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# 68<sup>TH</sup> MANAGEMENT BOARD MEETING VIA VIDEOCONFERENCE

**DATE: 14 MARCH 2023** 10:00-12:00

LOCATION: VIDEOCONFERENCE

## FINAL MINUTES

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### WELCOME AND INTRODUCTORY REMARKS BY THE ACTING CHAIRPERSON

1. The Chairperson welcomed the attendees to the 68<sup>th</sup> meeting of EIOPA's Management Board (MB).

### AGENDA ITEM 1: ADOPTION OF THE AGENDA

#### DECISION

2. The MB adopted the agenda by simple majority.

### CONCLUSIONS AND ACTION POINTS

3. 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 CHAIRPERSON, EXECUTIVE DIRECTOR AND THE EUROPEAN COMMISSION

#### UPDATES BY THE CHAIRPERSON

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

#### MEMBERSHIP UPDATES

5. The terms of office of two MB Members – Ms Zuzana Silberová (CNB) and Mr Alberto Corinti (IVASS) – will end on 3 June 2023. Mr Corinti is eligible for an extension, while Ms Silberová

cannot apply again. In due time, EIOPA will launch a call for candidates to start the relevant procedures.

#### EIOPA EASTERN EUROPEAN COOPERATION CONFERENCE

6. On 22 March 2023, EIOPA's Eastern Europe Cooperation Conference will take place in Frankfurt. There is high interest for participation, with more than half of the participants coming from non-EEA countries.

#### INTERNATIONAL ASSOCIATION OF INSURANCE SUPERVISORS (IAIS) ACTIVITIES

7. The IAIS meeting took place in Basel on 6–8 March 2023. The meeting was very productive, enabling significant progress on key IAIS projects, in particular agreeing on a compromise package for the International Capital Standard (ICS) which will be the basis for the 4th year of the Monitoring Period in 2023, as well as for the Public Consultation (and associated Economic Impact Assessment) to be approved at the June meetings. In addition, agreement was reached on the detailed criteria for the conduct of the comparability assessment between the Aggregation Method (AM) and the ICS, with clarification that the ICS and AM versions to be compared will both be published before the start of the exercise.

#### INTERNATIONAL DEVELOPMENTS

8. Financial Conduct Authority (FCA) established a temporary permissions regime (TPR) to enable relevant EEA-based insurers and intermediaries operating in the UK at the end of the Brexit transition period to continue operating in the UK. The FCA raises concerns in view of EIOPA's recent Supervisory Statement on arrangements in third countries. EIOPA notified the European Commission thereof. A coordinated EU approach is needed.

#### MACRO ECONOMIC SITUATION

9. The Head of the Risks and Financial Stability Department updated the MB in view of recent macro economic developments. Preliminary information indicates that direct exposures to the US regional banks in general and SVB in particular, appear contained. EIOPA will keep monitoring the situation through the RFSC, broadening the analysis on other banks, including Credit Suisse.

#### UPDATES BY THE EXECUTIVE DIRECTOR (ED)

10. The ED updated the MB Members on the following topics:

#### FINANCIAL SERVICES COMMITTEE (FSC)

11. The FSC met on 18 January virtually and on 15 February in Brussels. In the January meeting, EIOPA presented the results of the climate stress test for the occupational pension sector undertaken in 2022. In February, EIOPA presented the 2022 Consumer Trends Report as well as recent work on insurance protection gap. The FSC meets again virtually on 15 March, where EIOPA will provide its regular update on financial risks for the insurance and pensions sectors.

### INSURANCE DISTRIBUTION DIRECTIVE (IDD)

12. On 9 -10 March 2023, the event “Five Years of the Insurance Distribution Directive (IDD) – Time to Take Stock” took place marking half of decade of application. The event was well attended with around 500 participants and covered four relevant topics: i) digitalisation and new distribution models; ii) emergence of more sustainable insurance products and integration of sustainability factors, risks and preferences into the IDD; iii) issues related to the practical application of the IDD; and iv) quality of advice and selling methods

### DIGITAL OPERATIONAL RESILIENCE ACT (DORA)

13. The work on developing the Level 2 mandates of the DORA proceeds with a good cooperation among the three ESAs and with the involvement of all the competent authorities.
14. In February, a public event took place which focused on urgent DORA mandates to be delivered by 17 January 2024. The event had a participation level of approximately 2000 attendees. EIOPA will continue to engage with its two stakeholders’ groups and its Information Technology and Data Committee (ITDC).

### EURO CYBER RESILIENCE BOARD FOR PAN-EUROPEAN FINANCIAL INFRASTRUCTURES (ECRB)

15. On 8 March 2023, EIOPA attended the Euro-Cyber Resilience Board for pan-European Financial Infrastructure (ECRB). This is a forum, chaired by the ECB, for strategic discussions between financial market infrastructures (the mandate can be found under: mandate).

### ESA'S HIGH-LEVEL CONFERENCE ON GENDER EQUALITY: ARE WE ON THE RIGHT TRACK?

16. Following the success of the first ESAs’ “All staff workshop on gender equality: where are we and where are we going?” that took place on January 2022, a second high-level conference was held on 7 March 2023 to take stock of where the three ESAs currently are.

### UPDATE BY THE EUROPEAN COMMISSION (COM)

17. The COM representative informed the MB Members on the following business files:

#### SOLVENCY II (SII)

18. Negotiations are ongoing in the EU Parliament (EP). Triologue are still to be scheduled and it is to be seen if they will start under the Swedish Council Presidency. Level 2 related aspects are also under discussion in EP.

#### INSURANCE RECOVERY AND RESOLUTION (IRRDR)

19. The EU Council agreed upon its negotiation mandate regarding IRRDR on 20 December 2022. Discussions are currently taking place at the EP level. It is expected that IRRDR and SII will be treated as a package and negotiated together in the dialogues.

#### CLIMATE RESILIENCE DIALOGUE UPDATE

20. The actual work started, and meetings are taking place. A mid-term report is expected to be received by June 2023, with the next physical event planned for early June 2023.

#### NET ZERO INDUSTRY ACT

21. On 16 March 2023, the COM adopted a proposal for a regulation of the European Parliament and of the Council on establishing a framework of measures for strengthening Europe's net-zero technology products manufacturing ecosystem (Net Zero Industry Act) to scale up manufacturing of clean technologies in the EU and to reduce the EU's reliance on highly concentrated imports. The new act is not expected to have an impact on the rules of insurers or IORPs.

#### IMPLEMENTING TECHNICAL STANDARDS (ITS) ON DISCLOSURE AND REPORTING

22. COM will, in the coming weeks, launch the adoption procedure for the Implementing Technical Standards (ITS) on supervisory reporting and disclosure submitted by EIOPA in March 2022.

#### RETAIL INVESTMENT STRATEGY

23. COM expects to present legislative proposals at the beginning of May 2023.

#### EUROPEAN SINGLE ACCESS POINT (ESAP)

24. Trilogues have started with the first one taking place at the beginning of March 2023. The next one will take place in April 2023. Application dates are discussed with the EU Council and EP.

#### RIGHT TO BE FORGOTTEN (RTBF)

25. The tender launched by COM in December 2022 was successfully closed. The awarding contract is expected to take place in the coming days. EIOPA and the NCAs will be contacted by the successful tenderer to discuss the treatment of cancer patients in terms of fairness of insurance practices.

#### DECISION

26. Not applicable.

#### CONCLUSIONS AND ACTION POINTS

27. Not applicable.

#### AGENDA ITEM 3: HYBRID WORKING AND WORKING TIME

28. The Head of the Corporate Support Department provided an update on EIOPA's situation regarding 'attractiveness as an organisation' and notified the MB members of the draft Model Decision on hybrid working as well as of the potential options for the future once EIOPA has received the final Model Decision (expected in the next months).
29. The MB supported EIOPA in assessing options within the legal framework to attract and maintain high qualified staff for the EIOPA to being able to full fill its mandate.

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30. The COM representative added that it would be worth exploring the feasibility of a *force majeure* request in order to address temporary difficulties, instead of an application for opting out from of the COM rules.

DECISION

31. Not applicable.

CONCLUSIONS AND ACTION POINTS

32. EIOPA to keep on monitoring its attractiveness as employer by exploring options for the future rules on hybrid working and working time, in view of the specific circumstances and its business continuity needs and in line with the applicable legislation.

**AGENDA ITEM 4: INTERNAL CONTROL REPORT 2022- WORK PLAN 2023**

33. The Head of the Corporate Support Department provided an update on the status of implementation of EIOPA's internal control system, the activities that took place in 2022, the main internal control results as well as the work plan for 2023. The MB was informed that there are no critical internal control weaknesses, and that the system is functioning as intended with some improvements to be addressed in the next period.
34. The Chairperson highlighted the importance of the anti-fraud activities and especially those related to internal and external whistleblowing, ensuring a sufficiently secure environment for escalating potential issues.

DECISION

35. Not applicable.

CONCLUSIONS AND ACTION POINTS

36. The MB took note of the Internal Control report for 2022 and the workplan for 2023.

**AGENDA ITEM 5: DELIVERY OF FUTURE EIOPA MANDATES – IMPACT AND RISKS**

37. In view of keeping the MB informed on key developments regarding EIOPA mandates and risks, the Head of the Corporate Support Department presented an overview of the main new mandates for EIOPA for the years 2023-2025 and their implications on timing and resources. The overview includes DORA, the review of the Solvency II Directive including the Insurance recovery and resolution directive (IRR), the Cyber Security & Information Security Regulations, and the proposal for ESAP.
38. The MB commented on the need to engage with the European Institutions and to consider the effect of the delivery of new mandates on EIOPA's other activities.
39. The Chairperson noted that EIOPA is continuously reprioritizing its activities, in order to effectively manage its resources and use synergies in order to cover new tasks stemming from

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new mandates, however, despite the ongoing re-prioritisation of work, re-deployment of staff and synergies, there are still concerns on the overlapping timelines and resource implications of the new mandates for both EIOPA and the NCAs. Moreover, the Chairperson highlighted that EIOPA will continue the preparatory work for DORA with redistribution of internal resources, and pro-actively engage with the Institutions on the review of Solvency II Directive including IRRD, with a view towards a minimum harmonized pan-European framework. EIOPA will also explore synergies amongst the EU agencies network on the implementation of Cyber Security and Information Security Regulations. Lastly, with regard to the ESAP, the timing of the legislative proposal is still uncertain and may extent to 2025.

**DECISION**

40. Not applicable.

**CONCLUSIONS AND ACTION POINTS**

41. EIOPA to address the planning and prioritisation of activities using the regular planning cycle.

**AGENDA ITEM 6: AOB**

42. The Chairperson informed the Members on the ongoing oversight cases. For this part of the meeting the Representative of the COM stepped out of the meeting.

**DECISION**

43. Not applicable.

**CONCLUSIONS AND ACTION POINTS**

44. Not applicable.

**ANNEX: LIST OF DECISIONS ADOPTED BY WRITTEN PROCEDURE FROM 13.01.2023 TO 13.03.2023**

**MB-2023-01**

45. Decision adopting, by simple majority voting, the Draft Single Programming Document (SPD) 2024-2026.

**MB-2023-02**

46. Decision adopting, by consensus, the Minutes of the 67th Management Board meeting which took place on 12 January 2023.

**MB-2023-03**

47. Decision adopting, by consensus, the Decision on establishment of EIOPA's Joint Committee for Senior Managers.

## Participants at the Management Board's meeting via videoconference

14 March 2023

**Chairperson:** Petra Hielkema

**Vice-Chairperson:** Peter Braumüller

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

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

### **EIOPA Staff**

<b>Executive Director</b>	Fausto Parente
<b>Head of Corporate Affairs Department</b>	Susanne Rosenbaum
<b>Head of Corporate Support Department</b>	Danny Janssen
<b>Head of Risks and Financial Stability Department</b>	Dimitris Zafeiris