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**eiopa**  
EUROPEAN INSURANCE  
AND OCCUPATIONAL PENSIONS AUTHORITY

# EIOPA Consumer Trends Report

EIOPA Occupational Pensions Stakeholder Group meeting  
Frankfurt, 21 February 2019

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# Background and objectives



- **EIOPA's Regulation:**

*"to collect, analyse and report on consumer trends"*

- **The objective is to:**

- o Monitor the **evolution** (trends) in consumer behaviour and other market developments in the insurance and pensions sectors
- o Identify possible **consumer protection issues** that could arise from such trends
- o Identify and highlight **positive developments**

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**Consumer Trends Report**

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**Covering both sectors**

- The Consumer Trends is prepared following an agreed upon methodology
- Information from NCAs:
  - **Qualitative information**
  - **Quantitative data**
- Inputs from IRSG and OPSG and other stakeholders
- EIOPA also complements the information collected with information from publications accordingly referred to in footnotes

# Indicative Timeline

**February-  
March:**  
questionnaires  
sent to NCAs  
(via CCPFI)  
and IRSG and  
**OPSG**

**June –  
September:**  
processing of  
data and  
report drafting

**November:**  
BoS approval

**April – June:**  
responses  
received

**September –  
October:**  
Report  
discussed with  
NCA

**December:**  
Publication

# Key novelties of the 2018 report



- Continued emphasis on **financial innovations and digitalisation**
- **Stakeholders interviews** are included for the second time
- For the insurance sector the report also provides a time-series analysis of **Retail Risk Indicators** using Solvency II data – including at the Member State level
- For the pensions sector more usage of EIOPA's pensions statistics
- For the first time the report includes **Consumer Voices**

- No major changes have been reported but the continuous shift from DB to DC schemes remains broadly noteworthy
- In both personal and occupational pensions, Member States that experienced an increase in active members include:
  - The UK due to the spill-over effect of the Auto Enrolment reform
  - HR, as a result of a better economic environment and increasing awareness of the need for pension savings.
- There are innovations taking place in both the occupational and personal pension sectors – reported innovation mainly concern DC schemes
- Sustainable finance is becoming a more and more prominent topic but Practices in terms of disclosing environmental, social, and governance investment strategies still vary amongst Member States

- Disclosures and provision of information continue to be an area of concern in the pension sector; hence, some new requirements, in particular behaviourally informed ones, have been put in place at the national level. These aim at facilitating comprehension and increasing members' engagement with their pensions. Some funds are also adopting interactive tools for members to easily engage with their pension (e.g., make projections, simulations)
- In terms of complaints, the number of occupational and personal pension related complaints slightly increased; however, as in many Member States complaint numbers are very low, sector-wide conclusions cannot be drawn
- Finally, in 2017, NCAs worked to address issues relating both to personal and occupational pensions. These ranged from disclosure and provision of information to advice and governance related work

# Expected key novelties for the 2019 report



Continued emphasis on **financial innovations** – not only in the relevant section but throughout the report



Continue inclusion positive developments



Deeper analysis of reasons for trends – including on **Retail Risk Indicators** using Solvency II data



More on **Consumer Voices** – potentially informed by focus groups



More detail on pensions



## Timeline

- Questionnaire covering general questions on market trends (product-related) and questions on specific topics (mainly fin. innov.) to be sent out **in February 2019**
- OPSG invited to provide feedback **by end April 2019**

## Input requested

- With regard to both market trends (product-related) and specific topics, OPSG invited to provide feedback on **market developments both at the European and national level**

# Topics covered in detail

Fifth

- The provision of advice when planning for retirement
- Pension-tracking services in the EU

Sixth

- Robo-advisors
- Life-cycle funds
- Mobile phone applications in pensions

Seventh

- Sustainable Finance
- Innovation in providing information to members

The Fifth, Sixth, and Seventh Consumer Trends Reports covered specific topics

**Which topics does the OPSG think could be covered in detail in the Eight (2019) Report?**