

# Common supervisory culture

## What is a common supervisory culture?

Building a common supervisory culture is a strategic goal of EIOPA.

A common supervisory culture entails a common understanding of the way supervisors think, behave and work within their community. The culture manifests itself in processes, procedures and behaviours. Everybody involved should agree on supervisory objectives and a common view of the key characteristics of high-quality and effective supervision.

## What are the benefits?

EIOPA actively promotes a common supervisory culture and consistent supervisory practices across Europe to ensure a high, effective and consistent level of supervision.

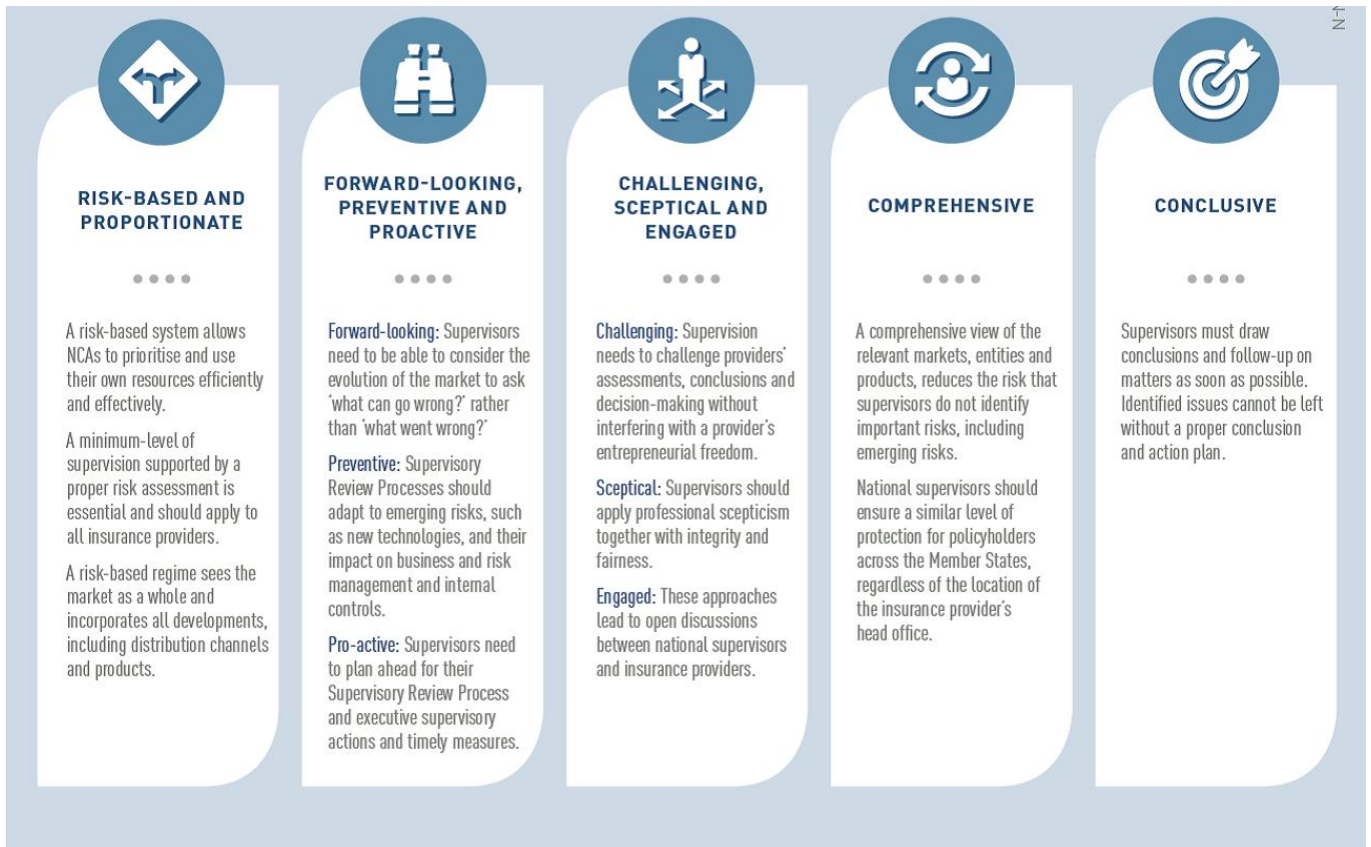
Main benefits:

Policyholders and beneficiaries receive a similar level of protection wherever they are based in Europe, regardless of the location of the insurance undertaking's head office.

Insurance providers act honestly, fairly and professionally in the best interests of policyholders and beneficiaries

Laws and regulations are interpreted in the same way across Europe

## Key characteristics of high-quality and effective supervision



## Who is involved in developing the culture?

To promote supervisory convergence, EIOPA works closely with national supervisory authorities in each member state, who are with insurance and pensions providers.



**THE EUROPEAN INSURANCE AND  
OCCUPATIONAL PENSIONS AUTHORITY**



**NATIONAL SUPERVISORS IN EACH  
OF THE MEMBER STATES**



**INSURANCE AND PENSIONS PROVIDERS  
WHO DO BUSINESS IN EUROPE**

Which tools are needed?

## The tools needed

{ A common supervisory culture requires basic tools to be available to national supervisors. }



### LEGAL STANDING

Supervisors need authority and appropriate powers to fulfil its task.



### PROPER GOVERNANCE STRUCTURE

Supervisors must have adequate processes and procedures for supervision in place. Principles such as independency, transparency and accountability should be applied by all supervisors in their daily tasks.



### CLEAR DEFINED STRATEGY

Good operational and strategic planning support supervisors to be flexible to take into account evolving financial markets.



### PROPER PROCESSES FOR COOPERATION WITH OTHER COMPETENT SUPERVISORS AND EIOPA

A continuous exchange of information will give supervisors a detailed view on the products that are being sold and the institutions that are active on the market.



### ADEQUATE RESOURCES

From both human and financial perspective.

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