The European Insurance and Occupational Pensions Authority (EIOPA) is at the heart of insurance and pensions supervision in Europe. Through its work, EIOPA contributes to sound, effective and consistent supervision in Europe, protecting insurance policyholders and beneficiaries, and pension scheme members.

The Single Programming Document 2023-2025 sets out EIOPA’s strategy and work programme for the coming years and includes the Annual Work Programme for 2023.

In a context characterised by evolving challenges, risks and opportunities EIOPA will focus on managing the uncertainty in times of transformation to ensure robust insurance and pensions sectors in Europe.

Abrupt change in the economic and financial situation driven by the war in Ukraine. Supply chain disruptions, spiking energy and commodity prices triggered by the prolonged pandemic crisis and the geopolitical tensions, are shifting the narrative from one dominated by protracted low yields and low inflation to an economic juncture driven by high inflation and uncertain economic growth.

EIOPA will work with a range of stakeholders to mitigate these risks and to ensure that the insurance and pension sectors can fulfil an essential role in underpinning a strong and sustainable recovery in Europe, for the benefit of citizens, business, and the economy.

STRATEGIC ACTIVITY AREAS

- Sustainable finance
- Digital transformation
- Supervision
- Policy
- Risks to financial stability
- Governance
TO INTEGRATE SUSTAINABLE FINANCE CONSIDERATIONS ACROSS ALL AREAS OF OUR WORK

The insurance and pensions sector have a unique opportunity and responsibility to address sustainability-related challenges and thus facilitate the transition to a more sustainable and resilient economy.

In this context, EIOPA will strive to become a centre of expertise in the identification and assessment of sustainability risks.

KEY AREAS OF ACTIVITY

› Prudential regulation: prudential treatment of assets with environmental and social objectives, NatCat standard formula, double materiality
› Risk assessment: initiate a stress test exercise on transition risks
› Risk prevention and conduct risks: raise consumer awareness on risk-based prevention measures and address greenwashing
› Supervision: monitoring the application of the EIOPA Opinion on the supervision of the use of climate change risk scenarios in ORSA

TO SUPPORT THE MARKET AND SUPERVISORY COMMUNITY THROUGH DIGITAL TRANSFORMATION

EIOPA will strive to keep abreast with the latest financial innovations and digital trends, to continue to provide up-to-date supervisory guidance and good practices, while taking into account ethical and financial health considerations.

EIOPA’s main priority is to contribute to a safe transformation into a digitally resilient society and an operationally resilient industry, including through the implementation of DORA.

KEY AREAS OF ACTIVITY

› Develop a sound regime for the use of AI by the insurance sector
› Continue to promote financial inclusion
› Finalise the development of an Open Insurance use case and draw conclusions for an Open Finance framework
› Monitor market innovations and training of supervisors
› Review the Digital Transformation Strategy, integrating it with Data and IT Strategy, SupTech Strategy and partially also Cyber Underwriting Strategy
› Assess financial stability and systemic implications of cyber risk

EIOPA’s digital transformation strategy addresses the challenges posed by the digitalisation of the insurance and pensions sector

Read more
TO ENHANCE THE QUALITY AND EFFECTIVENESS OF SUPERVISION

Policyholders and beneficiaries should be protected equally wherever they live in Europe. High-quality and consistent supervision is essential to achieve this and it is a core tool in safeguarding the stability and safety of both insurance and occupational pension sectors. EIOPA will work on issues related to national supervision, conduct of business supervision and supervisory data. EIOPA’s work on cross-border supervision will continue to increase driven by the growth of cross-border activity in the EU.

KEY AREAS OF ACTIVITY
› Address consumer detriment from cross-border activities
› Adequate product design, including in relation to value for money for in the unit-linked products and exclusions for non-life insurance products.
› Ensure consistent and effective application of Solvency II regulation thanks to the Q&A process
› Report on consumer trends, net performance and fees of long-term retail and pension products

TO ENSURE TECHNICALLY SOUND PRUDENTIAL AND CONDUCT OF BUSINESS POLICY

Sound policy is an essential component of a financial system that works for people and businesses. EIOPA aims at creating an ecosystem that supports financial resilience and enhances consumers’ financial health, taking into account diversity and inclusion considerations.

EIOPA will deliver high-quality advice, including on environmental and/or social topics and analysis on taxonomy-related issues.

KEY AREAS OF ACTIVITY
› Focus on delivering its advice in relation to the review of IORP II Directive
› Support the implementation of the CMU Action Plan and the development of the Commission’s Retail Investment Strategy
› Develop ways to improve the collection of uniform and comprehensive insured loss data
› Contribute to foster constructive dialogue in international fora, including the IAIS
TO IDENTIFY, ASSESS, MONITOR AND REPORT ON RISKS TO FINANCIAL STABILITY AND CONDUCT OF BUSINESS, AND PROMOTE PREVENTATIVE POLICIES AND MITIGATING ACTIONS

Identify and communicate risks early, and implement preventative measures in a timely manner, are essential actions to ensure that the insurance and occupational pensions sectors remain stable.

EIOPA will continue to monitor, identify and report on trends, potential risks and vulnerabilities and provide supervisors with a state of the art analysis of the market.

KEY AREAS OF ACTIVITY

› Follow-up on potential materialization of downside risk stemming from the ongoing crises in the context of high inflation and low/potentially negative growth
› Enhance and use top-down modelling for financial stability risk assessment and prepare
› Continue to monitor the developments, following the EC proposal for an Insurance Recovery and Resolution Directive, and subject to the adoption, prepare to carry out work the level 2 and 3 measures, as well as other more permanent tasks

TO ENSURE GOOD GOVERNANCE, AGILE ORGANISATION, COST-EFFECTIVE RESOURCE MANAGEMENT AND A STRONG CORPORATE CULTURE

EIOPA strives to be a great and sought-out EU employer. EIOPA will focus on creating the necessary conditions for a high-performing, diverse and inclusive work environment, which delivers the best outcomes for European citizens.

In 2023 EIOPA will chair the EU Agencies network.