

# JOINT MEETING OF EIOPA'S BOARD OF SUPERVISORS AND STAKEHOLDER GROUPS

DATE: 23 NOVEMBER 2021 10:00 - 13:00 CET

## MEETING SUMMARY

### AGENDA ITEM 1: Welcome by the EIOPA, IRSG and OPSG Chairpersons

1. The EIOPA, IRSG, and OPSG Chairpersons welcomed the members to the yearly joint meeting.

### AGENDA ITEM 2: Approval of the agenda

2. The BoS, IRSG, and OPSG adopted the agenda by consensus.

### AGENDA ITEM 3: European Commission (COM) strategic outlook for 2022

3. Martin Merlin (COM) presented and discussed the main priorities of the COM in the field of insurance and pensions as outlined in COM 2022 Annual Programme ([LINK](#))

### AGENDA ITEM 4: EIOPA's strategic outlook for 2022

4. EIOPA's Chairperson presented and discussed the strategic priorities of EIOPA in 2022 as outlined in EIOPA's Annual Work Programme ([EIOPA-21-419](#))

### AGENDA ITEM 5: Outlook of IRSG and OPSG work in 2022

5. The IRSG and OPSG Chairpersons highlighted the work accomplished by the stakeholder groups since the joint meeting of 2020, and outlined the upcoming deliverables in their respective group.

### AGENDA ITEM 6: Digital Operational Resilience (DORA)

6. Stefan Nellshen (IORP representative, OPSG) and Desislav Danov (consumer representative, IRSG) gave a short statement, followed by discussion moderated by Dieter Hendrickx (NBB, BoS).
7. The importance of improving digital operational resilience within the financial sector was broadly supported. However, concerns were raised concerning proportionality, the scope, elements and challenges faced in preparation of DORA.
8. On the large scope of application, guidance from the European Supervisory Authorities on areas to focus on would be appreciated as it would also help in raising awareness. Additionally, it is important to understand the interaction with other regulations, to ensure gaps and overlaps are avoided.

9. While the level of preparation from an industry perspective depends on the size and risk profile of the organisation, it is also important to ensure that regulators are prepared and acquire the appropriate resources and knowledge.
10. An open dialogue with EIOPA would help in ensuring a clear understanding of the application of DORA to particular categories of stakeholders such as intermediaries.
11. EIOPA was pleased to hear that entities are looking into the implications of DORA and welcomed opportunities to receive concrete feedback on the challenges faced by the industry as this will help the Authority to provide guidance and steer where possible certain elements of the technical standards.

### **AGENDA ITEM 7: Break-out sessions**

#### **BREAKOUT SESSION: The future of retirement savings: are we seeing a paradigm shift?**

12. Ján Šebo (academics, OPSG) and Guillaume Prache (consumer representative, IRSG) gave a short statement, followed by a discussion moderated by Teija Korpiaho (FIN-FSA, BoS).
13. The current macro-economic environment, with persistently low and negative yields in Europe and rise of inflation levels, prompts a re-thinking of strategies for long-term savings and investments for retirement. One of the consequences of the current environment is a shift of burden from providers of state pensions to providers of private pensions (i.e. occupational and personal pensions). Further, occupational pension schemes, IORPs, and providers of personal pension products such as life insurance undertakings, are adapting to the economic reality by moving from defined benefit (DB) to defined contribution (DC) schemes as well as by significantly decreasing financial guarantees.
14. To better design private retirement solutions, it was stated that key learnings from behavioural economics should be used to support consumers in their decision making regarding old age provision. Future retirement products should be characterised by a lower level of complexity than today's products, high levels of transparency and cost-efficiency (gained through increased competition) as well as by tailoring the products to the specific needs of consumers. In addition, increasing the level of financial literacy across the EU and raising awareness about pension gaps and about the importance of saving for retirement are of key importance. In this context reference were made to launch of a 'European Retirement Week' and EIOPA's 'Value for Money' work as such concept may enrich the debate.

#### **BREAKOUT SESSION: Investing in the best interest of policyholders, members and beneficiaries in light of sustainability considerations**

15. Onno Steenbeek (IORP representative, OPSG) and Lauri Saraste (industry representative, IRSG) gave a short statement, followed by discussion moderated by Patrick Montagner (ACPR, BoS).
16. Representatives of both insurers and pension funds shared the view that sustainability is part of the risk management and fiduciary duty of companies, and that Environmental, Social, Governance (ESG) criteria should feed into the portfolio construction (Asset-Liabilities Management strategy). Exclusion strategies (i.e. on weapons, tobacco) are rather common while

more options for investments with positive impact are rare. While a divesting strategy on fossil fuels is appropriate, it also means that companies end up losing their shareholder rights and hence the possibility to steward companies into a sustainable transition, possibly missing out on return if a company transitions successfully. Other views expressed included that rising risk of fossil fuels should not be subsidized and that IORPS may not feel sufficiently mandated by their members or beneficiaries to choose for them sustainable investments with a lower return.

17. Policyholders, beneficiaries and consumers are putting more pressure on companies to reflect their ESG preferences, while boards decide on the ultimate strategy. Insurers and pension funds have a societal role vis-à-vis young customers and to support corporates in the transition through investments and insurance coverage. Prudent person investment behaviour and sustainable investments are not irreconcilable: sustainability considerations offer an opportunity for better risk management. Small players face the additional challenge of integrating sustainability aspects into their conduct and operations in an affordable way.
18. Evidence was mentioned of customers preferring ESG over return (LT) or, of a public-private initiative at national level for responsible business conduct agreement to help pension funds to invest sustainably. Clearer definitions and sustainable investment benchmarks are important tools to support sustainable investments.

#### **AGENDA ITEM 8: Take-aways from the break-out sessions**

19. The two moderators debriefed all participants about the content and outcome of discussions in their session.

#### **AGENDA ITEM 9: Closing remarks**

20. EIOPA Executive Director closed the meeting and thanked members for their active participation.

## PARTICIPANTS

**Chairperson:** Petra Hielkema

### IRSG Members

France	Mireille	Aubry	Industry
Malta	Pauline	Azzopardi	Consumers & Users
Belgium/France	Typhaine	Beaupérin	Professional associations
Romania	Monica	Calu	Consumers & Users
Bulgaria	Desislav	Danov	Consumers & Users
Greece	Niko	Daskalakis	SMEs
Germany	Claudia	Donzelmann	Industry
UK (Vice Chairperson)	Paul	Fox	Consumers & Users
UK	Hugh	Francis	Industry
Finland	Liisa	Halme	Employees
Austria	Liane	Hirner	Industry
France	Benoît	Hugonin	Industry
Poland	Marcin	Kawiński	Academics
Germany (Chairperson)	Michaela	Koller	Industry
Germany	Stefan	Materne	Academics
Ireland	Anthony	O'Riordan	Professional associations
Lithuania	Tomas	Paulauskas	Consumers & Users
Spain	Juan - Ramón	Plá	Industry
Belgium	Patricia	Plas	Industry
France/Belgium	Guillaume	Prache	Consumers & Users
Portugal	Tito	Rodrigues	Consumers & Users
Sweden	Galit	Saar	Industry
Finland	Lauri	Saraste	Industry
Italy	Bruno	Scaroni	Industry
Czech Republic	Martin	Schmalzried	Consumers & Users
Finland	Antti	Talonen	Academics
Belgium	Greg	Van Elsen	Consumers & Users

## OPSG Members

Romania	Cosmina	Amariei	Beneficiaries
Malta	Pauline	Azzopardi	Beneficiaries
Italy	Francesco	Briganti	IORPs
Belgium (Chairperson)	Bernard	Delbecque	Professional associations
Portugal	Valdemar	Duarte	IORPs
France	Bruno	Gabellieri	Employees
Germany	Christian	Gülich	Beneficiaries
Norway/UK	Olav	Jones	IORPs
Lithuania	Kęstutis	Kupšys	Beneficiaries
France	Paul	Le Bihan	IORPs
France	Christian	Lemaire	IORPs
Finland	Matti	Leppälä	IORPs
Poland (Vice Chairperson)	Aleksandra	Maczynska	Beneficiaries
Ireland	Jerry	Moriarty	IORPs
Italy	Antonello	Motroni	IORPs
Germany	Stefan	Nellshen	IORPs
Belgium	Philip	Neyt	IORPs
Belgium	Nele	Nys	Employees
Poland	Janina	Petelczyc	Academics
Austria	Gertrude	Pils	Beneficiaries
Sweden	Torun	Reinhammar	Professional associations
Slovakia	Jan	Sebo	Academics
Netherlands	Onno	Steenbeek	IORPs
Greece	Ioannis	Tzanakos	IORPs
Netherlands (Vice Chairperson)	Falco	Valkenburg	Professional associations
Netherlands	Hans	Van Meerten	Academics

## BoS Members

Austria	Peter Braumüller (Vice Chairperson)
Belgium	Dieter Hendrickx
Croatia	Ilijana Jeleč
Czech Republic	Jiri Kalivoda/Hana Marčíková
Estonia	Siim Tammer
Finland	Teija Korpiaho
France	Patrick Montagner
Germany	Frank Grund
Greece	Ioanna Seliniotaki
Hungary	Koppány Nagy
Italy	Ambrogio Rinaldi/Elisabetta Giacomel
Latvia	Evija Dundure
Lithuania	Renata Bagdonienė
Poland	Damian Jaworski
Portugal	Hugo Borginho
Romania	Beatrice Verdes/Raluca Tariuc
Slovakia	Júlia Cillíková/Zuzana Kardosova
Slovenia	Goraz Čibej/Mojca Rome

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European Commission	Martin Merlin/Larisa Dragomir
ESRB	Francesco Mazzaferro
EIOPA Chairperson	Petra Hielkema
EIOPA Executive Director	Fausto Parente
EIOPA Head of Corporate Affairs Dpt	Susanne Rosenbaum
EIOPA Head of Policy Dpt	Justin Wray
EIOPA Head Supervisory Processes Dpt	Ana Teresa Moutinho