

OPSG meeting

DATE: 25 March 2024

TIME: 10:00 – 13:00 CET

LOCATION: REMOTE

OPSG meeting

MEETING CONCLUSIONS

AGENDA ITEM 1: APPROVAL OF THE AGENDA

1. The OPSG Chairperson welcomed the OPSG members to the online meeting.
2. The OPSG Chairperson went through the meeting agenda and presented the topics for discussion.

CONCLUSIONS AND ACTION POINTS

3. The draft agenda (EIOPA-OPSG-24-02) was adopted.

AGENDA ITEM 2: UPDATE BY OPSG CHAIRPERSON

4. The OPSG Chairperson informed members, in particular Topic Leaders, that they would be receiving a request for input in view of the preparation of the OPSG activity report shortly.

CONCLUSIONS AND ACTION POINTS

5. Topic Leaders to provide input for the OPSG activity report, including possible suggestions to EIOPA in view of the next EU institutional cycle.

AGENDA ITEM 3: UPDATE BY EIOPA

6. EIOPA's Chair thanked OPSG members for the active participation in the workshop on recent pensions reforms, which took place in Brussels on 7 February. She also updated members on the following topics:
 - The Sustainable Finance Disclosure Regulation, including the Opinion EIOPA was preparing. EIOPA's Chair referred members to the presentation, which was circulated as background document to the meeting.
 - Ongoing work to develop a Guideline or Opinion on IORP liquidity risk management. EIOPA's Chair thanked OPSG members who attended a workshop organised by EIOPA on the topic, in particular OPSG member Stefan Nellshen who gave a presentation on the situation in Germany.

- Work in the Advisory Committee on Proportionality (ACP), in particular in relation to the Task Forces on Artificial Intelligence and the SFDR.

CONCLUSIONS AND ACTION POINTS

7. OPSG members welcomed the information provided by EIOPA's Chair and proceeded with a discussion emphasizing the importance to minimise discrimination and ensure fairness and accessibility in the context of AI. It was recognized that data analysis was central to insurance, irrespective of the use of AI, and that ensuring awareness of biases and implementing appropriate countermeasures was essential for all analyses and not only for those produced using AI tools. Members also considered the complexity of sustainable finance legislation and called for the adoption of a gradual approach in the implementation of machine-readable templates taking into account the implementation of the European Single Access Point (ESAP), and for consistency between EIOPA's future guidance and ESMA's expected guidelines.

AGENDA ITEM 4: THE CMU AND THE ROLE OF PENSIONS

8. OPSG members Jerry Moriarty and Matti Leppälä presented the views of OPSG members representing IORPs, professional associations and SMEs. They called for ways to: facilitate IORPs investment in alternative assets; reduce barriers to cross-border investments by IORPs; strengthen the international competitiveness of the EU economy; assess the impact of legislation and foresee feasible implementation timelines; and ensure consistency between horizontal and sectorial legislation.
9. OPSG vice-Chair Aleksandra Maczynska and OPSG member Christian Gülich gave a presentation on behalf of beneficiaries and employees, recommending to: improve reporting and disclosure; set up a dashboard to track progress towards pension sustainability and adequacy; introduce auto-enrollment in occupational pensions schemes while ensuring value for money and improving governance of collective schemes; and encourage savers to engage with brown companies to "green" them (transition investing).
10. OPSG member Hans van Meerten presented his views on the failure to develop an Internal Market for pensions based on PEPP and IORP, and suggested addressing the challenges related to these initiatives rather than initiating new solutions.
11. Members held a lively discussion on the CMU, touching upon: value for money and trust issues; autoenrollment in occupational pensions; pension tracking systems; and dashboards. Members underlined the need to address challenges related to IORP and PEPP (and possibly PEOP), including limited market appetite for such products. They debated the differences between the EU and the US market, the management of occupational pensions products, green labels, pressure on pension funds to use capital to finance the green transition and political risk in relation to investment in infrastructure.
12. EIOPA's Chair referred to pension tracking systems and dashboards as important tools to ensure a holistic view and increase awareness about the need for a three pillar system. As for pillar 2, she supported autoenrollment with an opt out option. Finally, she stressed the importance of value for money and financial education to ensure citizens' trust. Members hoped that EU institutions, in

particular the European Commission and the European Parliament, would follow up to EIOPA and OPSG's advice.

CONCLUSIONS AND ACTION POINTS

13. In view of the new EU institutional cycle, OPSG members to strive to maintain the policy discussion on the role of pensions in the CMU alive and stress the importance of pension tracking mechanisms, dashboards and autoenrollment in occupational pensions.

AGENDA ITEM 5: CHALLENGES RELATED TO PEPP

14. OPSG member Jan Sebo proposed the next steps to finalise the draft own initiative report on the challenges related to PEPP work. A Power Point presentation was circulated earlier to members as background for the discussion.

CONCLUSIONS AND ACTION POINTS

15. OPSG member Jan Sebo to produce a document of about six-to-eight pages including the report's recommendations on PEPP and share it with the OPSG for comments.

AGENDA ITEM 6: POTENTIAL PAN EUROPEAN OCCUPATIONAL PENSION PRODUCT (PEOP)

16. OPSG member Falco Valkenburg presented the draft own initiative report on PEOP. Members discussed some of the statements included in the report, in particular regarding the application of social and labour law by PEOPs and, subject to further fine tuning, agreed to finalise it in the second half of April.

CONCLUSIONS AND ACTION POINTS

17. OPSG member member Falco Valkenburg to further adjust wording and circulate the final draft to the OPSG for approval in the second half of April.

AGENDA ITEM 7: REVISION OF OPSG ADVICE ON LOW INTEREST RATE ENVIRONMENT

18. OPSG member Onno Steenbeek presented the revised OPSG advice on low interest rate environment and proposed next steps regarding the related work. OPSG Chair, vice-Chair and members discussed the possible focus of the advice and agreed to finalise it in April.

CONCLUSIONS AND ACTION POINTS

19. OPSG member Onno Steenbeek to circulate the draft advice to the OPSG for comments by mid-April and finalise it by the end of the month.

AGENDA ITEM 8: CONSUMER TRENDS AND COSTS AND PAST PERFORMANCE REPORTS

20. EIOPA presented the findings and lessons learnt from the two reports which have been published in December 2023 and January 2024, touching upon the impact of inflation and value for money issues.
21. OPSG members provided their views on the two reports and discussed issues related to transparency, data sources and the impact of inflation.

CONCLUSIONS AND ACTION POINTS

22. OPSG members to provide their views and inputs on the reports via a survey to be circulated shortly.

AGENDA ITEM 9: ANY OTHER BUSINESS (AOB)

23. The Chair reminder members that the following meeting of the OPSG, and the last of the current membership, was scheduled for 12 June in Frankfurt am Main. He invited all members to participate in the dinner that will be organised on 11 June.

OPSG Participants

Chairperson: Bernard Delbecque (Belgium)

Vice-Chairpersons: Aleksandra Maczynska (Poland), Falco Valkenburg (Netherlands)

First Name	Last Name	Country	OPSG Category	Attendance
Pauline	Azzopardi	Malta	Beneficiaries	Present
Paul	Le Bihan	France	IORP	Present
Francesco	Briganti	Italy	IORPs	Present
Lukasz	Budzyński	Poland/France	IORPs	Present
Bernard	Delbecque	Belgium	Professional associations	Present
Valdemar	Duarte	Portugal	IORPs	Present
Bruno	Gabellieri	France	Employees	Present
Christian	Gülich	Germany	Beneficiaries	Present
Kęstutis	Kupšys	Lithuania	Beneficiaries	Present
Christian	Lemaire	France	IORPs	Present
Matti	Leppälä	Finland	IORPs	Present
Elisa	Luciano	Italy	Academics	Present
Aleksandra	Maczynska	Poland	Beneficiaries	Present
Ute	Meyenberg	France	Employees	Present
Flavia	Micilotta	Italy	SMEs	Present
Jerry	Moriarty	Ireland	IORPs	Present
Antonello	Motroni	Italy	IORPs	Present
Stefan	Nellshen	Germany	IORPs	Present
Philip	Neyt	Belgium	IORPs	Present
Nele	Nys	Belgium	Employees	Present
Janina	Petelczyc	Poland	Academics	Present
Gertrude	Pils	Austria	Beneficiaries	Present
Torun	Reinhammar	Sweden	Professional associations	Absent
Jan	Sebo	Slovakia	Academics	Present
Onno	Steenbeek	Netherlands	IORPs	Present
Ioannis	Tzanakos	Greece	IORPs	Present
Falco	Valkenburg	Netherlands	Professional associations	Present
Hans	Van Meerten	Netherlands	Academics	Present
Olav	Jones	Norway/UK	IORPs	Absent
Marjolijn	Bulk	Netherlands	Employees	Absent

Other participants:

EIOPA's Senior Management and staff members.