



EIOPA calls for sound supervisory practices in registering or authorising IORPs to foster a level-playing field across the EU

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Today, the European Insurance and Occupational Pensions Authority (EIOPA) published a supervisory statement on the sound supervisory practices for registering or authorising Institutions for Occupational Retirement Provision (IORPs), including the assessment of suitability for cross-border activities. The main aim of the supervisory statement is to ensure that IORPs operating cross-border do it under prudent conditions, regardless of the different authorisation or registration regimes. This will foster a level-playing field across the European Union conducive to an internal market for IORPs and ensure adequate protection of the members and beneficiaries. This objective is achieved through supervisory convergence of currently divergent practices and avoiding risks of supervisory arbitrage after the implementation of IORP II Directive.

The supervisory statement is issued based on Article 29(2) of the EIOPA Regulation and aims to promote common supervisory practices. It is addressed to national competent authorities. Home national competent authorities are expected to carry out a prudential assessment, which ensures that any registered or authorised IORPs meet all the requirements of the IORP II Directive to operate domestically or across borders.

The prudential assessment needs to ensure that IORPs are prudentially sound and have suitable administrative and governing structures to protect the interests of their members and beneficiaries when operating domestically or cross-border. To facilitate cross-border activities, the prudential assessment should also be proportionate to the additional risks linked to conducting cross-border operations in relation to the main objective of prudential supervision.

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