

Opinion of the European Insurance and Occupational Pensions Authority on the decision of the European Parliament in the discharge procedure in respect of the implementation of the budget for the financial year 2020 (2021/2130(DEC))

The Board of Supervisors of the European Insurance and Occupational Pensions Authority (EIOPA) has adopted the following Opinion.

1. Introduction

The European Parliament has granted on 4 May 2022 discharge in respect of the implementation of the budget of the European Insurance and Occupational Pensions Authority (EIOPA) for the financial year 2020¹. In accordance with article 64(11) of the EIOPA Regulation², the Authority shall provide a reasoned opinion on the position of the European Parliament and on any other observations made by the European Parliament in the discharge procedure.

The current Opinion provides EIOPA's views on the Parliament's decision and observations. It also highlights the measures taken by EIOPA to address the recommendations made by the European Parliament acting as Discharge Authority in respect of the implementation of the budget for the financial year 2020 in accordance with Article 106 of the EIOPA Financial Regulation³

2. Discharge 2020: European Parliament's observations and measures taken by EIOPA

The below table lists the observations from the European Parliament and the measures taken by EIOPA to address these observations.

¹ https://www.europarl.europa.eu/doceo/document/TA-9-2022-0179_EN.pdf

² Regulation (EU) No 1094/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Insurance and Occupational Pensions Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/79/EC (OJ L 331, 15.12.2010, p. 48).

³ Financial Regulation of the European Insurance and Occupational Pensions Authority (2019), available on EIOPA's webpage.

Ref ⁴	Observation of the Discharge Authority	Response and measures taken by EIOPA
3	<p>Notes that the Authority has six men (75 %) and two women (25 %) in senior management positions, four men (57,1 %) and three women (42,9 %) on its management board, and 81 men (48,5 %) and 86 women (51,5 %) in its overall staff; regrets the gender imbalance at senior management level and asks the Authority to ensure gender balance at the management levels in the future;</p>	<p style="text-align: center;">Staff policy</p> <p>EIOPA shares the Parliament concern and thus special efforts have been allocated to achieve gender balance. The main actions taken to address this item are the following:</p> <ul style="list-style-type: none"> • In 2021, EIOPA adopted a new Diversity and Inclusion strategy, guided by its vision to be a credible supervisory authority, going well beyond ensuring compliance with non-discrimination and equality rules. The strategy focuses on diversity and inclusion, acknowledging that inclusion has different meaning for different groups and the need to take into account the particular situation and specific concerns of each group. It embraces diversity and inclusion as a corporate culture, a working environment that allows differences to thrive and be accepted and valued. <p>EIOPA pays particular attention to gender equity considering the following aspects:</p> <ol style="list-style-type: none"> 1) attraction and recruitment: actively encouraging underrepresented gender groups to apply for positions at all levels, especially for management positions; taking all necessary measures to provide opportunities for the gender rebalancing of the Management Team as well as ensuring a good balance at expert, senior and principal expert levels; 2) career and leadership development: enhancing the potential of female staff for senior, principal expert level and middle management functions; female leadership development programme: empower female staff to fulfil their potential; develop their management capability; allow them to make informed career choices; unconscious bias training: learn how bias plays out in everyday circumstances and in the decisions of both men and women; internal horizontal mobility to enable female staff to expand their experience; fostering self-confidence by enabling a more active

⁴ Ref: this is the reference to the specific observation from the "European Parliament decision of 28 May 2021 on discharge in respect of the implementation of the budget of the European Insurance and Occupational Pensions Authority for the financial year 2019 (2020/2175(DEC))"



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		<p>exchange within and between women's formal or informal networks; providing information, mutual support, mentoring opportunities (internal and external);</p> <p>3) culture and accountability: raising awareness, creating accountability and strengthening commitment to gender equality as a common goal and shared value; monitoring progress;</p> <p>4) flexible working environment: recognising the need to reconcile professional and personal life as a central factor in improving gender balance and facilitating efficiency and job satisfaction; staff's entitlement to family related leave (such as family leaves - to care for dependent family members - rights to part-time work to care for children, special leaves in situations of family emergencies) or to maternal/paternal leaves around the time of the birth or the adoption of a child, childcare facilities, European school, flexitime and teleworking arrangements.</p> <ul style="list-style-type: none"> • In 2021 also, and starting on the occasion of the international Women's Day, EIOPA has launched the 'Women in Insurance' initiative: bringing a series of profiles of successful women in the insurance sector in the spotlight. The aim is to provide role models and to raise awareness of the sector as a rewarding and long-term career choice, whether at EIOPA, at national supervisors or in the private sector. Moreover, EIOPA initiated mentoring programme and installed a policy for gender balanced panel participation or setting. • In the beginning of 2022, EIOPA, EBA and ESMA organized a joint ESAs conference on gender equality for the staff of the three authorities, raising awareness and reconfirming their commitment to ensuring gender equality at management level. <p>The results of the actions above are starting to be visible. At middle management level (Heads of Department and Heads of Units) in 2022 the Authority has achieved a more balanced gender representation (36%) with five women (two HoD and three HoU) and nine men (four HoD and five HoU). Moreover, with the appointment of the Chair, Ms. Petra Hielkema, the senior management</p>

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		<p>(Chair and Executive Director – Fausto Parente) and the Management Board (with three male and four female) are now balanced.</p> <p>EIOPA will continue to do efforts in this respect.</p>
16	<p>Notes that the Authority carried out the annual assessment of its internal control framework, concluding that all components and principles are implemented and function as intended, with a number of improvements required; recalls the Court's finding on the amount of costs reimbursed to and requested by the national authorities for SNEs and notes that this finding of the Court, which was accepted by the Authority, potentially constitutes a weakness in internal control principle 10 (Select and develop control activities that mitigate risks) and principle 12 (Deploy control activities through policies and procedures), which potentially call into question the functioning of internal control component 3 (Control activities); further recalls the finding of the Court on procurement, that also potentially constitutes a weakness in the same internal control principles; calls</p>	<p>Internal Control</p> <p>EIOPA's internal control framework is assessed based on a methodology developed in line with the European Commission guidance and based on the COSO⁵ model. This methodology includes a set of indicators (110), a dedicated internal control staff survey and the outcome of specific control activities (e.g., ex-post verifications, sensitive functions review, follow up of previous audits, etc.). Also, the findings and recommendations received from the internal and external auditors, as well as the comments from the Discharge Authority, are being considered for the final result of the overall annual assessment.</p> <p>It shall be noted that the annual internal control assessment for 2019 took place between Q4 2019 and Q1 2020, while the Court's report dates from Q3 2020. Since the Court's observation was immediately addressed, the internal control function did not consider it necessary to amend the overall outcome of the annual internal control assessment. However, the observation forms part of the continuous monitoring of recommendations and observations received from internal and external reviews and audits and as such, in the frame of the assessment 2020 all the previous recommendations were considered.</p>

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	<p>on the Authority to explain to the discharge authority how the weaknesses identified by the Court were considered in the Authority's internal control assessment and why it still concluded that all components and principles function as intended;</p>	
19	<p>Welcomes the continuing collaboration of the Authority with other agencies in the field of information technology; notes the rollout of SYSPER in September 2020, the work on an online voting tool for board meetings based on software already chosen by other agencies and the jointly negotiated implementation of several important security initiatives; asks the Authority to report on the progress regarding the planning of a shared Security Operations Centre with the European Banking Authority, and the planning of a shared communication and collaboration space for the European Supervisory Authorities and all their stakeholders;</p>	<p style="text-align: center;"><i>Other comments</i></p> <p>EIOPA's Security Operations Centre has been set up successfully. EIOPA and EBA have aligned their requirements and are working together with a shared service provider. The service is constantly monitoring both agencies' infrastructure for suspicious activity and is being further enhanced on an on-going basis.</p> <p>With regard to the shared collaboration space, the three ESAs have conducted a joint study to compare several options and have decided on the preferred technical solution based on Microsoft Teams. The implementation will conclude once the software product has been updated with the necessary functionality; the enhancements are on the vendor's roadmap already and are expected to become available in 2022.</p>

Done at Frankfurt am Main, on 04 August 2022

For the Board of Supervisors
 Petra Hielkema
 Chairperson



