
62ND MANAGEMENT BOARD MEETING VIA VIDEOCONFERENCE

DATE: 12 JANUARY 2022 10:00-11:40

LOCATION: VIDEOCONFERENCE

EIOPA FINAL MINUTES

WELCOME AND INTRODUCTORY REMARKS BY THE ACTING CHAIRPERSON

1. The Chairperson welcomed the attendees to the 62nd meeting of EIOPA's Management Board (MB).

AGENDA ITEM 1: ADOPTION OF THE AGENDA

2. The Chairperson proposed that one AOB matter be discussed right after the oral updates under Agenda Item 2.

DECISION

3. The MB adopted the revised agenda by consensus.

CONCLUSIONS AND ACTION POINTS

4. The Chairperson concluded that there is no MB Member that has an interest that could be considered prejudicial to their independence with regard to any item of the adopted agenda following declaration by all MB Members of absence of any such interests.

AGENDA ITEM 2: UPDATE BY THE VICE-CHAIRPERSON, EXECUTIVE DIRECTOR AND THE EUROPEAN COMMISSION

UPDATES BY THE CHAIRPERSON

5. The Chairperson updated the MB Members on the following topics:

THE FINANCIAL STABILITY TABLE OF THE ECONOMIC AND FINANCIAL COMMITTEE (EFC-FST)

6. The first meeting of the EFC-FST of 2022 took place digitally on 10 January 2020, where Ministries of Finance and Permanent Representatives in the European Union (EU) together with Central Banks Representatives discussed different topics of interest.
7. The meeting provided a good platform for a strategic discussion on economic challenges and risks to financial stability. EIOPA Chairperson as Chair of the Joint Committee (JC) for 2022, represented the ESAs and provided market updates, among which i) concerns on sovereign indebtedness and the extent to which the recent increase of inflation is more permanent in nature and will lead to increased yields, ii) markets in high levels, prone to corrections and risk reversal and iii) Increase in stage 2 loans and forborne loans.
8. A very good presentation on the sustainability done by the European Central Bank (ECB) with EIOPA.
9. Several speakers exchanged views on protection gaps and how to insure insurability of certain economic activities.

JOINT COMMITTEE (JC)

10. As of 1 January 2022 EIOPA took over the Chairmanship of the Joint Committee, EIOPA will be running the secretariat of the Joint Committee. A good handover was ensured by the European Banking Authority (EBA) Chairperson.

OTHER UPDATES:

11. An in-person meeting with Christine Lagarde, President of the ECB, took place on 11 January 2022. The discussion revolved around the work and collaboration between the two institutions. Ms. Lagarde expressed her satisfaction on the good cooperation of EIOPA and the European Systemic Risk Board (ESRB) on data gathering to enhance the understanding of the risks related to climate change.
12. A Round Table is being organised on the initiative of the COM dedicated to go through the Pensions Dashboard and Tracking System and discussing what can be done. All Members States (MS) were invited of which 10 confirmed attendance. EIOPA will also join the Round Table (*more in the COM updates*).
13. More updates on: Ethics updates and Stakeholder Groups Meeting were made available to MB through the “updates of the Chairperson” uploaded before the meeting.

UPDATES BY THE EXECUTIVE DIRECTOR

FINANCIAL SERVICES COMMITTEE (FSC) MEETINGS

14. The Executive Director (ED) attended the FSC meeting at which the FSC Members were provided with quarterly information on financial risks. Moreover, EIOPA updated the FSC Members on its draft advice on pension dashboards and pension tracking systems, which was well received, and also provided an update from the 3 European Supervisory Authorities (ESAs) on their joint work

under the Sustainable Finance Disclosure Regulation and Taxonomy Regulation, which was also welcomed.

BUDGET – TREATMENT OF THE 2020 BUDGET SURPLUS FOR THE UNITED KINGDOM.

15. The two National Competent Authorities (NCAs) of the UK financed part of the 2020 surplus, as they continued contributing to the EIOPA budget in 2020 after Brexit. Although there is no obligation by the withdrawal agreement negotiated between the EU and the UK, EIOPA will, similar to the other ESAs, return to each UK NCA in 2022 its applicable share after the recovery of the 1st budgetary contribution in Q1 2022.

DG REFORM

16. The Board of DG REFORM (European Commission) finalized the pre-selection of the three projects, which will see the EIOPA involvement: 1) Insurance Conduct of Business Supervision (development of a risk assessment framework and supervisory methodology, including mystery shopping) by the Central Bank of Hungary; 2) Assistance with the transition to forward-looking risk-based supervision of IORPs in Ireland by the Irish Pensions Authority; 3) Digital Finance Academy, where EIOPA will partially be involved as provider, together with the other ESAs and an external support provider. The Chairperson underlined the need to ensure that projects where EIOPA support is foreseen are limited in number (two per year), strictly match EIOPA's mandate and ensure an overall EU impact.

OTHER UPDATES:

17. More updates on: COVID-19 and the organizational impact, training and event programme in 2022 and Working groups structure were made available to the MB through the "Update by the ED" which has been uploaded before the meeting

UPDATE BY THE EUROPEAN COMMISSION (COM)

18. The COM representative informed the MB on the following business files:
 - **ROUND TABLE WITH THE MS ON PENSIONS TAKING PLACE ON 18 JANUARY.** Among the topics to be discussed are the Pensions Tracking system, Pensions Dashboard and Study on auto-enrolment. DG FISMA in collaboration with other DGs is currently assessing EIOPA advice on pension dashboards and tracking systems;
 - **INSTITUTIONS FOR OCCUPATIONAL RETIREMENT PROVISION (IORP) CALL FOR ADVICE:** COM intention is to send a call for advice in the first half of 2022 to EIOPA. The exact timing is still to be agreed on;
 - **SOLVENCY 2 PACKAGE NEGOTIATIONS:**
 - The French Council Presidency started fully committed its term. The ambition is to obtain a general approach on the Solvency 2 part of the package by end of June. The presidency has therefore scheduled 8 and possibly 10 working parties. The first working party started already took place focussing on macro prudential tools and

green deal. Discussions on long term guarantee measures and group supervision topics and transitional will follow in the weeks to come.

- Insurance Recovery and Resolution Directive (IRR), only 4 working parties are planned until March.
- **EUROPEAN PARLIAMENT (EP):** The team of shadow rapporteurs has been completed. In terms of schedule for the Solvency 2 amendments and IRR, the draft report is to be submitted by mid-June and the amendments until mid-July. The discussion of the report in the ECON Committee is foreseen to take place in autumn of this year and the estimated timing for the vote during the week 48 (end of November – beginning of December).
- **LEVEL 2 – DELEGATED REGULATION:** COM has planned an intense expert group schedule, with back to back meetings with the Council. Detailed discussions and options on the way forward on the long term guarantee measures are expected to take place in the first months of 2022. Timeline for follow-up measures will be probably postponed for 2023;
- **DORA:** On 24 November 2021, the European Council reached a General Agreement on the DORA and MICA files. This agreement forms the Council’s negotiating mandate for trilogue negotiations with the EP. On the EP side, the ECON Committee voted the DORA Report on 1 December. The French Presidency has planned the first trilogue on 25 January and 16 February. Regarding MICA, the EP intention is to submit the report for vote in February;
- **DELEGATED ACT ON SUSTAINABILITY:** COM publishes a press release and Member States are expected to comment by 21 January 2022.

DECISION

19. Not applicable.

CONCLUSIONS AND ACTION POINTS

20. Not applicable.

AGENDA ITEM 3: INSTITUTIONAL TOPICS

3.1. EIOPA BUDGET 2021: EXECUTION AND BUDGET TRANSFER REPORTS

21. The Head of Corporate Support Department presented the highlights of the budget execution and transfer reports for 2021. The budget was amended twice in 2021, to reflect the additional funds supporting the Commission’s DG Reform projects as well as to reduce the budget for the pension contributions for EIOPA staff further to more accurate forecast data by the end of the year. EIOPA achieved good execution rates, in particular a 99.98 % implementation rate for commitments.

DECISION

22. Not applicable.

CONCLUSIONS AND ACTION POINTS

23. MB took note of the 2021 budget execution and transfer reports.

3.2. SINGLE PROGRAMMING DOCUMENT 2022-2024

3.2.1. Revised SPD 2022-2024

24. The ED introduced the revised Single Programming Document (SPD) 2022-2024. The Authority has taken the opportunity to update the previous version of the SPD, in particular relating to areas of growth stemming from the EU Strategy for Financing the Transition to a Sustainable Economy and the Solvency II review package. Further changes concern the streamlining of the deliverables in its Annual Work Programme (AWP) 2022 with other strategic documents, addition of specific deliverables, better articulation of the AWP 2022 priorities, inclusion of the data and information request calendar for 2022 and the revision of the Key Performance Indicators (KPIs).
25. MB overall welcomed the revised SPD 2022-2024 and requested some clarifications on specific deliverables of the AWP 2022. The MB invited EIOPA to periodically review the impact of the AWP implementation on the NCAs resources. Additionally, the MB invited EIOPA to consider in the future an earlier publication of the calendar of data requests to support the planning of the NCAs and industry resources.

DECISION

26. MB approved, by consensus, the revised 'Single Programming Document (SPD) 2022-2024' (EIOPA-MB-22-002, 12 January 2022) for submission to the Board of Supervisors (BoS) for final adoption.

CONCLUSIONS AND ACTION POINTS

27. EIOPA to submit the revised SPD 2022-2024 to the January BoS meeting for final adoption.
28. EIOPA to periodically review the impact of the Annual Work Programme implementation on the National Competent Authorities (NCAs) resources.

3.2.2. EIOPA Budget 2022: Detailed Breakdown

29. The Head of Corporate Support Department presented the breakdown of the EIOPA Budget 2022. The budget 2022 was adopted by the BoS in December 2021 via a written procedure to permit the start of its implementation. The budget 2022 is in line with the EU Multi Annual Financial Framework 2021-2027 and is 9.79% higher than the budget 2021. The increase is

mainly related to DORA, pending final approval. The Head of the Corporate Support Department added that a budget amendment is likely to be required during 2022, this to include funds from the COM regarding new Administrative Agreements with DG REFORM as well as a possible reduction of the budget due to the further DORA delays.

DECISION

1. Not applicable.

CONCLUSIONS AND ACTION POINTS

30. MB took note of the 2022 budget breakdown information.
31. EIOPA to submit the 2022 budget breakdown to BoS meeting of 27 January for information, and provide additional details on the budget increase in comparison to 2021.

3.3. DRAFT SPD 2023-2025, INCLUDING DRAFT BUDGET 2023

32. The ED presented the draft SPD 2023-2025. The current version of the SPD is based on the first proposal for a strategic direction presented to the MB and BoS in September 2021 and has been consequently updated to include a detailed AWP 2023 as well as further information on the human and financial resources outlook, complemented with planning priorities.
33. The ED explained that the draft SPD 2023-2025 is building on the SPD 2022-2024, taking into account EU legislative developments (DORA), PEPP developments, the possible review of the IORP II Directive as well as work resulting from the revised Solvency II Directive.
34. MB overall welcomed the draft SPD 2023-2025.
35. MB invited EIOPA to consider, together with the other ESAs, the pre-financing options related to the DORA activities.

DECISION

36. MB approved, by simple majority, the 'draft SPD 2023-2025' (EIOPA-MB-22-004, 12 January 2022) for submission to the BoS for adoption. The COM abstained from voting on budget 2023.

CONCLUSIONS AND ACTION POINTS

37. EIOPA to submit the draft SPD 2023-2025 to BoS for adoption.
38. EIOPA to add to the BoS presentation additional information on DORA.

AGENDA ITEM 4: AOB

39. The MB was exchanged views about a draft press release which relates to an internal matter at EIOPA.

40. The Chairperson informed the Members that the meeting scheduled for 9 March will be remote. Due to the COVID-19 pandemic situation the German Parliament adopted a series of legislative changes applicable until 19 March 2022. EIOPA aligned with these provisions and non-essential meetings, visits and missions are postponed.

DECISION

41. Not applicable

CONCLUSIONS AND ACTION POINTS

42. Not applicable

ANNEX: LIST OF DECISIONS ADOPTED BY WRITTEN PROCEDURE FROM 10.11.2021 TO 12.01.2022

MB-2021-11

43. Decision adopting, by consensus, the Decision to appoint one new Member and two new alternates of the Board of Appeal (BoA).

MB-2021-12

44. Decision adopting, by consensus, the Draft Minutes of the 61st Management Board Meeting.

MB-2021-13

45. Decision adopting, by consensus, the MB Decision repealing Decision EIOPA-MB-11/053 on Reimbursement of transportation costs related to education allowance

Participants at the Management Board's meeting via videoconference

12 January 2022

Chairperson: Petra Hielkema

Vice-Chairperson: Peter Braumüller - excused

<u>Country</u>	<u>Member/ Alternate</u>
Czech Republic	Zuzana Silberová /[-]
France	Patrick Montagner/[-]
Germany	Frank Grund /[-]
Italy	Alberto Corinti /[-]
Netherlands	Else BoS/[-]
Sweden	Åsa Larson /[-]

<u>Institution</u>	<u>Non-Voting Member/ Alternate</u>
European Commission	Larisa Dragomir

EIOPA Staff

Executive Director	Fausto Parente
Head of Corporate Affairs Department	Susanne Rosenbaum
Head of Corporate Support Department	Danny Janssen