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# INSURANCE AND REINSURANCE STAKEHOLDER GROUP MEETING

**DATE: 06 MAY 2021** 09:30 – 15:30 CEST

LOCATION: VIDEO CONFERENCE

## MEETING CONCLUSIONS

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### **AGENDA ITEM 01: Approval of the draft agenda**

#### CONCLUSIONS AND ACTION POINTS

1. The draft agenda (IRSG-21-03) was adopted.

### **AGENDA ITEM 02: Update by IRSG Chairperson**

2. The IRSG Chairperson and several Members expressed their wish to interact with EIOPA's Board of Supervisors (BoS) more often during Joint meetings. In this respect, they asked that Article 40 of the EIOPA Regulation be followed.
3. EIOPA's Senior Management explained the current approach taken.

#### CONCLUSIONS AND ACTION POINTS

4. EIOPA's Senior Management confirmed that EIOPA's BoS will discuss the issue of the BoS/Stakeholder Groups meeting setting in early autumn, in time to adapt it for the 2022 meeting calendar.
5. IRSG Chairperson will liaise with OPSG Chairperson to address the issue on how to best implement Joint meetings with the BoS in the interest of both Stakeholder Groups.
6. Topic of Review of the Insurance Distribution Directive (IDD) to be discussed at the next IRSG meeting in July.

### **AGENDA ITEM 03: EIOPA's feedback on IRSG advice delivered**

7. Members reacted to EIOPA's written feedback (see [link](#) to EIOPA-IRSG-21) on:
    - [IRSG Advice on Measures to Improve the Insurability of Business Interruption Risk in Light of Pandemics](#)
    - [IRSG Advice on Solvency II Review](#)
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- [IRSG Advice on the Supervisory Statement on the use of risk mitigation techniques by insurance and reinsurance undertakings](#)
8. Some Members reiterated concerns about a few aspects of EIOPA's Advice on the Solvency II Review, such as the treatment of volatility or risk margin, as well as the length and impact of the advice itself. On pandemic insurance/shared resilience solutions, it was argued that EIOPA's paper did not include enough considerations about the funding of, and access to funding by, SMEs.

#### CONCLUSIONS AND ACTION POINTS

9. Members agreed to add own initiative statement on shared resilience solutions to the [IRSG Work Plan](#), following up on IRSG Advice on Measures to Improve the Insurability of Business Interruption Risk in Light of Pandemics.

#### AGENDA ITEM 04: Regular EIOPA Update and EIOPA's Convergence Tools

10. EIOPA Executive Director (ED) updated Members on the following topics:

##### DIGITAL FINANCE - CALL FROM ADVICE FROM THE EUROPEAN COMMISSION TO THE ESAS

EIOPA's ED outlined scope, process and timeline of EIOPA's work in relation to the Call for Advice: available at this [link](#).

##### PILOT DASHBOARD ON NATURAL CATASTROPHE INSURANCE PROTECTION GAP

11. As a follow-up to its public consultation, EIOPA has planned a data request for the summer 2021, with final publication of the dashboard planned for 2022.

#### FUTURE MEETING PRACTICE AT EIOPA

12. The developments and experiences in the context of the COVID-19 pandemic have provided an impetus to critically re-evaluate EIOPA's multi-annual environmental objectives. In this context, EIOPA plans to reduce significantly the number of on-site meetings and missions as of 2021 compared to the pre-crisis numbers.
13. Members urged to keep a high proportion of in-person meetings at EIOPA's premises in the future while EIOPA's ED acknowledged that online meetings often affect group dynamics.

#### EIOPA SUPERVISORY CONVERGENCE TOOLS

14. EIOPA informed about ([EIOPA-IRSG-21-20](#)) specific convergence tools it has developed to promote common supervisory approaches and practices – pointing out for example criteria

that distinguish an Opinion from a Supervisory Statement. In an exchange of views the following further aspects were mentioned: national implementation (comply or explain mechanisms), cost and benefit analysis before a particular tool is used, transparency process in handling Questions. Concerns were also raised regarding the tentative interpretation of EU law by EIOPA in its response to [Q&A 1788](#). EIOPA informed that it is currently aiming to improve how to display Q&As on its website.

#### CONCLUSIONS AND ACTION POINTS

15. Not applicable.

#### AGENDA ITEM 05: Taxonomy-related product disclosures

16. Marcin Kawiński summarised ([IRSG-21-16](#)) the main points of the draft IRSG advice e.g. the risk for the templates as designed by the ESAs to be too long and overly detailed for consumers.

#### CONCLUSIONS AND ACTION POINTS

17. Marcin Kawiński to coordinate drafting and adoption of the IRSG advice by 12 May 2021.

#### AGENDA ITEM 06: Value-for-money risks in the unit-linked insurance (and hybrid) market

18. BoS Member introduced ([EIOPA-IRSG-21-25](#)) EIOPA's consultation on value-for-money risks in the unit-linked insurance (and hybrid) market. He highlighted the importance of unit-linked products as a legitimate investment vehicle and at the same time the opportunity for European insurers to address value-for-money issues and keep up with existing competitors. He further referred to a report on Pension Transparency in his country ([link](#)), and noted that the goal is not to aim for product intervention, but rather to ensure that products do not raise significant concerns.

19. Members recognized the importance of working on these risks. However, they expressed diverging views on the key challenges in assessing unit-linked products and on the heterogeneity of consumer preferences and needs, and on the costs and performance (net returns) of such products.

#### CONCLUSIONS AND ACTION POINTS

20. Marcin Kawiński to coordinate drafting and adoption of the IRSG advice by 16 July 2021.

#### AGENDA ITEM 07: Consumer Trends Report

21. Members exchanged views on EIOPA's questionnaire ([EIOPA-IRSG-21-26](#)). Several Members suggested to rename EIOPA's deliverable "User Trend Report" in order to include also conduct issues that smaller SMEs are facing.

#### CONCLUSIONS AND ACTION POINTS

22. Juan-Ramon Pla to collate inputs from Members and submit to EIOPA by 16 July 2021.

#### AGENDA ITEM 08: Thematic Review on Bancassurance

23. Pierpaolo Marano commented on EIOPA's request on a thematic review on mortgage protection insurance and other credit protection insurance sold via banks.
24. EIOPA provided further background ([EIOPA-IRSG-21-22](#)) on the scope of the thematic review, and introduced consumer protection issues to be explored.
25. Members recommended to have the Questionnaires for the industry shortened, simplified, and focused on the scope of the thematic review.

#### CONCLUSIONS AND ACTION POINTS

26. EIOPA confirmed to review the draft Questionnaires based on comments received during the meeting.
27. Pierpaolo Marano to collate the feedback from Members on EIOPA's Industry Questionnaires by 14 May 2021.
28. IRSG to identify one issue to be included in EIOPA's final report by 30 September.

#### AGENDA ITEM 09: Blockchain and smart contracts

29. EIOPA presented its Discussion paper on blockchain and smart contracts in insurance ([link](#)).

#### CONCLUSIONS AND ACTION POINTS

30. Pierpaolo Marano to coordinate drafting and adoption of the IRSG advice by 29 July 2021.

#### AGENDA ITEM 10: ESA Review: Targeted consultation from the European Commission (COM) on "supervisory convergence and the single rulebook"

31. Lauri Saraste summarised the preliminary views from subgroup Members ([link](#)) in response to a targeted consultation launched by the European Commission ([link](#)), including, amongst others, proposal to create a Joint Stakeholder Group of the ESAs or establish a stronger link between rulings of the European Court of Justice and EIOPA's enforcement powers.

#### CONCLUSIONS AND ACTION POINTS

32. Lauri Saraste to coordinate the work with a view to adopt the IRSG advice by 21 May 2021.

#### AGENDA ITEM 11: Exchange on Proportionality

33. EIOPA described the work of its Advisory Committee on Proportionality (ACP) and dedicated Task Forces: on IORPs, Conduct of Business, and 2022 Advice. The ACP identified the areas where it should focus its Advice on proportionality for next year: Digital Operational Resilience Act, Reporting on Environmental Social and Governance (ESG) risks, review of the IDD, and System of Governance guidelines.

#### CONCLUSIONS AND ACTION POINTS

34. The IRSG Chairperson welcomed the arrangements found to allow all Members in the group to give input on proportionality by commenting on Task Force documents.
35. [Members to express interest](#) in participating in the ACP task forces' work.

#### AGENDA ITEM 12: Legal Entity Identifier (LEI) Guidelines revision

36. Marcin Kawiński commented on EIOPA's consultation paper (CP) on revised LEI Guidelines.

From IRSG perspective the focus/main area of interest is on the cross border intermediaries.

#### CONCLUSIONS AND ACTION POINTS

37. Members to volunteer via the [IRSG Work Plan](#) to draft IRSG response to this consultation.
38. Marcin Kawiński to follow-up with Members and coordinate the IRSG response due by 30 June 2021.

#### AGENDA ITEM 13: Risk free rate: public consultation on IBOR transition

39. EIOPA outlined the upcoming consultation in a short presentation ([EIOPA-IRSG-21-27](#)) and Members exchanged views with EIOPA.

#### CONCLUSIONS AND ACTION POINTS

40. Members to volunteer via the [IRSG Work Plan](#) to draft IRSG response to this consultation.
41. Tony O’Riordan to coordinate the IRSG response due by 23 July 2021.

#### AGENDA ITEM 14: Any Other Business (AOB)

42. Members to send proposals for topics to discuss in the next IRSG meeting in July.

#### Participants

**Chairperson:** Michaela Koller (Germany) **Vice-Chairperson:** Paul Fox (UK)

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

### Other participants:

EIOPA's Vice-Chairperson an Executive Director, Board of Supervisor member, EIOPA staff members

For further information on meeting documents and attendance please contact:

Stakeholder.Groups@eiopa.europa.eu.