



Supervisory Technology

What is supervisory technology?

Supervisory technology or SupTech is the use of technology by supervisors to deliver innovative and efficient supervisory solutions that will support a more effective, flexible and responsive supervisory system.

How does it apply in the insurance and pensions sectors?

The Coronavirus pandemic has put technology in the spotlight. More than ever before, companies and consumers are relying on technology to keep working and to stay in touch.

Supervisors are no different and they are increasingly using new technologies in their supervisory work.

Supervisors use it for:

- automating and streamlining administrative and operational procedures, including their interaction with the undertakings
- digitising data
- digitising working tools
- improving data analytics

- enhancing data visualisation

This helps to improve supervisory practices and promotes early identification and understanding of risks.

What are the challenges for supervisors?

There are two main challenges in implementing supervisory technology:

- Organisational challenges: authorities need to promote an innovative and creative environment, as well as training programs for their staff in the area of new technologies
- Technological challenge: decide in which technologies and supervisory areas to invest. When taking decisions, the national competent authorities as well as EIOPA need to consider the complexity of the technology, the maturity level of the technology and the costs. Authorities also need to change the approach to development, such as design thinking.

How is EIOPA addressing supervisory technology?

Improving the efficiency and effectiveness of the Supervisory Review Process is a strategic priority for EIOPA and is therefore fertile ground for SupTech.

In its SupTech strategy, EIOPA lays the ground for the establishment of a mid- and long-term coordinated plan for the development of SupTech-based supervisory tools and processes.

EIOPA and national supervisors have identified the following as possible areas for the use and application of SupTech:

- Improve data collection and data sharing, by promoting more efficient registers and enhancing cooperation and collaboration between national supervisors.
- Support market monitoring, in particular with regards to regulatory disclosure documents: how to automate the assessment of information, to identify missing information or to best gather it.

[READ THE SUPTECH STRATEGY](#)

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