent increase of uncertainty stemming from several geopolitical risks that might potentially lead to scenarios such as a sudden substantial increase in risk premiums and a drop in asset prices. These developments call for an active and engaged supervisory community.

New tasks and powers: EIOPA has an important role in the effective implementation of the pan-European Personal Pensions Product (PEPP). Several areas of the regulation require further guidance to promote the most beneficial design of PEPPs. EIOPA will also manage PEPP registration and cooperation with NCAs on supervisory matters following the decision to register of each PEPP. Changes to EIOPA's regulation provides for new tasks in areas such as equivalence monitoring, conduct of business supervision and internal model, in addition to strengthening EIOPA's role in existing areas such as cross-border cooperation on supervisory issues.

Section II: Multi-Annual Work Programme

EIOPA's Multi-annual objectives

Cross cutting themes

Digitalisation and cyber: Digitalisation offers benefits and risks to consumers and industry alike. EIOPA has an important role in establishing a supervisory approach that supports the benefits, including financial innovation, whilst mitigating potential risks, particularly those to consumers. Alongside the financial innovation the role of the cyber underwriting market will be crucial to support a digital economy and EIOPA should promote a stable and sound cyber insurance market as an enabler of the digital economy.

Sustainable Finance: EIOPA will put sustainability at the centre of its strategic thinking and examine how best to include sustainability considerations in supervisory and regulatory frameworks. EIOPA has a sustainable finance action plan and has already developed significant interventions in this area.

Strategic Objective 1: Driving forward conduct of business regulation and supervision

Conduct issues can negatively affect consumers and have wider prudential impacts on undertakings. Historic fragmentation in EU conduct of business regulation and supervision has been to some extent mitigated by new regulations such as IDD and PRIIPs, however convergence in their implementation in practice should be a key focus going forwards. In this, and more widely, EIOPA can help build a more coordinated and effective consumer protection framework and drive forward its practical and convergent implementation. This will ensure a higher, more effective and consistent level of regulation and supervision, strengthening the Single Market by fostering coherent and consistent application of rules. Equally, it will build supervisory capacity to identify conduct risks and proactively address poor consumer outcomes, where necessary, via coordinated EU supervisory approaches.

Strategic Objective 2: Leading convergence towards high-quality prudential supervision throughout the EU

High-quality prudential supervision, which is easily available and accessible, is a prerequisite for a well-functioning internal market. Consumers need confidence that insurance undertakings and IORPs are subject to appropriate prudential supervision. Undertakings and IORPs benefit from proportionate regulation applied consistently across the Union, preventing regulatory and supervisory arbitrage and creating a level playing field. EIOPA leads the development of a high-quality, effective and consistent level of supervision across the EU and supports NCAs in their consistent and convergent application of Union Law. Where necessary, EIOPA is ready to develop benchmarks, perform reviews or challenge NCAs on their supervisory practices. Fresh impetus for this work stems from the increasing number of cross-border cases and failures, which amplify risks to consumers and the stability of the financial system. Only strong and timely European responses are able to counter these negative developments, and EIOPA seeks to act more intrusively when it detects signals of risks of cross-border failures.

Strategic Objective 3: Strengthening the financial stability of the insurance and occupational pensions sectors

Early identification and communication of risks, followed by timely implementation of preventative measures are essential to ensure the stability of the insurance and occupational pensions sectors. EIOPA undertakes ongoing monitoring, identification and

reporting on trends, potential risks and vulnerabilities stemming from the micro-prudential level. To ensure the provision of accurate, timely and useful analysis, EIOPA continually refines its analytical tools and frameworks, along with a solid statistical basis with and enhanced focus on horizontal, sector wide, analysis of risks.

Strategic Objective 4: Delivering EIOPA’s mandate effectively and efficiently whilst remaining adaptable to new priorities and demands

Effectiveness and efficiency are essential to EIOPA achieving its strategic ambitions. Effectiveness is predicated on clear strategic leadership guiding capable and well-trained people, supported by a fully functioning IT infrastructure and competent administrative functions. Efficiency means using available resources in the smartest and best possible way to deliver EIOPA’s tasks. EIOPA will remain flexible and ready to embark upon changes, including those decided at the political level on the desired model to deliver support and coordination within the European Supervisory Framework.

Key Performance Indicators

Strategic Objective 1: Driving forward conduct of business regulation and supervision

Average number and diversity of respondents to public consultations on consumer protection topics per consultation.			
Target	2020	2021	2022
	20	20	20
Rationale	Indication of engagement of EIOPA with stakeholders and useful feedback by a sufficient diversity of respondents on topics in the domain of consumer protection to enable the Authority to factor in the broadest possible views for better regulation		
Number of national initiatives taking inspiration from deliverables (reports, thematic reviews, conduct oversight country visits and recommendations in the course of oversight work more generally etc.) of EIOPA’s conduct of business supervision framework and broader consumer protection work.			
Target	2020	2021	2022
	5	5	5
Rationale	Demonstrates the value of EIOPA’s strategic framework in providing a trigger for more intensified conduct of business supervision at the national level through e.g. national surveys, thematic reviews, intensified on-site supervision, policy/legislative initiatives etc.		

Strategic Objective 2: Leading convergence towards high-quality prudential supervision throughout the EU

A technically sound and participatory review of the Solvency II insurance regulation by EIOPA.			
Target	2020	2021	2022
	EIOPA technical advice and annual reports provide a sound basis for regulatory review of Solvency II. The Solvency II framework appropriately reflects the economic context. An evidence-based feedback loop allows for the assessment of the effectiveness and quality	Follow up to EIOPA’s Opinion on the 2020 review, including consideration of relevant technical standards and guidelines..	tbc

	of the implemented regulation.		
Rationale	EIOPA strives for solution by involving stakeholders but that, in the end, it is an independent EIOPA making decisions on sound technical grounds and on the basis of evidence.		

Pursuit of Solvency II as the practical implementation of the International Association of Insurance Supervisors' (IAIS) International Capital Standard (ICS).			
Target	2020	2021	2022
	The adaptations during the monitoring phase of ICS 2.0 remain largely in line with Solvency II.	The adaptations during the monitoring phase of ICS 2.0 remain largely in line with Solvency II.	tbc
Rationale	Demonstrates the coordination role of EIOPA in the development of an international capital standard on a global level and reducing burden for undertakings to cope with several layers of regulations.		

The development of an appropriate regulatory framework for pensions by promoting a common supervisory culture, consistent supervisory practices and sound European regulation.			
Target	2020	2021	2022
	EIOPA develops approaches which reflect the continuing shift to defined contribution pensions; and initiates development of supervisory approaches.	EIOPA supervisory opinions and reports in the areas of investment rules, governance, risk assessment and information provision to members and beneficiaries under IORP II promote a common supervisory culture as well as best and consistent supervisory practices.	tbc
Rationale	EIOPA has an important role in improving the functioning of the internal market for pensions by promoting a common supervisory culture, consistent supervisory practices and a sound EU regulatory framework.		

Data available in the Central Repository calculated as a percentage of number of insurance undertakings reported on with valid data by NCAs and market share of each country, as evidenced by the completeness ratio of technically valid reports of the Quantitative Reporting Templates (QRTs).			
Target	2020	2021	2022
	97% of number or 98% of market share	97% of number or 99% of market share	97% of number or 99% of market share
Rationale	This measure will provide an indication of the extent of coverage of the European insurance sector EIOPA maintains in its Central Repository. This is a valuable measure in relation to the functioning of the common supervisory reporting and data framework.		

Timely and high quality publication of the Risk Free Rate.			
Target	2020	2021	2022

	Twelve publications a year – meeting the deadline of publication within three working days of the beginning of the month.	Twelve publications a year – meeting the deadline of publication within three working days of the beginning of the month.	Twelve publications a year – meeting the deadline of publication within three working days of the beginning of the month.
Rationale	A mandated task for EIOPA stemming from Solvency II the timely provision of the information is of strategic importance to the Authority.		

Number of supervisory or policy actions taken by NCAs following observations and feedback from EIOPA’s Oversight Unit.			
Target	2020	2021	2022
	20	20	20
Rationale	This KPI demonstrates EIOPA’s impact in influencing National Competent Authority approach to supervision.		

Number of bi-lateral engagements with National Competent Authorities on oversight topics.			
Target	2020	2021	2022
	25	25	25
Rationale	Capturing an important element for substantive engagements with NCAs in support of higher quality and more consistent supervision, this is a measure of the effort EIOPA invests in directly working with national supervisors.		

Strategic Objective 3: Strengthening the financial stability of the insurance and occupational pensions sectors

Citations of EIOPA’s Financial Stability products in research journals and publications from other public institutions in the field of financial stability.			
Target	2020	2021	2022
	5	6	6
Rationale	EIOPA’s goal within this SAA is to provide valuable and insightful assessments of the stability of the insurance and occupational pensions sectors. The quality and broader acceptance of EIOPA’s financial stability analysis can be indicated by the use and reporting of EIOPA’s works in publications on the two sectors.		

The number of financial stability risks with a material impact, within the agreed scope of the Stress Test, not identified by the exercise materialising within one year of the publication of the results.			
Target	2020	2021	2022
	0	0	0
Rationale	On a revolving basis, EIOPA will run insurance and pensions stress tests and a specific exercise focusing on emerging risks i.e. insurance stress test one year a pensions the next and then an exercise focusing on emerging risks – subject to BoS decision. The exercises should serve as a basis for supervisory or policy actions, where deemed necessary, or trigger further work within the European System of Financial Supervision. This KPI assesses the extent to which this is happening.		

Strategic Objective 4: Delivering EIOPA’s mandate effectively and efficiently

Percentage of audit findings from European Court of Auditors and Internal Audit Service addressed by improvement measures by the agreed deadline, or if no deadline was set, within twelve months of the finding being issued.			
Target	2020	2021	2022
	100%	100%	100%

Rationale	A key priority of EIOPA is to demonstrate its maturity and compliance and its ability to address audit findings represents this.		
Implementation rate of EIOPA budget: Percentage of the approved budget committed.			
Target	2020	2021	2022
	99%	99%	99%
Rationale	A concrete measure of the effectiveness of the management of EIOPA's budget.		

Multi-annual programme

Cross Cutting Theme 0.1: Digitalisation and cyber

EIOPA will further develop its work under the Commission's FinTech Action Plan. Thematic reviews will provide insight on new and evolving areas of technology.

A key focal point will be the use of Big Data Analytics, including with Artificial Intelligence and Machine Learning capabilities, supervisory responses to this, the assessment of the impact of and supervisory response to new business models enabled by technological changes, and the use of new technologies for supervisory purposes.

EIOPA will investigate the potential build-up of risks from cyber underwriting strategies and assess the need for alignment of requirements on cybersecurity and IT governance of insurance companies and supervisory practices.

The supervision of ICT security and governance will be addressed, including the adequacy of a 'Cyber resilience test' in the insurance market as well as promotion of cooperation and common reflection between NCAs.

In the area of the cyber underwriting EIOPA will work on the three main areas:

- an adequate level and quality of data on cyber incidents need to be available at a European level;
- a mutual understanding of contractual conditions and terms, for both, policyholders and insurance undertakings; and
- a European solution to address the cyber systemic and extreme risks.

Cross Cutting Theme 0.2: Sustainability

EIOPA will build on the advice provided in 2019 on sustainability risks, and on short termism; and its opinions on Solvency II and sustainability and management of ESG risks by IORPs. EIOPA will continue to put emphasis on a long term approach based on principles of stewardship. EIOPA will build on the Solvency II opinion in areas such as impact underwriting and development of scenarios for climate risk analysis. It will also be working on a methodology to incorporate climate change in the calibration of natural catastrophe risks and develop further its analysis of the so-called protection gap. Furthermore, EIOPA will continue to play a full role in implementation of the Commission's Sustainable Finance Action Plan as well as internationally via the Sustainable Insurance Forum and the Network for the Greening of the Financial System.

Strategic Action Area 1.1: Developing and strengthening the regulatory framework for the protection of consumers

- **Further enhancing the regulatory framework (IDD, PRIIPs and Sustainable Disclosures):** With Level 1 reviews of both IDD (including a report on the application of the IDD) and the PRIIPs Regulation (originally scheduled to begin in 2018, but now scheduled for beyond 2022), EIOPA will assist with any required revisions or changes. For PRIIPs, this may touch upon sustainability, with work foreseen in defining criteria for labelling and approaches to supervision. EIOPA will meet reporting requirements existing under both regimes and provide guidance and/or Questions & Answers, as required. The market effects will be monitored along

with any potential areas for enhancement of existing and revised technical standards and guidelines. A strong focus on practical implementation of the regulatory framework will continue. In the area of Sustainable Disclosures, EIOPA will deliver with the other ESAs by Q3 2020, six draft Regulatory Technical Standards concerning disclosure of a statement on the due diligence policy in respect of the adverse impact of investment decisions on sustainability indicators and product-specific disclosures, particularly pre-contractual disclosures.

- **Consumer protection with the pan-European Personal Pension Product (PEPP):** EIOPA will deliver several draft Regulatory Technical Standards to the Commission by July 2020, relating to the PEPP Key Information Document, the PEPP Benefit Statement, including on the topic of pension projections, and the Cost and Fee Cap for the Basic PEPP. EIOPA will also, in a second stage, support implementation of the conduct of business aspects of the overall framework on a national basis.

Strategic Action Area 1.2: Developing and strengthening a comprehensive risk-based and preventive approach to conduct of business supervision

- **Coordination and application of EIOPA's risk based conduct of business framework:** EIOPA supports NCAs in implementing risk-based conduct of business supervision. With the experience, information and results of this work, EIOPA will further the development of a common understanding of conduct risk and the associated supervisory practices and tools. By 2020, thresholds for best practice can guide the strengthening of this area across the EU. EIOPA will launch thematic reviews targeting specific financial activities, products potentially causing consumer detriment or undermining functioning of a retail market. EIOPA will enhance its visits to NCAs to assist in building well-functioning and consistent approaches for conduct of business supervision. Workshops, training and discussions will also support the exchange of experiences and sharing of best practices. This will inform key initiatives such as establishing how best to supervise PRIIPs. EIOPA can also facilitate joint European supervisory responses where the same issues arises in multiple national markets.
- **Work on consumer protection in the context of cross-border business:** EIOPA can help addressing challenges in home/host co-operation based on EU rules and existing 'passporting' arrangements through guidance material and the sharing of practical problems and solutions, including on improving the identification and mitigation of conduct risks by home and host supervisors in the context of cross-border business. Recent regulatory changes (IDD, Solvency II, PRIIPs) offer a new foundation on which further progress can be made and EIOPA can play an essential role through mediation of cross-border disagreements between NCAs. Convergence under the existing EIOPA decisions offers additional benefit, and EIOPA will review how it is applied in practice.
- **Enhance existing tools and developing new ones:** EIOPA will enhance the core tools of its risk-based conduct of business framework with a focus on data collection and use, consistent with its Authority-wide strategy. Using the results from previous years' application, EIOPA will strengthen the tools to monitor and report on financial activities in the market. This will strengthen the real time and usable identification of issues based on outliers in product characteristics and distribution processes. EIOPA will develop a framework for coordination of mystery shopping activities and support for NCAs in conducting mystery shopping, including identifying priorities that warrant action across multiple national markets.

- **Use of product intervention powers:** EIOPA will continue to appropriately identify cases for the use of its product intervention powers, in view of ensuring consistent and high levels of consumer protection across the EU.
- **Enhance close cooperation with the European Data Protection Board:** given the increased importance of the proper treatment of data protection issues from a consumer protection standpoint, EIOPA will enhance its close cooperation with the European Data Protection Board.

Strategic Action Area 2.1: Enabling supervisory convergence with a sound, smart and robust regulatory framework which is responsive to market developments

- **Review of Solvency II:** EIOPA will provide its opinion on the review of Solvency II by June 2020, including in the areas of long term guarantees measures and taking into account the proportionality principle. EIOPA will also continue to work on the risk free rate methodology, including in relation to the ultimate forward rates (UFR) and the deep liquid transparent assessment (DLT).
- **Effective application of IORP II:** EIOPA will establish relevant principles and common supervisory expectations for Defined Contribution (DC) pensions and strengthen the 2nd pillar occupational pensions sector.
- **Initiatives to enable the implementation of the PEPP:** EIOPA will carry out all necessary activities for the proper implementation of the PEPP. The policy work will focus on defining key elements of PEPP, for example, supervisory reporting and risk mitigation techniques.
- **Long-Term Assets and Environment Social and Governance factors:** A truly long-term perspective enables retail investors to gain access to long-term assets and benefit from such approaches with regards to long-term returns. It also contributes to the CMU with contained risk for consumers. EIOPA is also monitoring the 'green' and sustainable investment field and will take action as necessary or upon request by the Commission.
- **Engagement with third countries:** The dialogue with the US will be strengthened and other dialogues will continue, focusing on fast growing economies including China. EIOPA will monitor the practical and consistent implementation of the EU US Covered Agreement. The assessment of third countries via the equivalence procedure will continue, along with monitoring regimes for which positive equivalence decisions have been taken.
- **Continued work and engagement regarding ICS and other International Bodies' works:** The 'frontier' of development of an ICS version 2.0 by the International Association of Insurance Supervisors (IAIS) will enter into its monitoring, i.e. the confidential reporting phase, primarily within international colleges. EIOPA's contribution will have narrowed down optionality on valuation (market adjusted valuation or MAV), capital resources and capital requirements. EIOPA continues to pursue the goal that Solvency II can be broadly considered a practical implementation of the ICS. The new activities based methodology for systemic risk will be developed and refined.

Strategic Action Area 2.2: Enhancing the use and quality of supervisory information through efficient standardised exchange mechanisms, centralised quality checks and the timely provision of business intelligence

- **Production of the Risk Free Rate (RFR) and associated information:** Production of Solvency II technical information, such as the RFR and the symmetric adjustment to the equity risk module provides the basis for calculation of the value of insurance undertakings' liabilities. Continuous maintenance and improvement of data collection and processing systems is needed to keep the automated RFR

calculation engine at the required high-quality level along with the publication of methodology and related documentation allowing industry to replicate the production if they wish to.

- **Ensure on-going coherent and effective reporting systems that reflect relevant and proportionate reporting requirements providing added value to supervision:** EIOPA collects data on insurance and pensions sectors. Having fit-for-purpose and proportionate supervisory reporting is cost-efficient and promotes effectiveness for industry, NCAs and EIOPA. To ensure effectiveness and efficiency of its reporting systems the Authority uses opportunities where amendments in the reporting requirements are unavoidable to introduce improvements, considering the impact to all stakeholders. EIOPA will introduce the agreed changes following the 2020 review in relation to the areas where no legislative changes are needed according to an implementation plan to be discussed. EIOPA also considers IT developments and takes note of findings from the financial data standardisation (FDS) project for interoperability solutions for streamlining and simplifying reporting requirements.
- **Further enhance the Business Intelligence and Analytics framework for insurance and pensions data:** EIOPA's business intelligence and data management capability allows leverage of available data and facilitates data exchange with relevant stakeholders. EIOPA's business intelligence tools contribute to a high quality supervisory review process. They improve market analysis and timely identification of potential areas for further analysis, providing input into risk-assessment frameworks and valuable feedback information to NCAs. EIOPA continuously improves its business intelligence capability, focusing on enhancing the analytical framework, risk reports and the publication of statistics while taking advantage of new technological developments and the opportunities it presents to improve efficiency and effectiveness of the Supervisory Review Process - SupTech.
- **Strengthen European and international data and reporting standards:** EIOPA contributes to the establishment and use of international data standards. This is part of EIOPA's work to increase consistency of data within the financial sector, along with its quality, accessibility and interoperability, whilst lowering the burden on industry. EIOPA will also contribute to the Union Financial Data Strategy and embed it in its own Data Strategy.
- **Maintaining systems to securely collect, manage, analyse, report and publish data it receives:** EIOPA's data framework underpins its capability to securely collect, manage, analyse, report and publish data. Core to this is the central repository, which EIOPA will maintain whilst implementing improvements.

Strategic Action Area 2.3: Improving quality and consistency of supervision to ensure the same level of consumer protection throughout the EU and contribute to a level playing field in the insurance and pensions market

- **Supervisory Convergence:** EIOPA's Supervisory Convergence Work Plan defines annual priorities for convergence with a focus on supervisory arbitrage and areas of supervision where practices differ substantially, from both prudential and conduct perspective. Following the Plan for each year EIOPA will work on further implementing a common supervisory culture and continue the definition of common benchmarks for supervisory practices in the Supervisory Review Process. EIOPA will in addition start monitoring application of IORP II's key provisions and the effectiveness of the revised Budapest Protocol. There will be a focus on effective pension information, the governance set-up of IORPs and appropriate risk management systems, as well as on procedural efficiency of cross-border pension activities. EIOPA will prepare and execute reviews of market practices as well as of supervisory practices in the areas identified in the annual plan. The peer reviews will continue to be undertaken on the areas to be approved by BoS. EIOPA will update

the peer review methodology and adapt the governance structure as a result of changes to its Regulation.

- **Bi-lateral engagement:** EIOPA will develop up to two EU-wide Strategic Supervisory Priorities, aimed at areas posing high risks to policyholder protection and financial stability, with possible follow up which may include inter alia guidelines and recommendations to competent authorities in the respective area. The priorities will inform EIOPA's bi-lateral engagements on assessing national supervisory practices and providing technical assistance to strengthen supervisory capacity, which will continue with a more tailored approach towards individual priorities and follow-up on prior recommendations and preventive and remedial actions. EIOPA will continue ex-post lessons learned assessments of NCA supervisory actions or non-actions along with periodical reviews on specific NCA activities. EIOPA will also participate in national sector wide assessments addressing concerns regarding market soundness and/or effectiveness of supervision.
- **Colleges and Cross-border activities:** Via its participation in the direct supervision of cross-border groups, EIOPA will play a coordinating role, helping to overcome fragmentation and enhance the effectiveness of supervision. The focus will be on potential risks and specific issues for each college. EIOPA will participate in joint on-site inspections to increase convergence of supervisory practices.
- **Further development of cooperation platforms:** EIOPA monitors the cooperation and coordination of cross-border activities between NCAs across the EU and promotes initiation of cooperation platforms where there is no college but identified cross-border risks, e.g. in motor insurance. Under the umbrella of cooperation platforms, EIOPA will continue to facilitate the finding of practical solutions for specific problem cases arising for both home and host NCAs, supporting NCAs on both prudential and conduct aspects. EIOPA can issue supervisory recommendations to NCAs with suggestions for specific supervisory measures.
- **Monitoring equivalence:** EIOPA will continue to play an active role in monitoring previously taken equivalence decisions taking a risk based approach.
- **Support to the highly technical area of Internal Models:** Group Internal Models typically generate regular major changes that are subject to approval by the supervisory authorities concerned. EIOPA may provide technical assistance to the supervisory authority(ies) upon their request. In order to prepare for this responsibility, EIOPA will increase its contribution to college discussions on new applications or changes in existing Internal Models. EIOPA's focus will remain on the consistency of the supervisory assessment of the implementation and calibration of Internal Models, and quantitative and qualitative comparative exercises will be run. Furthermore, EIOPA will actively engage with supervisors handling requests for model changes or new model approvals to prepare for the new powers foreseen under the revised Solvency II Regulation.
- **EIOPA's role overseeing supervision of PEPP:** For endorsing the PEPP quality label, the marketed and distributed PEPPs need to be monitored. In line with the idea of a pan-European product, EIOPA has an important role ensuring a consistent application of the Regulation and the high-quality PEPP features. EIOPA will scrutinise the PEPP market for any PEPP that do not fulfil the requirements of the PEPP framework and shall take the appropriate intervention measure.

Strategic Action Area 3.1: Identifying, assessing, monitoring and reporting risks to the financial stability of the European insurance and pensions sectors

- **Risk analysis products: Stress Tests, Financial Stability reports and Risk Dashboards:** EIOPA will further enhance its core risk analysis products and risk identification toolkit. Strengthening cooperation with academia and leveraging the growing EU-wide dataset will add analytical and informative value for supervisors. Strengthening the use of such tools into supervisory assessments will be an area of

focus. Expansion of the time period between stress tests, allowing for comprehensive follow-up of the stress test findings, while conducting focused studies in the interim.

- **The provision of transparent and credible risk reports and statistics:** Increased market and risk complexity as well as potential sector interconnectedness necessitates advanced analysis based on solid data. The significant enhancement of available data for the insurance sector and improvements in the area of IORPs allow for increased information and awareness of supervisors, industry, academia and the public alike. The development and provision of reliable risk analysis and statistics will be an important area of focus.
- **Building the methodological toolkit for vulnerability analysis:** Continuous further development of EIOPA's core risk analysis products is key for the timely identification of risks. Top down analysis for stress tests and supplementing current risk dashboards with forward looking early warning indicators and the use of advanced techniques will significantly strengthen the early identification of trends and vulnerabilities. Inclusion of ESG factors into EIOPA's risks and vulnerabilities analysis will be an area of focus.
- **Studies and surveys on emerging risks:** As part of its risk identification process, EIOPA conducts studies on emerging risks (e.g. search for yield, cyber risk). EIOPA will further enhance such studies as part of its early risk identification and prevention process, including assessing the impact of climate change and ESG aspects on financial stability.
- **Cooperation with other EU and international institutions on topics related to financial stability:** EIOPA participates in work streams of other European or international institutions on topics related to insurance and pensions financial stability risk. Such participation ensures a sectorial view to financial stability issues while at the same time provides feedback to the institution regarding international developments.

Strategic Action Area 3.2: Preventative policies and actions to mitigate risks to financial stability

- **Supporting national crisis preparedness:** EIOPA works with NCAs to enhance crisis preparedness and can make specific recommendations to NCAs and proposed actions following stress tests or other risk and vulnerability assessments. EIOPA participates in Crisis Management Groups, undertakes GSII related work and maintains the insurers' loss and near misses database.
- **Contribute to and actively participate in development of policies to mitigate risks to financial stability :** EIOPA will continue to work on the proposal for a macroprudential framework, recovery and resolution frameworks and other related areas, such as the insurance guarantee schemes, analysing the potential need for harmonisation of the main elements.

Strategic Action Area 4.1: Ensuring a strong corporate culture, proper governance as well as skilled and committed staff

- **Ensuring the best management of human and financial resources:** EIOPA will continue to work within and enhance its Activity Based Budgeting approach and further implement its integrated talent management system (based on EIOPA Competency Framework). Together, these will support the transparent prioritisation of the many competing demands and deliver a coherent and strategic approach to human resources management.
- **Gaining efficiencies by improving, streamlining and automating processes:** Opportunities for automation will be capitalised on to further streamline, strengthen and ensure the compliance of processes. EIOPA will make the most of synergies with other EU agencies in areas such as procurement to reduce administrative burden and costs.

- **Ensuring the transparency and accountability in EIOPA's governance structures and stakeholder relations:** Transparency and accountability rely on the smooth running of EIOPA's governance structures combined with ongoing dialogue and cooperation with relevant stakeholders. EIOPA will maintain this positive engagement and remain responsive to the needs of its Members and the EU Institutions.
- **Ensuring high quality of legal drafting as well as legal acts and actions:** Maintaining high quality of legal advice and drafting as well as monitoring compliance with its legal framework, EIOPA aims at minimising the risk of legal challenges and proactively handling complaints/appeals/actions against the Authority.
- **Ensure the availability and security of its staff, information and physical assets:** EIOPA will run initiatives to achieve greater maturity in the security of its staff, information, IT and its assets. It will enhance its information technology infrastructure and applications. To optimise the use of space and reduce costs, EIOPA will also further implement the open plan office set-up in its headquarters.
- **Ensuring Corporate Social Responsibility in how EIOPA operates as an organisation:** EIOPA will align its internal processes to good practices, such as the Eco-Management and Audit Scheme (EMAS) standards, establishing the basis on which the Authority can assess, manage and improve its environmental performance.

Human and financial resource outlook for the years 2020 - 2022

Overview of the past and current situation

Staff Population overview

EIOPA aims at recruiting at entry level AD5 for most of the functions, unless sound knowledge and expertise is required either because of a specific replacement or because new tasks have been allocated and certain expertise is not already in-house at the level required.

Overview of all categories of staff

Staff population		In EU Budget 2018 ¹	Filled end 2018	Voted EU Budget 2019	Envisaged in 2020	Envisaged in 2021	Envisaged in 2022
Officials	AD	n/a	n/a	n/a	n/a	n/a	n/a
	AST	n/a	n/a	n/a	n/a	n/a	n/a
	AST/SC	n/a	n/a	n/a	n/a	n/a	n/a
TA MFF	AD	96	93 ²	98	98	98	98
	AST	16	14	14	14	14	14
	AST/SC	n/a	n/a	n/a	n/a	n/a	n/a
TA ESA Review ³	AD	n/a	n/a	n/a	11	22	22
	AST	n/a	n/a	n/a	n/a	0	0
	AST/SC	n/a	n/a	n/a	n/a	n/a	n/a
TA PEPP	AD	n/a	n/a	3	4	4	4
	AST	n/a	n/a	n/a	n/a	0	0
	AST/SC	n/a	n/a	n/a	n/a	n/a	n/a
Total⁴		112	107	115	127	138	138
CA GF IV		11	8	18	18	18	18
CA GF III		16	17	16	16	16	16
CA GF II		8	8	1	1	1	1
CA GF I		0	0	0	0	0	0
CA ESA Review ⁵		n/a	n/a	n/a	3	6	6
CA PEPP		n/a	n/a	n/a	n/a	n/a	n/a
CA Sustainable Finance		n/a	n/a	n/a	1	1	1
Total CA⁶		35	33	35	39	42	42
SNE ⁷ MFF		25	18	25	25	25	25
SNE ESA Review ⁸		n/a	n/a	n/a	2	4	4
SNE PEPP		n/a	n/a	n/a	n/a	n/a	n/a
Total SNE		25	18	25	27	29	29
Structural service providers ⁹			3				

¹ As authorised for officials and temporary agents (TA) and as estimated for contract agents (CA) and seconded national experts (SNE), including approved exchange of 1 AST for 1 AD by EIOPA Board of Supervisors on 30.1.2017.

² 12 offer letters sent

³ Estimation is based on Commission's legislative proposal and does not necessarily reflect the views of EIOPA

⁴ Headcounts

⁵ Estimation is based on Commission's legislative proposal and does not necessarily reflect the views of EIOPA

⁶ FTE

⁷ FTE

⁸ Estimation is based on Commission's legislative proposal and does not necessarily reflect the views of EIOPA

⁹ **Service providers** are contracted by a private company and carry out specialised outsourced tasks of horizontal/support nature, for instance in the area of information technology. At the Commission the following general criteria should be fulfilled: 1) no individual contract with the Commission; 2) on the Commission premises, usually with a PC and desk; 3) administratively followed by the Commission (badge, etc.) and 4) contributing to the value added of the Commission. FTE

Staff population	In EU Budget 2018 ¹	Filled end 2018	Voted EU Budget 2019	Envisaged in 2020	Envisaged in 2021	Envisaged in 2022
TOTAL	172	161	175	193	209	209
External staff ¹⁰ for occasional replacement ¹¹		4				

Expenditure

The budget 2018 by title and chapter together with the financing decision and the procurement plan 2018 were adopted by the BoS in December 2017. The EIOPA Annual Work Programme 2018 and the allocation of the related expenditure by budget line were adopted in January 2018. A Re-prioritisation exercise was conducted during 2018 and alignment was sought with the strategic steer provided by the Management Board in the discussion on the Work Programme 2018. The table below provides with a summary of the main features regarding expenditure during 2018:

BL Description	Initial 2018 Budget €	Budget after transfers €	Var %	Committed	% Committed	Paid	% Paid	Carry-forward	% Carry-forward
Title I - Staff Expenditure	17,386,000.00	17,213,573.82	-0.99%	17,213,573.82	100.00%	15,571,447.27	90.46%	1,642,126.55	9.54%
Title II - Administrative Expenditure	3,103,467.00	3,355,565.05	8.12%	3,355,565.05	100.00%	2,696,295.80	80.35%	659,269.25	19.65%
Title III - Operational Expenditure	4,717,541.00	4,637,869.13	-1.69%	4,637,869.13	100.00%	3,279,427.72	70.71%	1,358,441.41	29.29%
	25,207,008.00	25,207,008.00	0.00%	25,207,008.00	100.00%	21,547,170.79	85.48%	3,659,837.21	14.52%

EIOPA's operational expenditure in 2018 has been driven to a large extent by the need to further develop the information and data framework capabilities in the below areas:

- Data Standardisation
- Data Management
- Data Analysis
- Security, availability and efficiency measures for core infrastructure and tools for knowledge management and coordination and collaboration on a European level
- Horizontal functions

Resource programming for the years 2020 – 2022

Financial resources

The BoS adopts the EIOPA budget as a part of the Single Programming Document after it is approved by the European Union's Budgetary Authority at the end of each calendar year or beginning of the following year.

The European Union grants EIOPA a subsidy of 40%. The remaining 60% are contributions from the Member States (MS). In addition, since 2016 the Member States and EFTA states pay the 'employers contributions to the EU pensions' scheme'. EFTA states pay their contributions according to the weighting factor on the top of the Member States contributions.

The following tables represent EIOPA's budget requests for 2020-2022 taking into account EIOPA's ambitions to continuously improve its credibility as a Supervisory Authority. According to the ESAs review, PEPP and the sustainable finance legislative proposals, EIOPA will also receive additional funds required for them to assume its new tasks and powers. The additional funding will be used as follows:

- to fund the recruitment of the additional staff foreseen in the proposals for 2020;

¹⁰ FTE

¹¹ For instance replacement due to maternity leave or long sick leave

- to fund the necessary changes to EIOPA’s headquarters to allow it to accommodate the new staff; and
- to fulfil the specific requirements in the legislative proposals (e.g. PEPP Register, etc.).

With the additional funds, EIOPA will also be in a position to reinvigorate its approach to data, delivering a major enhancement of the benefits to the supervisory community from its collection, management and reporting on conduct of business, supervision and financial stability data. The Authority will also use this additional finance to further develop the supporting IT infrastructure and strengthen its security. EIOPA handles ever greater quantities of market sensitive information and it is essential that its systems are reliable and that it has in place appropriate and robust measures for their protection.

REVENUE¹²	2018 (EUR)	2019 (EUR)	2020 (EUR)	2021 (EUR)	2022 (EUR)
EU subsidy (including surplus)	9,365,000	10,083,336	10,804,000	12,413,956	13,465,988
Contributions from National Competent Authorities	14,043,065	15,125,004	16,206,000	18,620,934	20,198,982
EFTA contributions on top of NCA contributions	398,943	429,687.61	460,398	529,004	573,835
Pensions contributions (NCA and EFTA)	1,300,000	1,500,000	1,600,000	1,800,000	2,000,000
Other revenues (administrative agreements, fees)	100,000		350,000		
Total	25,207,008	27,138,027.61	29,420,398	33,363,893	36,238,805

EXPENDITURE	2018 (EUR)	2019 (EUR)	2020 (EUR)	2021 (EUR)	2022 (EUR)
Staff Expenditure	17,386,000	18,579,578.45	20,589,000	23,702,315	25,893,800
Administrative Expenditure	3,103,467	3,237,959.53	3,683,000	3,686,600	3,529,600
Operational Expenditure	4,717,541	5,320,489.63	5,148,398	5,974,978	6,815,405
Total	25,207,008	27,138,027.61	29,420,398	33,363,893	36,238,805

¹² The figures are rounded

Human Resources

Resource outlook over the years 2020 – 2022

EIOPA will assume new tasks, powers and resources during the term of this SPD stemming from PEPP, the review of the ESAs and the Commission's sustainable finance proposal. The outcome of the review into the ESAs touches upon multiple areas of EIOPA's work and 32 new members of staff have been allocated across its various functions. In support of EIOPA's indirect supervision work, changes to EIOPA's regulation provide for a number of new tasks and the strengthening of some existing areas. As such, EIOPA should receive members of staff for the following areas:

- Peer Reviews (3)
- FinTech (3)
- Proportionality (2)
- Equivalence (2)
- Conduct of business supervision (2)
- Environment, sustainability and governance (2)
- Coordination groups (1)
- Internal models (3)
- Cross border cooperation platforms (7)
- Legal (2)
- Other forms of support, including in the areas of IT and HR management (5)

EIOPA will also receive one additional member of staff for PEPP, and an additional Contract Agent to support its efforts in the field of Sustainable Finance.

To allow for an orderly process to recruit and integrate new staff members, EIOPA will stagger the recruitments across 2020 and 2021. In 2020, the remaining one PEPP FTE will be recruited along with one for sustainable finance and 16 of the 32 stemming from the ESAs review. In 2021, EIOPA will recruit the remaining 16 ESAs review staff.

ECA performance audit finding – EIOPA received the recommendation to strengthen human resources assigned to supervision. EIOPA supports ECAs view that more resources should be allocated to the Authority to strengthen its supervisory convergence work. Since 2016 and the application of Solvency II and in line with the shift from regulation to supervision, EIOPA has reduced the number of staff allocated to producing regulation, and increased the numbers overseeing its consistent application.

EIOPA's core oversight work includes active participation in colleges of supervisors, the establishment of cooperation platforms, bilateral engagement with NCAs, and support on the implementation of Internal Models. EIOPA's work ensures the coherent application of EU law, and it is essential that legal expertise is available, supporting EIOPA's broader objectives, and the specific tasks of mediation and breaches of union law. Combined, the above work will accounted for 31.75 FTEs in 2018 (the year of the ECA audit). Of that figure, 23 were positions allocated to the Oversight Department, with the remaining FTEs are drawn from the Legal Team, Supervisory Convergence Team, Insurance Policy Unit, and IT, for building the solutions necessary for fostering cooperation with NCAs. In 2020, EIOPA plans on allocating 47.25 of its available FTEs to these tasks.

On conduct supervision, EIOPA identifies the emergence of risks, helps build NCA capability to tackle them, and if necessary, issues warnings and prohibitions. In 2018, EIOPA allocated 6 FTEs from the Authority's Conduct of Business Oversight Team to these tasks. EIOPA in 2020 plans on allocating 10.5 FTEs to this work.

Works to strengthen the common supervisory culture and consistent practices is delivered through initiatives such as The Supervisory Handbook, the authoritative

reference point on good supervisory practices, and EIOPA's comprehensive training and events programme. EIOPA allocated in 2018, 8.75 FTEs to this work. In 2020, EIOPA will allocate 13 FTEs.

The availability of up-to-date supervisory information is essential for NCAs to identify and address risks. EIOPA, as a central hub for the supervisory community, leverages Solvency II and pensions data for the provision of timely and authoritative risk assessments and statistics. To collect, validate, analyse and dissemination data, EIOPA has allocated to its Data and Business Intelligence Team 6.5 FTEs, this will increase to 7 in 2020.

EIOPA's contribution to supervisory convergence in 2020 will account for over 40% of its available human resources in 2020. With major reviews of relevant regulation on the horizon (Solvency II, IORP II and IDD), and emerging areas such as digitalisation and sustainable finance, it would not be prudent to cut further resources allocated to regulatory work. Unless additional resources are allocated to the Authority, EIOPA is not in a position to increase further the proportion of its staff allocated to supervisory convergence.

Negative priorities/decrease of existing tasks – EIOPA has strengthened its approach to prioritisation and made tough choices about what work to not take forward or to be a candidate future cut from its work programmes should the need arise to accommodate additional work without additional staff. The negative priorities for the SPD 2020-2022, cover areas identified where EIOPA could undertake work within its mandate, but that work is not deemed as essential to achieving its strategic ambitions. In certain areas where EIOPA reports on trends and developments in the market, opportunities have been found to rationalise the number of different reports, but still deliver the same amount of information, offering up efficiencies. This has allowed EIOPA to allocate more staff to engage with NCAs on conduct of business supervision. EIOPA has also had to limit its ambition in terms of developing new tools and techniques that support its work in areas such as financial stability. The potentially allocated resources have instead been used in delivering the core financial stability products (e.g. stress test, financial stability reports) and strengthen the provision of statistics. A further negative priority has been EIOPA's level of participation in international fora relating to its mandate. Mainly touching upon areas of policy, financial stability and crisis prevention and management, the freed up resources have been allocated to important tasks including EIOPA's contribution into the Solvency II review. As a result of the ongoing uncertainty regarding the impacts of issues such as of Brexit and the three legislative proposals from the Commission, EIOPA assessed the potential impact and has identified a number of potential cuts, specifying for each the likely resource savings to be able to absorb additional work and reallocate resources if required. If required, EIOPA will revise down the work in its AWP to absorb any funding or human resources shortfall.

Efficiency gains - EIOPA will continue its efforts to deliver efficiency gains across its functions, with a particular focus on administrative processes. The Authority will continue to implement E-solutions to reduce numbers of staff required to deliver tasks and review its processes to ensure they are being delivered as efficiently as possible. Engagement will continue with the other ESAs in areas such as procurement to achieve economies of scale. Further implementation of the Open Office Space project will support EIOPA absorbing additional staff reducing the need to procure additional floor space.

Redeployment – to manage the changing requirements placed on EIOPA, the Authority is developing a new competency framework, this will highlight the knowledge and skills needed and train, as appropriate, its staff to facilitate the redeployment of EIOPA's existing staff from areas of lesser priority to those growing in importance.

Section III: Annual Work Programme 2020

Introduction

The Annual Work Programme (AWP) is defined in terms of operational and horizontal activities, which are prioritised with implications for resource allocation and decisions in the face of budget constraints and/ or new demands. Influencing allocation of a 'High' priority, the area of work must: support one or more of EIOPA's key planning priorities for 2020; be a specific legal requirement that must be delivered in 2020; and have a clear link to EIOPA's strategy.

Planning Priorities 2020

Cross Cutting Themes: Digitalisation/cyber and Sustainable Finance

To ensure supervisors maintain pace with developments in InsurTech, EIOPA monitors the evolution of new technologies and their uses, identifying implications for supervisors, industry and consumers. On sustainable finance, EIOPA will ensure that ESG factors are reflected in its input into reviews of relevant regulation. Further work will include the development of draft RTS on pre-contractual disclosure, periodical reports and websites and through ITS standard presentation of sustainable investments in marketing communication. EIOPA has set the following priorities for 2020:

- **SupTech** – investigating the use of technology by supervisors to deliver innovative and efficient supervisory solutions that will support a more flexible and responsive supervisory system.
- **Monitoring market developments and the evolution of new technologies** - assessing and addressing supervisory and regulatory issues arising from the use of technologies such as Distributed ledger technology (DLT)/Blockchain and AI.
- **Cyber resilience of insurance market** – ICT security and governance and promote supervisory convergence as well as cooperation and common reflection on all cyber areas.
- **Cyber underwriting market** - creating a sound cyber insurance market as an enabler of the digital economy.
- **Sustainable finance** – shifting emphasis from regulation to supervision, identifying main areas of supervision and promoting supervisory convergence in the assessment of ESG risks.

Strategic Objective 1: Driving forward conduct of business regulation and supervision

EIOPA will provide input into the review of both the IDD and PRIIPs frameworks, in addition to regulatory work on PEPP and sustainable disclosures. The emphasis on conduct oversight and supervisory convergence will increase, including through conduct aspects of cooperation platforms, conduct country visits, and work with NCAs on conduct supervisory handbook chapters. EIOPA will advance the tools of its framework for conduct of business supervision, including thematic reviews, market monitoring and consumer trend identification. EIOPA has set the following priorities for 2020:

- **EIOPA's input into conduct of business regulatory reviews and development** – including reviews of IDD and PRIIPs KID, developing disclosure requirements for PEPP KID, PEPP benefit statement and working on the cost and fee cap for the Basic PEPP and in the area of sustainable finance jointly with the other ESAs.
- **Convergence of conduct of business supervisory practices** – work on supervisory convergence, including development of a conduct of business supervision handbook, development of framework for mystery shopping, carrying

out of conduct country visits and further development of Retail Risk Indicators (RRI) and Conduct Risk Dashboards.

Strategic Objective 2: Leading convergence towards high-quality prudential supervision throughout the EU

Operational activity: *sound, smart and robust regulatory framework*

EIOPA will provide an evidence-based contribution to the Solvency II review, and is prepared to respond to any Commission Call for Advice. The review of Commission Implementing Regulation on Reporting and Disclosure will continue. EIOPA is also ready to undertake any regulatory work in relation to the UK's withdrawal from the EU. EIOPA will play a crucial role in fostering a convergent implementation of the IORP II framework and monitor the supervisory aspects of cross-border IORPs. EIOPA has the following priorities for 2020:

- **Delivery of input into the comprehensive Solvency II review** – paying particular attention to the application of the proportionality principle and focusing on the effectiveness of long-term measures, aspects of illiquid liabilities as well as the inclusion of macro-prudential elements.
- **Monitoring period of ICS 2.0 (commencing in 2020)** – via the confidential reporting phase and within international colleges.
- **Reflecting the growing prominence of defined contribution pension arrangements; achieving proportionate and relevant application of IORP II** – by applying IORP II the national supervision of IORPs can reach deeper analysis and a multi-faceted approach to assessing the sustainability of IORPs.

Operational activity: *quality of supervisory information*

EIOPA works to enhance the use and quality of supervisory information through efficient standardised exchange mechanisms, centralised quality checks and the timely provision of business intelligence. The following priorities have been set for 2020:

- **Collection of the first set of full pensions data in 2020** – functioning and stable systems operating to collect the first set of pensions data in 2020 alongside ongoing insurance data collection.
- **Improve the scope of the use of data and of the analytical supervisory tools on EU level and also supporting the NCAs** – continuous improvement of the use of central database to give back valuable reports to NCAs enhancing the quality and convergence of supervision.
- **Further strengthening security of EIOPA's infrastructure** – it is a continuous effort to ensure EIOPA's IT infrastructure maintains pace with the evolving cyber risk.

Operational activity: *improving quality and consistency of supervision*

The European insurance sector has a large cross-border dimension, meaning the quality of national supervision is no longer solely a national issue but a European issue. Stronger and coordinated supervision is indispensable. Due to the completion of the Capital Markets Union, key initiatives such as the PEPP may have an important role for EIOPA. The following planning priorities have been identified:

- **Ensuring supervisory convergence:** developing convergence in areas with relevant impact on policyholders and financial stability, areas that can affect fairness, the level playing field or the proper functioning of the internal market through the existence of possible supervisory arbitrage and where material divergences in supervisory practices are identified;

- **To continue to strengthen cross-border supervision** – facilitating home/ host cooperation on cross-border cases and consensus on risks through early warning indicators.
- **Increased convergence in supervision of internal models** – further engagements with NCAs on approval of model changes or new model approvals. Deepening the work on comparative studies on market and credit risk modelling, impact of diversification/aggregation as well as non-life underwriting risk and/or life underwriting risk modelling e.g. via public reports and via increased engagement with group supervisors and NCAs to advance consistency of supervisory practices.
- **Coordinating supervisory activities in relation to PEPP** – including work on supervisory approaches to PEPP and fulfilling reporting requirements.

Strategic Objective 3: Strengthening the financial stability of the insurance and occupational pensions sectors

Challenging market conditions and the inconclusive debate on the 'low for long' vs 'back to normal' scenarios amid an environment of high political risk, necessitates increased risk monitoring at EU level, aiming at early identification of risks and proposing mitigating actions for the stability of the insurance and occupational pensions sectors. EIOPA has set the following priorities for 2020:

- **The continuous development and improvement of the core financial stability products, with a particular focus on integrating the newly received pension data and emerging risks such as cyber risks and their mitigation/management techniques, as well as ESG factors** – refining the current risk and financial stability products such as the Financial Stability Report and Stress Testing but also through targeted reports and analyses.
- **Establish the methodological framework to leverage on newly received pension data** – to enrich EIOPA's monitoring and assessment of financial stability risks, EIOPA will enhance its framework by integrating pensions data.
- **Improving data accessibility in the field of reliable risk analysis and statistics** – transparency, trust and confidence to the insurance sector can be achieved through the more easily accessible provision of reliable and up-to-date information.

Strategic Objective 4: Delivering EIOPA's mandate effectively and efficiently whilst remaining adaptable to new priorities and demands

EIOPA will search out further efficiencies in administrative processes, including through the further role out of the Sysper HR system and wider implementation of e-administration. EIOPA will also maintain efforts around corporate social responsibility (CSR), in particular in the environmental field through a pro-active approach to its environmental performance, based on the implementation of the Commission's environmental management and audit system (EMAS). EIOPA's priorities for effectiveness and efficiency for 2020 are:

- **To improve, streamline and automate processes** – to ensure EIOPA is agile in its response to changes and operates as effectively and efficiently as possible, EIOPA will seek continuous improvement in the functioning of its processes including the automation and digitalisation of its workflows.
- **To ensure EIOPA is fulfilling its obligations for CSR** – reflecting EIOPA's ongoing commitment to act as a responsible international organisation, including the ambition to reduce its environmental impacts and save resources and costs, in an open dialogue with employees and involved stakeholders.

Activities 2020

Cross Cutting Themes¹³

High Priority: Digitalisation and cyber

Operational Objective: to promote supervisory convergence in the areas of digitalisation and cyber, facilitating a level playing field throughout Europe based on the principle of proportionality and pursuing a technology-neutral approach to financial innovation.

Basis for inclusion in the AWP

Legal requirement: Article 1(6) of the EIOPA's Regulation, according to which EIOPA, inter alia, shall contribute to: (i) the improved functioning of the internal market; (ii) ensure the integrity, transparency and efficiency of the financial markets; (iii) prevent regulatory arbitrage; (iv) ensure the appropriate regulation and supervision of the taking of risks; and (v) enhance consumer protection. Amendments to EIOPA's Regulation (Article 8) following the review of the ESAs referencing technological innovation, enhance the legal basis for work EIOPA is already undertaking in this area.

Strategically aligned: As part of EIOPA's vision, work will be undertaken to promote financial innovation by means of the ongoing digitalisation of existing and evolving business and distribution models in a manner that does not cause undue detriment to consumers and promoting a sound cyber insurance market as an enabler of the digital economy.

Planning priority for 2020:

- SupTech;
- Monitoring market developments and the evolution of new technologies;
- Cyber resilience of insurance market; and
- Cyber insurance market.

FTE¹⁴

3.75

Evolution (Growing): A strategically important area of growing prominence, EIOPA continues to allocate additional resources to its InsurTech/cyber work.

ID	Products	Due Date
0/001	Thematic review or report on priority InsurTech topic (e.g. Artificial Intelligence, use of Distributed Ledger Technology (DLT))	Q4
0/002	SupTech/RegTech – work on the use of technology by supervisors to deliver innovative and efficient supervisory solutions that will support a more flexible and responsive supervisory system, and as relevant, how undertakings use technology in the light of regulatory compliance	Q4
0/003	Possible best practices/guidelines/policy recommendations	Q4
0/004	Develop Guidelines on ICT and cyber security governance	Q2
0/005	Preparatory work in the area of threat-led cyber resilience testing in the insurance sector	Q4
0/006	Other work related to the Advice sent to COM upon COM request (e.g. third party services)	tbc
0/007	Work following the approval of the Cyber underwriting Strategy	tbc
0/008	Implemented information exchange on cyber security and attacks	Q4

ID	Services	Frequency
0/009	Assessing how Big Data and other innovative data-analytical tools could be used for supervisory purposes.	Continuous
0/010	Exploring the benefits and risks arising from market innovations and new business models, such as the use of AI, blockchain and smart contracts, including continued assessment of possible regulatory barriers impacting innovation, and continued assessment of the effectiveness of actions already taken in view of the Commission Fintech Action Plan. This could also include work on implications of the insurance platforms and ecosystems and data access right.	Continuous
0/011	Contribution to the European Forum for Innovation Facilitators (EFIF), and contribution to other EU-wide fora, including the EU FinTech Lab	Continuous

¹³ EIOPA's work on the cross cutting theme of Sustainable Finance is spread across its other activities.

¹⁴ FTE – Full Time Equivalent

0/012	Supervisory workshops	tbc ¹⁵
0/013	InsurTech Roundtable	tbc

Data requests to NCAs	Relevant ID
EIOPA monitoring of crypto assets developments in the insurance sector	0/010
Work on Blockchain / Distributed Ledger Technology foreseen in the ITF mandate	0/001, 0/010
Placeholder for the area of Cyber underwriting strategy	0/007
Placeholder for the area of SupTech strategy	0/002
(placeholder - tbd) Exchange data on cyber-attacks and cyber security (ESAs Review implementation)	0/008

¹⁵ Where a 'tbc' has been entered for due date of frequency, this is because of a dependency on e.g. Commission request or internal piece of work, for which the timing is yet to be clarified.

Strategic Objective 1: Driving forward conduct of business regulation and supervision

Strategic Action Area 1.1: Developing and strengthening the regulatory framework for the protection of consumers

High Priority: Delivering technical advice and policy work

Operational Objective: to strengthen the protection of consumers through a smart regulatory framework.

Basis for inclusion in the AWP

Legal requirement: Article 9 of EIOPA's Regulation states that the Authority shall take a leading role in promoting transparency, simplicity and fairness across the internal market within its fields of competence. A central tool to achieving this is building the regulatory framework. In addition, the Insurance Distribution Directive contains a number of deliverables for EIOPA.

Strategically aligned: EIOPA's first strategic objective is to drive forward conduct of business regulation and this activity is the basis for EIOPA to deliver on its mandated objective.

Planning priority for 2020: EIOPA's input into conduct of business regulatory reviews and development.

FTE	5.5	Evolution (Stable): EIOPA is maintaining the level of FTE allocation from 2019, reflecting the ongoing demands and potential need to contribute to additional work streams related to PEPP and Sustainable Disclosures in the JC.
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ID	Products	Due Date
1/101	IDD: Assessment of the need for a Review of the Decision on the co-operation of competent authorities	Q3
1/102	IDD: Follow-up work on report assessing national general good rules	Q2
1/103	IDD: Work on potential Call for Advice from the European Commission on COM's Review of the IDD (Article 41(2))	Q4 2021
1/104	IDD: Finalisation of report on the application and impact of IDD and powers/resources of competent authorities (Articles 41(4), (6) and (8))	Q2 2021
1/105	IDD: Finalisation of annual report on sanctions imposed under the IDD	Q4
1/106	IDD: On-going work on Q&As on IDD and its implementing measures	Continuous
1/107	IDD Rulebook on website	Q1/2 2021
1/108	Policy work to review and co-ordinate financial education and literacy initiatives by NCAs (Article 9(1)(b), EIOPA Regulation)	Q4
1/109	Policy work to promote more streamlined EU legislation concerning consumer disclosures and promote digital disclosures	Continuous
1/110	PRIIPs: Input into PRIIPs Regulation Level 2 review (Art. 33)	Q2
1/111	PRIIPs: Annual Report on the national use of sanctions under PRIIPs	Q4
1/112	PRIIPs: Further input into the review of the Regulation, if required by the Commission	tbc
1/113	PRIIPs: On-going work on Q&As	Continuous
1/114	Policy work on the implementation of findings reached under thematic reviews	Continuous
1/115	Sustainable Finance: through the Joint Committee, develop six mandatory draft RTS on: <ul style="list-style-type: none"> • Public due diligence policy statements (websites) [2 RTS]; • Pre-contractual disclosures [2 RTS]; • Public disclosure (websites) of how relevant products meet environmental or social characteristics [1 RTS]; and • Periodic reporting requirements on how financial products meet their environmental or social characteristics [1 RTS]. 	Q4 Q4 Q4 Q4
1/116	PEPP Key Information Document – Regulatory Technical Standard Design of the PEPP KID	Q3
1/117	PEPP Key Information Document – Regulatory Technical Standard Conditions for revising KIDs and Provision of the PEPP KID	Q3
1/118	PEPP Pension Benefit Statement – Regulatory Technical Standards on details reviewing and content and details of supplementary information	Q3
1/119	Rules to determine assumptions in pensions benefit projection for PEPP Pensions Benefit Statement - Regulatory Technical Standard	Q3
1/120	Costs and Fees cap for the Basic PEPP – Regulatory Technical Standard	Q3
ID	Services	Frequency
1/121	PRIIPs KID: Consumer Testing	Q1
1/122	PEPP KID and BS: Consumer and industry Testing	Q2
Data requests to NCAs		ID
Annual Report information on the national use of sanctions under PRIIPs (required by PRIIPs)		1/111
Annual Report information on the national use of sanctions under IDD (required by IDD)		1/105

Strategic Action Area 1.2: Developing and strengthening a comprehensive risk-based and preventive approach to conduct of business supervision

High Priority: Analysis and (where necessary) concrete supervisory measures in relation to market developments and supervisory practices to avoid consumer detriment

Operational Objective: early identification of potential consumer detriment that could otherwise materialise, allowing swift action, where necessary, including supervisory measures to correct detriment or threats.

Basis for inclusion in the AWP

Legal requirement: Within Article 9 to take a leading role in promoting transparency, simplicity and fairness, EIOPA may also issue warnings where financial activities threaten EIOPA's objectives or temporary prohibitions/ restrictions where specifically mandated under Union Law (Articles 9.3 and 9.5). To fulfil its mandate in a robust and proportionate manner, EIOPA must develop and maintain the capability to monitor, analyse and report on developments likely to result in consumer detriment and then be ready to take swift action.

Strategically aligned: This activity aids EIOPA and NCAs with developing comprehensive risk-based and preventive conduct of business supervision, pre-empting consumer detriment and therefore delivering against an important strategic objective for the Authority.

Planning priority for 2020: Convergence of conduct of business supervisory practices.

FTE	10.5
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Evolution (Growing): EIOPA will strengthen resourcing levels in this important area that contributes to enhancing conduct of business supervision.

ID	Products	Due Date
1/201	Thematic reviews (topic TBD)	Q4
1/202	Annual trends report	Q2
1/203	Net performance and fees of long-term retail and pension products file (Annual report)	Q1
1/204	Conduct of business chapters for the Supervisory Handbook	Q4
1/205	Framework for the coordination of mystery shopping activities of NCAs	Q4
1/206	Criteria for EIOPA's PEPP product intervention powers – Technical Advice for Delegated Act	Q2
1/207	Dedicated project based on specific supervisory requests	Contingent on demand

ID	Services	Frequency
1/208	Periodic Retail risk indicators reporting and conduct risk assessment incl. review of data collected, including steps to development of conduct risk dashboard for monitoring the indicators	Continuous
1/209	Facilitation and coordination of national market monitoring	Continuous
1/210	Conduct of business visits to NCAs to foster the exchange of ideas and experiences and identify issues in convergence between the different authorities	Continuous
1/211	Preparation of draft Decisions in the case of the use of product interventions on IBIPs	Continuous
1/212	Work to address conduct issues arising out of cooperation platforms on cross-border activity or following other signals	Continuous
1/213	Conduct of Business Supervisory workshops	Continuous
1/214	Sharing of expertise in conduct data analysis, data mining and assessments	Continuous

Data requests to NCAs	Relevant ID
Annual Consumer Trends Report	1/201
Market Monitoring / Early Warning Signals	1/208
Unit-linked work	1/208

Strategic Objective 2: Leading convergence towards high-quality prudential supervision throughout the EU

Strategic Action Area 2.1: Enabling supervisory convergence with a sound, smart and robust regulatory framework which is responsive to market developments

High Priority: Develop, maintain and improve the regulatory framework and processes for insurance and reinsurance supervision

Operational Objective: support convergent and consistent application of Solvency II.

Basis for inclusion in the AWP

Legal requirement: EIOPA is required to contribute to the establishment of high-quality common regulatory standards and to contribute to the consistent application of legally binding Union acts as well as to build a common supervisory culture and consistent supervisory practices in ensuring uniform procedures and consistent approaches (Article 1(a) and (b), 29 (1)(a),(c) and (d) EIOPA Regulation).

Strategically aligned: This is a strategically important area of work because the maximum-harmonised nature of insurance regulation means that its development and improvement potentially impacts all EU insurance undertakings.

Planning priority for 2020:

- Delivery of EIOPA's input into the comprehensive Solvency II review; and
- Sustainable Finance.

Evolution (Growing): EIOPA will allocate additional staff to deliver its contribution to the review of Solvency II and undertake work on Sustainable Finance.

FTE	13.25		
ID	Products	Due Date	
2/1101	Opinion in response to wide-ranging Call for Advice from the European Commission on the 2020 Review of Solvency II	Q2	
2/1102	Consideration of which technical standards and guidelines would need updating in light of advice on 2020 review	Q3-Q4	
2/1103	Review of Reporting and Disclosure Commission Implementing Regulations (regular annual amendments if applicable)	Q2	
2/1104	Long term guarantees review report (thematic focus for 2020 to be specified)	Q4	
2/1105	Sustainable Finance: methodology for potential inclusion of climate change in the calibration of natural catastrophes in Solvency II (discussion paper)	Q4	
2/1106	Protection gap: European dashboard on natural catastrophes	Q4	
2/1107	Climate risk scenarios: guidance for inclusion of scenarios in ORSA	Q4	
2/1108	Initiating step by step implementation of supervision of sustainable finance – oversight	Continuous	
2/1109	Development/annual update of Risk Free Rate Methodology - in respect of representative portfolios, deep/ liquid transparent criteria, and ultimate forward rate	Q4	
2/1110	Transition to new IBOR benchmarks – discussion paper and subsequent consultation paper	Q1-Q3	
2/1111	Consultation on pilot review of System of Governance Guidelines	Q3	
2/1112	Solvency II Rulebook on website	Q2	
2/1113	No-action-letters (in exceptional circumstances)	Contingent on demand	
2/1114	Follow-up to opinion on sustainability in Solvency II on underwriting practices	Q3-Q4	
ID	Services	Frequency	
2/1115	Impact Assessments	Continuous	
2/1116	Questions and Answers on application of insurance regulatory framework	Continuous	
2/1117	Ongoing input into European Financial Reporting Advisory Group Board on accounting and deliver of comment letters on International Accounting Standards Board exposure drafts and/or discussion papers incl. International Financial Reporting Standards 17 implementation	Continuous	
2/1118	Contribute to implementation of COM sustainable finance action plan, incl. technical expert group on taxonomy	Continuous	
Data requests to NCAs			Relevant ID
LTG review info request to NSAs			2/1102
LTG review info request to undertakings			2/1102
Annual DLT assessment for the RFR calculation			2/1109
Information request on holistic impact of 2020 review			2/1101
Qualitative information on climate change scenario in the ORSA			2/1107
Placeholder for 2020 Review work on Proportionality Principle			2/1101

Contribution to and coordination of EIOPA's work with the International Association of Insurance Supervisors (IAIS) and dialogues with authorities in third countries

Operational Objective: to coordinate the European position and contribute to the implementation of a common International Capital Standard, the convergence of international supervisory standards and building trust and understanding with third countries.

Basis for inclusion in the AWP

Legal requirement: EIOPA's regulation requires that the Authority reaches out to third countries to address key global issues in the supervision of insurance and pensions. Article 33 of EIOPA's regulation provides the mandate to '...develop contacts and enter into administrative arrangements with supervisory authorities, international organisations and the administrations of third countries.'

Strategically aligned: EIOPA's work on the International Association of Insurance Supervisors (IAIS) International Capital Standard (ICS) is a high priority with the aim to increase the global convergence and consistency of supervisory practices, through the implementation of a sound risk-based regulatory and supervisory framework (ComFrame), from which Solvency II can become a practical implementation.

Planning priority for 2020: Monitoring period of ICS 2.0 (commencing in 2020).

FTE

3.25

Evolution (Declining): As the focus shifts from coordinating the EU's input in developing the ICS 2.0 to monitoring its implementation, there has been a decline in resources allocated to this work.

ID	Products	Due Date
2/1201	International capital standard: monitoring of implementation, comparability between ICS and Aggregation Method, and treatment of infrastructure, in coordination with Members	Continuous
2/1202	Wider engagement with IAIS, for example on ICPs and, where appropriate on new trends and issues	Continuous
2/1203	Regulatory work relating to the UK's withdrawal from the EU, including equivalence assessment in the event of implementation of the Withdrawal Agreement	Q2
2/1204	Equivalence assessment of the Republic of Korea	Q2
2/1205	Professional secrecy assessment of Colombia	Q3
2/1206	Full equivalence assessment of Japan in the area of reinsurance in context of the extension of temporary equivalence granted by the COM in 2015	Q4
2/1207	Equivalence and professional secrecy assessments of other third countries (if required)	Contingent on demand
2/1208	Engage with the Sustainable Insurance Forum and the Network for Greening the Financial System specifically and respectively on the Application Paper on Climate Risk in the Insurance Sector and the Handbook for Supervisors	Q1-Q4

ID	Services	Frequency
2/1209	EU-US – twice yearly dialogue with one public event / EU US Insurance Project lead (EU-side) and coordination	Q1
2/1210	Dialogue with third country supervisors in Switzerland, Japan, Latin America and elsewhere as appropriate	tbc
2/1211	China dialogue and operationalisation of the EIOPA Chinese Insurance Regulatory Commission Memorandum of Understanding	tbc
2/1212	EU US Covered Agreement – practical implementation after signature (also: participate in "Joint Committee" of the European Commission)	Q4

Data requests to NCAs	Relevant ID
EU US project specific quantitative and qualitative information request on cybersecurity, cyber underwriting, big data and intra-group transactions	2/1209
Brexit related information request	2/1203

Pensions regulation including policy development, advice and data analysis

Operational Objective: to lead the development of a sound and prudent regulatory framework for pensions to improve the functioning of the EU internal market in the field of private pensions.

Basis for inclusion in the AWP

Legal requirement: EIOPA's Regulation requires the Authority to act in the field of institutions for occupational retirement provision in order, amongst other objectives, to be actively involved in facilitating effective regulation and supervision.

Strategically aligned: Strategic Action Areas 2.1, 2.2 and 2.3 set out that building blocks of an improved functioning of the regulatory framework for pensions are based on an evidence-based development of regulation, which needs to be supplied by a high-quality data framework and which feeds back into high-quality and convergent supervisory practices.

Planning priority for 2020: Reflecting the growing prominence of defined contribution pension arrangements; achieving proportionate and relevant application of IORP II throughout Europe.

FTE	4
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Evolution (Declining): With work on PEPP focussing on EIOPA fulfilling its registration and monitoring role, resources have been moved from activities delivering regulation to those relating to EIOPA's oversight work.

ID	Products	Due Date
2/131	Elaborate principles for development of a blueprint for defined contribution pensions and, in the event of a mandate from the Commission, develop the blueprint	Q1 principles; development contingent on demand
2/132	Opinion on the reporting of costs and charges of IORPs, including templates. It would build on existing work e.g. PEPP, previous analysis of costs and performance.	Q4
2/133	Opinion DC risk assessment – as with common framework	Q4
2/134	Monitoring of supervisory authorisation of cross-border business (IORPs)	Q4
2/135	Report on the Pensions Benefit Statement	Q1

ID	Services	Frequency
2/136	Monitoring of cross-border pension schemes following UK withdrawal from the EU	Contingent on demand

Data requests to NCAs	Relevant ID
Information request on IORP II implementation (governance and risk assessment- 2nd phase)	2/132, 2/133
Information request on supervisory issues in relation to IORP II (part of SSC 2020 supervisory convergence plan)	2/124
Information request in the event of COM Call for Advice in context of IORP II/occupational pensions	2/131

Regular and close cooperation between the three European Supervisory Authorities to ensure cross-sectoral consistency

Operational Objective: where a matter is of cross-sectoral nature, the European Supervisory Authorities cooperation in the Joint Committee relating to supervisory and regulatory activities in the securities, banking and insurance & pension markets ensures consistency of supervisory standards and practises.

Basis for inclusion in the AWP

Legal requirement: Article 54.2 of the EIOPA Regulation, lays down the following non-exhaustive list of areas for European Supervisory Authority cooperation on cross-sectoral themes: financial conglomerates, accounting and auditing, financial stability at the micro-prudential level, consumer protection, anti-money laundering and information exchange with the European Systemic Risk Board. The aim of this cooperation is to build consistency from a supervisory perspective across the financial markets. EIOPA has a key role to provide the insurance and pensions perspective.

Strategically aligned: This activity covers EIOPA's efforts in leading the development of sound and prudent regulation for cross-sectoral matters. It contributes to promote supervisory convergence across financial sectors to the benefit of consumers.

Planning priority for 2020: N/A

FTE	2
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Evolution (Stable): Although EIOPA will no longer be chairing the Joint Committee, additional tasks around digitalisation and sustainability will require the resource levels to be maintained.

ID	Products	Due Date
2/1401	Joint Report on Risks and Vulnerabilities (presented at the Council's Economic and Financial Committee's Financial Stability Table)	Q2, Q4
2/1402	Consumer protection work as defined in the Joint Committee Work Programme	Q4
2/1403	Regulatory work to promote the establishment of a Capital Markets Union addressing securitisation and recovery and resolution issues	Q4
2/1404	Digitalisation as defined in the Joint Committee Work Programme plus work on innovation	Q4
2/1405	Financial conglomerates: updated list of financial conglomerates (in close coordination with the European Central Bank/Single Supervisory Mechanism) and reporting templates for Fico IGT/RC	Q4
2/1406	Develop joint position on securitisation	Q4

ID	Services	Frequency
2/1407	Active consultative support in Anti-Money Laundering work lead by EBA	Contingent on demand
2/1408	The Joint ESAs Consumer Protection Day 2020	tbc
2/1409	Functioning Joint Committee website	Continuous

Strategic Action Area 2.2: Enhancing the use and quality of supervisory information through efficient standardised exchange mechanisms, centralised quality checks and the timely provision of business intelligence

Production of the Solvency II Risk Free Rate and Equity Dampener

Operational Objective: EIOPA to calculate and publish key information fundamental to effective application of Solvency II and maintain and improve the production processes.

Basis for inclusion in the AWP

Legal requirement: The effective implementation of Solvency II is dependent on the provision by EIOPA of a set of technical information on which undertakings will base their calculations of capital requirements and technical provisions. The determination of the Risk-Free interest Rate structure, the fundamental spread and the volatility adjustment determine the value of the liabilities of the undertakings and, to a large degree, the amount of capital that European insurers need to hold against their liabilities. It is mandated as a legal requirement within Omnibus II that EIOPA provides this information. Based on Solvency II legislation, EIOPA also currently publishes the level of the symmetric adjustment of the equity capital charge (or Equity Dampener or ED) on a monthly basis as part of the Solvency II technical information.

Strategically aligned: Risk-Free Rate and Equity Dampener production are key components of the greater emphasis on operational processes and data.

Planning priority for 2020: N/A

FTE	8
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Evolution (Stable): With plans to review and improve various elements of the RFR and associated information production process, EIOPA needs to maintain staffing levels in this area.

ID	Products	Due Date
2/2101	Implement any improvement of the data management platform solution dedicated to support the RFR production process	Q4
2/2102	Potential further automation for the Equity Dampener process	Q4
2/2103	Updates to the RFR and Equity Damper production tool	Q4
2/2104	Audit of RFR and ED process	Q3 2020- Q2 2021

ID	Services	Frequency
2/2105	Risk Free Rate production	Monthly
2/2106	Equity Dampener production	Monthly
2/2107	Implementation of methodology changes into the production process regarding the regular update of representative portfolios, deep/ liquid transparent criteria, and ultimate forward rate	Continuous
2/2108	Monitoring of implementation of improved data management platform solution dedicated to support the RFR production process	Continuous

Data standardisation and management

Operational Objective: harmonised reporting for the insurance and pensions sectors allowing for timely availability of high quality data to support EIOPA's work on crisis prevention, financial stability, oversight, policy and consumer protection.

Basis for inclusion in the AWP

Legal requirement: EIOPA's founding regulation and the Solvency II Directive, Delegated Act, Implementing Technical Standards and Guidelines on reporting collectively define a framework for reporting of information from insurance undertakings to NCAs, along with EIOPA's role in collecting, managing, using and reporting on this data, and the Decision of the Board of Supervisors on EIOPA's regular information requests towards NCAs regarding provision of occupational pensions information defines a framework for reporting of information on pension funds from NCAs to EIOPA. Specifically, Article 8 of EIOPA's Regulation mandates a role in the collection and reporting concerning national institutions in the area of its competence. To deliver against its mandate, EIOPA must have in place the necessary information systems and tools to securely receive and manage data. Article 29 of its founding regulation also requires EIOPA to contribute to 'developing high quality and uniform supervisory standards, including reporting standards.'

Strategically aligned: EIOPA's strategic ambition is to be the EU data-hub for the collection, use and dissemination of reference and reporting data on EU insurance companies and pension funds. Without the products and services delivered through this activity, this ambition will not be achieved.

Planning priority for 2020: Collection of the first set of full pensions data in 2020.

FTE

9

Evolution (Growing): EIOPA will need to introduce adaptations to its core systems for collecting and managing data to collect information on the pensions sector.

ID	Products	Due Date
2/2201	Updates to the insurance taxonomy	Q1, Q3
2/2202	Updates to the pensions taxonomy	Q1, Q3
2/2203	Central Repository – Release for updated insurance taxonomy	Q2, Q4
2/2204	Central Repository – Release for preparatory pensions taxonomy	Q2, Q4
2/2205	Assessment of Register on Groups	Q4
2/2206	IDD Register possible solution, if budget allows	Q4
	Review of EIOPA LEI Guidelines	Q4
2/2208	Implemented information exchange for fitness and propriety	Q2 2021
ID	Services	Frequency
2/2209	Taxonomy support (NCAs and market)	Continuous
2/2210	Pensions data collection and validation for Central Repository	Q2 (tbc)
2/2211	Insurance data collection and validation for Central Repository – according to annual submissions calendars	Continuous
2/2212	Questions and Answers on data and reporting	Continuous
2/2213	Functioning Central Repository	Continuous
2/2214	Functioning Register of Insurance Undertakings	Continuous
2/2215	Functioning Register of Insurance Groups	Continuous
2/2216	Functioning Register of IORPs Prudential Provisions	Continuous
2/2217	Functioning Register of Institutions for Occupational Retirement Provision	Continuous
2/2218	Functioning Register of Financial Conglomerates	Continuous
2/2219	Functioning Database of Pension Plans and Products	Continuous
2/2220	Functioning Single Electronic Register for Passporting Intermediaries	Continuous
2/2221	Contribute to the Union Financial Data Strategy and embed it in its own IT and Data Strategy	Continuous
Data requests to NCAs		Relevant ID
Solvency II Prudential Data Submissions Flow		2/2211
Pension funds data submission flow		2/2210
Registers - DCCR unified flow for all Releases Insurance Register IORPs Occupational Pensions List of Groups Pension Plans and Products"		2/2214, 2/2215, 2/2216, 2/2217, 2/2218, 2/2219, 2/2220
Qualitative info on compliance with LEI GL envisaging its revision		2/2207

Data analysis

Operational Objective: provide analytical reports to NCAs and EIOPA business teams with a fully functioning business intelligence system.

Basis for inclusion in the AWP

Legal requirement: EIOPA's Regulation Article 8(1)(g) mandates the Authority to undertake economic analyses of markets to inform the discharge of the Authority's functions. EIOPA's responsibility under Article 29 of its Regulation to build a common supervisory culture and promote consistent supervisory practices is also relevant.

Strategically aligned: Priority is put on the access and use of good quality data. This is delivered through a comprehensive data analysis tool based on Solvency II and pensions reporting and maintaining the capacity to provide reliable risk as well as supervisory analysis, both at individual, group and system-wide levels. Furthermore, EIOPA will use the reporting data received to create added value for NCA by increasing the scope and improving the analytical reports on national and EU level provided to them. Similar processes need to be defined for pensions data which EIOPA shall receive for the first time by 2020.

Planning priority for 2020: Improve the scope of the use of data and of the analytical supervisory tools on EU level and also supporting the NCAs.

FTE	7
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Evolution (Stable): Having already introduced a cut to resources allocated to its data analysis activity in 2019, EIOPA will maintain resourcing levels in 2020.

ID	Products	Due Date
2/2301	Data Quality Measurement	Q1, Q2, Q3, Q4
2/2302	Internal reports and indicators for EIOPA's business areas	Continuous
2/2303	Business Intelligence Tool 2.0 (assessment phase)	Q4
2/2304	Pensions Business Intelligence	Q4
2/2305	Review of Information exchange in colleges for group supervisors	Q4

ID	Services	Frequency
2/2306	Quality control of data	Continuous
2/2307	Functioning Business Intelligence system including system support and maintenance of data marts Business Intelligence Standard Reports and ad-hoc reports on request of business user or on own initiative	Continuous
2/2308	Assess possible development of supervisory tools using available Solvency II information	Continuous
2/2309	Data preparation for analysis and supervisory analysis of Solvency II data	Continuous
2/2310	Regular data analysis reports to NCAs	
2/2311	Data and information dissemination with third parties (e.g. other authorities)	Continuous
2/2312	Analysis and potential development of new tools using new technologies and its capacity to improve efficiency and effectiveness of the Supervisory Review Process	Continuous
2/2313	NCAs Data quality reports for insurance and pensions reporting data	Q1, Q2, Q3, Q4
2/2314	Information exchange in colleges for group supervisors	Q3
2/2315	Peer group indicators for NCAs	Q1, Q2, Q3, Q4
2/2316	Information on cross-border business for NCAs	Q3
2/2317	Data quality reports based on the Centralised Securities Database data for NCAs for insurance and pensions reporting data	Q1, Q2, Q3, Q4
2/2318	Indicators for European Systemic Risk Board	Q1 and Q3

High priority: Security, availability and efficiency measures for core infrastructure and tools for knowledge management and coordination and collaboration on a European level

Operational Objective: management of information & cyber security risks along with the maintenance of EIOPA’s IT infrastructure supporting the core business data framework and the structures and tools for knowledge management and coordination and collaboration on a European level.

Basis for inclusion in the AWP

Legal requirement: EU regulation on information security, archives, data protection, public access to documents, staff regulations and financial rules all lay down the requirements for proper and compliant management of information, which is delivered through this activity.

Strategically aligned: Appropriate and well-functioning IT solutions and services are a vital component to ensure the Agency’s day-to-day functioning. Staff must have access to technology and IT solutions to undertake their work done, regardless of their location or the platform they are using. This activity will also deliver the elements to enhance information security capability within the Authority, which is essential for the secure handling of data. The enhanced collaboration among supervisory community and external stakeholders that this activity supports, along with the provision of timely feedback to questions on the practical application of regulation, are essential for maintaining the common supervisory framework and functioning of the internal market.

Planning priority for 2020: Further strengthening security of EIOPA’s infrastructure.

FTE	7
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Evolution (Declining): After 2019, where EIOPA will run a major project to transition to a new data centre, it will be possible to reduce staff allocated to this work.

ID	Products	Due Date
2/2401	Additional information security measures according to implementation plan 2017-2021	Continuous

ID	Services	Frequency
2/2402	Functioning core IT infrastructure (data centre, email)	Continuous
2/2403	Management of security risks to information and information systems	Continuous
2/2404	Functioning stakeholder relations and knowledge management solution	Continuous
2/2405	Functioning extranet	Continuous
2/2406	External helpdesk	Continuous
2/2407	Functioning document management system	Continuous
2/2408	Further developing EIOPA’s document/information/knowledge management framework	Continuous

Strategic Action Area 2.3: Improving quality and consistency of supervision to ensure the same level of consumer protection throughout the EU and contribute to a level playing field in the insurance and pensions market

High Priority: Enhance coherent application of EU insurance regulation and develop a common supervisory culture

Operational Objective: promote the discussion and sharing of experiences between supervisors regarding the supervisory practices under the Solvency II framework and build common benchmarks for supervisory practices. Build a common supervisory culture that frames the Supervisory Review Process and promotes a high quality and effective supervision.

Basis for inclusion in the AWP

Legal requirement: This activity is delivered as part of EIOPA’s responsibility under Article 29 of its Regulation to build a common supervisory culture and promote consistent supervisory practices.

Strategically aligned: The Annual Supervisory Convergence Work Plan sets the priority areas for the convergence of supervisory practices of the Authority in cooperation with NCAs, supporting increased consistency of supervisory practices across the EU. As an outcome, tools such as EIOPA Guidelines, the Supervisory Handbook, Supervisory Statements or other EIOPA tools will be developed to further support NCAs to reach a high quality and effective supervision while ensuring convergence of supervisory practices. This activity encompasses work on the tools referred but also raising awareness of them, specifically by providing training to supervisors and promoting the actual use of the Handbook by day-to-day supervisors.

Planning priority for 2020: Ensuring supervisory convergence.

FTE	9
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Evolution (Growing): A key element of EIOPA’s strategic vision, the Authority continues to allocate additional staff to this area.

ID	Products	Due Date
2/3101	Annual Supervisory Convergence Work Plan	Q1
2/3102	Annual Supervisory Activities Report including functioning of colleges	tbc
2/3103	Implemented Digital Supervisory Handbook	Continuous
2/3104	Annual Report on the use of Capital Add-ons	Q4
2/3105	Annual Report on the use of limitations and exemptions from reporting	Q4
2/3106	Maintenance of the Supervisory Handbook	Continuous
2/3107	Issue of EIOPA Opinions, Recommendations or Supervisory Statements as needed	Contingent on demand
2/3108	Projects addressing priority areas identified in the Annual Supervisory Convergence Work Plan	Continuous
2/3109	Preparatory work on the Supervisory Handbook for the IORPs sector (Prudent Person)	Q4

ID	Services	Frequency
2/3110	Improve awareness of the Supervisory Handbook through training on the Handbook and other “advertising” tools	Continuous
2/3111	Monitoring and developing supervisory reporting requirements	Contingent on demand
2/3112	Questions and Answers on supervision under Solvency II framework	Continuous
2/3113	Develop and maintain IT tools using available data in Central Repository to support the Supervisory Review Process	Contingent on demand
2/3114	Support MB coordination groups (when applicable)	Contingent on demand

Data requests to NCAs	Relevant ID
Use of Capital add ons (article 52 of SII Directive)	2/3104
Use of limitations/exemptions (article 35 (6) and (7) of SII Directive)	2/3105

High Priority: Identification, prioritisation and resolution of supervisory issues

Operational Objective: increase overall quality of national supervision and achieve greater supervisory convergence in specific areas.

Basis for inclusion in the AWP

Legal requirement: Article 29 of EIOPA's Regulation establishes for the Authority an active role in building a common supervisory culture and consistent supervisory practices. EIOPA's Decision on the collaboration of the insurance supervisory authorities has mandated EIOPA to monitor the implementation with a specific focus on cross-border issues. This activity is an important element of that work, making it possible to target the Authority's efforts where it can have the greatest positive impact.

Strategically aligned: By improving EIOPA's capability to identify cases of inconsistent supervision, lack of independence or issues in terms of quality, EIOPA can prioritise its resources to addresses areas where it can achieve the most impact in improving the quality and consistency of supervision. This work also provides the opportunity to enhance supervisors' capacity in the field of sustainability risk assessment, in a step-by-step approach, building on experience.

Planning priority for 2020: To continue to strengthen the quality and consistency of supervision.

FTE

10.5

Evolution (Growing): Previously EIOPA's work on cross-border collaboration platforms was part of this activity, but in 2020, it has its own (please see below). Across both activities combined, the FTE value is higher than 2019.

ID	Products	Due Date
2/3201	Regular supervisory risk and issue reports to enable prioritisation by EIOPA's management	Contingent on demand, at least Q2 and Q4
2/3202	Supervisory recommendations	Contingent on demand
2/3203	Reports on bilateral visits	Contingent on demand
2/3204	Lessons learned exercises	Contingent on demand
2/3205	Dedicated project based on specific supervisory requests	Contingent on demand
2/3206	Capability to measure supervisory convergence	Q1, Q2, Q3, Q4
2/3207	Identify Strategic Supervisory Priorities in cooperation with NCAs	Q4
2/3208	Approach for defining possible structured follow-up (potentially including guidelines, recommendations to NCAs) in relation to the identified Strategic Supervisory Priorities and recommendations stemming from peer reviews and EIOPA's other oversight activities	Q4

ID	Services	Frequency
2/3209	Projects delivered to address the prioritised issues and themes	Contingent on demand
2/3210	Specific projects to support NCAs or the Commission to improve the effectiveness of supervision	Contingent on demand
2/3211	Support and advice to NCAs on specific supervisory issues	Contingent on demand
2/3212	Structured follow-up on recommendations to NCAs	Continuous
2/3213	Preparations for EIOPA's new powers on oversight of and responses to supervisory independence	Continuous

High Priority: Enhancing the supervision of cross-border business

Operational Objective: enhance cooperation and communication between supervisory authorities where there are concerns regarding specific undertakings offering cross-border insurance.

Basis for inclusion in the AWP

Legal requirement: Article 29 of EIOPA's Regulation establishes for the Authority an active role in building a common supervisory culture and consistent supervisory practices. EIOPA's Decision on the collaboration of the insurance supervisory authorities has mandated EIOPA to monitor the implementation with a specific focus on cross-border issues.

Strategically aligned: EIOPA has an important role steering cooperation between NCAs via the platforms, facilitating the sharing of prudential and conduct information, supporting the shared assessment of risks and the coordination of preventive and timely actions. EIOPA is uniquely positioned to foster and steer the cooperation between NCAs through its platforms.

Planning priority for 2020: To continue to strengthen cross-border supervision.

FTE

6

Evolution (Growing): EIOPA with additional staff allocated to EIOPA following changes to its regulation, cross-border cooperation platforms will be strengthened.

ID	Products	Due Date
2/3301	Revised approach on establishing new cooperation platforms on cross-border activity aligned to the new regulation	Q4
2/3302	Notification process (including roles and responsibilities) prepared in cooperation with NCAs	Q2 2021
2/3303	IT solution facilitating notification process	Q2 2021
2/3304	Notification database	Q2 2021

ID	Services	Frequency
2/3305	Launch and run cooperation platforms (under current mandate)	Continuous
2/3306	Conduct in-depth analysis on supervisory issues (under current mandate)	Continuous

Effective and efficient functioning of colleges of supervisors

Operational Objective: advancing high-quality, consistent and efficient functioning of colleges of supervisors.

Basis for inclusion in the AWP

Legal requirement: This activity is undertaken within EIOPA's responsibility under Article 21 (promoting and monitoring the efficient, effective and consistent functioning of the colleges), as well as the broader responsibility under Article 29 to build a common supervisory culture.

Strategically aligned: By assessing the supervision of cross border groups, which have a significant market share across the Union, it is possible to identify and align supervisory practices across different authorities. EIOPA's engagement with colleges also provides the opportunity to enhance supervisors' capacity in the field of sustainability risk assessment, in a step-by-step approach, building on experience.

Planning priority for 2020: N/A

FTE	7.25
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Evolution (Stable): EIOPA will maintain staffing numbers allocated to this activity.

ID	Products	Due Date
2/3401	Adding value and generating new insight on the use of data and analytics to be used with the colleges collaboration platform	tbc

ID	Services	Frequency
2/3402	Maintaining the risk-based engagement model for colleges	Continuous
2/3403	Participation as full members of colleges, and provide feedback in college meetings, crisis management groups and joint on-site inspections	Continuous
2/3404	Sharing of best practice and training	Continuous
2/3405	Bilateral advice and support to the group supervisor	Continuous

High Priority: Consistent and efficient supervision of Solvency II Internal Models

Operational Objective: achieve and maintain a level playing field in the use of internal models and between internal model users and standard formula users, so that risks are captured consistently by undertakings and captured appropriately.

Basis for inclusion in the AWP

Legal requirement: This activity contributes to EIOPA's responsibilities in the domain of Internal Models as stipulated under Article 29 to build a Common Supervisory Culture.

Strategically aligned: Internal Models cover a significant share of the European insurance business subject to Solvency II. EIOPA work strengthens the risk-assessment framework in relation to the models through the contribution to assessments of Internal Model applications in colleges, the provision of technical assistance upon request by NCAs on model changes and new model approvals, and through projects that are launched to assess the extent of convergence in the area. This provides the basis for increasing consistency and quality of supervisory practices in the EU. This work also provides the opportunity for introducing analysis on the integration of sustainability-related risk assessment in internal models.

Planning priority for 2020: Increased convergence in supervision of internal models.

FTE	11
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Evolution (Growing): With the new task stemming from changes to Solvency II following the review of the ESAs, additional staff have been allocated to this work.

ID	Products	Due Date
2/3501	EIOPA staff, in cooperation with the IM Forum develops a 2-3 years road-map for IM activities, and providing intelligence to the EIOPA Board in the area of IMs	Q2
2/3502	EIOPA staff, in cooperation with the IM Forum produces a dashboard in the area of IMs	Q4
2/3503	Consistency projects addressing priority areas in relation to Internal Models including public reports	Continuous
2/3504	Issue opinions or other action necessary to address general inconsistencies if required	Contingent on demand
2/3505	Further develop the Supervisory Handbook in the Internal Model area to improve the quality of supervision in relation to Internal Models	tbc
2/3506	Continued development of Internal Model on-going appropriateness indicators (IMOGAPIs)	tbc
2/3507	Development of quantitative and qualitative tools for NCAs in cooperation with them	Contingent on demand
2/3508	New processes in relation to EIOPA's technical assistance for detecting and tracking findings in the areas of Internal Models, as well as for archiving related documentation	2021 Q1

ID	Services	Frequency
2/3509	Provide expertise, support and advice on Internal Models to NCAs and colleges	Continuous
2/3510	Participation in colleges, joint on-site visits and visits to NCAs to enhance consistent and effective implementation of Internal Model provisions	Continuous
2/3511	In preparation for EIOPA's new role, involvement in model approval processes and where necessary, providing technical assistance to supervisory authorities concerned on new applications or changes in existing Internal Models at their request	Continuous

Data requests to NCAs	Relevant ID
MCRCS data request (comparative study on the market risk models)	2/3503
NLCS data request (comparative study on the non-life risk models) - placeholder	2/3503
IMOGAPIs prototype: data request for IM data to NCAs	2/3506
Qualitative inputs regarding important developments in the IM market in order to feed the IM dashboard	2/3502
PG on modelling of diversification benefits	2/3503
Info on model changes linked to new Cat risk models - PLACEHOLDER	2/3509
ENW4 quarterly updates from national supervision - PLACEHOLDER	2/3509

Monitoring the application in third countries of equivalence decisions

Operational Objective: effective control in the application of equivalence decisions, provided with technical analyses in a framework of agile monitoring.

Basis for inclusion in the AWP

Legal requirement: This activity is undertaken within EIOPA's responsibility under Article 33 of the Authority's Regulation (revised following a review of the ESAs).

Strategically aligned: Once equivalence decisions have been taken, it is important to ensure that they are adjusted to new developments. EIOPA is therefore entrusted with the responsibility for monitoring on an on-going basis the regulatory and supervisory developments as well as enforcement practices in third countries on which the Commission has taken an equivalence decision. On an annual basis it will submit a confidential report on their findings to the Commission. For this purpose, EIOPA shall also develop administrative arrangements with third countries.

Planning priority for 2020: N/A

FTE	2.25
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Evolution (Growing): EIOPA will continue to allocate additional staff to this work, a new task following the review of the ESAs.

ID	Products	Due Date
2/3601	Individual Third country reports	Q4
2/3602	Annual report on application of equivalence decisions	Q4
2/3603	Plan for 2021 regulatory and supervisory practices equivalence monitoring	Q4
2/3604	Develop model administrative arrangements with third countries	Contingent on demand

ID	Services	Frequency
2/3605	Third country on-site visits	Continuous
2/3606	Sharing of legal, regulatory and supervisory developments and practices	Continuous
2/3607	Follow-up assessment on application in countries where there is already an equivalence decision in place	Continuous

Peer reviews

Operational Objective: strengthen the consistency in the application of EU law and promote consistent supervisory practices.

Basis for inclusion in the AWP

Legal requirement: Article 8 and 30 of EIOPA's regulation sets out the requirements for peer reviews, as a tool for fostering consistency in the application of the regulation and promoting convergent supervisory practices.

Strategically aligned: EIOPA's role organising and conducting peer reviews provides NCA with a means of comparing practices and identifying opportunities to build supervisory convergence in specific and prioritised areas.

Planning priority for 2020: N/A

FTE	4.25
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Evolution (Growing): With changes to EIOPA's Regulation presenting new requirements for the conduct of peer reviews, EIOPA will allocate additional staff to this area in 2020.

ID	Products	Due Date
2/3701	Peer Review on Regular Supervisory Report (RSR)	Q1
2/3702	Peer Review on Decision on the collaboration between NCAs (on branches and FoS)	Q3
2/3703	Survey of Peer Review Follow-ups on Key Functions	Q4
2/3704	Launch further Peer Review (topic tbd)	tbc
2/3705	Amend Methodology for conducting peer reviews following ESA's review	Q4
2/3706	Peer Review Work Plan 2020-2021	Q2

Data requests to NCAs	Relevant ID
Pilot peer review under the new ESAs regulation	2/3704
Pilot follow-up under the new ESAs regulation (peer review on key functions or peer review on propriety)	2/3703

High Priority: The pan-European Personal Pension Product (PEPP)

Operational Objective: the successful implementation of the PEPP regulation for the EU.

Basis for inclusion in the AWP

Legal requirement: EIOPA has an important role in the effective implementation of the regulation for the pan-European Personal Pension Product (PEPP). This activity represents the tasks EIOPA will undertake to deliver this important role.

Strategically aligned: strategic action areas 2.1, 2.2 and 2.3 set out that building blocks of an improved functioning of the internal market for pensions are based on an evidence-based development of regulation, which needs to be supplied by a high-quality data framework and which feeds back into high-quality and convergent supervisory practices.

Planning priority for 2019: delivering on the PEPP Regulation's empowerments and setting up the necessary framework for the proper implementation of the PEPP Regulation.

FTE	4.5
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Evolution (Growing): For EIOPA to fulfil its role, as foreseen in the regulation, additional staff will be allocated in 2020.

ID	Products	Due Date
2/3801	Providing advice on developing PEPP's regulation and eventual authorisation in important areas, for example regarding the design of protection mechanisms and the default investment option, as required	Contingent on demand
2/3802	Risk-mitigation techniques – Regulatory Technical Standard (PEPP)	Q2 2020
2/3803	Supervisory Reporting – Technical Advice for Delegated Act and Implementing Technical Standard	Q2 2020
2/3804	Cooperation between NCAs and EIOPA and information exchange – Implementing Technical Standard	Q2 2020
2/3805	Structures in place to receive information for the Annual Report on PEPP Market	Q4 2021
2/3806	Process for product intervention powers set up	Q3 2021
2/3807	Implemented solution for database of authorised PEPPs, including web-based comparison tool	Q3 2021
2/3808	Implemented solution for up-to-date registers of NCA actions and national regulations	Q3 2021
2/3809	Process for PEPP-related mediation defined	Q3 2021
2/3810	Processes for PEPP-related supervisory convergence issues, including cooperation between NCAs and EIOPA	Q3 2020

Sectoral and cross-sectoral training and events programme

Operational Objective: to strengthen stakeholder and NCA understanding as to the practical supervisory use of EIOPA's framework and instruments, together with a detailed insight into and possibility of influencing the policy considerations on various files via public hearings, conferences etc.

Basis for inclusion in the AWP

Legal requirement: Article 29.1(e) of the EIOPA Regulation, states that a sectoral and cross-sectoral training and events programme shall be established by the Authority. Through the delivery of training, EIOPA can take an active role in building a common supervisory culture and consistent supervisory practices, as well as to ensure uniform procedures and consistent approaches throughout the Union.

Strategically aligned: Having sufficient knowledge and understanding of the regulatory framework and instruments is a prerequisite for consistent, convergent and high-quality supervision. By providing training, EIOPA helps to build the necessary knowledge and skills of national supervisors.

Planning priority for 2020: N/A

FTE	4
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Evolution (Declining): EIOPA has both tried to search out efficiencies in its approach to training and events in addition to limit the programme for 2020, this has led to a decline in resources allocated.

ID	Products	Due Date
2/3901	Setting up the sectoral and cross-sectoral training and events programme 2021	Q4

ID	Services	Frequency
2/3902	Running/operating the sectoral and cross-sectoral training and events programme 2020	Continuous

Mediation and breaches of Union Law

Operational Objective: NCAs are operating according to Union Law and cooperating effectively.

Basis for inclusion in the AWP

Legal requirement: According to Article 17 of its Founding Regulation, EIOPA is mandated to investigate potential breaches or non-application of relevant Union law by National Component Authorities, and issue recommendation to the concerned authority setting out the action necessary for its compliance with Union law. EIOPA is also obliged under Articles 19 of its Founding Regulation to assist NCAs in settling disagreements. As an impartial mediator with expertise in the domain of insurance legislation, EIOPA's support can be invaluable in reaching joint decisions in the colleges of supervisors or to settle disputes related to cross-border business. Lastly, EIOPA can also provide non-binding mediation based on Article 31 of its Founding Regulation.

Strategically aligned: Questions and disagreements may arise in relation to legislation with an impact on reaching supervisory convergence, EIOPA can therefore provide invaluable and impartial support in this area.

Planning priority for 2020: N/A

FTE

1.5

Evolution (Growing): EIOPA will allocate additional resources to strengthen this important area.

ID	Products	Due Date
2/31001	Recommendations on how the NCA concerned should comply with Union Law	Contingent on demand
2/31002	Decisions towards NCA concerned on how they should settle their disagreements by taking specific action or to refrain from action	Contingent on demand
2/31003	Individual decisions addressed to a financial institution requiring the necessary action to comply with its obligations under Union law including the cessation of any practice, in case NCA do not comply with EIOPA's decisions and/or opinions from the European Commission	Contingent on demand
2/31004	Settlement agreements or opinion from EIOPA's Mediation Panel in non-binding mediation proceedings	Contingent on demand

ID	Services	Frequency
2/31005	Assessment of complaints	Contingent on demand
2/31006	Breach of Union law investigations	Contingent on demand
2/31007	Providing the Panel Secretariat to the Mediation Panel	Continuous

Strategic Objective 3: Strengthening the financial stability of the insurance and occupational pensions sectors

Strategic Action Area 3.1: Identifying, assessing, monitoring and reporting risks to the financial stability of the European insurance and pensions sectors

High Priority: Monitoring, analysis, assessment and reporting of risks to the financial stability of the European Insurance & IORPS sectors

Operational Objective: the provision of timely and accurate financial stability analysis and risk assessment.

Basis for inclusion in the AWP

Legal requirement: EIOPA is mandated to identify potential risks and vulnerabilities under Article 42 of its regulation. By analysing and assessing the potential for adverse market developments, this activity is the chief means by which EIOPA delivers against this requirement. It is also the basis for coordinating Union-wide stress tests to assess the resilience of financial institutions to such developments.

Strategically aligned: The provision of timely and accurate assessments of market developments supports pre-emptive measures to mitigate or avoid risks. The products and services of this activity make it possible to maintain a comprehensive and timely overview of developments in the European insurance and occupational pensions sectors, which is a pre-requisite for directing action to mitigate and avoid risks.

Planning priority for 2020: The continuous development and improvement of the core financial stability products, with a particular focus on integrating the newly received pension ESG data and emerging risks such as cyber risks and their mitigation/management techniques, as well as ESG factors.

FTE	10
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Evolution (Growing): EIOPA will invest additional resources in the analysis and reporting on risks to financial stability.

ID	Products	Due Date
3/1101	Financial Stability Report	Q2, Q4
3/1102	Risk Dashboard	Q1, Q2, Q3, Q4
3/1103	Internal Risk Update	Q1, Q2, Q3, Q4
3/1104	Potential climate risk sensitivity analysis for the insurance sector	tbc
3/1105	Preparations for Insurance stress test 2021	Q3
3/1106	Ad hoc analysis to monitor emerging financial stability risks	Contingent on demand

ID	Services	Frequency
3/1107	Contribution to financial stability work-streams of the Financial Stability Board (FSB) and International Association of Insurance Supervisors (IAIS)	Continuous
3/1108	Cooperation with the European Systemic Risk Board (ESRB) and participation in insurance related work-streams	Continuous
3/1109	Assessment of emerging risks and vulnerabilities for the insurance and pensions sectors	Continuous

Data requests to NCAs	Relevant ID
EIOPA bottom-up risk assessment survey - 2020 Spring	3/1101
EIOPA bottom-up risk assessment survey - 2020 Autumn	3/1101
Climate risk sensitivity analysis 2020 - tentative data request to complete data available for top-down element as stated in the roadmap	3/1104
Potential data collection for the work on the impact of ultra low yields on insurers to complement SII data	3/1101, 3/1106
Qualitative survey to groups reporting for FS purposes as agreed in the roadmap for the 2020 exercise on climate-related transition risks	3/1104

Building the methodological framework to assess, monitor, report and mitigate risks to the financial stability of the European Insurance & IORPs sectors

Operational Objective: a robust methodological framework for identifying, assessing, mitigating and managing risks and threats, to the insurance and IORPS sectors.

Basis for inclusion in the AWP

Legal requirement: EIOPA's mandated role (Article 42) to safeguard financial stability necessitates the early identification of trends, potential risks and vulnerabilities. Article 32 of EIOPA's Founding Regulation specifies what assessments of market developments the Authority shall undertake and the common methodologies it should develop. To deliver accurate and valid assessment, EIOPA needs a robust methodological framework that accounts for developments with new and improved tools and techniques to undertake financial stability analysis. EIOPA must also put in place a monitoring system to assess material environmental, social and governance-related risks (Article 29) and through this activity, EIOPA will develop that system.

Strategically aligned: Building the European methodological framework is crucial for identifying, assessing, mitigating and managing risks and threats.

Planning priority for 2020: Establish the methodological framework to leverage on newly received pension data.

FTE	3.75
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Evolution (Stable): EIOPA will maintain the level of resources allocated to further develop the underpinning methodological framework.

ID	Products	Due Date
3/1201	Methodological tools for the assessment and reporting of risks in the pensions sector	Continuous
3/1202	Thematic articles in the Financial Stability Report	Q2, Q4

ID	Services	Frequency
3/1203	Econometric modelling to underpin financial stability analysis and assessment for the insurance sector	Q4
3/1204	Ongoing review of early warning indicators for the insurance sector	Continuous
3/1205	Enhancement of framework for horizontal risk analysis in insurance and pension sectors	Continuous
3/1206	Enhancement of bottom-up stress test methodologies for insurance and pension sectors	Continuous
3/1207	Enhancement of the top-down insurance stress test methodology	Continuous
3/1208	Development of methodological framework and tools for assessing ESG risks in the EIOPA Risk Dashboard and Stress Testing methodological framework	Continuous

Studies and surveys on emerging risks and publication of statistics

Operational Objective: the provision of in-depth analysis of key themes related to risks in the insurance sector and high-quality insurance statistics covering both groups and solo entities.

Basis for inclusion in the AWP

Legal requirement: EIOPA is required to monitor and assess market developments in the area of its competences and to undertake economic analyses of markets according to Article 8 of the EIOPA regulation. Moreover, Article 1 prescribes EIOPA's role in ensuring the integrity, transparency, efficiency and orderly functioning of financial markets. Monitoring market developments and publishing statistics contributes to the fulfilment of these provisions and safeguarding financial stability.

Strategically aligned: It is important to EIOPA's strategy in relation to financial risk prevention that in-depth analysis on risk themes is available along with high quality statistics to inform decision-making and supervisory actions.

Planning priority for 2020: Improving data accessibility in the field of reliable risk analysis and statistics.

FTE	4
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Evolution (Stable): EIOPA will maintain the level of staff allocated this area of work.

ID	Products	Due Date
3/1301	Ad hoc studies to monitor vulnerabilities	Contingent on demand
3/1302	Descriptive overviews and reports of the European insurance sector	Contingent on demand
3/1303	Annual Financial Stability Indicators Publication	Q4
3/1304	Annual Group Statistics Publication	Q3
3/1305	Annual Solo Statistics Publication	Q3
3/1306	Quarterly Group Statistics Publication	Q1, Q2, Q3, Q4
3/1307	Quarterly Solo Statistics Publication	Q1, Q2, Q3, Q4
3/1308	Emerging risk analysis: Report (topic on Environmental Risks)	Q4
3/1309	Annual Insurance Sector Overview Report	Q3

ID	Services	Frequency
3/1310	Up-to-date statistical database on the insurance sector	Continuous
3/1311	Consider to enhance the scope of statistical publications with IORPs data	Continuous
3/1312	Improve data accessibility and user interface	Q2
3/1313	Develop the indicators, datasets and statistical analysis for the disclosure of information in the insurance sector	Continuous

Strategic Action Area 3.2: Preventative policies and actions to mitigate risks to financial stability

Crisis prevention, preparedness and management

Operational Objective: enhance European crisis management capacity and strengthen crisis prevention and preparedness and coordination between EIOPA and NCAs.

Basis for inclusion in the AWP

Legal requirement: EIOPA is mandated with a coordination and facilitation role in the case of adverse developments risking the orderly functioning and integrity of financial markets or the stability of the financial system in the Union (Article 18). If the Council declares the existence of an emergency situation and if certain conditions are met, EIOPA can adopt individual decisions that would require national supervisors to take necessary actions in order to address the emergency situation. If further conditions are met, the Authority can adopt an individual decision directly addressed to a financial institution requiring the necessary action to be taken. EIOPA must also contribute to the development and coordination of effective and consistent recovery and resolution and preventative measures, helping to shape the development of national supervisory practices bringing consistency (Article 25). The Authority is also empowered to make a declaration of an exceptional adverse situation under Solvency II. The Authority may also contribute to the assessment of the need for a European network of national insurance guarantee schemes, which is adequately funded and sufficiently harmonised (Article 26). Where appropriate, EIOPA can also address recommendations to competent authorities to correct issues identified in the stress test, including a recommendation to conduct specific assessments; it may recommend competent authorities to carry out on-site inspections, and may participate in such on-site inspections, in order to ensure comparability and reliability of methods, practices and results of Union-wide assessments (Article 21).

Strategically aligned: Expectations are set for EIOPA to be able to prevent or, in case of adverse developments, be prepared to manage a crisis within the scope of its responsibilities. The Authority needs to strengthen preparedness both at microprudential and macroprudential level, and further enhance the focus on prevention through risk assessment techniques and by taking an active role on the shaping of a potential framework on recovery and resolution. Crisis management increasingly needs to pay attention on the financial soundness of undertakings and the stability of markets, in order to identify in a pro-active manner risks developing.

Planning priority for 2020: N/A

FTE	4
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Evolution (Declining): A minor decline in the staff, EIOPA will maintain its support to NCAs in their preparations for crisis and its contribution to key discussions such as related to the Insurance Guarantee Scheme and macroprudential policy for the insurance sector.

ID	Products	Due Date
3/2101	Updated insurers failures and near misses database and perform of quality checks	Q1
3/2102	Opinions and recommendations in response to critical risks	Contingent on demand
3/2103	Framework for recommending on-site visits relating to stress tests	Q4
ID	Services	Frequency
3/2104	Update of crisis prevention and management process and procedures where needed	Continuous
3/2105	Promote consistency for implementation of a holistic framework in the assessment of systemic risk in insurance by hosting relevant fora and participating in Crisis Management Groups	Continuous
3/2106	Enhancement of the framework for stress test recommendations and follow-up	Continuous
3/2107	Prepare for further crisis preparedness exercises	Contingent on demand
3/2108	Contribution to recovery, resolution and Insurance Guarantee Scheme related topics	Contingent on demand
3/2109	Contribution to macroprudential policy in insurance related topics	Contingent on demand
Data requests to NCAs		Relevant ID
Annual update of database on insurance failures and near misses		3/2101

Strategic Objective 4: Delivering EIOPA’s mandate effectively and efficiently whilst remaining adaptable to new priorities and demands

Strategic Action Area 4.1: Ensuring a strong corporate culture, proper governance as well as skilled and committed staff

Strategy, governance and management of EIOPA including corporate risks management

Operational Objective: ensure the effective, efficient and professional management of EIOPA, its tasks and resources.

Basis for inclusion in the AWP

Legal requirement: Regulation applying to EIOPA sets out the basic standards to which the Authority must comply in terms of management. This includes provisions on the planning and decision making process, internal control arrangements regarding risk and performance monitoring as well as the reporting to the stakeholders (EU institutions, management bodies).

Strategically aligned: EIOPA must continue its effective and efficient internal functioning built upon strong culture, proper governance and skilled and committed people. EIOPA has sought to build on these, implementing the process and structures to provide management oversight and accountability to stakeholders on its ambitious programme of work.

Planning priority for 2020: N/A

FTE	11
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Evolution (Growing): New transparency and reporting requirements stemming from the ESAs Review has led to growth in this activity.

ID	Products	Due Date
4/1101	Programming document and implementation plan (Annual Work Programme 2021) – initiation of work on Annual Work Programme 2022 and Multi-Annual Work Programme)	Q1, Q3, Q4
4/1102	Annual Activity Report 2019 and 2020 Six Month Implementation Report	Q3
4/1103	EIOPA Anti-Fraud Strategy Implementation Project Products 2020	Q4
4/1104	Internal risks dashboard	Monthly

ID	Services	Frequency
4/1105	Implementing the annual work programme under the guidance of the Board of Supervisors and under the control of the Management Board, setting and managing operational targets	Continuous
4/1106	Implement the budget of the Authority in full compliance with EU Financial Regulation, including the Multi-annual Staff Policy Plan	Continuous
4/1107	Promoting EIOPA’s role, business strategy and activities as well as preserving and further strengthening EIOPAs reputation towards the European institutions, including through regular contacts, meetings and other engagements	Continuous
4/1108	Managing the smooth running of EIOPA’s two Stakeholder Groups	Continuous
4/1109	Run Stakeholder Group Selection to meet new requirements in regulation	Q1-Q2
4/1110	Managing all contacts and relations with European institutions including public hearings, parliamentary questions, etc.	Continuous
4/1111	Managing the smooth running of EIOPA’s decision making bodies and internal management meetings based on sound processes	Continuous
4/1112	Delivery of Internal Control Coordination	Continuous
4/1113	Legal advice in relation to EIOPA’s products and services	Continuous
4/1114	Data Protection, Access to Documents	Continuous
4/1115	Litigation and legal institutional support	Continuous
4/1116	Anti-fraud prevention, detection and response measures	Continuous
4/1117	Managing external and internal whistleblowing channels	Continuous
4/1118	Internal risks monitoring	Continuous
4/1119	Manage transformation project supporting EIOPA to adapt to its new tasks and powers	Continuous
4/1120	Take necessary measures, notably the adoption of internal administrative instructions and the publication of notices, to ensure the functioning of the Authority, in accordance with the relevant Regulation	Continuous

Budgetary, financial and procurement management

Operational Objective: sound financial management of EIOPA's finance, budget and procurement processes as well as establishment of sound financial annual accounts.

Basis for inclusion in the AWP

Legal requirement: Chapter VI of EIOPA's Regulation sets down the rules on the budget, its establishment and control. Article 65 requires the Authority to comply with the Financial Regulation. To comply with the Financial Regulation and EIOPA's Founding Regulation, EIOPA must implement and control the budget adopted by the Board of Supervisors. This includes the establishment of provisional and final accounts by the Accounting Officer and the Opinion of the Management Board on the final accounts.

Strategically aligned: This activity encompasses a number of key tasks that ensures effective, efficient and compliant management of the finances allocated to EIOPA. Furthermore, through this activity, the required finance and procurement products contribute to the provision of professional services.

Planning priority for 2020: To improve, streamline and automate processes.

FTE	8.5
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Evolution (Growing): The minor increase in FTE for this activity is a result of dealing with the additional finance related work in relation to EIOPA's growth.

ID	Products	Due Date
4/1201	EIOPA Draft estimate of revenues and expenditures 2020	Q1
4/1202	EIOPA Procurement Plan 2020	Q3
4/1203	EIOPA Annual accounts	Q2
4/1204	Regular budget, finance and procurement reports (internally, MB, BoS and European Commission)	Continuous
4/1205	Publication of annual contract lists on EIOPA's website	Q2

ID	Services	Frequency
4/1206	E-Finance	Continuous
4/1207	Budget planning, implementation and reporting services	Continuous
4/1208	Management and coordination of processing of commitments, invoices, reimbursement requests and recovery orders	Continuous
4/1209	Management and coordination of procurement services	Continuous
4/1210	Management of EIOPA accounts	Continuous
4/1211	VAT recovery management	Continuous
4/1212	Administration of EIOPA's finance systems	Continuous
4/1213	Delivery of procurement, ABAC, expenditure-life cycle and other finance related training courses	Continuous
4/1214	Travel management	Continuous

Human resources

Operational Objective: effective recruitment, management and development of EIOPA's human capital.

Basis for inclusion in the AWP

Legal requirement: As a European Authority, EIOPA must comply with the rules laid down in its Founding Regulations, EU Staff Regulations and its own Human Resources Implementing Rules. This regulation clearly defines the good governance of human resources and provide transparency and equal treatment on their application.

Strategically aligned: By performing the human resources related activities like talent recruitment, staff development, performance management, compensation and staff relations, the Authority will also strive to retain the necessary competencies in house and maintain an engaged and well performing staff.

Planning priority for 2020: To improve, streamline and automate processes.

FTE	9.5
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Evolution (Growing): Minor increase in FTE to support the additional recruitments for 2020 and facilitate HR services to a larger organisation.

ID	Products	Due Date
4/1301	Further implementation of the Integrated Talent Management System (based on EIOPA Competency Framework)	Q4
4/1302	HR implementing rules, policies and procedures	Q4
4/1303	Further implementation of SYSPER, the new electronic HR management system	Q4
4/1304	Quarterly HR report (recruitment, absences, Teleworking, flexitime, training)	Q1, Q2, Q3, Q4

ID	Services	Frequency
4/1305	HR strategic and operational planning, monitoring and reporting services	Continuous
4/1306	Recruitment services	Continuous
4/1307	Training & Development for EIOPA staff	Continuous
4/1308	Staff Performance & Retention services	Continuous
4/1309	Health & work/life balance support	Continuous
4/1310	HR Business Partnership and coaching services	Continuous
4/1311	Staff Committee relations management	Continuous
4/1312	HR related finance and budget management, monitoring and implementation	Continuous
4/1313	HR Administration	Continuous

Adequate, safe and secure work environment

Operational Objective: provide EIOPA staff and stakeholders with a safe and secure work environment equipped with the resources required to undertake their tasks.

Basis for inclusion in the AWP

Legal requirement: N/A

Strategically aligned: Effective and efficient internal functioning is dependent on staff having the support services and modern office space delivered through this activity.

Planning priority for 2020: To ensure EIOPA is fulfilling its obligations for CSR.

FTE	3.25
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Evolution (Stable): With the recruitment of additional staff, EIOPA will need to maintain the FTE allocation to this area to ensure its headquarters has enough space and that new staff are supplied with the IT equipment necessary to undertake their tasks.

ID	Products	Due Date
4/1401	Report on Building Policy (Article 266 of the Regulation (EU, Euratom) 2018/1046)	Q2
4/1402	Further implement additional security arrangements	Continuous
4/1403	Workplace development strategy (3 phases)	Continuous
4/1404	Further improvements to the IT workplace	Q4
4/1405	Future office space and equipment project	Continuous

ID	Services	Frequency
4/1406	IT Workplace and helpdesk services	Continuous
4/1407	Functioning administrative business solutions	Continuous
4/1408	Physical and information security management	Continuous
4/1409	Facility management	Continuous
4/1410	Office management and reception	Continuous
4/1411	Meeting support	Continuous

Communications

Operational Objective: the role of communication at EIOPA is to strategically support the achievement of the Authority's business objectives through the use of relevant communication tools, techniques and approaches, to increase all its stakeholders knowledge, to better understand their needs and to convey messages in a targeted and effective manner, thereby strengthening awareness and understanding of EIOPA's ability to deliver its mandate effectively and efficiently.

Basis for inclusion in the AWP

Legal requirement: Ensures that the organisation fulfils its legal obligations to publish obligatory information.

Strategically aligned: At EIOPA, communication is strategic function necessary to fulfil EIOPA's business objectives. It raises awareness of activities, enhances the organisation's positioning and recognition, contributes to its reputation and accountability, supports the organisation's effective operation, explains the benefit/impact of the Authority's work and the benefits of effective supervision by using relevant and targeted communications measures and channels.

Planning priority for 2020: N/A

FTE

5.5

Evolution (Stable): EIOPA continues to search out efficiencies in its administrative functions to reduce the allocation of FTEs, however, there will be additional transparency requirements stemming from changes to EIOPA's regulation and staffing levels cannot be cut further.

ID	Products	Due Date
4/1501	Based on the results and analysis of the 2019/2020 survey with target audiences to assess and improve output and communication deliverables possible alignment of EIOPA's integrate communications strategy and to implement as a regular deliverable (annually)	Q4

ID	Services	Frequency
4/1502	Strategic and executive communication, including speech writing	Continuous
4/1503	Media relations and monitoring, including interviews, contributions, press conferences, press releases, background talks, media enquiries, etc.	Continuous
4/1504	Outreach, including, speaking engagements, public enquiries and visits/meetings with external stakeholders and other initiatives, such as "back to school" project, etc	Continuous
4/1505	Publications, including drafting, editing, design and layout	Continuous
4/1506	Digital communications, including content for and management of website, intranet and social media channels	Continuous
4/1507	Multi-media deliverables – e.g. film, HTML publications and infographics	Continuous
4/1508	Internal communication, including communication of organisational strategy, all staff town halls, ad hoc knowledge sharing activities and communication support to other business areas, in particular HR	Continuous
4/1509	Managing of, participating in and active contributing to communication networks with NCAs, ESAs, EU Agencies and other relevant European and international authorities	Continuous
4/1510	Corporate identity including EIOPA's style guide	Continuous
4/1511	Crisis communication including crisis communication manual	Continuous
4/1512	Managing Questions & Answers process, including monitoring, presentation of submission of the questions and publication of the answers as well as reporting to decision making bodies (BoS)	Continuous
4/1513	Managing key strategic and flagship events, such as, workshops, roundtables, etc.	Continuous

Annexes

Annex I: Resource Allocation per Activity (2020)

Strategic Action Area	FTE	Title I	Title II	Title III	Total Costs
Cross cutting themes: Digitalisation/cyber and Sustainable Finance ¹⁶	3.75	400,045.34	71,560.88	8,110.00	479,716.22
Developing and strengthening the regulatory framework for the protection of consumers	5.50	586,733.16	104,955.96	8,110.00	699,799.12
Developing and strengthening a comprehensive risk- based and preventive approach to conduct of business supervision	10.50	1,120,126.94	200,370.47	24,430.00	1,344,927.41
Enabling supervisory convergence with a sound, smart and robust regulatory framework which is responsive to market developments	22.50	2,400,272.02	429,365.28	488,760.00	3,318,397.31
Enhancing the use and quality of supervisory information through efficient standardised exchange mechanisms, centralised quality checks and the timely provision of business intelligence	31.00	3,307,041.45	591,569.95	3,281,260.71	7,179,872.11
Improving quality and consistency of supervision to contribute to a level playing field in the insurance and pensions market	60.25	6,427,395.08	1,149,744.82	442,363.95	8,019,503.85
Identifying, assessing, monitoring and reporting risks to the financial stability of the European insurance and pensions sectors	17.75	1,893,547.93	338,721.50	325,163.34	2,557,432.77
Preventative policies and actions to mitigate risks to financial stability	4.00	426,715.03	76,331.61	17,600.00	520,646.63
Ensuring a strong corporate culture, proper governance as well as skilled and committed staff	37.75	4,027,123.06	720,379.53	552,600.00	5,300,102.59
Total	193.00	20,589,000.00	3,683,000.00	5,148,398.00	29,420,398.00

¹⁶ The Sustainable Finance related resources are spread amongst the other activities

Annex II: Financial Resources (2017-2022)

Table 1: Expenditure

Expenditure	2018	2019	2020	2021	2022
	Commitment/ payment appropriations	Commitment/ payment appropriations	Commitment/ payment appropriations	Commitment/ payment appropriations	Commitment/ payment appropriations
Title I	17,386,000	18,579,578.45	20,589,000	23,702,315	25,893,800
Title II	3,103,467	3,237,959.53	3,683,000	3,686,600	3,529,600
Title III	4,717,541	5,320,489.63	5,148,398	5,974,978	6,815,405
Total expenditure	25,207,008	27,138,027.61	29,420,398	33,363,893	36,238,805

EXPENDITURE	Commitment appropriations					
	Executed Budget 2017	Executed Budget 2018	Executed Budget 2019	Budget 2020	Draft Budget 2021	Draft Budget 2022
Title I - Staff Expenditure	15,438,886.12	14,583,274.49	18,579,578.45	20,589,000	23,702,315	25,893,800
11 Salaries & allowances	13,862,928.95	14,583,274.49	15,948,417.05	18,869,000	21,660,175	23,845,550
<i>- of which establishment plan posts</i>	<i>11,065,801.34</i>	<i>11,782,747.32</i>	<i>12,940,180.38</i>	<i>15,260,000</i>	<i>17,512,200</i>	<i>19,118,990</i>
<i>- of which external personnel</i>	<i>2,797,127.61</i>	<i>2,800,527.17</i>	<i>3,008,236.67</i>	<i>3,609,000</i>	<i>4,147,975</i>	<i>4,726,560</i>
12 Expenditure relating to Staff recruitment	216,551.83	150,137.89	262,981.68	223,000	483,140	355,250

EXPENDITURE	Commitment appropriations					
	Executed Budget 2017	Executed Budget 2018	Executed Budget 2019	Budget 2020	Draft Budget 2021	Draft Budget 2022
13 Mission expenses	81,615.79	115,000	91,000.00	120,000	130,000	140,000
14 Socio-medical infrastructure	191,089.21	137,607.39	586,491.33	795,000	812,000	860,000
15 Training	170,748.80	203,528.70	198,429.12	230,000	235,000	235,000
16 External Services	913,978.14	2,019,225.35	1,486,844.98	346,000	376,000	452,000
17 Receptions and events	1,973.40	4,800.00	5,414.29	6,000	6,000	6,000
Title II - Infrastructure and operating expenditure	3,624,939.28	3,355,565.05	3,237,959.53	3,683,000	3,686,600	3,529,600
20 Rental of buildings and associated costs	2,357,196.06	2,385,508.61	2,463,162.33	2,880,000	2,975,000	2,925,000
21 Information and communication technology	687,780.37	602,832.12	476,994.92	261,000	226,000	225,000
22 Movable property and associated costs	105,915.65	54,447.72	46,494.56	234,000	170,000	71,000
23 Current administrative expenditure	91,406.50	118,467.77	97,494.45	154,000	156,100	155,100
24 Postage / Telecommunications	145,321.05	171,508.85	99,890.11	90,000	95,500	88,500
25 Meeting expenses	184,780.10	20,503.98	23,570.12	27,000	27,000	28,000
26 Running costs in connection with operational activities	0.00	0		0	0	0

EXPENDITURE	Commitment appropriations					
	Executed Budget 2017	Executed Budget 2018	Executed Budget 2019	Budget 2020	Draft Budget 2021	Draft Budget 2022
27 Information and publishing	52,539.55	2,296.00	30,353.04	37,000	37,000	37,000
28 Studies	0	0		0	0	0
Title III - Operational Expenditure	4,886,140.65	4,637,869.13	5,320,489.63	5,148,398	5,974,978	6,815,405
31 Common Supervisory Culture and International Relations	120,977.50	184,286.35	146,894.80	186,000	274,000	212,000
32 Operational Information and Data Management	3,908,695.54	3,472,803.45	3,854,252.19	3,598,598	4,079,978	5,312,405
33 General Operational Expenses	856,467.61	980,779.33	1,319,342.64	1,363,800	1,621,000	1,291,000
TOTAL EXPENDITURE	23,949,966.05	25,207,008	27,138,027.61	29,420,398	33,363,893	36,238,805

Table 2: Revenue (2017-2022)

Revenues ¹⁷	2017	2018	2019	2020	2021	2022
	Adopted Budget	Adopted Budget	Adopted Amended Budget	Adopted Budget	Budget Request	Budget Request
EU contribution	8,946,404	9,365,000	10,083,336	10,804,000	12,413,956	13,465,988
Other revenue	15,052,852	15,842,008	17,054,691.61	18,616,398	20,949,937	22,772,817
Total revenues	23,999,256	25,207,008	27,138,027.61	29,420,398	33,363,893	36,238,805

Revenues	2017	2018	2019	2020		2021		2022	
	Executed Budget	Adopted Budget	Budget Amendment	Adopted Budget	COM Proposal MFF & new LFS	Budget Request	COM Proposal MFF	Budget Request	COM Proposal MFF ¹⁸
2. EU contribution	8,946,404	9,365,000	10,083,336	10,804,000	10,804,000	12,413,956		13,465,988	
<i>of which assigned revenues deriving from previous years' surpluses</i>	210,103	107,253	69,102	41,697	41,697	not known before beginning of January 2020	not known before beginning of January 2020	not known before beginning of January 2021	not known before beginning of January 2021

¹⁷ The amounts are rounded

¹⁸ No MFF exists for 2021 and beyond

Revenues	2017	2018	2019	2020		2021		2022	
	Executed Budget	Adopted Budget	Budget Amendment	Adopted Budget	COM Proposal MFF & new LFS	Budget Request	COM Proposal MFF	Budget Request	COM Proposal MFF ¹⁸
3. Third countries contribution (incl. EFTA and candidate countries)	415,583	434,855	471,124.07	504,597	504,597	578,728		629,083	
<i>of which EFTA</i>	415,583	434,855	471,124.07	504,597	504,597	578,728		629,083	
<i>of which candidate countries</i>	0	0	0						
4. Other contributions (<u>member states contributions 60% and pensions contributions</u>)	14,637,269	15,307,153	16,583,567.54	17,761,801	17,761,801	20,371,210		22,143,734	
<i>of which delegation agreement, ad hoc grants</i>									
5. Administrative operations									
6. Revenues from services rendered against payment		100,000		350,000	350,000				

Revenues	2017	2018	2019	2020		2021		2022	
	Executed Budget	Adopted Budget	Budget Amendment	Adopted Budget	COM Proposal MFF & new LFS	Budget Request	COM Proposal MFF	Budget Request	COM Proposal MFF ¹⁸
7. Correction of budgetary imbalances									
Total revenues	23,999,256	25,207,008	27,138,027.61	29,420,398	29,420,398	33,363,893		36,238,805	

Annex III: Budget outturn and cancellation of appropriations (2014-2018)**Calculation budget outturn**

Budget outturn	2014	2015	2016	2017	2018
Revenue actually received (+)	21,592,768.12	20,570,328.35	21,801,776.64	24,090,701.89	25,290,647.12
Payments made (-)	-15,992,265.48	-16,935,296.33	-19,375,474.25	-21,145,557.10	-21,617,667.27
Carry-over of appropriations (-)	-5,613,560.03	-3,294,150.70	-2,345,562.88	-2,906,329.34	-3,749,497.56
Cancellation of appropriations carried over (+)	356,514.50	181,142.60	178,788.47	127,693.66	100,016.65
Adjustment for carry over of assigned revenue appropriations from previous year (+)	0.00	9,722.10	17,473.76	10,503.24	90,129.86
Exchange rate differences (+/-)	-4,067.86	-5,527.86	-8,867.06	-4,073.23	-9,385.97
Adjustment for negative balance from previous year (-)	0.00				
Total	339,389.25	526,218.16	268,134.68	172,939.12	104,242.83

Annex IV: Human Resources – Quantitative (2017-2022)

Establishment plan evolution 2017-2022

Category and grade	Establishment plan in EU Budget 2017		Filled as of 31.12.17		Modifications in 2017 in application of flexibility rule ¹⁹		Establishment plan in voted EU Budget 2018		Filled by 31.12.18		Modifications envisaged in establishment plan 2018 in application of flexibility rule ²⁰		Establishment plan in voted EU Budget 2019 ²¹		Modifications envisaged in establishment plan 2019 in application of flexibility rule ²²		Establishment plan 2020 ²³		Proposed Establishment Plan 2021		Proposed Establishment Plan 2022	
	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA
AD 16		1		1				1		1				1				1		1		1
AD 15		1		0				1		0				1				1		1		1
AD 14		1		1				1		1				2				1		2		2
AD 13		3		2				4		2				5				4		6		7
AD 12		8		5				11		3				11				11		15		17
AD 11		10		5				14		5				14				14		16		16

¹⁹ In line with Article 32 (1) of the framework Financial Regulation, the management board may modify, under certain conditions, the establishment plan by in principle up to 10% of posts authorised, unless the financial rules of the body concerned allows for a different % rate.

²⁰ *Ibid.*

²¹ Figures include additional FTEs from PEPP.

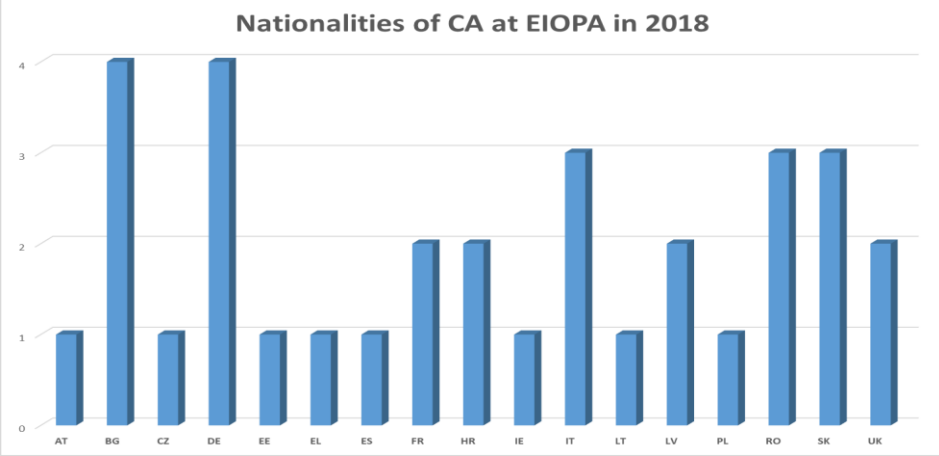
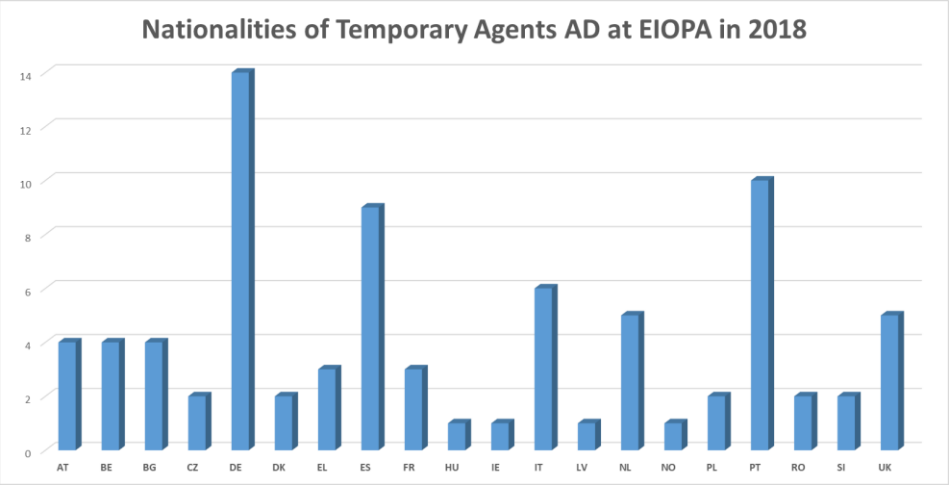
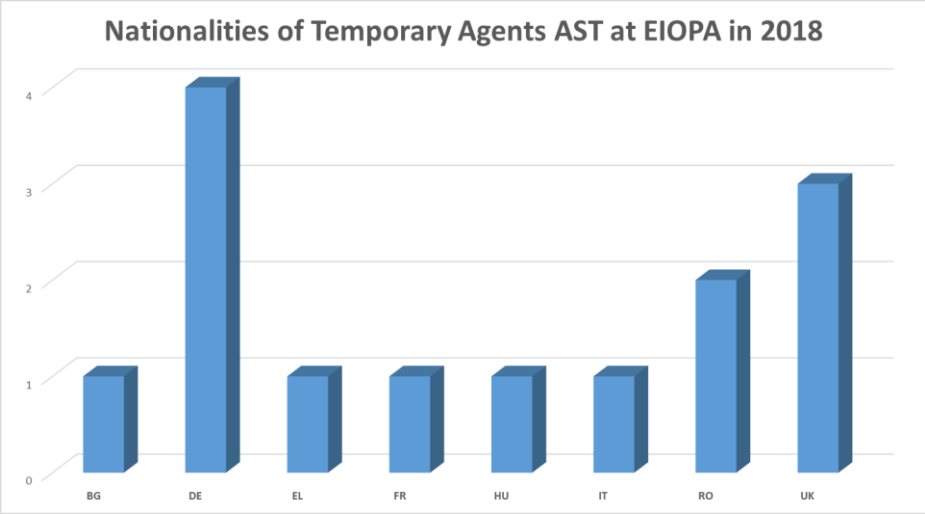
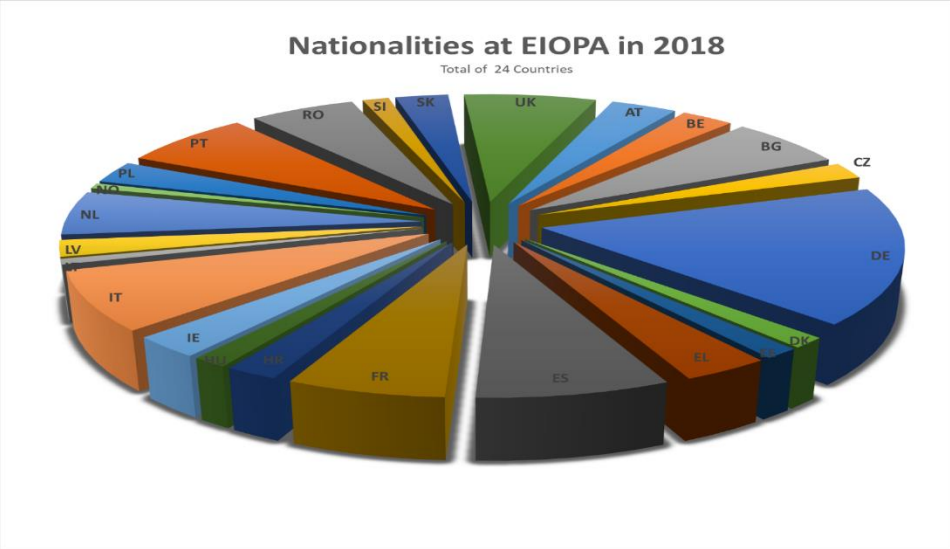
²² In line with Article 32 (1) of the framework Financial Regulation, the management board may modify, under certain conditions, the establishment plan by in principle up to 10% of posts authorised, unless the financial rules of the body concerned allows for a different % rate.

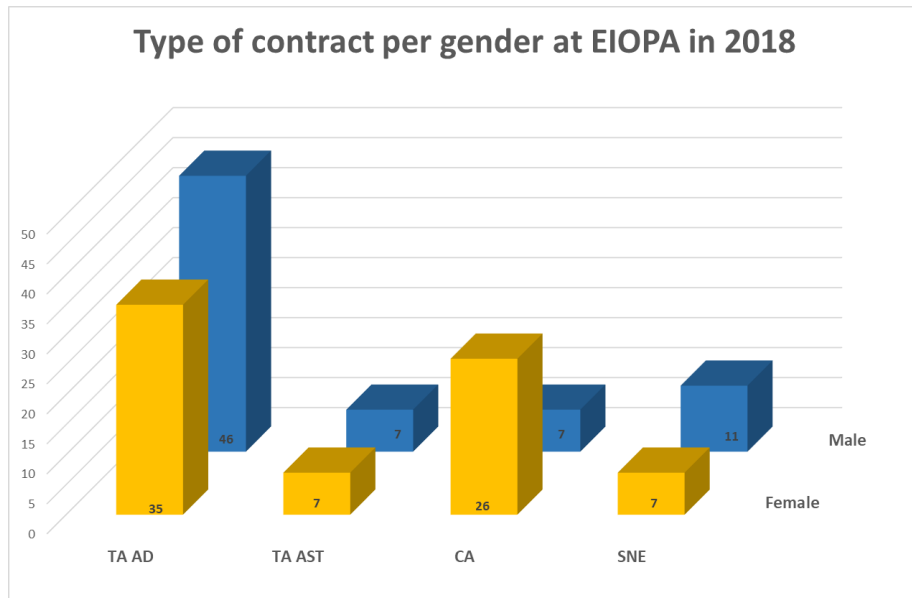
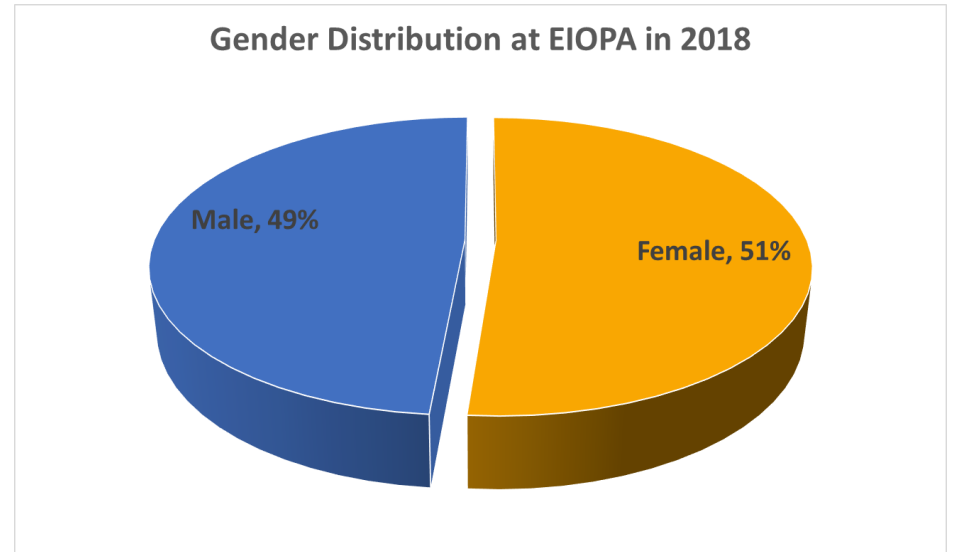
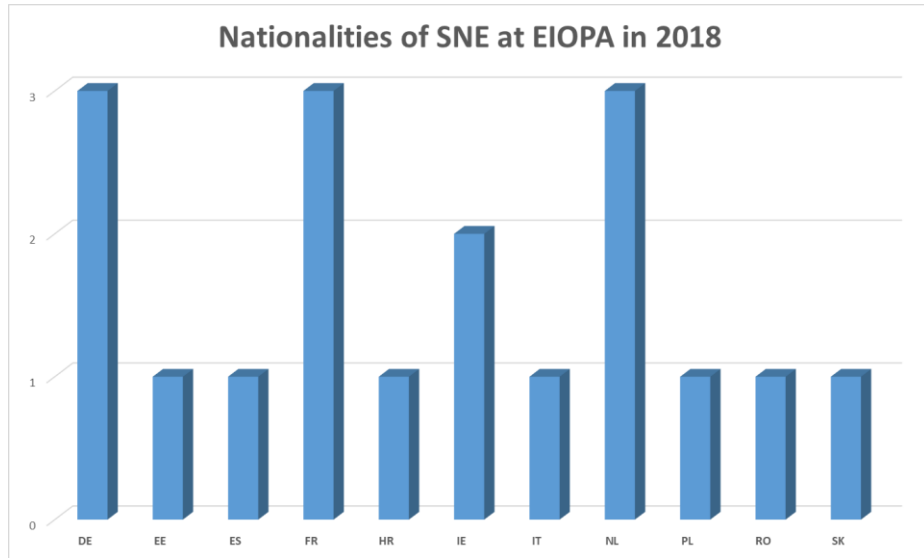
²³ Figures include additional FTEs from ESAs' review and PEPP.

Category and grade	Establishment plan in EU Budget 2017		Filled as of 31.12.17		Modifications in 2017 in application of flexibility rule ¹⁹		Establishment plan in voted EU Budget 2018		Filled by 31.12.18		Modifications envisaged in establishment plan 2018 in application of flexibility rule ²⁰		Establishment plan in voted EU Budget 2019 ²¹		Modifications envisaged in establishment plan 2019 in application of flexibility rule ²²		Establishment plan 2020 ²³		Proposed Establishment Plan 2021		Proposed Establishment Plan 2022	
	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA
AD 10		10		7		+1		13		8		+1		14				14		17		18
AD 9		12		12				15		14				19				19		20		21
AD 8		12		8				14		5				12				15		17		16
AD 7		12		17				11		14				14				15		15		13
AD 6		11		20				9		22		+1		7		+1		7		9		9
AD 5		4		7				2		18				0				11		5		3
Total AD		85		85		+1		96		93		+2		100		+1		113		124		124
AST 11		0		0				0						0				1		1		1
AST 10		1		0		-1		1				-1		1				1		1		1
AST 9		1		0				1						1				2		3		4
AST 8		2		0				3						3				3		4		4
AST 7		3		0				3						3				3		3		2
AST 6		3		3				3		3		-1		3		-1		2		1		1

Category and grade	Establishment plan in EU Budget 2017		Filled as of 31.12.17		Modifications in 2017 in application of flexibility rule ¹⁹		Establishment plan in voted EU Budget 2018		Filled by 31.12.18		Modifications envisaged in establishment plan 2018 in application of flexibility rule ²⁰		Establishment plan in voted EU Budget 2019 ²¹		Modifications envisaged in establishment plan 2019 in application of flexibility rule ²²		Establishment plan 2020 ²³		Proposed Establishment Plan 2021		Proposed Establishment Plan 2022	
	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA
AST 5		3		1				3		4				3				2		1		1
AST 4		2		9				2		5				1				0		0		0
AST 3		1		2				0		2				0				0		0		0
AST 2		0		0				0		0				0				0		0		0
AST 1		0		0				0						0				0		0		0
Total AST		16		15		-1		16				-2		15		-1		14		14		14
AST/SC 6		0		0		0		0				0		0				0		0		0
AST/SC5		0		0		0		0				0		0				0		0		0
AST/SC4		0		0		0		0				0		0				0		0		0
AST/SC3		0		0		0		0				0		0				0		0		0
AST/SC2		0		0		0		0				0		0				0		0		0

Category and grade	Establishment plan in EU Budget 2017		Filled as of 31.12.17		Modifications in 2017 in application of flexibility rule ¹⁹		Establishment plan in voted EU Budget 2018		Filled by 31.12.18		Modifications envisaged in establishment plan 2018 in application of flexibility rule ²⁰		Establishment plan in voted EU Budget 2019 ²¹		Modifications envisaged in establishment plan 2019 in application of flexibility rule ²²		Establishment plan 2020 ²³		Proposed Establishment Plan 2021		Proposed Establishment Plan 2022	
	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	Officials	TA	officials	TA	officials	TA	officials	TA
AST/SC1		0		0		0		0				0		0				0		0		0
Total AST/SC		0		0		0		0				0		0				0		0		0
TOTAL		101		100				112						115				127		138		138





Annex V: Human Resources – Qualitative

1. Recruitment policy

EIOPA's recruitment policy does not distinguish between different categories or types of contracts. EIOPA strives for efficiency and equal treatment, thus the recruitment process is similar for Temporary Agents (TAs), Contract Agents (CAs) and Seconded National Experts (SNEs). The Authority continues to make use of a more streamlined procedure to recruit SNEs (introduced in 2017) as per the Management Board Decision laying down rules for the Secondment of National Experts. EIOPA focuses on ensuring a timely process with an average 3-4 weeks between the deadline for application and the recommendation of the selection committee to the Appointing Authority. During the start-up phase there was no particular entry grade per function, as the priority was to recruit experienced people in the different fields.

EIOPA's selection procedure is based on its HR Implementing Rules, adopted by the Commission under Article 110. This means that based on the Establishment Plan the positions are allocated to the different units according to the work programme.

The majority of the recruitment campaigns are internally and externally published, via the website as well as other media. Each vacancy notice clearly specifies the essential requirements to be able to perform the main responsibilities of the job description, as well as desirable skills, which would provide added value to the performance. Behavioural competencies are also specified.

The selection committee makes an assessment of the candidates to be invited for interview. For cost efficiency purposes EIOPA has decided, as a general rule, to invite three candidates per position unless the purpose of the vacancy is to create a reserve list. This implies that if there are more than three candidates that fulfil all the requirements, there will be a pre-screening phone interview with those candidates. The candidates shortlisted for panel interview are requested to have an anonymous written test, and if required for the position, to prepare a presentation.

Given EIOPA's mandate and tasks, and the fact that EIOPA is competing with the private financial sector for attracting the right level of resources, higher grades have to be used in order to recruit very specialised staff with long-term experience. Lower grades are used for less specialised and corporate support profiles. CA recruitments have been done for some corporate support profiles. All contracts, TAs and CAs, are currently issued for a three-year period with possibility of renewal, if specified in the vacancy notice. SNEs are engaged for an initial period of two years.

EIOPA has the following profiles:

- Management: Chair, Executive Director, Head of Department and Head of Unit;
- Financial Services: Policy, Supervisory Processes, Oversight, Financial Stability and Data Management;
- Corporate Support and Affairs: Finance and Procurement, Human Resources, Information Technologies, Legal, Communications, Strategy and Planning, Events Management and Department/Management support.

2. Appraisal of performance and promotion/reclassification

EIOPA follows the HR Implementing Rules on Appraisal of staff as per revised Staff Regulations. All staff members are benefitting from feedback and development in the form of an appraisal, irrespective of the type of contract with EIOPA, including SNEs. Mid-year reviews are also done before summer as part of the performance management process.

In 2019 EIOPA conducted the annual reclassification exercise of TAs and of CAs.

2.1. Reclassification of temporary staff/promotion of officials in 2019

Category and grade	Number of staff in activity on 01.01.2018		Number of staff members promoted / reclassified in 2019		Average number of years in grade of reclassified/promoted staff members
	officials	TA	officials	TA	
AD 16	n/a	1	n/a		
AD 15	n/a	0	n/a		
AD 14	n/a	1	n/a		
AD 13	n/a	2	n/a		
AD 12	n/a	3	n/a		
AD 11	n/a	5	n/a		
AD 10	n/a	8	n/a		
AD 9	n/a	14	n/a	2	4.9
AD 8	n/a	5	n/a		
AD 7	n/a	14	n/a	2	3
AD 6	n/a	22	n/a	3	2.3
AD 5	n/a	18	n/a	2	3.5
Total AD	n/a	93	n/a	9	3.3
AST 11	n/a	0	n/a		
AST 10	n/a	0	n/a		
AST 9	n/a	0	n/a		
AST 8	n/a	0	n/a		
AST 7	n/a	0	n/a		
AST 6	n/a	3	n/a		
AST 5	n/a	4	n/a		
AST 4	n/a	5	n/a		
AST 3	n/a	2	n/a		
AST 2	n/a	0	n/a		
AST 1	n/a	0	n/a		
Total AST	n/a	14	n/a	0	
AST/SC6	n/a	n/a	n/a		
AST/SC5	n/a	n/a	n/a		
AST/SC4	n/a	n/a	n/a		

Category and grade	Number of staff in activity on 01.01.2018		Number of staff members promoted / reclassified in 2019		Average number of years in grade of reclassified/promoted staff members
	officials	TA	officials	TA	
AST/SC3	n/a	n/a	n/a		
AST/SC2	n/a	n/a	n/a		
AST/SC1	n/a	n/a	n/a		
Total AST/SC	n/a	n/a	n/a	0	
Total		107		9	

2.2. Reclassification of contract staff

Function Group	Grade	Number of staff in activity on 01.01.2018	Number of staff members reclassified in 2019	Average number of years in grade of reclassified staff members
CA IV	18			
	17			
	16	3		
	15	1		
	14	3		
	13	1	1	2.3
CA III	12			
	11			
	10	8	1	2.1
	9	8	1	2.3
	8	1		
CA II	7			
	6	3		
	5	4		
	4	1		
CA I	3			
	2			
	1			
Total		33	3	2.2

3. Mobility policy

EIOPA has a dedicated Internal Mobility policy in place. Six colleagues changed positions within EIOPA until July 2019.

4. Gender and geographical balance

Equal opportunities are mainly provided through the recruitment procedure and access to training. EIOPA strives for gender balance in its selection committees. EIOPA currently has a female population of 51% versus 49% male population.

The Authority currently has 24 nationalities amongst 146 staff members. Germans represent 17% of the staff population. This so called 'headquarter-effect' has slightly decreased in comparison with previous years.

5. Schooling

EIOPA's staff members have access to the European School in Frankfurt for their children.

Annex VI: Building Policy

Current building(s)

	Name, location and type of building	Other Comment
Information to be provided per building:	Westhafen Tower, Westhafen Platz 1, D-60327 Frankfurt am Main, Germany	
Surface area (in square metres) - Of which office space - Of which non-office space	EIOPA currently occupies 5 floors (2nd, 25th, 26th, 27th, 28th), with an additional half-floor (21st South) to be rented as of 1 August 2020, pending final management decision. 4,256 (4,664 incl. 21st floor South) square metre: office and meeting space 23 square metre: basement 43 (47 incl. 21st floor South) parking spaces	
Annual rent (in EUR)	2,060,000 € estimated in 2020 (incl. prospective rental of floor 21st South; possible indexation still to be determined)	
Type and duration of rental contract	In June 2019 EIOPA's rental contract was revised, merging all contract end dates for the rented (half-) floors into now until June 2028 (namely for the half floors of 25th, 26th and 27th floor and the whole floors of 2nd and 28th floor). The contract defines the price per square meter, which is subject to indexation.	
Host country grant or support	N/A	
Present value of the building	N/A	

EIOPA's initial contract with the landlord (Mann Management) foresaw a dedicated 10-year contract for every half floor. The average rental fee per square metre, adjusted after indexation in line with the German consumer price index was EUR 30.15/month/m² (indexed until September 2018, i.e. the latest official indexation).

At the end of June 2019 EIOPA signed a twelfth amendment to the contract. This has led to a number of new lease conditions applicable as of 1 July 2019:

- All contract end dates for the rented (half-)floors are merged into one, i.e. until June 2028;

- 2 rent-free months, respectively in July 2023 and 2024;
- New (lower) rental fee as of 1 July 2019: EUR 29.30/month/m²; on average EUR 28.76/month/m² calculated over the total contract term, subject to indexation;
- Financial contributions for open office space works for the next years, worth 300,000 EUR in total;
- Re-confirmation of the exit clause of the contract entitling EIOPA to an early termination in case it is closed down or its seat is transferred to a location outside Germany. In addition an early termination right in case the Landlord cannot offer sufficient office space in the event EIOPA needs to expand. In such circumstances EIOPA has the right to terminate the contract under the condition of compensation payments;
- The right of having an additional half floor via pre-booking without additional costs and keeping on hold until the actual need may arise.

Building projects in planning phase

The implementation of adjustments in the context of the recently conducted ESAs review will result in an increase of EIOPA staff and require the provision of additional workstations and the improvement of existing office facilities. To accommodate the need for an enhanced office space utilisation, more workplaces as well as improved meeting and break-out spaces, EIOPA has launched the Workplace Strategy 2020-2022 project. The development of the Strategy and concept planning is foreseen to be undertaken in Q4 2019 – Q1 2020, with the implementation being provisionally planned to commence in Q2 2020. Depending on the extent of the office space re-modelling, all infrastructure and interior fitting works, layout changes, furniture replacements, additional furnishings and staff relocations will be executed gradually within the timeframe 2020-2022.

Building projects submitted to the European Parliament and the Council

No new building project was submitted to the European Parliament and the Council (information on building policy provided on 1 June 2019 according to Article 266 of the Regulation (EU, Euratom) 2018/1046).

Annex VII: Privileges and Immunities

EIOPA benefits from the privileges granted by the Protocol of Privileges and Immunities to EU organisations and institutions (mainly from the VAT exemption of supplier invoices).

EIOPA concluded a Headquarter agreement with Government of the German Federal Republic on 18 October 2011, capturing the privileges granted to staff.

Annex VIII: Evaluations

EIOPA is evaluated on a number of levels. As part of the European System of Financial Supervisors, the Authority is periodically subject to a review by the Commission. Such a review occurred in 2017 with the effect of bestowing additional tasks and powers on the Authority. EIOPA also reports on its performance to the Parliament's Economic and Monetary Affairs Committee where on an annual basis the Chair details the main achievements since the last report.

Internally, EIOPA has developed its own framework for performance monitoring and evaluation. This framework exists across strategic, operational and individual performance levels, with each level cascading down to the next. At the top level EIOPA maintains Key Performance Indicators (KPIs) for judging progress against the objectives of its strategy. These are monitored and reported on internally and to EIOPA's Board of Supervisors after the second quarter of each year and to all stakeholders in the Consolidated Annual Activity Report in the following year.

Each year the Authority also establishes an Annual Implementation Plan that allows for more regular monitoring of delivery of the products and services described in the Annual Work Programme. Throughout the year progress is evaluated in terms of the described deadlines and milestones and reported to EIOPA's Board of Supervisors at the mid-year point and provides the basis for reporting successful completion of the Annual Work Programme in the Consolidated Annual Activity Report. Each product or service is assigned a 'red' (failure), 'amber' (serious risks/issues) or 'green' (successful delivery) status. In every case where a product or service has not delivered as originally planned, a review is undertaken and lessons learnt recorded and incorporated.

Finally, the objectives, products and services of the Annual Work Programme provide the basis for the objectives of individual staff members. Attainment of individual objectives is assessed based on the results recorded in the Annual Implementation Plan and is reviewed by the relevant team or unit on a bi-annual basis.

Annex IX: Risks

Introduction

A risk is defined as 'an uncertain event or set of events that, should it occur, would have an effect on the achievement of (an) objective(s)'.²⁴ To manage such risks, EIOPA has initiated an approach to systematically identify, assess and then plan and if required, implement responses to potential risk events. Such events can originate from within the Authority or be driven by external forces. The likelihood of an event occurring and the impact of its consequences for an objective should it occur will vary. This variance is discussed in terms of 'risk exposure'.

Corporate Risk Management Process

The aim of the process is to provide management with an overview of the aggregated risks and in particular to allow management to focus on those with a potential material impact on its Work Programme and wider operations; and offer responses to mitigate and overcome risks as they occur. Based on the level of negative exposure, EIOPA considers steps to prevent the event from happening (if within its power), avoid it or mitigate the negative consequences. Staff at all levels of the Authority are asked to consider risks in terms of their work, assess them using a standardised scale and then consider appropriate and proportionate responses, escalating material risks to management when needed. Such an approach is essential, and will aid management as they oversee implementation of an ambitious Work Programme.

EIOPA's risk management process is in line with the Internal Control Principle No. 7, which defines how risks should be managed in order to assure the achievement of the institutional objectives.

Risk Overview

Through its formal risk management process, EIOPA has identified three strategic risks relevant to the term of the present SPD that need to be effectively managed. These are:

- high degree of uncertainty in the external political, economic and legislative environment;
- adapting to changes whilst continuing to deliver EIOPA's existing commitments; and
- the allocation of new tasks and powers without sufficient staff and budget to deliver.

Risk 1: High degree of uncertainty in the external political, economic and legislative environment

When initially preparing this SPD, there were three major areas of uncertainty, each with a potentially significant impact on EIOPA's work and its funding. These were the Commission's legislative proposals for PEPP and ESAs Review and the UK's withdrawal from the EU. During the course of 2019, EIOPA continued to monitor developments with each area. In terms of the two legislative proposals, with progress in the negotiations they are no longer considered as strategic risks within the context of uncertainty because of the additional clarity. At the time of revising the SPD, the exact nature of the UK's withdrawal was still not known. Given that the policy programmes of the newly

²⁴ OGC (2007) Management of Risk: Guidance for Practitioners

constituted European Parliament and new European Commission (expected to take office end-2019) are still to be defined, the work of EIOPA in the new institutional cycle will be adjusted accordingly to accommodate new policy initiatives. Furthermore, in light of the present macroeconomic environment, including low interest rates moving even to negative territory, EIOPA may need to re-prioritise its annual work programme. To be ready for any changes, contingency planning has been undertaken for different scenarios and any future updates to the SPD, required to reflect developments in the political, economic and legislative environment, will benefit from this pre-emptive planning.

Risk 2: Adapting to changes whilst continuing to deliver EIOPA's existing commitments

PEPP and changes to EIOPA's Regulation following the review of the ESAs will mean new tasks and powers with strict deadlines for EIOPA to assume them. Throughout the term of this SPD, EIOPA must invest considerable effort in developing the regulation, implementing new organisational structures and processes, and in developing any necessary IT solutions. Much of this work will need to be undertaken before any additional resources allocated alongside the new tasks and powers are in post. Furthermore, the Authority's stakeholders will expect it to deliver existing commitments as defined in its work programmes.

Risk 3: The allocation of new tasks and powers without sufficient staff and budget to deliver

The Commission's Multi-Annual Financial Framework (MFF) establishes the EU's budgetary planning across the areas of its expenditure, including its funding of EU agencies. The funding assumes a level of tasks for each agency and seeks to allocate appropriate resources for them to be delivered on a yearly basis. Since the issuing of the present MFF, EIOPA has been allocated additional tasks stemming from new legislation such as Solvency II and IDD. Additional staff has been proposed with regards to EIOPA's assumption of these new tasks and powers. The two new legislative proposals pertaining to EIOPA (PEPP and ESAs review) do include a provision for additional staff and budget based on the Commission's own assessment of resource needs. In EIOPA's own assessment, in certain areas, there is a gap between the proposed allocation of resources and EIOPA's expected role. This is especially the case because of the increasing need for supervisory work to meet the growing expectations placed on EIOPA to protect consumers and the internal market. For example, the increasing number of cross-border cases and failures, which amplify risks to consumers and the stability of the financial system. EIOPA needs sufficient resources to support strong and timely European responses necessary to counter these negative developments. Recent experience in the use of product intervention powers has demonstrated the necessity of allocating significant additional resources for the use of these powers; this relates to both the capacity to use the powers as intended to address cross-border cases and failures, and to the efficient management of the risks to EIOPA when using the powers. In view of insufficient resources, the level of ambition may need to be scaled down in a number of important areas.

Mitigation 1: Stronger approach to prioritisation

To effectively manage the present uncertainty EIOPA has further enhanced its approach to prioritization, allowing timely and upfront discussions with its Management Board and Board of Supervisors. The intention is to facilitate more informed decision-making through strategic discussions focused on the likely developments in the external

environment. By judging the potential impacts of these developments on the Authority and the future demands to be placed on it, stronger priority setting can be achieved.

In support of this and enhancing the Authority's ability to prepare for the forthcoming changes, internal cross departmental project groups have been established to specifically deal with EIOPA's response to Brexit, and its new tasks and powers under PEPP and the ESAs review. This has allowed EIOPA to consider different scenarios and the impacts it may need to manage in the future. As further and more concrete information is made available on these three issues, EIOPA stands ready to adapt its plans and work to ensure it can still deliver its mandate.

Mitigation 2: Efficiency and re-deployment

To mitigate any potential risks of resource gaps, EIOPA will continue the positive efforts it has already made in improving efficiency and evolving as an organisation to meet the new demands placed on it. In terms of efficiencies, EIOPA will continue to review its processes, rationalise, and where possible, introduce more automation allowing staff to be re-allocated to other tasks. Ongoing efforts to seek out synergies with other EU agencies and in particular the other ESAs will allow EIOPA to benefit from economies of scale and administrative efficiencies when procuring services from external suppliers. Examples of this already include procurement of a contract for short-term IT staff run in conjuncture with the European Banking Authority, saving money and the administrative burden compared to running it separately.

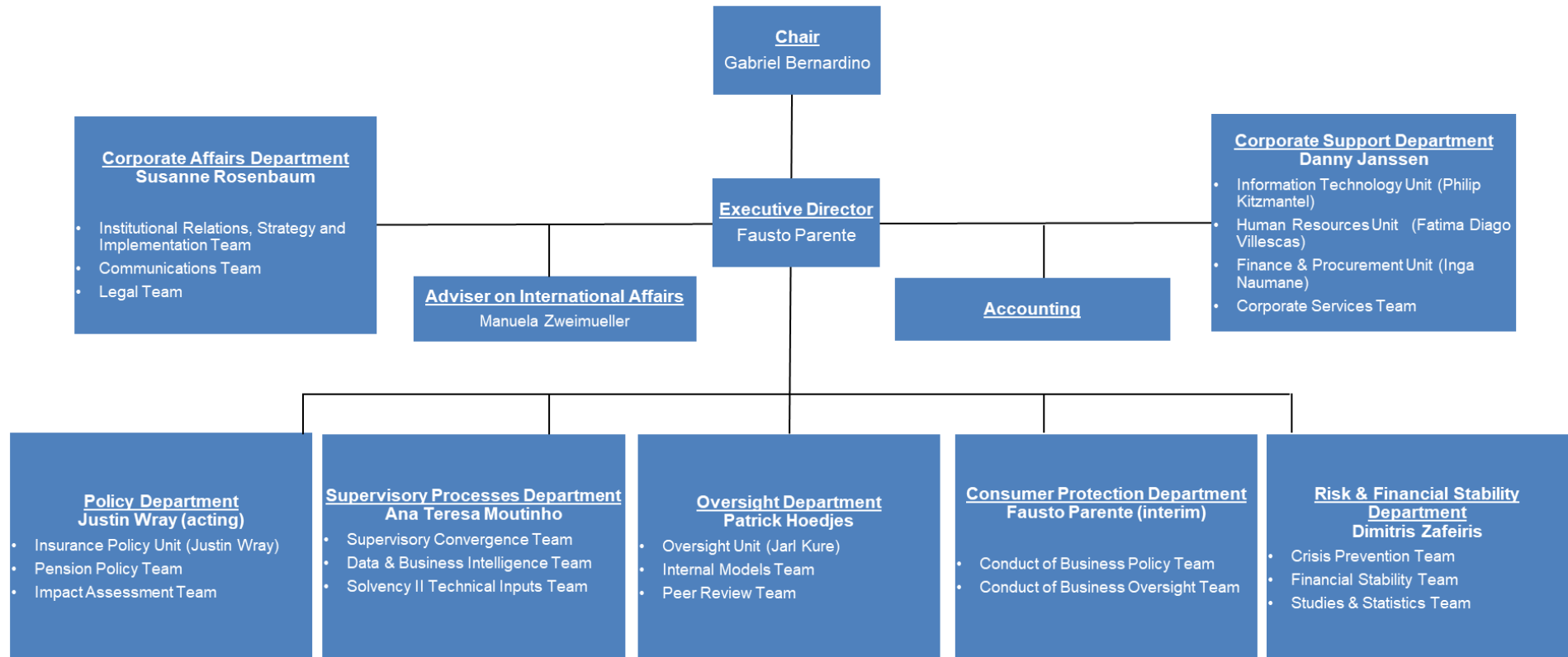
EIOPA will search out further opportunities to bring together different elements of the organisation working on similar areas to capitalise on synergies and enhance the efficiency. Ensuring changing priorities can be realised in changes to its structure and the competencies of its work force, EIOPA has already implemented a competency framework. This allows the Authority to better manage and re-allocate staff across its many tasks based on the shift in priorities. This has already proven useful to manage the change in EIOPA's tasks from regulation to supervision.

EIOPA continuously apply rigorous reprioritisation and optimisation initiative to adapt our resources and workstreams where necessary. Due to the circumstance that the ESA Review did not lead to a reduction in existing tasks and responsibilities, 2020 will be a year where we are to address not only the ESA Review inducted changes to our tasks and responsibilities, but also the cumulative impact of the new legislative act PEPP, we are to prepare for the Solvency II 2020 review, and Brexit. An exhaustive meaningful redeployment does not seem possible to cover the gaps identified above when comparing our resource assessment with the EC assessments.

Annex X: Procurement Plan (2020)

Ref	Planned launch	Subject	Estimated value NET (whole contract duration)	Estimated value NET (for 2020)	Estimated start-end contract	Procedure / Type of contract (FWC, Direct)
1	March	Market data for RFR validation purposes	50,000	50,000	Q3 2020 – Q3 2021	Negotiated procedure without prior publication of a contract notice
2	July	Catering services for meetings with external parties (pool of restaurants)	137,000	44,500	Q4 2020 - Q4 2024	Call for expression of interest
3	Sep	Market yield indices of corporate bonds	280,000	0	Q1 2021 - Q1 2025	Open or Competitive Negotiated Procedure
4	Sep	Credit Ratings Transition Matrices and Probability of Default Tables	110,000	0	Q1 2021 - Q1 2025	Open or Competitive Negotiated Procedure

Annex XI: Organisation Chart (December 2019)



Annex XII: Data request calendar 2020

Description of data request	Start date	Finish date	Distribution List
Regular quantitative			
Solvency II Prudential Data Submissions Flow	01/01/2019	31/12/2019	N/A
Pension funds data submission flow	01/01/2019	31/12/2019	N/A
Registers - DCCR unified flow for all Releases Insurance Register IORPs Occupational Pensions List of Groups Pension Plans and Products	01/01/2019	31/12/2019	N/A
MCRCS data request (comparative study on the market risk models)	Q1 [TBC]	Q2 [TBC]	Specific Project Group
NLCS data request (comparative study on the non-life risk models) - placeholder	TBD	TBD	BoS
Use of Capital add ons (article 52 of SII Directive)	15/07/2019	15/08/2019	BoS
Use of limitations/exemptions (article 35 (6) and (7) of SII Directive)	15/07/2019	15/08/2019	BoS
LTG review info request to NSAs	Q1 [TBC]	Q2 [TBC]	Specific Project Group
LTG review info request to undertakings	Q2 [TBC]	Q3 [TBC]	Specific Project Group
Annual update of database on insurance failures and near misses	08/11/2019	10/12/2019	BoS
IMOGAPIs prototype: data request for IM data to NCAs	2019Q4	Q1	ENW4
Regular qualitative			
Annual Consumer Trends Report	Q1 [TBC]	Q2 [TBC]	CCPFI
Annual Report information on the national use of sanctions under PRIIPs (required by PRIIPs)	01/03/2020	31/03/2020	Mailing list based on contact points designated by NCAs
Annual Report information on the national use of sanctions under IDD (required by IDD)	01/03/2020	31/03/2020	Mailing list based on contact points designated by NCAs
Market Monitoring / Early Warning Signals	Q1 [TBC] and Q3 (TBC)	Q2 and Q4 (TBC)	CCPFI
Annual DLT assessment for the RFR calculation	21/05/2019	17/08/2019	Specific Project Group
EIOPA bottom-up risk assessment survey - 2020 Spring	01/02/2020	01/04/2020	BoS
EIOPA bottom-up risk assessment survey - 2020 Autumn	01/07/2020	01/10/2019	BoS
Qualitative inputs regarding important developments in the IM market in order to feed the IM dashboard	Q2	Q3 [TBC]	ENW4
(placeholder - tbd) Exchange data on cyber attacks and cyber security (ESAs Review implementation)	[TBD]	[TBD]	[TBD]
Non-regular quantitative			
Climate risk sensitivity analysis 2020 - tentative data request to complete data available for top-down element as stated in the roadmap	Q2	6-8 weeks after launch	Specific Project Group
Unit-linked work	Q1/Q2 TBC	TBD	Contact people provided by NCAs
Potential data collection for the work on the impact of ultra low yields on insurers to complement SII data	Q1/Q2 TBC	TBD	Specific project group or contact

			people to be provided by NCAs
Information request on holistic impact of 2020 review	beginning of March	end of March	Specific Project Group
PG on modelling of diversification benefits	TBC	TBC	Specific Project Group
EU US project specific quantitative and qualitative information request on cybersecurity, cyber underwriting, big data and intra-group transactions	Q1/Q2 [TBC]	Q4 [TBC]	BoS
Brexit related information request	Q1 [TBC]	Q4 [TBC]	BoS
Non-regular qualitative			-
Qualitative survey to groups reporting for FS purposes as agreed in the roadmap for the 2020 exercise on climate-related transition risks	Q2	6-8 weeks after launch	Specific Project Group
Info on model changes linked to new Cat risk models - PLACEHOLDER	TBC	TBC	ENW4
ENW4 quarterly updates from national supervision - PLACEHOLDER	TBC	TBC	ENW4
EIOPA monitoring of crypto assets developments in the insurance sector	Q1/Q2 2019	6 weeks after launch	InsurTech Task Force
Work on Blockchain / Distributed Ledger Technology foreseen in the ITF mandate	Q2/Q3 2019	6 weeks after launch	InsurTech Task Force
Pilot peer review under the new ESAs regulation	Q2/Q3 2020 TBC	4 weeks after launch	BoS
Pilot follow-up under the new ESAs regulation (peer review on key functions or peer review on propriety)	Q2/Q3 2020 TBC	4 weeks after launch	BoS
Information request on IORP II implementation (governance and risk assessment- 2nd phase)	Q2/Q3 2020 TBC	4-6 weeks after launch	BoS
Information request on supervisory issues in relation to IORP II (part of SSC 2020 supervisory convergence plan)	Q3 2020 (TBC)	4-6 weeks after launch	BoS
Information request in the event of COM Call for Advice in context of IORP II/occupational pensions	TBC	TBC	BoS
Placeholder for the area of Cyber underwriting strategy	TBC	TBC	BoS
Placeholder for the area of SupTech strategy	TBC	TBC	BoS
Qualitative info on compliance with LEI GL envisaging its revision	TBC	TBC	BoS
Placeholder for 2020 Review work on Proportionality Principle	TBC	TBC	BoS
Qualitative information on climate change scenario in the ORSA	end Q2/Q3 [TBC]	Q3 [TBC]	BoS