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**Single Programming Document 2021-2023,
including Annual Work Programme 2021**

Guiding EIOPA towards a New Normal

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Foreword

The Covid-19 pandemic has severely affected societies and economies around the globe. With its unparalleled severity, complexity and scale, it has created and is still creating serious threats to people's health. At the same time, the pandemic is causing massive economic disruptions going beyond national borders. While the pandemic is still unfolding, it is clear that this crisis will have long-term impact on economies and societies. High levels of uncertainty on the magnitude of economic disruption remain and will increase downside risks going forward.

The adverse impact of Covid-19 will further require EIOPA to assess structural changes in the insurance and pension area. The developing recession will negatively affect corporate sector profitability, resulting in rating downgrades, increased defaults and higher unemployment. As a result, financial markets will likely remain excessively volatile. High interconnectedness of insurers with banks could further support spill-overs of risks from the different economic sectors to insurers and pension funds. These factors may lead to materialisation of risks on insurers' and pensions' balance sheet with a substantial lag and high uncertainties.

Continued crisis management and adaptation will be an integral part of EIOPA's work in 2021 and beyond - with UK withdrawal from the EU adding additional complexity. We will adjust our strategy, operating models and concrete deliverables to mitigate direct and indirect knock-on effects on financial stability, markets and consumers. We must plan for structural changes that materialise over an extended period of time.

The uncertainty turns planning of EIOPA's activities into a challenging task. We will carry out risk assessments and performance monitoring in a stringent manner and plan our responses in close consultation with stakeholders to ensure a prudent and inclusive approach. Furthermore, we will plan and manage resources in an agile manner that allows accelerated decision-making and allocation of resources towards key priorities. In parallel, we will continue developing a vision for the future which will be impacted by the long-lasting effects of Covid-19 on the European economy and its citizens.

In the coming months it will be increasingly important that we continue working on already initiated workstreams related to EIOPA's supervisory convergence programme as well as regulatory framework. Consumer protection is key to EIOPA and also here we will continue, and intensify, our work. The digitalisation agenda, as well as the sustainable finance agenda, will continue to shape EIOPA's work in the years to come.

EIOPA is met by continuous expectations that it should navigate through the Covid-19 pandemic and economic recovery phase in a credible manner. We must not only do things right, but also do the right things. We will continue to ensure inclusive consultation and communication with our stakeholders, while at the same time ensuring that EIOPA is fit for purpose in a context marked by great uncertainty.

Gabriel Bernardino

Chairman

EIOPA's Mission

EIOPA seeks to protect the public interest by contributing to the short-, medium- and long-term stability and effectiveness of the financial system for the Union's economy, citizens and businesses.

This mission is pursued by promoting a sound regulatory framework and consistent supervisory practices in order to protect the rights of policyholders, pension scheme members and beneficiaries and contribute to public confidence in the EU's insurance and occupational pensions sectors.

Abbreviations

AD	administrator	SNE	seconded national expert
AST	assistant	SPD	single programming document
AWP	annual work programme	TA	temporary agent
BoS	Board of Supervisors	tbc	to be confirmed
CA	contract agent		
CMU	Capital Markets Union		
CSR	corporate social responsibility		
EFTA	European Free Trade Association		
EIOPA	European Insurance and Occupational Pensions Authority		
EMAS	Eco-Management and Audit Scheme		
ESA	European supervisory authority		
ESG	environmental, social and governance		
ESRB	European Systemic Risk Board		
FTE	full-time equivalent		
HR	human resources		
IAIS	International Association of Insurance Supervisors		
ICS	Insurance Capital Standard		
ICT	information and communication technology		
IDD	Insurance Distribution Directive		
IORP	institution for occupational retirement provision		
ITS	implementing technical standards		
InsurTech	Insurance Technology		
IT	information technology		
KID	key information document		
MFF	multi-annual financial framework		
n/a	not applicable		
NCA	national competent authority		
PRIIPs	packaged retail and insurance-based investment products		
PEPP	pan-European Personal Pensions Product		
RFR	risk-free rate		
RTS	regulatory technical standards		

Section I: General context

Macroeconomic and political developments

The **impact of the Covid-19 pandemic** across the EU will continue to affect EIOPA's work in 2022-2024 in terms of monitoring and mitigating risks, supporting the recovery of the economy, assisting in building more resilient insurance and pensions sectors and further strengthening a common supervisory culture.

Consumer protection will continue to be fundamental. EIOPA will continue to work alongside NCAs to better monitor and assess possible adverse impacts for consumers and the emergence of conduct risks, including those stemming from increased use of digitalisation. EIOPA will pursue the adoption of effective measures to address these adverse impacts based on **lessons learned from the Covid-19 pandemic 2020-2021**.

The ability to insure against costs of future pandemics is key for the recovery and future resilience of the European economy. Crucial factors in increasing society's resilience against future pandemics will include proper risk assessments, measures taken in relation to mitigation and adaptation strategies and risk transfers. Given EIOPA's previous work related to recovery and resilience regarding natural catastrophes and cyberattacks, EIOPA will further develop work initiated in 2020 on **shared resilience solutions** to address systemic risks to business interruption not caused by physical damage

The European **macroeconomic environment** will remain challenging. Pre-Covid-19 risks resulting from the low interest rate environment, including rates moving into negative territory, and the consequent potential search for yield behaviour are expected to continue and could lead to re-risking/re-insuring long term products. The increase in uncertainty stemming from several geopolitical risks could lead to scenarios such as a sudden substantial increase in risk premiums and a drop in asset prices. Such developments call for early identification of risks and vulnerabilities in the context of a proactive and engaged supervisory community.

With the **UK** being a third country, ongoing supervisory dialogues will continue to ensure financial stability and good supervisory cooperation.

Legislative developments and EU cooperation

Despite the further strengthening of the Single Market and the Single Rulebook, NCAs are still to tackle challenges related to cross-border business, investments and consumer protection. EIOPA will align its priorities and support the implementation of the European Commission's **Capital Markets Union (CMU) action plan**, adopted on 24 September 2020. In particular, EIOPA will focus on strengthening the so-called demand side of the CMU by furthering initiatives related to the benefit of consumers and long-time savers. These initiatives will address, *inter alia*, the need for enhanced cooperation between home and host supervisors for cross-border business, better product disclosure and transparency requirements, taking into account online sales, the promotion of product simplicity, and the implementation of product oversight and governance measures, in both insurance and pensions, to secure all the benefits the Single Market can give to policyholders, beneficiaries and investors.

An important element of the CMU will be the effective introduction of the **Pan-European Personal Pension Product (PEPP)** in the EEA – a new product available to European citizens to help them save for the long-term. EIOPA will serve as a central

hub for PEPP registration and cooperation with NCAs on supervisory matters following the PEPP Regulatory Technical Standards adoption on 18 December 2020.

In light of the European Commission's **Digital Finance Package**, released on 24 September 2020, EIOPA will focus on developing an overall strategy for digital transformation, including such elements as contributing to the Commission's strategy on supervisory data aimed at driving efficiency gains, providing advice on how to address "same activity, same risk, same rules" issues, supporting the establishment of a common financial data space, and contribute to the work on the use of artificial intelligence (AI) applications in finance. EIOPA will also target preparatory work on open insurance and on the development and impact of platforms within the insurance value chain.

In addition, the Digital Finance Package includes a new legislative proposal on **digital operational resilience act (DORA)**¹ which, pending final decision by the co-legislators, will aim to ensure that all participants in the financial system have the necessary safeguards in place to mitigate cyber-attacks and other risks. DORA also aims to introduce a EU-wide Oversight Framework of critical ICT third-party service providers (CTPPs) to promote convergence, strengthen the digital operational resilience of financial entities which rely on CTPPs for the performance of operational functions, and thus contribute in preserving the Union's financial system stability. EIOPA will actively contribute to other legislative and non-legislative initiatives that are expected to be tabled by the European Commission, such as the planned **Retail Investment Strategy**, the review of the **Insurance Distribution Directive (IDD)** and possible adjustments to the **PRIIPs Regulation**, the **revised Motor Insurance Directive** and potential review of the **IORP II Directive**.

EIOPA will continue to seek further **cooperation** with other EU agencies and bodies, including the other European Supervisory Authorities (ESAs) and the European Commission. EIOPA will assume the Chairmanship of the ESAs' Joint Committee in 2022 and the EU Agencies Network in 2023-2024.

The new EU **Multi-annual Financial Framework (MFF) 2021-2027** will influence EIOPA's capacity and flexibility to respond to challenges encountered in the area of, among others, financial stability, consumer protection, supervisory convergence and sustainable finance.

Environmental developments

EIOPA will continue to support EU initiatives within the context of the **European Green Deal** overhauling the relevant climate and energy legislation. EIOPA will support implementation of the **Sustainable Finance Strategy**. This strategy will be an integral part of the EU's response to the financial challenges stemming from climate and environmental targets in the context of the economic recovery from the present crisis. EIOPA will continue to focus in particular on the contribution of insurers to sustainable finance given their role as risk managers for the whole economy. In this regard, EIOPA will also seek to expand its sustainable management and working methods.

EIOPA will furthermore strive to maintain an active and leading participation in global bodies such as the Sustainable Insurance Forum and the Network for Greening the Financial System.

EU market and technological developments

The role and impact of **digitalisation and financial innovation** is continuing to evolve and accelerate, influencing business models, products and services offered, distribution

¹ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020PC0595&from=DE>

Please note that the proposal is not yet adopted by the co-legislators and thus can be revised or repealed.

channels and increasing cyber-risk exposures. From a consumer perspective, digitalisation can help reduce costs and increase transparency, while contributing to ensure prudent supervision and enforcement. From a supervisory perspective, the use of technology allows to deliver innovative and efficient supervisory solutions that support a more effective, flexible and responsive supervisory system (SupTech). Additionally, technology allows institutions to evolve towards digitally transformed, user-focused and data-driven organisations. EIOPA will continue its work on digitalisation, recognising that Covid-19 has significantly accelerated some trends requiring a step up in monitoring and assessing conduct risks in this area.

EIOPA will be monitoring and adjusting its activities to developments in the insurance and pensions sectors, including **development of new business models and products** and **non-financial third party providers**.

Finally, EIOPA will continue to focus on strengthening its organisational capabilities, in particular through new technologies and solutions in an effort to facilitate collaboration, increase efficiency and drive long-term performance in a post Covid-19 **“new better normality”**.

Section II: Multi-annual programme 2021-2023

Cross-cutting theme 0.1: Digitalisation and cyber-risks

Digitalisation, including financial innovation, offers benefits and risks to consumers, industry and supervisors alike. EIOPA has an important role in establishing a convergent and sound supervisory approach to digitalisation that should strike a balance between enhancing financial innovation and ensuring well-functioning consumer protection and financial stability frameworks. Work must take into account risks and benefits, the need for level playing field and technological neutrality. Trends have accelerated due to Covid-19 where we have seen a rapid shift to e.g. digital communication and distribution models.

Alongside financial innovation, the role of the cyber-underwriting market will be crucial to support a digital economy. EIOPA will promote a stable and sound cyber-insurance market to enable the digital economy. It is equally important to understand and leverage on the use of new technologies for supervision (SupTech) to deliver innovative and efficient supervisory solutions that supports a more effective, flexible and responsive supervisory system.

Activities

EIOPA will develop the overall strategy for digital transformation in light of the European Commission's Digital Finance Package. EIOPA will focus on contributing to the different elements including among others the COM strategy on supervisory data, providing advice on how to address "same activity, same risk, same rules" issues, supporting the establishment of a common financial data space, contribute to the work on the use of artificial intelligence (AI) applications in finance. EIOPA will also target preparatory work on open insurance and on the development and impact of platforms within the insurance value chain.

Regarding the digital resilience of the insurance sector EIOPA will focus on preparing the technical work needed for the implementation of the new legislative proposal on digital operational resilience act (DORA) which, once adopted, will aim to ensure that all participants in the financial system have the necessary safeguards in place to mitigate cyber-attacks and other risks.

EIOPA will also further develop its existing work-streams taking *inter alia* into account lessons learned from the Covid-19 pandemic. Thematic reviews and reports will continue to provide insight into new and evolving areas of technology.

EIOPA will focus on:

- Big data analytics, including artificial intelligence and machine learning capabilities and supervisory responses to this, including digital ethics in insurance
- Assessing the impact of and supervisory response to new technologies and business models enabled by technological changes (e.g. Distributed Ledger Technology (DLT)/Blockchain, emergence of insurance platforms and ecosystems and Open Finance/Open Insurance)
- Use of technology to deliver innovative and efficient supervisory solutions that will support a more effective, flexible and responsive supervisory system (SupTech)
- Start preparatory works needed for the implementation of the new legislative proposal on digital operational resilience act (DORA).

In cyber-underwriting, EIOPA will work on different areas to promote the development of sound cyber-insurance market to enable the digital economy:

- Identification of appropriate cyber underwriting and cyber risk management practices, promotion of supervisory practices that contribute to such practices and contribute to an adequate assessment and mitigation tools to address potential systemic cyber and extreme risks
- In its capacity as a facilitator and provider of advice on cyber insurance, will foster a mutual understanding between policyholders and insurers of contractual conditions and terms, carry out adequate assessments and develop mitigation tools to address potential systemic cyber and extreme risks and promote an adequate level and quality of data on cyber incidents to be made available at European level.

EIOPA will contribute to the creation of European Data Spaces, making available its experience in the context of technical standards on public disclosure and supervisory reporting, on the development of a uniform XBRL taxonomy for insurance and pension funds' reporting, on data standardisation and data quality challenges more generally.

EIOPA will also evolve towards a digitally transformed, user-focused and data driven organisation that meets its strategic objectives effectively and efficiently.

Cross-cutting theme 0.2: Sustainability

Objectives for sustainable finance relate to the following: Preferences of policyholders and pension scheme members for sustainable investments are reflected in undertakings' decisions; Insurers and pension funds adopt a sustainable approach based on principles of stewardship to their investments; Insurers manage and mitigate ESG risk appropriately.

EIOPA has developed a sustainable finance action plan, including significant interventions in this area. EIOPA has defined the principles to embed ESG risks in the prudential and conduct requirements for (re)insurers and occupational pension funds' activity. EIOPA will advance these principles by focusing on practical implementation by supervisors, undertakings and funds.

Activities

Building on published advice, opinions and risk analysis, EIOPA will focus on three main areas of development:

- Tools and methodologies for assessing vulnerabilities to potential adverse market developments, including a monitoring system to assess material ESG risks
- Policy options and analysis to secure resilience to ESG risks, elaborating on principles already established
- Supervisory activity for integrating sustainability risks in the risk assessment framework.

Strategic objective 1: Conduct of business regulation and supervision

Conduct issues can negatively affect consumers and have wider prudential impacts on undertakings. Fragmentation in EU conduct of business regulation and supervision has only to some extent been mitigated by new EU regulation such as the Insurance Distribution Directive (IDD) and Packaged Retail and Insurance-based Investment Products (PRIIPs) Regulation. EIOPA can assist in building a more coordinated and effective consumer protection framework and drive forward its practical and convergent implementation. This will ensure a higher, more effective and consistent level of

regulation and supervision, strengthening the Single Market by fostering coherent and consistent application of rules. Equally, it will build supervisory capacity to identify conduct risks and proactively address poor consumer outcomes, where necessary.

Strategic Activity Area 1.1: Developing and strengthening the regulatory framework for protection of consumers

- Further enhancing the regulatory framework (IDD, PRIIPs and Sustainable Finance Disclosures) to complete the Single Rulebook: EIOPA will contribute to reviews of the IDD and the PRIIPs Regulation by providing analysis, advice or where appropriate, legislative proposals concerning required revisions or changes. EIOPA will continue to work, together with the other European supervisory authorities (ESAs), on enhancing sustainable finance disclosures under the Sustainable Finance Disclosure Regulation (SFDR) to prevent the risk of greenwashing.

EIOPA will meet reporting requirements under the IDD, PRIIPs and SFDR regimes and provide guidance and/or Q&As, as required. In line with the requirement to carry out a review every five years under the IDD, EIOPA will review the base euro amounts for professional indemnity insurance and for financial capacity of insurance and reinsurance intermediaries and submit draft RTS to the European Commission. The market effects of IDD, PRIIPs and SFDR will be monitored along with any potential areas for enhancement of existing and revised technical standards and guidelines. A strong focus on practical implementation of the regulatory framework will continue.

- Consumer protection with the pan-European Personal Pension Product (PEPP): Having delivered several draft regulatory technical standards (RTS) to the Commission by 14 August 2020, relating to the PEPP key information document (KID), the PEPP Benefit Statement and the cost cap for the Basic PEPP, EIOPA will, in a second stage, support national implementation of the conduct of business aspects, maintaining and regularly monitoring the overall framework.

Key performance indicators

Average number and diversity of respondents to public consultations on consumer protection topics per consultation.			
Target	2021	2022	2023
	30	40	50
Rationale	Indication of engagement of EIOPA with stakeholders and useful feedback by sufficiently diverse respondents on consumer protection topics to enable EIOPA to factor in the broadest possible views for better regulation.		

Strategic Activity Area 1.2: Developing and strengthening a comprehensive risk-based and preventive approach to conduct of business supervision

- Work on identifying and monitoring conduct risks in a preventative manner: EIOPA will enhance the core tools and develop new tools for its risk-based conduct of business framework with a focus on data collection and use. By enhancing its retail-risk indicators EIOPA will develop specific tools, including a conduct risk-dashboard, to ensure a risk-based approach to conduct supervision and to inform the process for setting strategic supervisory priorities. As part of its market monitoring activities EIOPA will review its retail risk indicators and consumer trends methodology to reflect amendments resulting from Solvency II review in the area of reporting. It will

further enhance the Cost and Past Performance methodology and will carry out specific market monitoring activities for risks stemming out of the Covid-19 situation as well as other market-wide and institution-specific risks. This will also include the development of a supervisory framework for monitoring product related risks of PEPPs.

- **Coordination of supervisory actions and facilitation of joint supervisory responses:** EIOPA assists NCAs in implementing risk-based conduct of business supervision by fostering a common understanding of conduct risks and developing the associated supervisory practices and tools. EIOPA will further coordinate supervisory activities, using a range of tools such as thematic reviews and as relevant mystery shopping exercises, targeting specific conduct risks that can lead to consumer detriment or undermine the functioning of the retail market. Taking into account experience during the Covid-19 pandemic these could include issues around exclusions, product oversight and governance, claims handling, and costs and performance of insurance-based investment products (IBIPs). EIOPA will also facilitate joint European supervisory responses, as required, to ensure consistent and high levels of consumer protection across the EU, including by issuing relevant guidance, expectations, and warnings as well as by continuing to appropriately identify cases for the use of its product intervention powers and by assisting NCAs in similar tasks.
- **Strengthening of conduct supervision activities:** To help build well-functioning and consistent approaches to conduct of business supervision, EIOPA will enhance its bilateral exchanges with NCAs and will continue to provide assistance in strengthening supervisory activities via workshops, training and discussions as well as via more enhanced bilateral engagements when requested. EIOPA will also build relevant methodologies and tools which can assist NCAs in carrying out supervisory activities. This could include for example how to carry out product testing for IBIPs and how to incorporate consumer research and behavioural economics into daily supervisory activities.
- **Initiatives to enable the implementation of the PEPP Regulation:** EIOPA will carry out all necessary activities for the proper implementation of the PEPP Regulation including establishing processes and implementing the IT solutions necessary for EIOPA to assume its role in 2021, such as registration and monitoring of PEPPs including assessment of relevant cost structures and performance; monitoring the proportionality and consistency of actions taken by NCAs and coordinating PEPP supervisory plans; and promoting cooperation between competent authorities for an efficient market for PEPPs and, where necessary, exercising the power to temporarily prohibit or restrict marketing, distribution or sale.
- **EIOPA's role overseeing supervision of PEPP:** once the framework is complete, EIOPA will support national implementation of the conduct of business aspects, building a supervisory framework for the PEPP. For endorsing the PEPP quality label, the marketed and distributed PEPPs need to be monitored. EIOPA has an important role ensuring a consistent application of the regulation and the high-quality PEPP features. EIOPA will regularly monitor PEPP products to scrutinise the PEPP market for any PEPPs that do not fulfil the requirements of the PEPP framework, to identify where possible risks for PEPP savers may emerge and to take the appropriate intervention measure when required.
- **Enhancing close cooperation with the European Data Protection Board:** Given the increased importance of the proper treatment of data protection for consumer

protection, EIOPA will enhance its close cooperation with the European Data Protection Board.

Key performance Indicators

Number of national initiatives taking inspiration from deliverables (reports, thematic reviews, conduct oversight country visits, recommendations in the course of oversight work more generally, etc.) of EIOPA’s conduct of business supervision framework and broader consumer protection work.			
Target	2021	2022	2023
	5	7	8
Rationale	Demonstrates the value of EIOPA’s strategic framework in providing a trigger for more intensive conduct of business supervision at the national level through e.g. national surveys, thematic reviews, intensified on-site supervision, policy/legislative initiatives etc.		

Strategic objective 2: Leading supervisory convergence towards high-quality prudential supervision throughout the EU

High-quality prudential supervision is a prerequisite for a well-functioning internal market. Consumers need confidence that insurance companies and IORPs are subject to appropriate prudential supervision. Undertakings benefit from proportionate regulation applied consistently across the EU, preventing regulatory and supervisory arbitrage and creating a level playing field. EIOPA leads the development of a high-quality, effective and consistent level of supervision across the EU and supports NCAs in their consistent and convergent application of Union Law. Where necessary, EIOPA develops benchmarks, performs reviews or challenges NCAs on their supervisory practices. Fresh impetus for this work stems from the increasing number of cross-border cases and failures, which amplify risks to consumers and the stability of the financial system.

Strategic Activity Area 2.1: Enabling supervisory convergence with a sound, smart and robust regulatory framework which is responsive to market developments

- Review of Solvency II Framework: Following its Opinion of December 2020 on the review of the Solvency II Directive and Delegated Regulation, EIOPA will work on any identified follow up area and consider reviewing relevant technical standards and guidelines. EIOPA will also continue to work on the risk free rate (RFR) methodology, including in relation to the ultimate forward rates (UFR) and the deep liquid transparent assessment (DLT), as well as the transition to new benchmarks for risk free rates
- Effective implementation of the IORP II Directive: by monitoring NCAs’ supervisory practices in respect of IORP II to understand the implementation and effectiveness of IORP II across Member States as well as identify and seek to address issues and risks which may hinder the main objective of prudential supervision to protect the rights of members and beneficiaries and ensure the soundness and stability of IORPs.
- Long-term assets and ESG factors: A truly long-term perspective enables retail investors to gain access to long-term assets and benefit from such approaches with regard to long-term returns. It also contributes to the CMU with contained risk for consumers. EIOPA is also monitoring the ‘green’ and sustainable investment field and will take action as necessary or at the request of the European Commission
- Engagement with third countries: The dialogue with the USA will be maintained and other third country dialogues will continue, focusing on fast-growing economies including China. EIOPA will monitor the practical and consistent implementation of

the EU-US Covered Agreement. The assessment of third countries via the equivalence procedure will continue, along with monitoring regimes for which positive equivalence decisions have been taken

- Continued work and engagement with the IAIS and other international bodies: The development of an ICS version 2.0 by the International Association of Insurance Supervisors (IAIS) will enter into a monitoring phase (confidential reporting phase). EIOPA’s contribution will narrow down optionality on valuation (market adjusted valuation), capital resources and capital requirements. EIOPA continues to pursue the objective that the Solvency II Directive can be broadly considered a practical implementation of the ICS. The new activities based methodology for systemic risk will be developed and refined.

Key performance indicators Follow-up to EIOPA’s Opinion on the Solvency II 2020 review, including consideration of relevant technical standards and guidelines.

A technically sound follow up to the 2020 opinion on the review of the Solvency II Framework.			
Target	2021	2022	2023
	Follow-up to EIOPA’s Opinion on the 2020 review, including consideration of relevant technical standards and guidelines.	To be confirmed (tbc) Follow-up to EIOPA’s Opinion on the 2020 review, including consideration of relevant technical standards and guidelines.	tbc
Rationale	Once there is clarity on which changes are proposed to the Directive and Delegated Regulation, consequential changes to standards and guidelines can be prepared.		

Pursuit of the Solvency II Directive as the practical implementation of the IAIS’s ICS.			
Target	2021	2022	2023
	The adaptations during the monitoring phase of ICS 2.0 remain largely in line with the Solvency II Directive.	Tbc The adaptations during the monitoring phase of ICS 2.0 remain largely in line with the Solvency II Directive.	Tbc
Rationale	Demonstrates EIOPA’s coordination role in developing an international capital standard on a global level and reducing the burden on undertakings of coping with several layers of regulations.		

The development of an appropriate regulatory framework for pensions by promoting a common supervisory culture, consistent supervisory practices and sound European regulation.			
Target	2021	2022	2023
	EIOPA supervisory opinions and reports in the areas of investment rules, governance, risk assessment and information provision to members and beneficiaries under IORP II promote a common supervisory culture as well as best and consistent supervisory practices.	Tbc Timely delivery of the IORP II Directive advice.	Tbc

Rationale	EIOPA has an important role in improving the functioning of the internal market for pensions by promoting a common supervisory culture, consistent supervisory practices and a sound EU regulatory framework.
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Strategic Activity Area 2.2: Enhancing the evolution towards a digitally transformed, user-focused and data driven organisation that meets its strategic objectives effectively and efficiently

- Production of the RFR and associated information: Production of Solvency II technical information, such as the RFR and the symmetric adjustment to the equity risk module, providing the basis for calculating the value of insurance undertakings' liabilities. Production to be kept monthly as a minimum but EIOPA to provide more frequent productions when needed, as it was the case during the initial period of COVID19 pandemic. Continuous maintenance and improvement of data collection and processing systems is needed to keep the automated RFR calculation engine at the required high-quality level. It is also necessary to publish the methodology and related documentation, allowing industry to replicate the production if it wishes
- Ensuring coherent and effective reporting frameworks that reflect fit-for-purpose and proportionate reporting requirements, providing added value to supervision: EIOPA collects data on insurance and pensions sectors. Having fit-for-purpose and proportionate supervisory reporting is cost-efficient and promotes effectiveness for industry, NCAs and EIOPA. EIOPA will introduce changes, both business and technical, following the Solvency II Review. EIOPA will also consider IT developments and will consider findings from the financial data standardisation project for interoperability solutions to streamline and simplify reporting requirements and the creation of European Data Spaces
- Upgrading the business intelligence and data analytics framework for insurance and pensions data and develop SupTech: EIOPA will implement the project BI 2.0 as part of its continuous improvement of business intelligence and data analytics framework. A strategic approach has been outlined towards the implementation of a new Framework capable to transform EIOPA into a data-driven organisation. The approach is based on three main drivers: data techniques (for data management, data exploration, data analysis and data science), cultural transformation (people & change management) and business review of software solutions. This will allow EIOPA to up-grade its business intelligence capability, focusing on enhancing the analytical framework, risk reports and publication of statistics while taking advantage of new technological developments and the opportunities they present to improve the efficiency and effectiveness of the Supervisory Review Process
- Strengthening European and international data and reporting standards: EIOPA contributes to the establishment and use of international data standards. This is part of EIOPA's work to increase consistency of data within the financial sector, along with its quality, accessibility and interoperability, while lowering the burden on industry. EIOPA will also contribute to the EU's financial data strategy and embed it in its own data strategy
- Maintaining systems to securely collect, manage, analyse, report and publish data it receives: EIOPA's data framework underpins its capability to securely collect, manage, analyse, report and publish data. At its core is the central repository, which EIOPA will maintain while implementing improvements. The master data reflected in EIOPA Registers is also of crucial importance and therefore the SupTech project on

the Register aims a substantial improvement on the technology used to guarantee a higher quality and up-to-date information.

Key performance indicators

Data available in the Central Repository calculated as a percentage of number of insurance undertakings reported on with valid data by NCAs and market share of each country, as evidenced by the completeness ratio of technically valid reports of the Quantitative Reporting Templates (QRTs).			
Target	2021	2022	2023
	97% of number or 99% of market share	97% of number or 99% of market share	97% of number or 99% of market share
Rationale	This measure will provide an indication of the extent of coverage of the European insurance sector EIOPA maintains in its Central Repository. This is a valuable measure in relation to the functioning of the common supervisory reporting and data framework.		
Data quality of Solvency II information available in the Central Repository calculated following the methodology agreed.			
Target	2021	2022	2023
	List of Assets (ISIN value): Higher than 93.0% Overall quality (market share): Higher than 93%	List of Assets (ISIN value): Higher than 93.5% Overall quality (market share): Higher than 93.5%	List of Assets (ISIN value): Higher than 94.0% Overall quality (market share): Higher than 94%
Rationale	This measure will provide an indication of quality of the Solvency II data at European level. This is a valuable measure in relation to the functioning of the common supervisory reporting and data framework.		
Timely and high quality publication of the RFR.			
Target	2021	2022	2023
	Twelve publications a year – meeting the deadline of publication within three working days of the beginning of the month.	Twelve publications a year – meeting the deadline of publication within three working days of the beginning of the month.	Twelve publications a year – meeting the deadline of publication within three working days of the beginning of the month.
Rationale	A mandated task for EIOPA stemming from the Solvency II Directive the timely provision of the information is of strategic importance to the Authority.		

Strategic Activity Area 2.3: Improving quality and consistency of supervision to ensure same level of consumer protection throughout the EU and contribute to a level playing field in the insurance and pension market

- Supervisory convergence: EIOPA’s Supervisory Convergence Work Plan defines annual priorities with a focus on supervisory arbitrage and areas of supervision where practices differ substantially, from both prudential and conduct of business perspectives. Each year EIOPA will work on further implementing a common supervisory culture and continue to define common benchmarks for supervisory practices in the Supervisory Review Process. EIOPA will monitor application of the IORP II Directive’s key provisions and effectiveness of the revised Budapest Protocol. There will be a focus on effective pension information, the governance set-up of IORPs and appropriate risk management systems, as well as on the procedural efficiency of cross-border pension activities. EIOPA will prepare and execute reviews

of market practices and of supervisory practices in the areas identified in the annual plan. EIOPA will update the peer review methodology as a result of changes to its Regulation, in particular governance changes.

- EIOPA will incorporate in the supervisory convergence tools recommendations and good practices addressing the supervision of the areas that during the discussion of the Solvency II 2020 review were considered to be better dealt with under supervisory convergence, for example in the area of technical provisions calculations or group supervision, among others
- EIOPA will provide, under a project with DG REFORM, targeted training in the area of insurance supervision. A training programme aimed at the capacity development of individual supervisors. This action will improve the capacity of the NCAs to keep to high standards of supervision, promote convergence of Solvency II supervisory practices across European Union and further develop cross-border supervisory cooperation
- Bilateral engagement: EIOPA will develop up to two EU-wide Strategic Supervisory Priorities, targeting areas posing high risks to policyholder protection and financial stability. Possible follow-up may include, inter alia, guidelines and recommendations to competent authorities in the area. These priorities will inform EIOPA's bi-lateral engagements on assessing national supervisory practices and providing technical assistance to strengthen supervisory capacity, which will continue with a more tailored approach towards individual priorities, and follow-up on prior recommendations and preventive and remedial actions. EIOPA will continue ex-post lessons learned assessments of NCA supervisory actions or non-actions, along with periodical reviews on specific NCA activities. EIOPA will also participate in national sector wide assessments addressing concerns regarding market soundness and/or effectiveness of supervision.
- Colleges and cross-border activities: By its participation in the direct supervision of cross-border groups, EIOPA will play a coordinating role, helping to overcome fragmentation and enhance the effectiveness of supervision. The focus will be on potential risks and specific issues for each college. EIOPA will participate in joint on-site inspections to increase convergence of supervisory practices
- Further development of cooperation platforms: EIOPA promotes the set-up of cooperation platforms where cross-border risks via freedom of services or freedom of establishment are identified. Via the cooperation platforms, EIOPA coordinates the exchange of information between home and host NCAs and promotes practical supervisory actions to remedy specific problem cases, supporting NCAs on both prudential and conduct aspects.
- Monitoring equivalence: EIOPA will continue to play an active role in monitoring previously taken equivalence decisions, taking a risk based approach. EIOPA will produce a yearly report on its activities and will work closely together with the European Commission on potential follow-up actions.
- Support to the supervision of internal models: EIOPA's focus will remain on the consistency of the supervisory assessment of the implementation and calibration of internal models, and quantitative and qualitative comparative exercises will be run. Furthermore, EIOPA will actively engage with supervisors handling requests for model changes or new model approvals. Group internal models typically generate regular major changes. EIOPA may provide technical assistance to the supervisory

authorities at their request related to these changes or to new model applications. EIOPA will continue contributing to college discussions on new applications or changes in existing internal models.

Key performance indicators

Number of supervisory or policy actions taken by NCAs following observations and feedback from EIOPA’s Oversight Unit.			
Target	2021	2022	2023
	20	20	20
Rationale	Demonstrates EIOPA’s impact in influencing NCA’s approach to supervision.		
Number of bi-lateral engagements with National Competent Authorities on oversight topics.			
Target	2021	2022	2023
	25	25	25
Rationale	Capturing an important element of substantive engagements with NCAs in support of higher quality and more consistent supervision, this is a measure of the effort EIOPA invests in directly working with national supervisors.		

Strategic objective 3: Strengthening the financial stability of the insurance and occupational pensions sectors

Early identification and communication of risks, followed by timely implementation of preventative measures are essential to ensure the stability of the insurance and occupational pensions sectors, particularly in the post-Covid 19 era. EIOPA monitors, identifies and reports on trends, potential risks and vulnerabilities stemming from the micro-prudential level. To ensure the provision of accurate, timely and useful analysis, EIOPA continually refines its analytical tools and frameworks, along with a solid statistical basis and enhanced focus on horizontal, sector-wide analysis of risks.

Strategic Activity Area 3.1: Identifying, assessing, monitoring and reporting risks to the financial stability of the European insurance and pensions sectors

- Risk analysis products: Stress Tests, Financial Stability reports and Risk Dashboards: EIOPA will further enhance its core risk analysis products and risk identification toolkit. Strengthening cooperation with academia and leveraging the growing EU-wide dataset will add analytical and informative value for supervisors. Strengthening the use of such tools in supervisory assessments will be a focus. Increasing the time between stress tests will allow comprehensive follow-up of the findings while conducting focused analyses/studies in the interim
- Provision of transparent and credible risk reports and statistics: Increased market and risk complexity and potential sector interconnectedness necessitates advanced analysis based on solid data. The significant enhancement of available data for the insurance sector and improvements in the area of IORPs allow for increased information and awareness of supervisors, industry, academia and the public alike. The development and provision of reliable risk analysis and statistics will be an important focus
- Building the methodological toolkit for vulnerability analysis: Continuous further development of EIOPA’s core risk analysis products is key to the timely identification of risks. Developing methods for Top-down analyses, as an efficient way of exploring vulnerabilities and/or assessing the impact of market movements and scenarios. In

addition, supplementing current risk dashboards with forward-looking indicators and the use of advanced techniques will significantly strengthen the early identification of trends and vulnerabilities. Inclusion of ESG factors in EIOPA's risks and vulnerabilities analysis will be a focus

- Analyses, studies and surveys on emerging risks: As part of its risk identification process, EIOPA conducts analyses/studies on emerging risks (e.g. search for yield, cyber risk). EIOPA will further enhance such analyses/studies as part of its early risk identification and prevention process, including assessing the impact of climate change and ESG aspects on financial stability. Specific focus will be assigned to identifying second round effects of the recent economic crisis.
- Cooperation with other EU and international institutions on topics related to financial stability: EIOPA participates in work streams of other EU and international institutions on topics related to insurance and pensions financial stability risk. This work allows EIOPA to promote the EU approach in international developments regarding financial stability (e.g. through the IAIS). Such participation also ensures a sectoral view of financial stability issues while providing feedback to the institution about international developments.

Key performance indicators

Citations of EIOPA's Financial Stability products in research journals and publications from other public institutions in the field of financial stability.			
Target	2021	2022	2023
	6	8	10
Rationale	EIOPA's goal is to provide valuable and insightful assessments of the stability of the insurance and occupational pensions sectors. The quality and broader acceptance of EIOPA's financial stability analysis can be indicated by the use and reporting of EIOPA's works in publications on the two sectors.		

Strategic Activity Area 3.2: Preventative policies and actions to mitigate risks to financial stability

- Supporting national crisis preparedness and/or management, including facilitation and coordination where needed: EIOPA works with NCAs to enhance crisis preparedness. It can make specific recommendations to NCAs and propose actions following stress tests or other risk and vulnerability assessments. EIOPA participates in Crisis Management Groups, undertakes work related to important internationally active insurance groups, and maintains the insurers' failures and near misses database
- Contributing to and actively participating in development of policies to mitigate risks to financial stability: EIOPA will continue to work on the proposal for a macroprudential as well as recovery and resolution frameworks and other related areas, such as the insurance guarantee schemes, analysing the potential need to harmonise the main elements.

Key performance indicators

The number of financial stability risks with a material impact, within the agreed scope of the Stress Test, not identified by the exercise materialising within one year of the publication of the results.			
Target	2021	2022	2023
	0	0	0

Rationale	On a revolving basis, EIOPA will run insurance and pensions stress tests and a specific exercise focusing on emerging risks i.e. an insurance stress test one year, a pensions stress test the next and then an exercise focusing on emerging risks (subject to BoS decision). The exercises should serve as a basis for supervisory or policy actions, where deemed necessary, or trigger further work within the ESFS
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Strategic objective 4: Delivering EIOPA’s mandate effectively and efficiently whilst remaining adaptable to new priorities and demands

Effectiveness and efficiency are essential for EIOPA to achieve its strategic ambitions. Effectiveness needs clear strategic leadership guiding capable and well-trained people, supported by a fully functioning IT infrastructure and competent administrative functions. Efficiency means using available resources in the smartest and best possible way to deliver EIOPA’s tasks. EIOPA will remain flexible and ready to embark upon changes, including those decided at the political level on how to deliver support and coordination within the European Supervisory Framework.

Strategic Activity Area 4.1: Ensuring proper governance, agile organisation, cost-effective resource management and a strong corporate culture

- Ensuring transparency and accountability in EIOPA’s governance structures and stakeholder relations: Transparency and accountability rely on smooth running of EIOPA’s governance structures combined with ongoing dialogue and cooperation with stakeholders. EIOPA will maintain this positive engagement and remain responsive to the needs of its Members and the EU institutions, including through enhanced use of remote communication channels, where appropriate.
- Ensuring high-quality legal drafting as well as legal acts and actions: Maintaining the high-quality of legal advice and drafting as well as monitoring compliance with its legal framework, EIOPA aims at minimising the risk of legal challenges and proactively handling complaints/appeals/actions against the Authority. EIOPA will also strengthening its legal capability to ensure the adequate use of its enhanced responsibilities to protect policyholders and safeguard financial stability.
- Positioning EIOPA as credible supervisory authority: by strategically supporting the achievement of the Authority’s business objectives through the use of relevant communication tools, thereby strengthening awareness and understanding of EIOPA and its work.
- Ensuring the best management of human and financial resources: EIOPA will continue to work within and enhance its activity based budgeting approach and further implement its integrated talent management system (based on EIOPA competency framework). Together, these initiatives will support transparent prioritisation of competing demands and deliver a coherent and strategic approach to human resources (HR) management.
- Gaining efficiencies by improving, streamlining and automating processes: Opportunities for automation will be taken to further streamline, strengthen and ensure the compliance of processes. EIOPA will make the most of synergies with other EU agencies in areas such as procurement to reduce administrative burden and costs.

- Ensuring the resilience of the activities and IT infrastructure, the availability and security of its staff, information and physical assets: EIOPA will run initiatives to achieve greater maturity in the security of its staff, information, IT and its assets. It will enhance its information technology infrastructure and applications, supporting also the increased remote working and cooperation arrangements. To optimise the use of space and reduce costs, EIOPA will also further develop and implement a revised workplace strategy to restructure and improve the office areas in its headquarters.
- Ensuring corporate sustainability and responsibility in how EIOPA operates as an organisation: EIOPA will align its internal processes to good practices, such as the Eco-Management and Audit Scheme (EMAS) standards, establishing the basis on which the Authority can assess, manage and improve its environmental performance.

Key performance indicators

Percentage of audit findings from European Court of Auditors and Internal Audit Service addressed by improvement measures by the agreed deadline, or if no deadline was set, within 12 months of the finding being issued.			
Target	2021	2022	2023
	100%	100%	100%
Rationale	A key priority of EIOPA is to demonstrate its maturity and compliance and its ability to address audit findings represents this.		
Implementation rate of EIOPA budget: Percentage of the approved budget committed.			
Target	2021	2022	2023
	99%	99%	99%
Rationale	A concrete measure of the effectiveness of the management of EIOPA's budget.		

Human and financial resource outlook 2021 - 2023

In relation to EIOPA's human resources, the number of posts and the respective seniority levels are defined in the overall agency budget approved by the EU Budget Authority. The table below provides the overview of EIOPA posts for the different categories of staff (temporary agents, contract agents and seconded national experts) for the period 2019-2023.

Overview of all categories of staff

Staff population		In EU Budget 2019 ²	Filled end 2019	Voted EU Budget 2020	Envisaged in 2021	Envisaged in 2022	Envisaged in 2023
Officials	AD	n/a	n/a	n/a	n/a	n/a	n/a
	AST	n/a	n/a	n/a	n/a	n/a	n/a
	AST/SC	n/a	n/a	n/a	n/a	n/a	n/a
TA MFF	AD	98	96 ³	98	98	98	98
	AST	14	14	14	14	14	14
	AST/SC	n/a	n/a	n/a	n/a	n/a	n/a

² As authorised for officials and temporary agents (TA) and as estimated for contract agents (CA) and seconded national experts (SNE), including approved exchange of 1 AST for 1 AD by EIOPA Board of Supervisors on 30.1.2019.

³ This represents status as of 31.12.2019, including 4 offer letters sent.

Staff population		In EU Budget 2019 ²	Filled end 2019	Voted EU Budget 2020	Envisaged in 2021	Envisaged in 2022	Envisaged in 2023
TA ESA Review	AD	n/a	n/a	11	22	22	22
	AST	n/a	n/a	n/a	n/a	n/a	n/a
	AST/SC	n/a	n/a	n/a	n/a	n/a	n/a
TA PEPP	AD	3	3	4	4	4	4
	AST	n/a	n/a	n/a	n/a	n/a	n/a
	AST/SC	n/a	n/a	n/a	n/a	n/a	n/a
DORA	AD	n/a	n/a	n/a	n/a	5	5
	AST	n/a	n/a	n/a	n/a	1	1
	AST/SC	n/a	n/a	n/a	n/a	n/a	n/a
Total⁴		115	113	127	138	144	144
CA GF IV		18	9	18	18	18	18
CA GF III		16	23	16	16	16	16
CA GF II		1	4	1	1	1	1
CA GF I		0	0	0	0	0	0
CA ESA Review		n/a	n/a	3	6	6	6
CA Sustainable Finance		n/a	n/a	1	1	1	1
Total CA (FTE)		35	36⁵	39	42	42	42
SNE MFF (FTE)		25	17	25	25	25	25
SNE ESA Review		n/a	n/a	2	4	4	4
SNE PEPP		n/a	n/a	n/a	n/a	n/a	n/a
Total SNE		25	17	27	29	29	29
Structural service providers ⁶			9				
TOTAL		175	175	193	209	215	215
External staff for occasional replacement ⁷			3				
Short Term CA FG III for new SRSS project (2 years) ⁸				1	1	1	

EIOPA aims to recruit at entry level, administrator AD 5, for most functions, unless sound knowledge and expertise is required either because a specific person is to be replaced or because new tasks have been allocated and certain expertise is not already in house at the level required.

Budget expenditure 2019

The 2019 budget by title and chapter, the financing decision and 2019 procurement plan were adopted by the BoS in December 2018. The EIOPA Annual Work Programme 2019 and the allocation of the related expenditure by budget line were adopted in January 2019. The table below provides a summary of the main areas of expenditure during 2019:

⁴ Headcounts.

⁶ One extra Contract Agent to reinforce one area, which will be included by into the total for CA in 2020.

⁶ Service providers are contracted by a private company and carry out specialised outsourced tasks of horizontal/support nature.

⁷ For instance replacement due to maternity leave or long-term sick leave.

⁸ The short-term contract agent was employed in June 2020 with a contract duration of two years (May 2022).

Budget line description	Initial budget 2019	Amended budget 2019	Variance to initial budget	Budget after transfers	variance committed to amended budget	Committed	% committed	Paid	% paid	Carry forward	% carry forward
Title I - Staff expenditure	19,115,200.00	18,173,094.16	-4.93%	18,579,578.45	2.24%	18,579,578.45	100.00%	16,907,237.76	91.00%	1,672,340.69	9.00%
Title II - Administrative Expenditure	3,568,000.00	3,298,136.64	-7.56%	3,237,959.53	-1.82%	3,237,959.53	100.00%	2,601,877.86	80.36%	636,081.67	19.64%
Title III - Operational Expenditure	6,812,767.00	5,666,796.81	-16.82%	5,320,489.63	-6.11%	5,320,489.63	100.00%	3,728,239.03	70.07%	1,592,250.60	29.93%
	29,495,967.00	27,138,027.61	-7.99%	27,138,027.61	0.00%	27,138,027.61	100.00%	23,237,354.65	85.63%	3,900,672.96	14.37%

EIOPA's operational expenditure in 2019 has been driven to a large extent by the need to further develop the information and data framework capabilities in the following areas:

- a) data standardisation, management and analysis – implementing the necessary IT solutions to facilitate the collection of high-quality, meaningful and reliable pensions data; and
- b) security, availability and efficiency measures for core infrastructure and tools for knowledge management and coordination and collaboration on a European level, in particular, a large-scale project to renew EIOPA's data centre.

Resource programming for 2021 – 2023

Financial resources

Following the approval of the budget by the Budgetary Authority, the Board of Supervisors adopted the EIOPA via written procedure for titles and chapters in December 2020. The detailed budget will be adopted as part of the SPD.

For the EIOPA budget the European Union grants EIOPA a subsidy of 40%. The remaining 60% are contributions from the Member States. The individual Member States contributions are calculated according to the weighting of votes set out in Article 3(3) of the Protocol (No 36) on transitional provisions⁹. EFTA states pay their contributions according to the weighting factor¹⁰ on the top of the Member States contributions. With effect from 2022 the EFTA states contributions will be calculated as part of the Member States contributions. In addition, since 2016 the Member States and EFTA states pay the 'employers contributions to the EU pensions' scheme in accordance with Article 83a of the Staff regulations¹¹. Any surplus (n-2, i.e. from two years before) will be set against the contributions due according to the above model and therefore, reduces the relevant contributions.

EIOPA will receive additional revenue through multi-annual administrative agreements with the DG REFORM through the Technical Support Instrument (TSI) (former Structural Reform Support Service (SRSS) for 2021 (EUR 170,000) and 2022 (EUR 170,000). The funds will be used to cover expenditure such as missions, workshops, studies and other costs relating to the TSI projects. The TSI projects cover the topics 'Targeted training on insurance supervision', 'Support of supervision on market conduct in the insurance sector', which will finish in 2022. The purpose of the agreement is to enhance the supervisory capacity in Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Finland, Greece, Italy, Lithuania, Malta, Poland, Portugal, Romania, Slovenia, Slovakia, Spain and Sweden in view of reinforcing high-quality and effective supervision, protection of policyholders and beneficiaries and financial stability.

The following tables represent EIOPA's budget request for 2021, 2022 and 2023, taking into account EIOPA's ambition to continue to grow as a credible supervisory authority and the new requirements stemming from the ESAs review, PEPP and the sustainable finance legislative decisions and the new legislation (digital operational resilience for

⁹ https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2012.112.01.0006.01.ENG#L_2012112EN.01001001

¹⁰ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ%3AL%3A2017%3A046%3ATOC>

¹¹ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:01962R0031-20200101>

the financial sector (DORA). In addition, the request has factored in the budgetary impact of the COVID-19 situation, which entails savings and opportunities in some areas, while extra costs will occur in others. The Covid-19 pandemic situation has also demonstrated the need for EIOPA to accelerate its plans for a more innovative and agile working model, focusing increasingly on digitalisation and virtual cooperation, reducing costs such as for meetings and missions. Increased investments will be needed in the area of IT, for adjustments to the workplace, telecommunications, collaboration tools and security upgrades.

With regard to the new legislations (ESAs review, PEPP, sustainable finance and DORA), EIOPA will receive additional funds required for them to assume its new tasks and powers. The additional funding will be used as follows:

- to fund the recruitment of the additional staff foreseen for 2021 and 2022;
- to fund the necessary changes to EIOPA’s headquarters to allow it to accommodate the new staff; and
- to fulfil the specific requirements in the new legislation decisions (e.g. PEPP Register, DORA, etc.).

REVENUE¹²	2019 (EUR)	2020 (EUR) amendment 2	2021 (EUR)	2022 (EUR)	2023 (EUR)
EU subsidy (including surplus) ¹³	10,083,336	10,489,363	12,140,600	12,932,000	13,191,000
Contributions from National Competent Authorities	15,125,004	15,734,045	18,210,900	18,815,477	19,192,311
EFTA contributions on top of NCA contributions	429,687.61	446,990	563,805	582,523	594,189
Pensions contributions (NCA and EFTA) ¹⁴	1,500,000	1,310,000	1,800,000	2,000,000	2,100,000
Other revenues (administrative)		406,000	170,000	1,475,000	1,811,000

¹² The figures are rounded

¹³ The surplus for 2018, which was deducted from the 2020 contributions was as follows: EU contributions: EUR 41,697, NCAs: EUR 60,818.04, EFTA states: EUR 1,727.79; 2019 – no surplus. The surplus for 2020 is as follows: EU contributions: EUR 79,767.85, NCAs: EUR 129,338.66, EFTA states: EUR 3,674.39. For 2023 the surplus is not yet known.

¹⁴ NCA pension contributions: 2020: EUR 1,273,812.15, 2021: EUR 1,745,945.95, 2022: EUR 1,939,939.94, 2023: EUR 2,036,936.94. EFTA pension contributions: 2020: EUR 36,187.85, 2021: EUR 54,054.05, 2022: EUR 60,060.06, 2023: EUR 63,063.06, 2024: EUR 66,066.07

REVENUE ¹²	2019 (EUR)	2020 (EUR) amendment 2	2021 (EUR)	2022 (EUR)	2023 (EUR)
agreements, fees) ¹⁵					
Total	27,138,027.61	28,386,398	32,885,305	35,805,000	36,888,500

EXPENDITURE	2019 (EUR)	2020 (EUR) amendment 2	2021 (EUR)	2022 (EUR)	2023 (EUR)
Staff Expenditure	18,579,578.45	18,209,023	23,266,327	26,005,000	27,411,200
Administrative Expenditure	3,237,959.53	3,857,500	3,643,000	3,584,000	3,455,000
Operational Expenditure	5,320,489.63	6,319,875	5,975,978	6,216,000	6,022,300
Total	27,138,027.61	28,386,398	32,885,305	35,805,000	36,888,500

Human Resource outlook

EIOPA will assume new tasks, powers and resources during the term of this SPD stemming from PEPP, the ESAs review, the Commission's sustainable finance proposals and the new legislative proposal on **digital operational resilience act (DORA)**¹⁶. The outcome of the review into the ESAs touches upon multiple areas of EIOPA's work, and 32 new members of staff have been allocated across its various functions. To support EIOPA's supervision work, changes to EIOPA's regulation provide for a number of new tasks and the strengthening of some existing areas. Accordingly, EIOPA should receive members of staff for the following areas:

- Peer reviews – new governance structure, approach, steer, conduct and publish reports and follow-up on peer reviews (3 FTEs);
- FinTech – to support EIOPA's work in establishing a supervisory approach that supports the benefits, including financial innovation, whilst mitigating potential risks, particularly those to consumers (3 FTEs);
- Proportionality – ensuring the proportionality principle is taken account of across specific areas of EIOPA's work (2 FTEs);
- Equivalence – monitoring regimes where there is an equivalence decision in place (2 FTEs);
- Conduct of business supervision – helping build a more coordinated and effective consumer protection framework and drive forward its practical and convergent implementation, including thematic reviews, retail risk indicators and coordinating mystery shopping (2 FTEs);
- ESG - examining how best to include sustainability considerations in supervisory and regulatory frameworks and monitoring of EGS risks (2 FTEs);
- Coordination groups – supporting Management Board coordination groups deal with issues to supervisory convergence (1 FTE);

¹⁵ The fees to be collected for DORA also include pension contributions payable, which are not stated separately in this table, but are listed under other revenues.

¹⁶ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020PC0595&from=DE>

Please note that the proposal is not yet adopted by the co-legislators and thus can be revised or repealed.

- Internal models – the involvement in model approval processes and where necessary, providing technical assistance to supervisory authorities concerned on new applications or changes in existing Internal Models (3 FTEs);
- Cross-border cooperation platforms – to enhance cooperation and communication between supervisory authorities where there are concerns regarding specific undertakings offering cross-border insurance (7 FTEs);
- Legal advice – provision of legal support across EIOPA’s work (2 FTEs); and
- Other forms of support, including in IT and HR management (5 FTEs);
- DORA: Regarding the digital resilience of the insurance sector EIOPA will focus on starting preparatory works needed for the implementation of the new legislative proposal on digital operational resilience act which, once adopted, will have in place an oversight framework of critical ICT third-party service providers, including the assessment of third-party dependencies and will ensure that all participants in the financial system have the necessary safeguards in place to mitigate cyber-attacks and other risks (6 FTEs).

EIOPA has reinforced its approach to aim for successful recruitment of young talents whom can seek to develop further internally.

ECA performance audit finding

EIOPA received a recommendation from the European Court of Auditors¹⁷ to strengthen human resources assigned to supervision to which EIOPA agrees. Since 2016 and the application of the Solvency II Directive and in line with the shift from regulation to supervision, EIOPA has reduced the number of staff allocated to regulatory work, and increased the numbers overseeing its consistent application.

EIOPA’s core oversight work includes active participation in colleges of supervisors, the establishment of cooperation platforms, bilateral engagement with NCAs, and support on the implementation of Internal Models. Combined, the above work will accounted for 31.75 FTEs in 2018 (the year of the ECA audit). In 2021, EIOPA plans to allocate 59.75 of its available FTEs to these tasks. In addition, 11.75 FTEs will be allocated to identifying emerging conduct risks, helping NCAs build the capability to tackle them, and if necessary, issuing warnings and prohibitions. A further 21 FTEs will strengthen the common supervisory culture and consistency of practices, and ensure the availability of up-to-date supervisory information. These resources will deliver initiatives such as the Supervisory Handbook (the authoritative reference point on good supervisory practices) and EIOPA’s comprehensive training and events programme.

EIOPA’s contribution to supervisory convergence will account for over 43 percent of available human resources in 2021. With expected major reviews of relevant legislation, including the Solvency II Directive, IORP II Directive and the IDD, and emerging areas such as digitalisation and sustainable finance, it would not be prudent to reduce further the resources allocated to regulatory work.

Negative priorities/decrease in existing tasks

EIOPA has strengthened its approach to prioritisation. The negative priorities for the SPD 2021-2023 are work that EIOPA could undertake within its mandate, but that is not essential to achieving its strategic ambitions. EIOPA has limited the developments of new tools and techniques for its work in financial stability, for example. Resources are allocated towards core products (e.g. stress test, financial stability reports) and a framework for monitoring ESG risks.

A further negative priority is participation in international forums relating to EIOPA’s mandate, mainly touching upon policy, consumer protection, financial stability, and

¹⁷ https://eca.europa.eu/Lists/ECADocuments/SR18_29/SR_EIOPA_EN.pdf

crisis prevention and management. With this approach to prioritisation, EIOPA is able to adapt its work programme to any adjustments in funding or human resources.

In the area of Digitalisation and cyber the development of supervisory convergence tools on ICT and cyber security governance was deprioritised to allow EIOPA resources to focus on the preparatory works for the technical standards envisaged on DORA. For similar reasons the implementation of the Cyber Underwriting Strategy will focus on the areas with linkages to DORA to gain synergies in this area of expertise.

Strategy for achieving efficiency gains

EIOPA will continue to realise efficiency gains. In the area of HR competency management, redeployment of staff and adjustments to the working model will be prioritised. To manage the changing demands on EIOPA, including those stemming from Covid-19, EIOPA will complete implementation of an Integrated Talent Management System. This system, based on the EIOPA Competency Framework, will efficiently manage HR talent related processes, i.e. proactively help identify organisational knowledge and skills needs, further development of already present staff, redeployment from areas of less priority to those growing in importance and as appropriate the sourcing of new talents. An adjusted working model will need to be implemented which will introduce a different balance between physical presence and remote working.

With regard further automation, digitalisation and streamlining processes, EIOPA will continue its efforts to increase efficiency across its functions, particularly in administrative processes. EIOPA will continue to implement digital solutions to reduce numbers of staff required to deliver tasks, and review its processes to ensure they are delivered as efficiently as possible. Engagement will continue with the other ESAs in areas such as procurement to achieve economies of scale. Further implementation of efficient office space arrangements will help EIOPA absorb additional staff, reducing the need to procure additional floor space. EIOPA will also continue to invest in concrete measures to increase efficiency in the cooperation with its members and partners.

The approved IT Strategy 2019-2023 calls for collaboration and interoperability as its first IT principle. This includes fostering close partnerships with counterparts in the NCAs and the EU institutions to align requirements and implementation, actively promoting synergies between the ESAs and taking informed decisions on which systems can be shared. EIOPA will continue to leverage on existing knowhow and technical solutions developed by EU institutions and agencies. Among projects are:

- EIOPA decided to mirror ESMA's approach for collecting reporting information (the 'ESMA hub')
- European data standardisation has been driven by EIOPA's, the EBA's and the ECB's common work on taxonomies using the XBRL standard. This very close collaboration is being further deepened by the joint development of the next generation of standards and tools
- The EBA and EIOPA have shared the same data centre supplier for seven years and moved to the inter-agency cloud service procured by the European Food Safety Authority in close collaboration in 2019
- EIOPA is currently transferring its HR systems to the Commission's Sysper platform and its travel system to MIPS

- EIOPA has recently begun reviewing its data collection and analysis capabilities and is actively investigating synergies with European institutions; an upcoming, major upgrade of EIOPA's business intelligence capabilities will leverage the work done by the Commission in the context of their data strategy
- In the new domains of cross-border notifications, the PEPP register and tools to support the information exchange for fitness and propriety, projects are underway to align as much as possible to the work of the other ESAs and NCAs

Section III: Annual Work Programme 2021

The Annual Work Programme (AWP) is defined in terms of operational and horizontal activities. Its priorities have implications for resource allocation and decisions in the face of budget constraints and/or new demands. To be a high priority, the work must support one or more of EIOPA's key planning priorities for 2021; be a specific legal requirement that must be delivered in 2021; and have a clear link to EIOPA's strategy.

Cross Cutting Themes: Digitalisation/cyber and Sustainable Finance

EIOPA will develop the overall strategy for digital transformation in light of the European Commission's Digital Finance Package. Regarding the digital resilience of the insurance sector EIOPA will focus on preparing the technical work needed for the implementation of the new legislative proposal on digital operational resilience act (DORA).

To ensure supervisors keep pace with developments in digitalisation and support sound digital insurance, EIOPA monitors the evolution of new technologies and their uses, identifying implications for supervisors, industry and consumers. On sustainable finance, EIOPA will continue the emphasis on implementation and supervision, identifying the main areas for supervision and promoting supervisory convergence in the assessment of ESG risks. This includes in particular the promotion of standardised information to identify sustainable investments and ESG risks more transparently. This will inform further initiatives in the areas of prudential requirements. EIOPA has set the following priorities for 2021:

- SupTech — the use of technology by supervisors to deliver innovative and efficient supervisory solutions that will support a more effective, flexible and responsive supervisory system
- Monitoring market developments and the evolution of new technologies and business models — assessing and addressing supervisory and regulatory issues arising from the use of new technologies and business models such as DLT/blockchain, emergence of insurance platforms and ecosystems, artificial intelligence and Open Insurance/Open Finance
- Cyber-resilience of the financial sector — Preparing the technical work needed for the implementation of the new legislative proposal on digital operational resilience act (DORA) applicable to insurance, pensions and intermediaries markets
- Cyber-underwriting market — creating a sound cyber-insurance market to enable the digital economy following EIOPA's cyber-underwriting strategy
- Data: contribute to the creation of European Data Spaces, making available its experience in the context of technical standards on public disclosure and supervisory reporting, on the development of a uniform XBRL taxonomy for insurance and pension funds' reporting, on data standardisation and data quality challenges more generally
- Sustainable finance natural catastrophes — depending on developments, engaging with stakeholders on policy measures for tackling the climate protection gap and securing access to publicly available data on natural catastrophe risks, and reviewing the calibration of natural catastrophe risks in the Solvency II Directive.

Strategic objective 1: Driving forward conduct of business regulation and supervision

EIOPA will provide input into the review of both the IDD and PRIIPs frameworks, in addition to regulatory work on sustainable disclosures. The emphasis on conduct oversight and supervisory convergence will increase, including through conduct aspects of cooperation platforms, conduct country visits, and work with NCAs on conduct Supervisory Handbook chapters. EIOPA will advance the tools of its framework for conduct of business supervision, including thematic reviews, market monitoring and consumer trend identification. EIOPA has set the following priorities for 2021:

- EIOPA's input into conduct of business regulatory reviews and development – including reviews of the PRIIPs Regulation and the IDD, together with the report on the application of the IDD, developing disclosure requirements in the area of sustainable finance jointly with the other ESAs and supporting the national application of the PEPP Regulation
- Convergence of conduct of business supervisory practices with an increased focus on addressing emergent conduct risks in a coordinated way – work on supervisory convergence, including the further development of conduct of business supervision handbook, developing a framework for mystery shopping, carrying out conduct country visits and further development of retail risk indicators (RRI) and conduct risk dashboards, alongside taking coordinated action to address emergent risks in a preventative fashion.
- Coordinating supervisory activities in relation to PEPP – including work on supervisory approaches to PEPP, coordination of PEPP supervisory plans, and fulfilling reporting requirements.

Strategic objective 2: Leading supervisory convergence towards high-quality prudential supervision throughout the EU

Operational activity: sound, smart and robust regulatory framework

EIOPA will build on its evidence-based contribution to the Solvency II review, and is prepared to respond to any subsequent Commission call for advice. The review of Commission Implementing Regulations on Reporting and Disclosure will continue. EIOPA is also ready to undertake any regulatory work in relation to the UK's withdrawal from the EU. EIOPA will play a crucial role in fostering a convergent implementation of the IORP II framework and monitor the supervisory aspects of cross-border IORPs. EIOPA has the following priorities for 2021:

- Follow up to the 2020 Opinion on the Solvency II Framework – paying particular attention to the application of the proportionality principle and focusing on the effectiveness of long-term measures, aspects of illiquid liabilities as well as the inclusion of macro-prudential elements;
- Monitoring period of ICS 2.0 (commencing in 2020) – through confidential reporting and within international colleges; and
- Proportionate and relevant application of the IORP II Directive – by applying the IORP II Directive the national supervision of IORPs can achieve deeper analysis and a multi-faceted approach to assessing the sustainability of IORPs.

Operational activity: Up-grade of Business Intelligence and Data Analytics Framework

EIOPA works to enhance the use and quality of supervisory information through efficient standardised exchange mechanisms, centralised quality checks and the timely provision of business intelligence. The following priorities have been set for 2021:

- Smooth operation of all systems and preparatory work to implement follow-up from 2020 Review.
- Up-grading the Business Intelligence and Data Analytics framework – implementation of an up-graded Framework capable to transform EIOPA into a data-driven organisation. The approach is based on three main drivers: data techniques

(for data management, data exploration, data analysis and data science), cultural transformation (people & change management) and business review of software solutions;

- Further develop the BI analysis for pensions data;
- Prepare PEPP data collection, including taxonomy and integration with Solvency II and pensions data;
- improving the scope of the use of data and of the analytical supervisory tools at EU level and supporting the NCAs – continuous improvement of the use of the central database to give valuable reports to NCAs enhancing the quality and convergence of supervision; and
- further strengthening the security of EIOPA’s infrastructure – it is a continuous effort to ensure EIOPA’s IT infrastructure maintains pace with the evolving cyber risk.

Operational activity: improving quality and consistency of supervision

The European insurance sector has a large cross-border dimension, meaning the quality of national supervision is no longer solely a national issue but a European issue. Stronger and coordinated supervision is indispensable. With the completion of the Capital Markets Union, key initiatives such as the PEPP may have an important role for EIOPA. The following planning priorities have been identified:

- Ensuring supervisory convergence focusing on emergent risks and areas identified during 2020 Review – developing convergence in areas with relevant impact on policyholders and financial stability, areas that can affect fairness, the level playing field or the proper functioning of the internal market through the existence of possible supervisory arbitrage and where material divergences in supervisory practices are identified. EIOPA will incorporate in the supervisory convergence tools recommendations and good practices addressing the supervision of the areas that during the discussion of the Solvency II 2020 review were considered to be better dealt with under supervisory convergence, for example in the area of technical provisions calculations or group supervision, among others.
- Further develop the application of proportionality principle under Solvency II by NCAs to promote its consistent implementation;
- Provide, under the project with DG REFORM, targeted training in the area of insurance supervision. A training programme aimed at the capacity development of individual supervisors. This action will improve the capacity of the NCAs to keep to high standards of supervision, promote convergence of Solvency II supervisory practices across European Union and further develop cross-border supervisory cooperation.
- Continuing to strengthen cross-border supervision – coordinating home/ host cooperation on cross-border cases and consensus on risks through early warning indicators.
- EIOPA’s strategic supervisory priorities (SSPs) effecting real and observable change in supervisory priorities across the EU – in 2020, EIOPA will have issued its first SSPs and a major focus for 2021 will be ensuring monitoring and structured follow-up.
- Increased convergence in supervision of internal models – fulfilling its new role, EIOPA will further engage with NCAs on approval of model changes or new model approvals. Deepening the work on comparative studies on market and credit risk modelling, the impact of diversification/aggregation and non-life underwriting risk and/or life underwriting risk modelling e.g. by public reports and increased engagement with group supervisors and NCAs to advance consistency of supervisory practices; and

Strategic objective 3: Strengthening the financial stability of the insurance and occupational pensions sectors

Challenging market conditions and the debates on the increase risk of 'low for long' scenario amid the ongoing Covid-19 pandemic, necessitates increased risk monitoring at EU level, aiming to identify risks early and propose mitigating actions for the stability of the insurance and occupational pensions sectors. EIOPA has set the following priorities for 2021:

- Continuous development and improvement of the core financial stability products — focusing particularly on integrating the enhanced pension data, on emerging risks such as cyber-risks and mitigation/management actions, and on ESG factors, refining the current risk and financial stability products such as the financial stability report and stress testing, but also using targeted reports and analyses;
- Improving data accessibility in the field of reliable risk analysis and statistics — achieving transparency, trust and confidence in the insurance sector by making reliable and up-to-date information more easily accessible;
- Promoting the EU approach in international approaches to assessing systemic risk – promoting the EU approach in international developments regarding financial stability, e.g. through the IAIS; and
- Improving the methodological framework for bottom-up stress tests – including integrating ESG factors, cyber and liquidity risk in preparation for future exercises.

Strategic objective 4: Delivering EIOPA's mandate effectively and efficiently whilst remaining adaptable to new priorities and demands

EIOPA will continue its efforts to ensure efficient and effective administration, including through further roll-out of the IT system Sysper and other e-administrative tools, as appropriate. EIOPA will maintain its efforts related to corporate sustainability and social responsibility (CSR), in particular in the environmental field through a pro-active approach to its environmental performance, based on the implementation of the Commission's environmental management and audit system (EMAS). EIOPA's priorities for effectiveness and efficiency for 2021 are:

- to continue to improve, streamline and automate processes to ensure EIOPA continues to provide agile and timely response to changes and operates as resiliently, effectively and efficiently as is expected and required for an EU authority, in particular during the challenging COVID-19 period;
- to ensure EIOPA is fulfilling its CSR obligations – reflecting EIOPA's ongoing commitment to act as a responsible European organisation, including the ambition to reduce its environmental impacts and save resources and costs, in an open dialogue with staff and stakeholders.

Activities 2021

Cross-cutting themes¹⁸

High priority: Digitalisation and cyber

Operational objective: Promote supervisory convergence in the treatment of digitalisation and cyber, facilitating a level playing field throughout Europe based on the principle of proportionality and by pursuing a technology-neutral approach to financial innovation, whilst supporting effective risk and market monitoring.

Basis for inclusion in the AWP

Legal requirement: Article 1(6) of the EIOPA Regulation, according to which EIOPA shall, inter alia, (i) contribute to the improved functioning of the internal market; (ii) ensure the integrity, transparency and efficiency of the financial markets; (iii) prevent regulatory arbitrage; (iv) ensure the appropriate regulation and supervision of taking risks; and (v) enhance consumer protection. Amendments to the regulation (Article 8) following the review of the ESAs regarding technological innovation, enhance the legal basis for work EIOPA is already undertaking in this area.

Strategically aligned: As part of EIOPA's vision, work will be undertaken to promote financial innovation by the ongoing digitalisation of existing and evolving business and distribution models in a manner that does not cause undue detriment to consumers and to promote a sound cyber-insurance market as an enabler of the digital economy.

Planning priorities for 2021:

- Support the implementation of the COM Digital Finance Strategy;
- SupTech;
- continued monitoring market developments and the evolution of new technologies and business models, and identifying supervisory actions as appropriate;
- cyber-resilience of insurance market;
- cyber-underwriting market;
- digitalisation.

FTE¹⁹

6

Evolution (Growing): A strategically important area of growing prominence, EIOPA continues to allocate additional resources to its InsurTech/cyber work.

ID	Products	Due Date
0/001	Thematic review and/or reports on priority InsurTech topics (e.g. Artificial Intelligence, use of DLT/blockchain, emergence of insurance platforms and ecosystems and Open Insurance/Open Finance)	Q4
0/002	SupTech – work on the use of technology by supervisors to deliver innovative and efficient supervisory solutions that will support a more effective, flexible and responsive supervisory system	Q4
0/003	Possible best practices/guidelines/policy recommendations	Q4
0/004	Work in the area of threat-led cyber resilience testing in the insurance sector to support DORA implementation	Q4
0/005	Other work related to the implementation of the Digital Finance Strategy	Continuous
0/006	Follow-up from the evaluation of the need to issue a supervisory convergence tool on the treatment of non-affirmative cyber risk, sound underwriting practices and accumulation risk addressing undertakings and other follow-ups products from Cyber Underwriting Strategy	Q4

ID	Services	Frequency
0/007	Information exchange on cyber security and attacks	Continuous
0/008	Assessing how Big Data and other innovative data-analytical tools could be used for supervisory purposes.	Continuous
0/009	Exploring the benefits and risks arising from technological innovations and new business models, such as the use of AI, DLT/blockchain and smart contracts, emergence of insurance platforms and ecosystems and Open Finance/Open Insurance, including continued assessment of possible regulatory barriers	Continuous

¹⁸ EIOPA's work on the cross cutting theme of Sustainable Finance is spread across its other activities.

¹⁹ FTE – Full Time Equivalent

	impacting innovation . Possible new tasks foreseen for EIOPA in upcoming European Commission Digital Finance Strategy	
0/010	Supervisory and other follow up to the work of the consultative Expert Group on Digital Ethics (GDE)	Continuous
0/011	Contribution to the European Forum for Innovation Facilitators (EFIF), and contribution to other EU-wide and international fora, including the EU FinTech Lab and the IAIS FinTech Forum	Continuous
0/012	Supervisory workshops	tbc ²⁰
0/013	InsurTech Roundtable	tbc
0/014	Prepare work as requested by the COM under the new legislative proposal on digital operational resilience act (DORA) applicable to insurance, pensions and intermediaries market (not covered by othe products/services)	Continuous
0/015	Preliminary work on collection of different cyber incidents taxonomies, identification of main overlaps and differences to support DORA implementation	tbc
0/016	Proposal on how to assess cyber risk in the current risk dashboard framework	tbc

²⁰ Where a 'tbc' has been entered for due date of frequency, this is because of a dependency on e.g. Commission request or internal piece of work, for which the timing is yet to be clarified.

Strategic Objective 1: Driving forward conduct of business regulation and supervision

Strategic Activity Area 1.1: Developing and strengthening the regulatory framework for the protection of consumers

High priority: Delivering technical advice and policy work

Operational objective: Strengthen the protection of consumers through a smart regulatory framework.

Basis for inclusion in the AWP

Legal requirement: Article 9 of the EIOPA Regulation states that the Authority shall take a leading role in promoting transparency, simplicity and fairness across the internal market within its fields of competence. A central tool to achieving this is building the regulatory framework. In addition, the IDD the PRIIPs Regulation and Sustainable Finance Disclosure Regulation contain a number of deliverables for EIOPA.

Strategically aligned: EIOPA's first strategic objective is to drive forward conduct of business regulation and this activity is the basis for EIOPA to deliver on its mandated objective.

Planning priority for 2021: EIOPA's input into conduct of business regulatory reviews and development.

FTE	5.25
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Evolution (stable): EIOPA is maintaining the level of FTE allocation from 2019, reflecting the ongoing policy work and potential need to contribute to additional work streams related to PEPP and sustainable disclosures in the Joint Committee.

ID	Products	Due Date
1/101	IDD: Completion of review of the decision on the co-operation of competent authorities as part of work on IDD application report (see below)	Q4
1/103	IDD: Finalisation of report on the application of the IDD (Articles 41(4), (6) and (8)), including an analysis at least of: <ul style="list-style-type: none"> whether competent authorities are sufficiently empowered and have adequate resources to carry out their tasks; any changes in the insurance intermediaries' market structure; any changes in the patterns of cross-border activity; the improvement of quality of advice and selling methods and the impact of the IDD on insurance intermediaries which are SMEs; and The general impact of the IDD. 	Q4
1/102	IDD: Work on a potential call for advice from the European Commission on the Commission's Review of the IDD (Article 41(2)), including: <ul style="list-style-type: none"> general survey of the application of rules under the IDD, taking into account experience from PRIIPs and MIFID II; evaluation of whether specific conduct of business rules for the distribution of IBIPs deliver appropriate/proportionate results; reflection on application of the IDD to products falling under the IORP II Directive; and analysis of the impact of rules on conflicts of interest and transparency in the IDD for products other than life insurance products and the impact of those rules to intermediaries which are SMEs. possible other topics which the COM might raise (reflections on treatment third countries, business-to-business (B2B) activities, digitalisation etc.) 	Q2 2022
1/104	IDD: Annual report on national sanctions imposed under the IDD	Q4
1/105	IDD: On-going work on Q&As on IDD and its implementing measures	Continuous
1/106	IDD: RTS adapting the base euro amounts for professional indemnity insurance and for financial capacity of insurance and reinsurance intermediaries	June 2023
1/107	Development of the IDD Rulebook on EIOPA's website	Q1
1/108	PRIIPs: Annual report on national sanctions imposed under the PRIIPs Regulation	Q4
1/109	PRIIPs: Input into the Commission's review of the regulation which is expected to include: <ul style="list-style-type: none"> scope of the Regulation and possible expansion to other types of pensions; input to survey covering the operation of the comprehension alert; input to Commission survey of the practical application of the regulation; input to consumer testing carried out by the Commission which is expected to include inter alia proposed approaches to be tested and example products; and input to Commission market study on use of online calculator tools. 	Q2 2022

1/110	PRIIPs: On-going work on Q&As	Continuous
1/111	Sustainable Finance Disclosure Regulation: Finalisation, through the Joint Committee, of seven empowerments for regulatory technical standards (RTS) by January 2021: <ul style="list-style-type: none"> • Details of the presentation/content of information in relation to the principle of 'do not significantly harm' [1 RTS] • public due diligence policy statements (websites) [2 RTS]; • pre-contractual disclosures [2 RTS]; • public disclosure (websites) of how relevant products meet environmental or social characteristics [1 RTS]; and • periodic reporting requirements on how financial products meet their environmental or social characteristics [1 RTS]. 	Q1
1/112	Sustainable Finance Disclosure Regulation: <ul style="list-style-type: none"> • Three RTS empowerments for taxonomy-related product disclosures that are due to be delivered by June 2021 for climate mitigation and adaptation objectives, and • Launch in Q3 in 2021 of work on three RTS empowerments by June 2022 for other environmental objectives. 	Q2 Q2 2022
1/113	Sustainable Finance Disclosure Regulation: optional mandate to the ESAs to work on one optional Implementing Technical Standard (ITS) on marketing communications.	tbd
1/114	Sustainable Finance Disclosure Regulation: Work on Q&As	Continuous
1/115	Report on implementation of Joint Committee Guidelines on complaints-handling	Q2
1/116	PEPP Regulation: work on Q&As	Continuous
1/117	Contribution to IORP II Opinion on the reporting of costs and charges of IORPs, including templates	Q3
1/118	Policy work to promote more streamlined EU legislation concerning consumer disclosures and promote simple products and digital disclosures	Continuous
1/119	Policy work on the implementation of findings reached under thematic reviews	Continuous
1/120	Policy work to review and co-ordinate financial education and literacy initiatives by national competent authorities (Article 9(1)(b), EIOPA Regulation)	Continuous
1/121	Joint ESAs Consumer Protection Day 2021	tbd

ID	Services	Frequency
1/122	Maintenance of the IDD Rulebook on website	From Q2 onwards
1/123	Collection of information on national financial education and literacy initiatives and maintenance of the related interactive webpage on website	Continuous

Strategic Activity Area 1.2: Developing and strengthening a comprehensive risk-based and preventive approach to conduct of business supervision

High priority: Analysis and (where necessary) concrete supervisory measures in relation to market developments and supervisory practices to tackle consumer detriment

Operational objective: Ensure early identification of potential consumer detriment, allowing swift action, where necessary, including undertaking supervisory measures to correct detriment or threats.

Basis for inclusion in the AWP

Legal requirement: Within Article 9 to take a leading role in promoting transparency, simplicity and fairness, EIOPA may also issue warnings where financial activities threaten EIOPA's objectives, or issue temporary prohibitions/restrictions where specifically mandated under Union law (Article 9(3) and (5) of the EIOPA Regulation). To fulfil its mandate in a robust and proportionate manner, EIOPA must develop and maintain the capability to monitor, analyse and report on developments likely to result in consumer detriment and then be ready to take swift action.

EIOPA is required to contribute to the establishment of high-quality common regulatory standards and to contribute to the consistent application of legally binding Union acts as well as to build a common supervisory culture and consistent supervisory practices in ensuring uniform procedures and consistent approaches (Article 1(a) and (b), and Article 29 of the EIOPA Regulation).

Strategically aligned: This activity helps EIOPA and NCAs develop comprehensive risk-based and preventive conduct of business supervision, pre-empting consumer detriment and therefore delivering against an important strategic objective for the Authority.

Planning priority for 2021: Continued convergence of conduct of business supervisory practices and enhancements in market monitoring capacities.

FTE

11.75

Evolution (growing): EIOPA will strengthen resourcing levels in this important area, which contributes to enhancing conduct of business supervision.

ID	Products	Due Date
1/201	Thematic reviews (topic tbd)	Q4
1/202	Annual trends report	Q2
1/203	Annual net performance and fees of long-term retail and pension products report	Q2
1/204	Conduct of business chapters for the Supervisory Handbook	Q4
1/206	Dedicated project(s) based on specific supervisory requests	Contingent on demand
1/207	Identify Conduct of business Strategic Supervisory Priorities cooperation with NCAs	Q4

ID	Services	Frequency
1/208	Periodic retail risk indicators reporting and conduct risk assessment incl. review of data collected, including development of conduct risk dashboard for monitoring the indicators and possible publication of heat-maps of risks	Continuous
1/209	Facilitation and coordination of national market monitoring and of market-wide and company specific monitoring activities	Continuous
1/210	Conduct of business visits to NCAs to foster the exchange of ideas and experiences and identify issues in convergence between the different authorities	Continuous
1/211	Preparation of draft decisions in the case of the use of product interventions on insurance based investment products	Continuous
1/212	Work to address conduct issues arising out of cooperation platforms on cross-border activity or following other signals	Continuous
1/213	Work to address conduct issues arising in the context of Colleges	Continuous
1/214	Conduct of Business Supervisory workshops	Continuous
1/215	Sharing of expertise in conduct data analysis, data mining, assessments and consumer-behaviour / behavioural economics work	Continuous
1/216	Coordination of mystery shopping activities of NCAs	Continuous

High priority: The pan-European Personal Pension Product (PEPP)

Operational objective: Provide successful implementation of the PEPP Regulation for the EU.

Basis for inclusion in the AWP

Legal requirement: EIOPA has an important role in the effective implementation of the regulation for the PEPP. This activity represents the tasks EIOPA will undertake to deliver this important role.

Strategically aligned: Activity areas 2.1, 2.2 and 2.3 set out that building blocks of an improved functioning of the internal market for pensions are based on an evidence-based development of regulation, which needs to be supplied by a high-quality data framework and which feeds back into high-quality and convergent supervisory practices.

Planning priority for 2021: Coordinating supervisory activities in relation to PEPP.

FTE	6.5
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Evolution (growing): For EIOPA to fulfil its role, as foreseen in the regulation, additional staff will be allocated in 2021.

ID	Products	Due date
2/3801	Structures in place to receive information for the Annual Report on PEPP Market	Q4
2/3802	Process for product intervention powers set up	Q3
2/3803	Implemented solution for database of authorised PEPPs, including web-based comparison tool	Q4
2/3804	Implemented solution for up-to-date registers of NCA actions and national regulations	Q3
2/3805	Process for PEPP-related mediation defined	Q3
2/3806	Processes for PEPP-related supervisory convergence issues, including cooperation between NCAs and EIOPA and coordination of supervisory plans	Q4

ID	Services	Frequency
2/3807	Registration and monitoring of PEPPs provided or distributed in the European Union	Q3 onwards
2/3808	Monitoring proportionality and consistency of actions taken by NCAs, including, where relevant, issuing an opinion on whether a prohibition or restriction is justified and proportionate	Q3 onwards
2/3809	Monitoring the market for PEPPs and where necessary, exercising the power to temporarily prohibit or restrict in the Union the marketing, distribution or sale of certain PEPPs or PEPPs with certain specified features	Q3 onwards
2/3810	Functioning database of authorised PEPPs, including web-based comparison tool	Q3 onwards
2/3811	Functioning up-to-date registers of NCA actions and national regulations	Q3 onwards

Strategic objective 2: Leading convergence towards high-quality prudential supervision throughout the EU

Activity area 2.1: Enabling supervisory convergence with a sound, smart and robust regulatory framework which is responsive to market developments

High priority: Develop, maintain and improve the regulatory framework and processes for insurance and reinsurance supervision

Operational objective: Support convergent and consistent application of the Solvency II Directive.

Basis for inclusion in the AWP

Legal requirement: EIOPA is required to contribute to the establishment of high-quality common regulatory standards and to contribute to the consistent application of legally binding Union acts as well as to build a common supervisory culture and consistent supervisory practices in ensuring uniform procedures and consistent approaches (Article 1(a) and (b), and Article 29 of the EIOPA Regulation).

Strategically aligned: This is a strategically important area of work because the maximum-harmonised nature of insurance regulation means that its development and improvement potentially impacts all EU insurance undertakings.

Planning priorities for 2021:

- Follow up to the 2020 Opinion on the Solvency II Directive; and
- Sustainable Finance.

FTE

13.25

Evolution (stable): EIOPA will need to maintain staff to work on the follow-up to the the review of the Solvency II Directive and undertake work on sustainable finance.

ID	Products	Due date
2/1101	Follow-up to wide-ranging call for advice from the European Commission in the context of the Solvency II 2020 Review	Q2
2/1102	Review of Reporting and Disclosure Commission Implementing Regulations following Solvency II 2020 Review	Q4
2/1103	Preparation of methodological changes to RFR curves arising from the extrapolation method and the volatility adjustment proposed in the 2020 Solvency II Opinion	
2/1104	Inclusion of climate change in natural catastrophe calibration: <ul style="list-style-type: none"> • Methodology to potentially include climate change in the nat cat calibration (June BoS). • Initiate work for reassessment of the nat cat SF factors based on a defined list of criteria which includes climate change. • EIOPA reviews its analysis on Pillar 1, having regard to any new evidence on impact of climate change on investments and provisioning 	Q1-Q4
2/1105	Impact underwriting: <ul style="list-style-type: none"> • Approval and publication of final paper on underwriting and pricing in light of climate change following consultation (June BoS) • Collect best practices on impact underwriting, and synthesise potential blueprints • Pilot use of impact underwriting with voluntary participation 	Q1-Q4
2/1106	Step-by-step implementation of supervision of sustainable finance – oversight	Continuous
2/1107	Development/annual update of Risk Free Rate Methodology - in respect of representative portfolios, deep/ liquid transparent criteria, and ultimate forward rate	Q4
2/1108	Pilot review of System of Governance Guidelines, considering as well specific work on Outsourcing and Third Party Providers in the context of COM new legislative proposal on digital operational resilience act (DORA)	Q4

2/1109	Prepare for later review the technical standards and guidelines potentially impacted by the 2020 SII review	Q4
2/1110	IBOR transitions: impact assessment and consultation paper with potential implementation	Q4
2/1111	No-action-letters (in exceptional circumstances)	Contingent on demand
2/1112	Shared resilience solutions: <ul style="list-style-type: none"> • Develop solutions with exploratory group, to extent requested • Consider extent to which solutions can read across to other systemic risks • Contribute to COM inter-service working group 	Q1-4
2/1113	Dashboard on the protection gap for natural catastrophes: <ul style="list-style-type: none"> • Publication of the pilot dashboard following the consultation • Development and publication of an updated version 	Q2 Q4
2/1114	Use of climate change scenarios in ORSA: <ul style="list-style-type: none"> • Approval and publication of final Opinion following consultation (June BoS) • Pilot use of scenarios with voluntary participation. • Develop supervisory approach to reviewing use of scenarios in ORSA. 	Q1-Q4
2/1115	Consideration of the regulatory treatment of composites	Q4

ID	Services	Frequency
2/1116	Impact Assessments	Continuous
2/1117	Questions and Answers on application of insurance regulatory framework	Continuous
2/1118	Ongoing input into European Financial Reporting Advisory Group Board on accounting and deliver of comment letters on International Accounting Standards Board exposure drafts and/or discussion papers incl. International Financial Reporting Standards 17 implementation	Continuous
2/1119	Maintenance of the Solvency II Rulebook on website	Continuous
2/1120	Continue to monitor indicators of whether a recommendation for regulatory measures needs to be considered in light of Covid-19 situation Risk free rate: update of ultimate forward rate Risk free rate: deep, liquid, transparent assessment Risk free rate: representative portfolios	Continuous

Contribution to and coordination of EIOPA's work with the International Association of Insurance Supervisors (IAIS) and dialogues with authorities in third countries

Operational objective: Coordinate the European position and contribute to the implementation of a common ICS, the convergence of international supervisory standards and building trust and understanding with third countries.

Basis for inclusion in the AWP

Legal requirement: EIOPA's regulation requires that the Authority reaches out to third countries to address key global issues in the supervision of insurance and pensions. Article 33 of EIOPA's regulation provides the mandate to '...develop contacts and enter into administrative arrangements with supervisory authorities, international organisations and the administrations of third countries.'

Strategically aligned: EIOPA's work on the IAIS's ICS is a high priority with the aim to increase the global convergence and consistency of supervisory practices, through the implementation of a sound risk-based regulatory and supervisory framework (ComFrame), from which the Solvency II Directive can become a practical implementation.

Planning priority for 2021: Monitoring period of ICS 2.0 (commencing in 2020).

FTE	3.25
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Evolution (Stable): reflecting continuation of monitoring work for ICS 2.0.

ID	Products	Due Date
2/1201	EIOPA to coordinate with Members and contribute to the monitoring of the ICS 2.0	Continuous
2/1202	EIOPA contributes to the development of detailed comparability criteria to assess whether the Aggregation Method will produce similar results as the ICS.	Continuous
2/1203	Wider engagement with IAIS as required for example on new trends and issues	Continuous
2/1204	Continuing regulatory work relating to the UK's withdrawal from the EU	Continuous
2/1205	Equivalence and professional secrecy assessments of other third countries (if required)	Contingent on demand

ID	Services	Frequency
2/1206	EU-US – twice yearly dialogue with one public event / EU US Insurance Project lead (EU-side) and coordination	Q4
2/1207	EU US Covered Agreement – practical implementation after signature	Continuous
2/1208	Technical dialogue with third country supervisors in key jurisdictions and elsewhere	tbc
2/1209	China dialogue and operationalisation of the EIOPA Chinese Insurance Regulatory Commission Memorandum of Understanding	tbc
2/1210	Take steps to formalise a Memorandum of Understanding (or a similar instrument) with Japan (JFSA) and operationalise it	Q1
2/1211	EU US Covered Agreement – practical implementation after signature (also: participate in "Joint Committee" of the European Commission)	Q4
2/1212	Continued participation in development of sustainable finance approaches at international level via Network for the Greening of the Financial System and the Sustainable Insurance Forum of the IAIS.	

Pensions regulation including policy development, advice and data analysis

Operational objective: Lead the development of a sound and prudent regulatory framework for pensions to improve the functioning of the EU internal market for private pensions.

Basis for inclusion in the AWP

Legal requirement: The EIOPA Regulation requires the Authority to act in the field of IORPs in order, among other objectives, to be actively involved in facilitating effective regulation and supervision.

Strategically aligned: Activity areas 2.1, 2.2 and 2.3 set out that building blocks of an improved functioning of the regulatory framework for pensions are based on an evidence-based development of regulation, which needs to be supplied by a high-quality data framework and which feeds back into high-quality and convergent supervisory practices.

Planning priority for 2021: proportionate and relevant application of the IORP II Directive.

FTE	4
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Evolution (stable): With work on IORPs focussing on EIOPA opinions for the implementation of the IORP II Directive, resources have already been moved in previous years from activities delivering regulation to those relating to EIOPA's oversight work.

ID	Products	Due Date
2/131	Technical advice on pensions dashboard	Q4
2/132	Technical advice on pensions tracking service	
2/133	Technical advice on the role of occupational pension funds in the context of COM's renewed strategy on sustainable finance	TBC
2/134	Preparation ahead of technical advice on the scheduled review of the IORP II Directive	Contingent on demand
2/135	Opinion on the reporting of costs and charges of IORPs, including templates.	Q3
2/136	Opinion on DC risk assessment	Q3
2/137	IORP II Rulebook on website	tbc

ID	Services	Frequency
2/138	Monitoring of cross-border pension schemes following UK withdrawal from the EU	Contingent on demand

Regular and close cooperation between the three European Supervisory Authorities to ensure cross-sectoral consistency

Operational objective: Where a matter is cross-sectoral, ensure consistency of supervisory standards and practices.

Basis for inclusion in the AWP

Legal requirement: Article 54(2) of the EIOPA Regulation lays down the following non-exhaustive list of areas for ESA cooperation on cross-sectoral themes: financial conglomerates, accounting and auditing, financial stability, consumer protection, anti-money laundering and information exchange with the European Systemic Risk Board (ESRB). The aim of this cooperation is to build consistency from a supervisory perspective across the financial markets.

Strategically aligned: This activity covers EIOPA's efforts in leading the development of sound and prudent regulation across sectors. It contributes to promoting supervisory convergence across financial sectors to the benefit of consumers.

Planning priority for 2021: N/A.

FTE	2
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Evolution (stable): EIOPA will chair the Joint Committee in 2022, why preparations are required in 2021. Additional cross-sectoral tasks related to digitalisation and sustainability will require the resource level to be maintained.

ID	Products	Due Date
2/1401	Bi-annual Joint Report on Risks and Vulnerabilities (presented at the Council's Economic and Financial Committee's Financial Stability Table)	Q2, Q4
2/1402	Consumer protection work as defined in the Joint Committee Work Programme	Q4
2/1403	Regulatory work to promote the establishment of a Capital Markets Union addressing securitisation and recovery and resolution issues	Q4
2/1404	Technological Innovation and Cybersecurity as defined in the Joint Committee Work Programme plus work	Q4
2/1405	Financial conglomerates: updated list of financial conglomerates (in close coordination with the European Central Bank/Single Supervisory Mechanism) and reporting templates for Fico (e.g. capital adequacy)	Q4
2/1406	Develop joint position on securitisation	Q4

ID	Services	Frequency
2/1407	Active consultative support in Anti-Money Laundering work lead by the European Banking Authority	Contingent on demand
2/1408	Joint ESAs Consumer Protection Day 2021	tbc
2/1409	Integrating the Joint Committee website into the EIOPA website	Continuous
2/1410	ESAs cooperation on Data and IT related issues covering the entire supervisory reporting chain: data standardisation (including master data management and the registers), data acquisition and data exploitation from both a data governance and IT implementation angle	Continuous

Activity area 2.2: Enhancing the evolution towards a digitally transformed, user-focused and data driven organisation that meets its strategic objectives effectively and efficiently

Production of the Solvency II Risk Free Rate and Equity Dampener

Operational objective: Calculate and publish key information fundamental to effective application of the Solvency II Directive and maintain and improve the production processes.

Basis for inclusion in the AWP

Legal requirement: The effective implementation of the Solvency II Directive depends on EIOPA providing a set of technical information on which undertakings will base their calculations of capital requirements and technical provisions. The RFR structure, the fundamental spread and the volatility adjustment determine the value of the liabilities of the undertakings and, to a great extent, the amount of capital that European insurers need to hold against their liabilities. The Solvency II Directive mandates EIOPA to provide this information. Based on Solvency II legislation, EIOPA also currently publishes the level of the symmetric adjustment of the equity capital charge (or equity dampener) on a monthly basis as part of the Solvency II technical information.

Strategically aligned: RFR and equity dampener production are key components of the greater emphasis on operational processes and data.

Planning priority for 2021: N/A

FTE	8
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Evolution (stable): With plans to review and improve various elements of the RFR and associated information production process, EIOPA needs to maintain staffing levels in this area.

ID	Products	Due Date
2/211	Implement any improvement of the data management platform solution dedicated to support the RFR production process	Q2
2/213	Updates to the RFR and Equity Damper production tool	Q4
2/214	Assurance analysis of RFR and Equity Dampener process after implementation of the data management platform solution	Q3 2021- Q1 2022

ID	Services	Frequency
2/215	Risk Free Rate production	Monthly
2/216	Equity Dampener production	Monthly
2/217	Implementation of methodology changes into the production process regarding the regular update of representative portfolios, deep/ liquid transparent criteria, and ultimate forward rate	Continuous
2/218	Monitoring of implementation of improved data management platform solution dedicated to support the RFR production process	Continuous

Data standardisation and management

Operational objective: Ensure harmonised reporting for the insurance and pensions sectors allowing for timely availability of high quality data to support EIOPA's work on crisis prevention, financial stability, oversight, policy and consumer protection.

Basis for inclusion in the AWP

Legal requirement: EIOPA's founding regulation and the Solvency II Directive, the Solvency II Delegated Regulation, implementing technical standards and guidelines on reporting collectively define a framework for insurance undertakings to report information to NCAs, along with EIOPA's role in collecting, managing, using and reporting on this data; and the decision of the BoS on EIOPA's regular requests to NCAs to provide occupational pensions information defines a framework for NCAs to report information on pension funds to EIOPA. Specifically, Article 8 of the EIOPA Regulation mandates it to collect and report information about financial institutions in the area of its competence. To deliver against its mandate, EIOPA must have in place the necessary information systems and tools to securely receive and manage data. Article 29 of its founding regulation also requires EIOPA to contribute to 'developing high quality and uniform supervisory standards, including reporting standards'.

Strategically aligned: EIOPA's strategic ambition is to be the EU's data hub for the collection, use and dissemination of reference and reporting data on EU insurance companies and pension funds. Without the products and services delivered through this activity, this ambition will not be achieved.

Planning priority for 2021: Smooth operation of all systems and preparatory work to implement follow-up from 2020 Review.

FTE	9
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Evolution (stable): EIOPA will continue to introduce adaptations to its core systems for collecting and managing data to collect information as a result of PEPP and its new tasks and powers stemming from the ESAs review.

ID	Products	Due Date
2/2201	Updates to the insurance taxonomy	Q3
2/2202	Updates to the pensions taxonomy	Q3
2/2203	PEPP taxonomy	Q3
2/2204	Central Repository – release for updated insurance taxonomy	Q4
2/2205	Central Repository – release for updated pensions taxonomy	Q4
2/2205.1	Analyse options and prepare implementation of information exchange for fitness and propriety	Q4
2/2206	Data Point Modelling (DPM) Re-fit and development of DPM tooling in cooperation with EBA	Q2-2022

ID	Services	Frequency
2/2207	Taxonomy support (NCAs and market)	Continuous
2/2208	Pensions data collection and validation for Central Repository	Continuous
2/2209	Insurance data collection and validation for Central Repository	Continuous
2/2210	Questions and Answers on data and reporting	Continuous
2/2211	Functioning Central Repository	Continuous
2/2212	Functioning Register of Insurance Undertakings	Continuous
2/2213	Functioning Register of Insurance Groups	Continuous
2/2214	Functioning Register of IORPs Prudential Provisions	Continuous
2/2215	Functioning Register of Institutions for Occupational Retirement Provision	Continuous
2/2216	Functioning Register of Financial Conglomerates	Continuous
2/2217	Functioning Database of Pension Plans and Products	Continuous
2/2218	Functioning Single Electronic Register for Passporting Intermediaries	Continuous
2/2219	Initiate work on the creation of European Single Access Point, development of a strategy on supervisory data in 2021; as well as reinforcement of the message on data sharing and cooperation within the authorities of the financial sector	Continuous

Data analysis

Operational objective: Provide analytical reports to NCAs and EIOPA business teams with a fully functioning business intelligence system.

Basis for inclusion in the AWP

Legal requirement: Article 8(1)(g) of the EIOPA Regulation mandates the Authority to undertake economic analyses of markets to inform the discharge of its functions. EIOPA's responsibility under Article 29 of its regulation to build a common supervisory culture and promote consistent supervisory practices is also relevant.

Strategically aligned: Priority is put on access to and use of good-quality data. This is delivered through a comprehensive data analysis tool based on the Solvency II Directive and pensions reporting and maintaining the capacity to provide reliable risk as well as supervisory analysis, at individual, group and system-wide levels. Furthermore, EIOPA will use the reporting data received to create added value for NCAs by increasing the scope and improving the analytical reports at national and EU levels provided to them. Similar processes need to be defined for pensions data, which EIOPA is to receive for the first time by 2020.

Planning priority for 2021:

- Improving and consolidating the business intelligence tool; and
- Improving the scope of the use of data and of the analytical supervisory tools at EU level and supporting the NCAs.

FTE	7
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Evolution (stable): EIOPA will maintain regular resourcing levels in 2021 however it will consider reshuffling its internal resources in the context of BI 2.0 implementation.

ID	Products	Due Date
2/2301	Data Quality Measurement	Q1, Q2, Q3, Q4
2/2302	Internal reports and indicators for EIOPA's business areas	Continuous
2/2303	Business Intelligence Tool 2.0 (start implementation phase)	2023
2/2304	Pensions Business Intelligence	Q4
2/2305	Explore access to the ESMA TRACE System and develop a business case on the use of EMIR data	2022 (tbd – planned to start towards end 2021)

ID	Services	Frequency
2/2306	Quality control of data	Continuous
2/2307	Functioning Business Intelligence system including system support and maintenance of data marts, Business Intelligence Standard Reports and ad-hoc reports on request of business users or on own initiative	Continuous
2/2308	Assess possible development of supervisory tools using available Solvency II information	Continuous
2/2309	Data preparation for analysis and supervisory analysis of Solvency II data	Continuous
2/2310	Regular data analysis reports to NCAs	
2/2311	Data and information dissemination to third parties (e.g. other authorities)	Continuous
2/2312	NCA data quality reports for insurance and pensions reporting data	Q1, Q2, Q3, Q4
2/2313	Information exchange in colleges for group supervisors	Q3
2/2314	Peer group indicators for NCAs	Q1, Q2, Q3, Q4
2/2315	Information on cross-border business for NCAs	Q3
2/2316	Data quality reports based on the Centralised Securities Database data for NCAs for insurance and pensions reporting data	Q1, Q2, Q3, Q4
2/2317	Indicators for European Systemic Risk Board	Q1 and Q3

High priority: Security, availability and efficiency measures for core infrastructure and tools for knowledge management and coordination and collaboration on a European level

Operational objective: Manage information and cyber security risks while maintaining EIOPA’s IT infrastructure supporting the core business data framework and the structures and tools for knowledge management and coordination and collaboration on a European level.

Basis for inclusion in the AWP

Legal requirement: EU regulations on information security, archives, data protection, public access to documents, staff and finance all lay down the requirements for proper and compliant management of information, which is delivered through this activity.

Strategically aligned: Appropriate and well-functioning IT solutions and services are a vital component to ensure the Agency’s day-to-day functioning. Staff must have access to technology and IT solutions to do their work, regardless of their location or the platform they are using. This activity will also help enhance the Authority’s information security, which is essential for the secure handling of data. The enhanced collaboration among supervisory community and external stakeholders that this activity supports, and the provision of timely feedback to questions on the practical application of regulation, are essential for maintaining the common supervisory framework and functioning of the internal market.

Planning priority for 2021: Further strengthening the security of EIOPA’s infrastructure.

FTE	6.25
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Evolution (declining): EIOPA will continue to search for efficiencies in this area to reduce the allocation of FTEs.

ID	Products	Due Date
2/241	Additional information security measures according to implementation plan 2021	Continuous

ID	Services	Frequency
2/242	Functioning core IT infrastructure (e.g. data centre, email)	Continuous
2/243	Management of security risks to information and information systems	Continuous
2/245	Functioning extranet	Continuous
2/246	External helpdesk	Continuous
2/247	Functioning document management system	Continuous
2/248	Further developing EIOPA’s document/information/knowledge management framework	Continuous

Activity area 2.3: Improving quality and consistency of supervision to ensure the same level of consumer protection throughout the EU and contribute to a level playing field in the insurance and pensions market

High priority: Enhancing coherent application of EU insurance regulation and develop a common supervisory culture

Operational Objective: Stimulate the discussion and sharing of experiences between supervisors regarding the supervisory practices under the Solvency II framework and build common benchmarks for supervisory practices; build a common supervisory culture that frames the Supervisory Review Process and promotes a high quality and effective supervision.

Basis for inclusion in the AWP

Legal requirement: This activity is delivered as part of EIOPA’s responsibility under Article 29 of its founding regulation to build a common supervisory culture and promote consistent supervisory practices.

Strategically aligned: The Annual Supervisory Convergence Work Plan sets the priority areas for the convergence of supervisory practices of the Authority in cooperation with NCAs, supporting increased consistency of supervisory practices across the EU. As an outcome, tools such as EIOPA guidelines, the Supervisory Handbook, supervisory statements or other EIOPA tools will be developed to help NCAs achieve high-quality and effective supervision while ensuring convergence of supervisory practices. This activity encompasses work on the tools mentioned but also raising awareness of them, specifically by providing training to supervisors and promoting the actual use of the handbook by day-to-day supervisors.

Planning priority for 2021: Ensuring supervisory convergence focusing on emergent risks and areas identified during 2020 Review.

FTE

10

Evolution (Growing): A key element of EIOPA’s strategic vision, the Authority continues to allocate additional staff to this area.

ID	Products	Due Date
2/3101	Annual Supervisory Convergence Work Plan	Q1
2/3102	Annual Supervisory Activities Report including functioning of colleges	tbc
2/3103	Annual Report on the use of Capital Add-ons	Q4
2/3104	Annual Report on the use of limitations and exemptions from reporting	Q4
2/3105	Maintenance of the Supervisory Handbook	Continuous
2/3106	Issue of EIOPA Opinions, Recommendations or Supervisory Statements as needed	Contingent on demand
2/3107	Projects addressing priority areas identified in the Annual Supervisory Convergence Work Plan	Continuous
2/3108	Work on multi-employer IORPs as potential basis of a chapter of the Supervisory Handbook for the IORPs sector	Q4
2/3109	Preparation for the Annual Report on Proportionality	Continuous

ID	Services	Frequency
2/3110	Maintenance of the digital Supervisory Handbook	Continuous
2/3111	Improve awareness of the Supervisory Handbook through training on the Handbook and other “advertising” tools	Continuous
2/3112	Monitoring and developing supervisory reporting requirements	Contingent on demand
2/3113	Questions and Answers on supervision under Solvency II framework	Continuous
2/3114	Support MB coordination groups (when applicable)	Contingent on demand
2/3115	Finalise the methodology of the Advisory Committee on Proportionality	Q2
2/3116	Deliver training on Solvency II under the project with DG REFORM	Continuous

High priority: Identification, prioritisation and resolution of supervisory issues

Operational objective: Increase overall quality of national supervision and achieve greater supervisory convergence in specific areas.

Basis for inclusion in the AWP

Legal requirement: Article 29 of the EIOPA Regulation gives the Authority an active role in building a common supervisory culture and consistent supervisory practices and EIOPA's decision on the collaboration of the insurance supervisory authorities provides the mandate to monitor its implementation with a specific focus on cross-border issues. This activity is an important element of that work, targeting the Authority's efforts where they can have most impact.

Strategically aligned: By improving EIOPA's capability to identify inconsistent supervision, lack of independence or quality issues, EIOPA can prioritise its resources where it can have the most impact in improving the quality and consistency of supervision. This work also provides the opportunity to enhance supervisors' capacity in the field of sustainability risk assessment, in a step-by-step approach, building on experience.

Planning priority for 2021:

- Ensuring supervisory convergence focusing on emergent risks and areas identified during 2020 Review; and
- EIOPA's Strategic Supervisory Priorities (SSPs) effecting real and observable change in supervisory priorities across the EU.

FTE

10.75

Evolution (growing): Previously EIOPA's work on cross-border collaboration platforms was part of this activity, but in 2020, it had for the first time its own (please see below). Across both activities combined, the FTE value is higher than 2019 and 2020.

ID	Products	Due Date
2/3201	Regular supervisory risk and issue reports to enable prioritisation by EIOPA's management	Contingent on demand, at least Q2 and Q4
2/3202	Supervisory recommendations	Contingent on demand
2/3203	Reports on bilateral visits	Contingent on demand
2/3204	Lessons learned exercises	Contingent on demand
2/3205	Dedicated project based on specific supervisory requests	Contingent on demand
2/3206	Capability to measure supervisory convergence	Q1, Q2, Q3, Q4
2/3207	Identify Strategic Supervisory Priorities in cooperation with NCAs	Q4

ID	Services	Frequency
2/3208	Projects delivered to address the prioritised issues and themes	Contingent on demand
2/3209	Specific projects to support NCAs or the Commission to improve the effectiveness of supervision	Contingent on demand
2/3210	Support and advice to NCAs on specific supervisory issues	Contingent on demand
2/3211	Structured follow-up on recommendations to NCAs (potentially including guidelines, recommendations to NCAs) in relation to the identified Strategic Supervisory Priorities and recommendations stemming from peer reviews and EIOPA's other oversight activities	Continuous

High priority: Enhancing the supervision of cross-border business

Operational objective: Enhance cooperation and communication between supervisory authorities where there are concerns regarding specific undertakings offering cross-border insurance.

Basis for inclusion in the AWP

Legal requirement: Article 29 of the EIOPA Regulation gives the Authority an active role in building a common supervisory culture and consistent supervisory practices and EIOPA's decision on the collaboration of the insurance supervisory authorities provides the mandate to monitor its implementation with a specific focus on cross-border issues.

Strategically aligned: EIOPA has an important role in steering cooperation between NCAs via the platforms, facilitating the sharing of prudential and conduct information, and supporting the shared assessment of risks and the coordination of preventive and timely actions. EIOPA is uniquely placed to foster and steer cooperation between NCAs through its platforms.

Planning priority for 2021: Continue to strengthen cross-border supervision.

FTE

11.5

Evolution (growing): EIOPA with additional staff allocated to EIOPA following changes to its regulation, cross-border cooperation platforms will be strengthened.

ID	Products	Due date
2/3301	Revised approach on establishing new cooperation platforms on cross-border activity aligned to the new regulation	Q4
2/3302	Notification process (including roles and responsibilities) prepared in cooperation with NCAs	Q2 2021
2/3303	IT solution facilitating notification process	Q4 2021
2/3304	Notification database	Q2 2021

ID	Services	Frequency
2/3305	Launch and run cooperation platforms (under current mandate)	Continuous
2/3306	Conduct in-depth analysis on supervisory issues (under current mandate)	Continuous

Effective and efficient functioning of colleges of supervisors

Operational Objective: Advance high-quality, consistent and efficient functioning of colleges of supervisors.

Basis for inclusion in the AWP

Legal requirement: This activity is part of EIOPA's responsibility under Article 21 of its founding regulation, as well as the broader responsibility under Article 29 to build a common supervisory culture.

Strategically aligned: By assessing the supervision of cross-border groups, which have a significant market share across the Union, it is possible to identify different authorities' supervisory practices and align them. EIOPA's engagement with colleges also provides the opportunity to enhance supervisors' capacity in the field of sustainability risk assessment, in a step-by-step approach, building on experience.

Planning priority for 2021: N/A

FTE	7.25
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Evolution (stable): EIOPA will maintain staffing numbers allocated to this activity.

ID	Products	Due date
2/3401	Adding value and generating new insights on the use of data and analytics to be used with the colleges collaboration platform	tbc

ID	Services	Frequency
2/3402	Maintaining the risk-based engagement model for colleges	Continuous
2/3403	Participation as full members of colleges, and provide feedback in college meetings, crisis management groups and joint on-site inspections	Continuous
2/3404	Sharing of best practice and training	Continuous
2/3405	Bilateral advice and support to the group supervisor	Continuous

High priority: Consistent and efficient supervision of Solvency II internal models

Operational objective: Promote a level playing field in the use of internal models and between internal model users and standard formula users, so that risks are captured consistently and appropriately by undertakings.

Basis for inclusion in the AWP

Legal requirement: This activity contributes to EIOPA's responsibilities to build a common supervisory culture as stipulated under Article 29.

Strategically aligned: Internal models cover a significant share of the European insurance business subject to the Solvency II Directive. EIOPA's work strengthens the risk assessment framework for the models by contributing to assessments of internal model applications in colleges, providing technical assistance on model changes and new model approvals, at the request of NCAs, and launching projects to assess the extent of convergence. This provides the basis for increasing the consistency and quality of supervisory practices in the EU. This work also provides the opportunity for introducing analysis on the integration of sustainability-related risk assessment in internal models.

Planning priority for 2021: Increased convergence in supervision of internal models.

FTE	11.75
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Evolution (growing): With the new task stemming from changes to Solvency II following the review of the ESAs, additional staff have been allocated to this work.

ID	Products	Due date
2/3501	EIOPA staff, in cooperation with the IM Forum develops a 2-3 years road-map for IM activities, and providing intelligence to the EIOPA Board in the area of IMs	Q2
2/3502	EIOPA staff, in cooperation with the IM Forum produces a dashboard in the area of IMs	Q4
2/3503	Consistency projects addressing priority areas in relation to Internal Models including public reports	Continuous
2/3504	Issue opinions or other action necessary to address general inconsistencies if required	Contingent on demand
2/3506	Development of quantitative and qualitative tools for NCAs in cooperation with them	tbc

ID	Services	Frequency
2/3507	Provide expertise, support and advice on Internal Models to NCAs and colleges	Continuous
2/3508	Participation in colleges, joint on-site visits and visits to NCAs to enhance consistent and effective implementation of Internal Model provisions	Continuous
2/3509	Involvement in model approval processes and where necessary, providing technical assistance to supervisory authorities concerned on new applications or changes in existing Internal Models at their request	Continuous
2/3510	Detecting and tracking findings in the areas of Internal Models, as well as archiving related documentation, in relation to EIOPA's role providing technical advice	Continuous
2/3511	Development of Internal Model on-going appropriateness indicators (IMOGAPIs) for supervisory purposes	Continuous

Monitoring the application in third countries of equivalence decisions

Operational objective: Ensure effective control in the application of equivalence decisions, provided with technical analyses in a framework of agile monitoring.

Basis for inclusion in the AWP

Legal requirement: This activity is undertaken under Article 33 of the Authority's founding regulation (revised following a review of the ESAs).

Strategically aligned: Once equivalence decisions have been taken, it is important to ensure that they are adjusted to new developments. EIOPA is responsible for ongoing monitoring of the regulatory and supervisory developments and enforcement practices in third countries on which the Commission has taken an equivalence decision. Every year it will submit a confidential report on its findings to the Commission. For this purpose, EIOPA will also develop administrative arrangements with third countries.

Planning priority for 2021: N/A

FTE	3
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Evolution (growing): EIOPA will continue to allocate additional staff to this work, a new task following the review of the ESAs.

ID	Products	Due date
2/3601	Individual Third country reports	Q4
2/3602	Annual report on application of equivalence decisions	Q4
2/3603	Plan for 2021 regulatory and supervisory practices equivalence monitoring	Q4
2/3604	Develop model administrative arrangements with third countries	Contingent on demand

ID	Services	Frequency
2/3605	Third country on-site visits	Continuous
2/3606	Sharing of legal, regulatory and supervisory developments and practices	Continuous
2/3607	Follow-up assessment on application in countries where there is already an equivalence decision in place	Continuous

Peer reviews

Operational objective: Strengthen the consistency in the application of EU law and promote consistent supervisory practices.

Basis for inclusion in the AWP

Legal requirement: Articles 8 and 30 of the EIOPA Regulation set out the requirements for peer reviews, as a tool for fostering consistency in the application of the regulation and promoting convergent supervisory practices.

Strategically aligned: EIOPA's role in organising and conducting peer reviews provides NCAs with a way to compare practices and identify opportunities to build supervisory convergence in specific and prioritised areas.

Planning priority for 2021: N/A

FTE	5
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Evolution (Growing): With changes to EIOPA's Regulation presenting new requirements for the conduct of peer reviews, EIOPA will allocate additional staff to this area in 2021.

ID	Products (see annex with Peer Review Work Plan 2020-2022)	Due date
2/3702	Follow-up on key functions	Q1-2021
2/3703	Peer Review on outsourcing	Q1 2022
2/3704	Amend Methodology for conducting peer reviews following ESA's review	Q4 2021
2/3701	Follow-up of the Peer Review on propriety (preparatory phase in Q4 2021)	Q3 2022
2/3705	Peer review on requirements on product oversight and governance (preparatory phase in Q3 2021)	Q4 2022

Sectoral and cross-sectoral training and events programme

Operational objective: Strengthen stakeholder and NCA understanding of the practical supervisory use of EIOPA's framework and instruments, together with detailed insight into, and the possibility of influencing, policy considerations on various files through public hearings, conferences etc.

Basis for inclusion in the AWP

Legal requirement: Article 29(1)(e) of the EIOPA Regulation states that the Authority shall establish a sectoral and cross-sectoral training and events programme, including with respect to technological innovation. Through training, EIOPA can take an active role in building a common supervisory culture and consistent supervisory practices, and ensure uniform procedures and consistent approaches throughout the Union.

Strategically aligned: Sufficient knowledge and understanding of the regulatory framework and instruments is a prerequisite for consistent, convergent and high-quality supervision. By providing training, EIOPA helps to build the necessary knowledge and skills of national supervisors.

Planning priority for 2021: N/A

FTE	4
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Evolution (Stable): EIOPA has previously sought efficiencies in its approach to training and events and plans to maintain the FTE levels for 2021.

ID	Products	Due Date
2/3901	Setting up the sectoral and cross-sectoral training and events programme 2022	Q4

ID	Services	Frequency
2/3902	Running/operating the sectoral and cross-sectoral training and events programme 2021	Continuous

Mediation and breaches of Union law

Operational objective: Ensure NCAs operate according to Union law and cooperate effectively.

Basis for inclusion in the AWP

Legal requirement: Article 17 of its founding regulation mandates EIOPA to investigate potential breaches or non-application of relevant Union law by NCAs, and issue recommendations to the authority concerned, setting out the action necessary for it to comply with Union law. Article 19 of the regulation also obliges EIOPA to help NCAs settle disagreements. As an impartial mediator with expertise in insurance legislation, EIOPA's support can be invaluable in reaching joint decisions in the colleges of supervisors or settling disputes related to cross-border business. Lastly, EIOPA can also provide non-binding mediation based on Article 31 of its founding regulation.

Strategically aligned: Questions and disagreements may arise about legislation with an impact on reaching supervisory convergence. EIOPA can provide invaluable and impartial support in this area.

Planning priority for 2021: N/A

FTE	1.75
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Evolution (growing): EIOPA will allocate additional resources to strengthen this important area.

ID	Products	Due Date
2/3101	Recommendations on how the NCA concerned should comply with Union Law	Contingent on demand
2/3102	Decisions towards NCA concerned on how they should settle their disagreements by taking specific action or to refrain from action	Contingent on demand
2/3103	Individual decisions addressed to a financial institution requiring the necessary action to comply with its obligations under Union law including the cessation of any practice, in case NCA do not comply with EIOPA's decisions and/or opinions from the European Commission	Contingent on demand
2/3104	Settlement agreements or opinions from EIOPA's Mediation Panel in non-binding mediation proceedings	Contingent on demand

ID	Services	Frequency
2/3105	Assessment of complaints	Contingent on demand
2/3106	Breach of Union law investigations	Contingent on demand
2/3107	Providing the Panel secretariat to the Mediation Panel and BUL Investigation Panel	Continuous

Strategic objective 3: Strengthening the financial stability of the insurance and occupational pensions sectors

Activity area 3.1: Identifying, assessing, monitoring and reporting risks to the financial stability of the European insurance and pensions sectors

High priority: Monitoring, analysis, assessment and reporting of risks to the financial stability of the European Insurance and IORPs sectors

Operational objective: Provide timely and accurate financial stability analysis and risk assessment.

Basis for inclusion in the AWP

Legal requirement: EIOPA is mandated to identify potential risks and vulnerabilities under Article 42 of its founding regulation. By analysing and assessing the potential for adverse market developments, this activity is the chief means by which EIOPA fulfils this requirement. It is also the basis for coordinating Union-wide stress tests to assess the resilience of financial institutions to such developments.

Strategically aligned: The provision of timely and accurate assessments of market developments supports pre-emptive measures to mitigate or avoid risks. The products and services of this activity make it possible to maintain a comprehensive and timely overview of developments in the European insurance and occupational pensions sectors, which is a prerequisite for directing action to mitigate and avoid risks.

Planning priorities for 2021:

- Continuous development and improvement of the core financial stability products; and
- Promote the EU approach in international approaches to assessing systemic risk.

FTE

10.75

Evolution (growing): EIOPA will invest additional resources in the analysis and reporting on risks to financial stability, with a particular focus on ESG risks.

ID	Products	Due date
3/1101	Financial Stability Report	Q2, Q4
3/1102	Risk Dashboard	Q1, Q2, Q3, Q4
3/1103	Internal Risk Update	Q1, Q2, Q3, Q4
3/1104	Insurance stress test 2021	Q4
3/1104.1	Implementation of the Holistic Framework in the EU (phase 2)	Subject to BoS approval
3/1105	Ad hoc analysis to monitor emerging financial stability risks	Contingent on demand

ID	Services	Frequency
3/1106	Contribution to financial stability work-streams of the Financial Stability Board (FSB) and International Association of Insurance Supervisors (IAIS)	Continuous
3/1106.1	Active participation in Macroprudential Supervision and Macroprudential Monitoring working groups of IAIS	Continuous
3/1107	Cooperation with the European Systemic Risk Board (ESRB) and participation in insurance related work-streams	Continuous
3/1108	Assessment of emerging risks and vulnerabilities for the insurance and pensions sectors	Continuous
3/1109	Prepare for the IORPs Stress Test 2022	Continuous

Building the methodological framework to assess, monitor, report and mitigate risks to the financial stability of the European insurance and IORPs sectors

Operational objective: Further develop a robust methodological framework for identifying, assessing, mitigating and managing risks and threats to the insurance and IORPS sectors.

Basis for inclusion in the AWP

Legal requirement: EIOPA's role (under Article 42 of its founding regulation) of safeguarding financial stability necessitates the early identification of trends, potential risks and vulnerabilities. Article 32 specifies what assessments of market developments the Authority shall undertake and the common methodologies it should develop. To deliver accurate and valid assessment, EIOPA needs a robust methodological framework that accounts for the latest developments with new and improved tools and techniques to undertake financial stability analysis. EIOPA must also put in place a monitoring system to assess material environmental, social and governance-related risks (Article 29) and through this activity, EIOPA will develop that system.

Strategically aligned: Building the European methodological framework is crucial to identify, assess, mitigate and manage risks and threats.

Planning priority for 2021:

- Continuous development and improvement of the core financial stability products; and
- Improving the methodological framework for bottom-up stress tests.

FTE

4.25

Evolution (growing): EIOPA will increase the level of resources allocated to further develop the underpinning methodological framework, with a particular focus on environmental, social and governance risks.

ID	Products	Due date
3/1201	Methodological tools for the assessment and reporting of risks in the pensions sector	Continuous
3/1202	Thematic articles in the Financial Stability Report	Q2, Q4
3/1203	Improved methodological framework for bottom-up IORPs Stress Tests	Q4
3/1203.1	Building the methodologies for top-down insurance sector risk assessments to be used for Financial Stability Reports, stress testing as well as specific studies and sensitivity analyses	Continuous
3/1203.2	Cooperation with academia	Continuous

ID	Services	Frequency
3/1204	Econometric modelling to underpin financial stability analysis and assessment for the insurance sector	Continuous
3/1205	Ongoing review of early warning indicators for the insurance sector	Continuous
3/1206	Enhancement of framework for horizontal risk analysis in insurance and pension sectors	Continuous
3/1207	Enhancement of bottom-up stress test methodologies for insurance and pension sectors	Continuous
3/1208	Enhancement of methodological framework and tools for assessing ESG risks, including the EIOPA Risk Dashboard and Stress Testing methodological framework	Continuous

Studies and surveys on emerging risks and publication of statistics

Operational objective: Provide in-depth analysis of key themes related to risks in the insurance sector and high-quality insurance statistics covering both groups and solo entities.

Basis for inclusion in the AWP

Legal requirement: Article 8 of the EIOPA regulation requires the Authority to monitor and assess market developments in the area of its competences and to undertake economic analyses of markets. Moreover, Article 1 prescribes EIOPA's role in ensuring the integrity, transparency, efficiency and orderly functioning of financial markets. Monitoring market developments and publishing statistics help to fulfil these provisions and safeguard financial stability.

Strategically aligned: It is important to EIOPA's financial risk prevention strategy that in-depth analysis on risk themes be available along with high-quality statistics to inform decision-making and supervisory actions.

Planning priority for 2021: Improving data accessibility in the field of reliable risk analysis and statistics.

FTE	4
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Evolution (stable): EIOPA will maintain the level of staff allocated this area of work.

ID	Products	Due Date
3/1301	Ad hoc studies to monitor vulnerabilities	Contingent on demand
3/1302	Descriptive overviews and reports of the European insurance sector	Contingent on demand
3/1303	Annual Financial Stability Indicators Publication	Q4
3/1304	Annual Group Statistics Publication	Q3
3/1305	Annual Solo Statistics Publication	Q3
3/1306	Quarterly Group Statistics Publication	Q1, Q2, Q3, Q4
3/1307	Quarterly Solo Statistics Publication	Q1, Q2, Q3, Q4
3/1308	Emerging risk analysis: specific study on an area relevant to the current risks.	Q4
3/1309	Annual Insurance Sector Overview Report	Q3

ID	Services	Frequency
3/1310	Up-to-date statistical database on the insurance sector	Continuous
3/1311	Consider to enhance the scope of statistical publications with IORPs data	Continuous
3/1312	Improve data accessibility and user interface	Q2
3/1313	Develop the indicators, datasets and statistical analysis for the disclosure of information in the insurance sector	Continuous

Activity area 3.2: Preventative policies and actions to mitigate risks to financial stability

Crisis prevention, preparedness and management

Operational objective: Enhance Europe’s crisis management capacity and strengthen crisis prevention and preparedness and coordination between EIOPA and NCAs.

Basis for inclusion in the AWP

Legal requirement: EIOPA has a coordination and facilitation role if adverse developments risk the orderly functioning and integrity of financial markets or the stability of the financial system in the Union (Article 18 of the EIOPA Regulation). If the Council declares an emergency and certain conditions are met, EIOPA can adopt individual decisions that require national supervisors to take actions necessary to address the emergency. If further conditions are met, the Authority can adopt an individual decision directly addressed to a financial institution, requiring the necessary action to be taken. EIOPA must also contribute to the development and coordination of effective and consistent recovery and resolution plans and preventative measures, helping to shape the development of national supervisory practices and bring consistency (Article 25). It is also empowered to declare an exceptional adverse situation under the Solvency II Directive. The Authority may also contribute to the assessment of the need for a European network of national insurance guarantee schemes which is adequately funded and sufficiently harmonised (Article 26). Where appropriate, EIOPA can also address recommendations to competent authorities to correct issues identified in the stress test, including a recommendation to conduct specific assessments; it may recommend that competent authorities carry out on-site inspections, and may participate in such on-site inspections to ensure comparability and reliability of methods, practices and results of Union-wide assessments (Article 21).

Strategically aligned: EIOPA is expected to be able to prevent or, in case of adverse developments, manage a crisis within the scope of its responsibilities. Especially within the current environment, EIOPA needs to strengthen preparedness at both microprudential and macroprudential levels, and further enhance the focus on prevention through risk assessment techniques and by taking an active role in the shaping of a potential framework on recovery and resolution. Crisis management increasingly needs to pay attention to the financial soundness of undertakings and the stability of markets, to identify developing risks proactively. Furthermore, in case further work is needed in the areas of recovery and resolution, insurance guarantee schemes and/or macroprudential tools, significant resources will be required to be allocated in this area.

Planning priority for 2021: N/A

FTE	4
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Evolution (stable): EIOPA will maintain the level of staff allocated to this area of work after reductions in previous years.

ID	Products	Due date
3/2101	Updated insurers’ failures and near misses database and perform of quality checks	Q1
3/2102	Opinions and recommendations in response to critical risks	Contingent on demand

ID	Services	Frequency
3/2103	Update of crisis prevention and management process and procedures where needed	Continuous
3/2104	Promote consistency for implementation of a holistic framework in the assessment of systemic risk in insurance by hosting relevant fora and participating in Crisis Management Groups	Continuous
3/2105	Enhancement of the framework for stress test recommendations and follow-up	Continuous
3/2106	Prepare for further crisis preparedness exercises, including facilitation and coordination where needed.	Contingent on demand
3/2107	Contribution to recovery, resolution and Insurance Guarantee Schemes related topics	Contingent on demand
3/2108	Contribution to macroprudential policy in insurance related topics	Contingent on demand

Strategic objective 4: Delivering EIOPA’s mandate effectively and efficiently whilst remaining adaptable to new priorities and demands

Activity area 4.1: Ensuring proper governance, agile organisation, cost-effective resource management and a strong corporate culture.

Strategy, governance and management of EIOPA including corporate risk management

Operational objective: Ensure effective, efficient and professional management of EIOPA

Basis for inclusion in the AWP

Legal requirement: The EIOPA Regulation sets out the standards to which EIOPA shall comply in terms of management, including provisions on planning and decision-making processes, internal control arrangements, risk and performance monitoring, accountability towards the EU institutions as well as governance bodies.

Strategically aligned: EIOPA shall continue its activities building upon a strong corporate culture, proper governance and skilled and committed staff.

Planning priority for 2021: To improve, streamline and automate processes, ensuring a resilient, agile, effective and efficient organisation.

FTE	11
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Evolution (stable): New transparency and reporting requirements stemming from the ESAs Review led to growth in 2020. Resourcing level will be maintained in 2021.

ID	Products	Due date
4/1101	Final adoption by the BoS of the Single Programming Document 2021-2023, including Annual Work Programme 2021.	Q1
	Review of the draft Single Programming Document 2022-2024, including Annual Work Programme 2022	Q1, Q3, Q4
	Quarterly activity reports to the Management Board on main developments in EIOPA’s environment, risks, opportunities, and progress in delivery of products and services	Quarterly
4/1102	Annual Activity Report 2020	Q2
4/1103	EIOPA Anti-Fraud Strategy Implementation Project Products 2021	Q4
4/1104	Internal risks dashboard	Quarterly
ID	Services	Frequency
4/1105	Implementing the annual work programme under the guidance of the Board of Supervisors	Continuous
4/1106	Implement the budget of the Authority in full compliance with EU Financial Regulation, including the Multi-annual Staff Policy Plan	Continuous
4/1107	Proactively promoting EIOPA’s role, business strategy and activities towards the European institutions	Continuous
4/1108	Ensuring efficient and effective support to EIOPA’s Stakeholder Groups	Continuous
4/1110	Managing all mandatory contacts and relations with European institutions, including i.a. public hearings and parliamentary questions	Continuous
4/1111	Ensuring efficient and effective secretarial support to EIOPA’s governance bodies and internal management meetings	Continuous
	Continuous improvement of workflows via procedural optimisation projects and enhanced use of digital communication tools, as appropriate	Continuous
4/1112	Delivery of Internal Control Coordination	Continuous
4/1113	Legal advice in relation to EIOPA’s products and services	Continuous
4/1114	Data Protection, Access to Documents	Continuous
4/1115	Litigation and legal institutional support	Continuous
4/1116	Anti-fraud prevention, detection and response measures	Continuous
4/1117	Managing external and internal whistleblowing channels	Continuous
4/1118	Internal risks monitoring	Continuous
4/1119	Managing EIOPA’s portfolio of change initiatives	Continuous
4/1120	Take necessary measures, notably the adoption of internal administrative instructions and the publication of notices, to ensure the functioning of the	Continuous

	Authority, in accordance with the relevant Regulation, as well as measures addressing the impact of the COVID-19 situation	
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Budgetary, financial and procurement management

Operational objective: Provide sound financial management of EIOPA's finance, budget and procurement processes as well as establishment of sound financial annual accounts.

Basis for inclusion in the AWP

Legal requirement: Chapter VI of the EIOPA Regulation sets down the rules on the budget, its establishment and control. Article 65 requires the Authority to comply with the Financial Regulation. To comply with the Financial Regulation and EIOPA's founding regulation, EIOPA must implement and control the budget adopted by the Board of Supervisors. This includes the establishment of provisional and final accounts by the Accounting Officer and the opinion of the Management Board on the final accounts.

Strategically aligned: This activity encompasses a number of key tasks that ensure effective, efficient and compliant management of the finances allocated to EIOPA. Furthermore, through this activity, the required finance and procurement products contribute to the provision of professional services.

Planning priority for 2021: To improve, streamline and automate processes.

FTE	8.5
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Evolution (growing): The minor increase in FTE for this activity is a result of dealing with the additional finance related work in relation to EIOPA's growth.

ID	Products	Due date
4/1201	EIOPA Draft estimate of revenues and expenditures 2021	Q1
4/1202	EIOPA Procurement plan 2021	Q3
4/1203	EIOPA Annual accounts	Q2
4/1204	Regular budget, finance and procurement reports (internally, MB, BoS and European Commission)	Continuous
4/1205	Publication of annual contract lists on EIOPA's website	Q2

ID	Services	Frequency
4/1206	E-Finance	Continuous
4/1207	Budget planning, implementation and reporting services	Continuous
4/1208	Management and coordination of processing of commitments, invoices, reimbursement requests and recovery orders	Continuous
4/1209	Management and coordination of procurement services	Continuous
4/1210	Management of EIOPA accounts	Continuous
4/1211	VAT recovery management	Continuous
4/1212	Administration of EIOPA's finance systems	Continuous
4/1213	Delivery of procurement, ABAC, expenditure-life cycle and other finance related training courses	Continuous
4/1214	Travel management	Continuous

Human resources

Operational objective: Provide effective recruitment, management and development of EIOPA's human capital.

Basis for inclusion in the AWP

Legal requirement: As a EU authority, EIOPA must comply with the rules laid down in its founding regulation, the EU staff regulations and its own HR implementing rules. This regulation clearly defines the good governance of human resources and provide transparency and equal treatment on their application.

Strategically aligned: By performing the HR related activities such as talent recruitment, staff development, performance management, compensation and staff relations, the Authority will also strive to retain the necessary competencies in house and maintain an engaged and well performing staff.

Planning priority for 2021: To improve, streamline and automate processes.

FTE	10
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Evolution (growing): Increase in resources will support the additional recruitments for 2021 and facilitate HR services to a larger organisation.

ID	Products	Due date
4/1301	Further implementation of the Integrated Talent Management System (based on EIOPA Competency Framework)	Q4
4/1302	HR implementing rules, policies and procedures	Q4
4/1303	Further implementation of SYSPER, the new electronic HR management system and the automatisisation of HR processes	Q4
4/1304	Quarterly HR report (recruitment, absences, Teleworking, flexitime, training)	Q1, Q2, Q3, Q4

ID	Services	Frequency
4/1305	HR strategic and operational planning, monitoring and reporting services	Continuous
4/1306	Talent recruitment services	Continuous
4/1307	Training & development for EIOPA staff	Continuous
4/1308	Staff performance & retention services	Continuous
4/1309	Health & work/life balance support	Continuous
4/1310	HR Business Partnership and coaching services	Continuous
4/1311	Staff Committee relations management	Continuous
4/1312	HR related finance and budget management, monitoring and implementation	Continuous
4/1313	HR Administration	Continuous

Adequate, safe and secure work environment

Operational objective: Provide EIOPA staff and stakeholders with a safe and secure work environment equipped with the resources required to undertake their tasks, while enhancing digital connectivity both in response to coronavirus and beyond.

Basis for inclusion in the AWP

Legal requirement: N/A

Strategically aligned: Effective and efficient internal functioning is dependent on staff having the support services and modern office space delivered through this activity. The new challenges affecting the world are impacting also EIOPA's way of working and require a stable, resilient, safe and secure working environment. Increased remote working needs will demand the further strengthening of EIOPA's cooperation arrangements and supporting IT solutions.

Planning priority for 2021: To ensure a safe working environment, resilient and secure operations as well as meeting high standards regarding corporate sustainability and responsibility.

FTE	3.25
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Evolution (stable): EIOPA will need to maintain resourcing levels for this activity to address ongoing threats in terms of cyber security.

ID	Products	Due Date
4/1401	Report on Building Policy (Article 266 of the Regulation (EU, Euratom) 2018/1046)	Q2
4/1402	Further implement additional security enhancements	Continuous
4/1403	Further implement the workplace development strategy	Continuous
4/1404	Further improvements to the IT workplace (incl. changes to new working arrangements) and development of IT solutions for a better and effective organisation and coordination of the decision making process	Q4
		Continuous

ID	Services	Frequency
4/1405	IT workplace and helpdesk services	Continuous
4/1406	Functioning administrative business solutions	Continuous
4/1407	Security, cyber-defence and business continuity management	Continuous
4/1408	Facility management	Continuous
4/1409	Office management and reception	Continuous
4/1410	Meeting support	Continuous
4/1411	Establishment and running of an environmental management system	Continuous

Communications

Operational objective: Strategically support the achievement of the Authority’s business objectives through the use of relevant communication tools, techniques and approaches as well as increase its knowledge about stakeholders to better understand their needs and convey messages in a targeted and effective manner.

Basis for inclusion in the AWP

Legal requirement: Ensures that the organisation fulfils its legal obligations to publish obligatory information.

Strategically aligned: Communication is a strategic function necessary to raise awareness of activities, enhance the organisation’s positioning and recognition, contribute to its reputation and accountability, and helps to explain the benefit of EIOPA’s work to a wider audience. Further, communication plays a central role in communicating effectively during crisis situation. It also helps to foster staff understanding of organisational objectives.

Planning priority for 2021: N/A

FTE	6
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Evolution (growing): To fulfil additional transparency requirements stemming from changes to EIOPA’s regulation, this area will need to see some growth.

ID	Products	Due date
4/1501	10 th anniversary conference	Q1

ID	Services	Frequency
4/1502	Strategic and executive communication, including speech writing and corporate communication	Continuous
4/1503	Media relations, media analysis and issues management	Continuous
4/1504	Outreach, activities (speaking engagements, public enquiries, visits/meetings, etc.	Continuous
4/1505	Drafting, editing and graphic design	Continuous
4/1506	Digital communications, including content for and management of website, intranet and social media channels	Continuous
4/1507	Multi-media deliverables – e.g. film, HTML publications and infographics	Continuous
4/1508	Internal communication	Continuous
4/1511	Crisis communication including crisis communication manual	Continuous
4/1512	Managing Questions & Answers process	Continuous
4/1513	Communication for flagship events	Continuous

Annex I: Calendar of data requests to NCAs

2021 Calendar of data requests to NCAs

No.	Description of data request	Start date	Finish date	Distribution List
Regular quantitative				
1	Solvency II Prudential Data Submissions Flow	01/01/2021	31/12/2021	Contact points for data quality
2	Pension funds data submission flow	01/01/2021	31/12/2021	Contact points for data quality
3	Registers - DCCR unified flow for all Releases Insurance Register List of Groups IORPs Register IORPs prudential provisions register Pension Plans and Products database	01/01/2021	31/12/2021	Contact points for the Registers
4	MCRCS data request (comparative study on the market risk models)	Jan 2021	May/June 2021	Data request addressed to undertakings. Data provided to EIOPA via NCAs
5	NLCS data request (comparative study on the non-life risk models).	Q1 2021	Q3 2021	Data collected from dedicated national contact points (and publication on the EIOPA website, addressed to undertakings)
6	Use of Capital add ons (article 52 of SII Directive)	31/08/2021	28/09/2021	BoS
7	Use of limitations/exemptions (article 35 (6) and (7) of SII Directive)	15/09/2021	15/10/2021	BoS
8	LTG review info request to NSAs	19/06/2021	04/09/2021	Specific Project Group
9	Annual update of database on insurance failures and near misses	08/11/2021	10/12/2021	BoS
10	IMOGAPIs prototype: data request for IM data to NCAs on year end data 2020	03/05/2021	30/06/2021	ENW4
Regular qualitative				
11	Annual Consumer Trends Report	01/04/2021	31/08/2021	CCPFI
12	Annual Report information on the national use of sanctions under PRIIPs (required by PRIIPs)	01/01/2021	31/03/2021	Mailing list based on contact points designated by NCAs
13	Annual Report information on the national use of sanctions under IDD (required by IDD)	01/01/2021	31/03/2021	Mailing list based on contact points designated by NCAs
14	Market Monitoring / Early Warning Signals	Continuous	Continuous	CCPFI
15	Annual DLT assessment for the RFR calculation	Q2 2021	Q3 2021	Specific Project Group
16	EIOPA bottom-up surveys (insurance & pensions) - 2021 Spring	01/02/2021	01/04/2021	ENW5
17	EIOPA bottom-up risk surveys (insurance & pensions) - 2021 Autumn	01/07/2021	01/10/2021	ENW5
18	EIOPA bottom-up risk survey short version (insurance) - 2021 Autumn	01/11/2020	01/01/2021	ENW5
19	EIOPA bottom-up risk survey short version (insurance) - 2021 Spring	01/05/2021	01/07/2021	ENW5
20	IM Forum: SF data for IM users and inputs regarding important developments in the IM market in order to feed the IM dashboard 2021	Q3	Q4	ENW4
21	Qualitative inputs from ENW4 in order to monitor important developments in the IM market	Quarterly	Quarterly	ENW4
22	(placeholder - tbd) Exchange data on cyber attacks and cyber security (ESAs Review implementation).	tbd	tbd	[TBD]
23	Annual Cost and Past Performance	01/08/2021	30/11/2021	CCPFI
Non-regular quantitative				
24	Study on Diversification in Internal Models phase 2.	Q3-2021	Q4-2021	Data collected from dedicated national contact points (and publication on the EIOPA website, addressed to undertakings)
25	Study on emerging risks (potential data request)	Q2-2021	Q2-2021	BoS
26	Impact assessment on IBOR transitions	Q1 2021	Q2-2021	BoS
27	2021 Insurance Stress Test Exercise - ad-hoc data collection based on specific templates, one submission with potential resubmissions	Q3-2021	Q4-2021	NCAs contact points for the stress test exercise
28	Liquidity monitoring	Q1-2021	Q4-2021	NCAs contact points for the stress test exercise
29	Evidence to conduct analysis on the impact of sustainability factors on Solvency II Pillar I requirements (incl. reassessment of nat cat standard formula parameters)	from Q3 onwards	TBD	Industry or NCAs
Non-regular qualitative				
30	Possible thematic review/data gathering to understand better the developments of platforms and ecosystems in insurance to i.a. support informed response to the European Commission upcoming Call for Advice on platformisation	01/06/2021	01/09/2021	ITF
31	NCA survey to implement mandate of Commission's Digital Finance Strategy	01/03/2021	01/06/2021	ITF
32	Detailed description of products leading to negative technical provisions	Q2/Q3-2021	Q2/Q3-2021	TBD (TP PG or BoS)
33	Data for unit-linked product testing	01/07/2021	31/12/2021	Thematic Platform under CCPFI
34	Peer Review on outsourcing	Q1 2021	Q4 2021	Single point of contact (NCAs), BoS
35	Follow-up on the Peer Review on propriety	Q4 2021	Q2 2022	Single point of contact (NCAs), BoS
Non-regular qualitative/quantitative				
36	Climate-change related risks (potential data request, could be combined with other similar initiatives)	Q2-2021	Q2-2021	BoS
37	Dashboard on insurance protection gap for natural catastrophes (could use synergies from FS data request r	Q2 2021	Q2 2021	BoS
38	Collect best practices and initiate pilot exercise on use of impact underwriting with voluntary participation	Q3 2021	Q4 2021	BoS/industry selected UT
39	Test cases on climate change scenarios in ORSA - pilot use of scenarios with voluntary participation	Q3 2021	Q4 2021	BoS/industry selected UT
40	Information request to support COM call for advice on the development of a pensions dashboard	Q1-Q2 2021	Q2 2021	BoS
41	Information request to support COM call for advice on best practice of national pension tracking service	Q1-Q2 2021	Q2 2021	BoS
42	Information request to support COM's renewed SuFI Strategy on pensions	Q2 2021	Q3 2021	BoS
43	Information request to support COM call for advice on IORP II review	Q4 2021	Q1-Q2 2021	BoS
44	Potential data / info request in relation to BI 2.0	Q1-Q4'21	Q1-Q4'21	ITDC

Annex II: Resource Allocation per Activity (2019-2023)

Strategic Action Area	FTE 19	Finance 19	FTE 20	Finance 20	FTE 21	Finance 21	FTE 22	Finance 22	FTE 23	Finance 23
Cross cutting themes: Digitalisation/cyber and Sustainable Finance ²¹	2.50	312,307.94	3.75	432,243.61	6.00	782,746.56	15.00	2,072,648.83	15.00	2,161,755.83
Developing and strengthening the regulatory framework for the protection of consumers	5.50	745,386.20	5.50	630,497.30	5.25	686,181.99	5.79	805,138.65	5.79	839,533.94
Developing and strengthening a comprehensive risk- based and preventive approach to conduct of business supervision	7.00	876,145.27	10.50	1,212,322.12	18.25	2,380,527.88	19.42	2,697,643.63	19.42	2,813,007.46
Enabling supervisory convergence with a sound, smart and robust regulatory framework which is responsive to market developments	25.25	3,550,711.02	22.50	3,248,781.69	22.50	3,461,360.12	18.13	3,373,379.63	18.13	3,626,080.26
Enhancing the use and quality of supervisory information through efficient standardised exchange mechanisms, centralised quality checks and the timely provision of business intelligence	32.00	7,853,068.79	32.00	7,910,343.84	30.25	7,917,855.53	28.40	8,037,300.47	28.40	7,989,209.67
Improving quality and consistency of supervision to contribute to a level playing field in the insurance and pensions market	46.25	6,122,171.48	60.25	7,139,884.08	65.00	8,981,202.95	65.45	9,517,042.09	65.45	9,910,845.53
Identifying, assessing, monitoring and reporting risks to the financial stability of the European insurance and pensions sectors	17.00	2,138,780.59	17.75	2,383,273.11	19.00	2,581,352.45	22.46	3,251,478.33	22.46	3,258,001.17
Preventative policies and actions to mitigate risks to financial stability	4.25	544,168.63	4.00	457,079.86	4.00	530,836.04	4.22	594,640.14	4.22	619,708.90
Ensuring a strong corporate culture, proper governance as well as skilled and committed staff	35.25	4,995,288.69	37.75	4,971,972.39	38.75	5,563,241.48	36.13	5,455,728.23	36.13	5,670,357.24
Total	175	27,138,028.61	194	28,386,398.00	209	32,885,305.00	²¹⁵	35,805,000.00	215	36,888,500.00

²¹ 2020-2021: sustainable finance related resources are spread over various activities, 2022-2023: sustainable finance related resources are included in the FTE sum of SAA 01.&0.2.

Annex III: Financial Resources (2019-2023)

Table 1: Revenue

General revenues

REVENUES	N (2020)	N+1 (2021)
	Revenues estimated by the agency	Budget Forecast
EU contribution	10,489,363	12,140,600
Other Revenue	17,897,035	20,744,705
TOTAL REVENUES	28,386,398	32,885,305

REVENUES	General revenues						
	Executed N-1 (2019)	Budget amendment 2 N (2020)	N+1 (2021)		VAR N+1/N (%)	Envisaged N+2 (2022)	Envisaged N+3 (2023)
			Agency request	Budget forecast			
1 REVENUE FROM FEES AND CHARGES	N/A	N/A	N/A	N/A	N/A	1,305,000	1,811,000
2 EU CONTRIBUTION	10,083,336	10,489,363	12,140,600	12,140,600	15.74%	12,932,000	13,191,000
- Of which assigned revenues deriving from previous years' surpluses	69,102	41,697	0	0	-100%,	79,767.85	79,767.85
3 THIRD COUNTRIES CONTRIBUTION (incl. EEA/EFTA and candidate countries)²²	471,124.07	483,178	617,859	617,859	27.87%	642,583	657,252
- Of which EEA/EFTA (excl. Switzerland) ²³	471,124.07	483,178	617,859	617,859	27.87%	642,583	657,252
- Of which candidate countries							

²² EFTA pension contributions: 2020: EUR 36,187.85, 2021: EUR 54,054.05, 2022: EUR 60,060.06, 2023: EUR 63,063.06

²³ The 2018 surplus deducted from the 2020 EFTA contributions was EUR 1,727.79. In 2019 (to be set against 2021) no surplus was generated. The 2020 surplus to be deducted from the 2022 EFTA contributions will be EUR 3,674.39. For future years the surplus is not known yet.

REVENUES	General revenues						
	Executed N-1 (2019)	Budget amendment 2 N (2020)	N+1 (2021)		VAR N+1/N (%)	Envisaged N+2 (2022)	Envisaged N+3 (2023)
			Agency request	Budget forecast			
4 OTHER CONTRIBUTIONS^{24,25}	16,583,567.54	17,007,857	19,956,846	19,956,846	17.34%%	20,755,417	21,229,248
5 ADMINISTRATIVE OPERATIONS							
<i>- Of which interest generated by funds paid by the Commission by way of the EU contribution (FFR Art. 61)</i>							
6 REVENUES FROM SERVICES RENDERED AGAINST PAYMENT		406,000	170,000	170,000	-58.13%	170,000	
7 CORRECTION OF BUDGETARY IMBALANCES							
TOTAL	27,138,027.61	28,386,398	32,885,305	32,885,305	15.85%	35,805,000	36,888,500

Table 2: Expenditure

Expenditure	N (2020)		N+1 (2021)	
	Commitment appropriations	Payment appropriations	Commitment appropriations	Payment appropriations
Title 1 - Staff expenditure	18,209,023	18,209,023	23,266,327	23,266,327
Title 2 - Infrastructure and operating expenditure	3,857,500	3,857,500	3,643,000	3,643,000
Title 3 - Operational expenditure	6,319,875	6,319,875	5,975,978	5,975,978
TOTAL EXPENDITURE	28,386,398	28,386,398	32,885,305	32,885,305

²⁴ The 2018 surplus deducted from the 2020 NCA contributions was EUR 60,818.04. In 2019 (to be set against 2021) no surplus was generated. The 2020 surplus to be deducted from the 2022 NCA contributions will be EUR 129,338.66. For future years the surplus is not known yet.

²⁵ NCA pension contributions: 2020: EUR 1,273,812.15, 2021: EUR 1,745,945.95, 2022: EUR 1,939,939.94, 2023: EUR 2,036,936.94, 2024: EUR 2,133,933.93

EXPENDITURE	Commitment appropriations						
	Executed Budget N-1 (2019)	Budget N (amendment 2) (2020)	Draft Budget N+1 (2021)		VAR N+1/N (%) ²⁶	Envisaged N+2 (2022)	Envisaged N+3 (2023)
			Agency request	Budget forecast			
Title 1 - Staff expenditure	18,579,578.45	18,209,023	23,266,327	23,266,327	27.77%	26,005,000	27,411,200
Salaries & allowances	14,687,336.40	15,610,000	19,733,127	19,733,127	26.41%	22,229,800	23,627,800
- Of which establishment plan posts	11,679,099.73	12,515,000	15,675,000	15,675,000	25.25%	17,510,000	18,763,000
- Of which external personnel	3,008,236.67	3,095,000	4,058,127	4,058,127	31.12%	4,719,800	4,864,800
Expenditure relating to Staff recruitment	262,981.68	240,000	380,000	380,000	58.33%	275,000	150,000
Employer's pension contributions²⁷	1,261,080.65	1,310,000	1,800,000	1,800,000	37.40%	2,040,000	2,193,000
Mission expenses	91,000.00	75,000	100,000	100,000	33.33%	100,000	100,000
Socio-medical infrastructure	586,491.33	560,000	121,200	121,200	-78.36%	121,200	121,200
Training	198,429.12	150,000	235,000	235,000	56.67%	235,000	235,000
External Services	1,486,844.98	261,023	200,200	200,200	-23.30%	270,000	200,200
Receptions, events and representation	5,414.29	3,000	6,000	6,000	100%	4,000	4,000
Social welfare			690,800	690,800	N/A	730,000	780,000
Other Staff related expenditure					N/A		
Title 2 - Infrastructure and operating expenditure	3,237,959.53	3,857,500	3,643,000	3,643,000	-5.56%	3,584,000	3,455,000
Rental of buildings and associated costs	2,463,162.33	2,831,000	2,825,000	2,825,000	-0.21%	2,740,000	2,600,000
Information, communication technology and data processing	476,994.92	280,000	236,000	236,000	-15.71%	315,000	400,000
Movable property and associated costs	46,494.56	200,000	120,000	120,000	-40.00%	120,000	41,000
Current administrative expenditure	97,494.45	184,000	104,000	104,000	-43.48%	109,000	114,000
Postage / Telecommunications	99,890.11	307,500	295,000	295,000	-4.07%	238,000	238,000
Meeting expenses	23,570.12	20,000	26,000	26,000	30.00%	25,000	25,000
Running costs in connection with operational activities							
Information and publishing	30,353.04	35,000	37,000	37,000	5.71%	37,000	37,000

²⁶ Percentages calculated against the budget amendment 2 of 2020 and not the initial budget, which was 1.1 MEUR higher.

²⁷ The pension contributions in the expenditure table also include the share relating to the fee funded posts allocated to DORA activities (2022-2023), which will not be covered by NCAs or EFTA states pension contributions.

EXPENDITURE	Commitment appropriations						
	Executed Budget N-1 (2019)	Budget N (amendment 2) (2020)	Draft Budget N+1 (2021)		VAR N+1/N (%) ²⁶	Envisaged N+2 (2022)	Envisaged N+3 (2023)
			Agency request	Budget forecast			
Studies							
Other infrastructure and operating expenditure							
Title 3 - Operational expenditure	5,320,489.63	6,319,875	5,975,978	5,975,978	-5.44%	6,216,000	6,022,300
Common Supervisory Culture and International Relations	146,894.80	160,000	235,000	235,000	46.88%	190,000	195,000
Operational Information and Data Management	3,854,252.19	5,434,875	4,149,978	4,149,978	-23.64%	4,290,000	3,946,300
General Operational Expenses	1,319,342.64	725,000	1,591,000	1,591,000	119.45%	1,736,000	1,881,000
TOTAL	27,138,027.61	28,386,398	32,885,305	32,885,305	15.85%	35,805,000	36,888,500

Table 3: Budget outturn and cancellation of appropriations

	N-4	N-3	N-2	N-1
Budget outturn	(2016)	(2017)	(2018)	(2019)
Revenue actually received (+)	21,801,776.64	24,090,701.89	25,290,647.12	26,869,513.12
Payments made (-)	-19,375,474.25	-21,145,557.10	-21,617,667.27	-23,320,568.54
Carry-over of appropriations (-)	-2,345,562.88	-2,906,329.34	-3,749,497.56	-3,991,167.39
Cancellation of appropriations carried over (+)	178,788.47	127,693.66	100,016.65	182,307.76
Adjustment for carry over of assigned revenue appropriations from previous year (+)	17,473.76	10,503.24	90,129.86	80,855.18
Exchange rate differences (+/-)	-8,867.06	-4,073.23	-9,385.97	-11,673.09
Adjustment for negative balance from previous year (-)				
Total	268,134.68	172,939.12	104,242.83	-190,732.96

- Notes to the budget outturn:

EIOPA is financed by the Member States (60%) and the Commission (40%) according to the key set out in the EIOPA Regulation and contributions by EFTA countries. The Commission contributed with EUR 10 014 234 of fresh 2019 credits plus the repayment of the budgetary surplus 2017 equal to EUR 172 939.12. Member States funded EUR 16 118 236.16 of the EIOPA budget and EFTA countries EUR 468 255.64. Other income generated mainly by internal assigned revenue reached EUR 95.848.20. EIOPA also made use of appropriations available from internal assigned revenue generated in 2018 equal to EUR 80,855.18.

EIOPA made payments in a total of EUR 23 320 568.54 out of which EUR 83 213.89 originated from internal assigned revenue. The payments related to staff and associated expenditure were equal to EUR 16 963 186.49 including payments from internal assigned revenue. The spending of the administrative and infrastructure related budget was EUR 2 628 627.32. The budget spent for operational purposes was EUR 3 728 754.73. EIOPA carried over to 2020 appropriations in a total amount of EUR 3 991 167.39. Out of the appropriations carried over EUR 3 900 672.96 stemmed from annual budgetary contributions and EUR 90 494.43 from internal assigned revenue. Payments for currency adjustments were equal to EUR 11,673.09. EIOPA reached a 100% execution of its annual budget and did not cancel commitment appropriations. The amount of payment appropriations cancelled from the 2018 carry over was EUR 182,307.76 and had a positive impact on the budget result.

The total spending exceeded the revenues received by EUR 190 732.96 due to some budgetary contributions not received at the end of 2019. EIOPA has received these funds in 2020 and has recorded them as part of the total annual revenue. The negative result will be deducted from future positive results until a positive outturn is reached.

Annex IV: Human Resources – Quantitative (2019-2023)

Establishment plan evolution 2019-2023

Category and grade	Establishment plan in voted EU Budget 2019		Filled by 31.12.19		Modifications envisaged in establishment plan 2019 in application of flexibility rule ²⁸		Establishment plan in voted EU Budget 2020 ²⁹		Modifications envisaged in establishment plan 2019 in application of flexibility rule ³⁰		Establishment plan 2021 ³¹		Proposed Establishment Plan 2022		Proposed Establishment Plan 2023	
	officials	TA	officials	TA	officials	TA	officials	TA	Officials	TA	officials	TA	officials	TA	Officials	TA
AD 16		1		1				1				1		1		1
AD 15		1		0				1				1		1		1
AD 14		2		1				1				1		2		3
AD 13		5		2				4				4		7		9
AD 12		11		3				11				10		17		18
AD 11		14		5				14				13		16		17
AD 10		14		10				14				14		18		18
AD 9		19		14				19				19		21		21

²⁸ *Ibid.*

²⁹ Figures include additional FTEs from ESAs' review and PEPP.

³⁰ *In line with Article 38 of the framework Financial Regulation, the management board may modify, under certain conditions, the establishment plan by in principle up to 10% of posts authorised, unless the financial rules of the body concerned allows for a different % rate.*

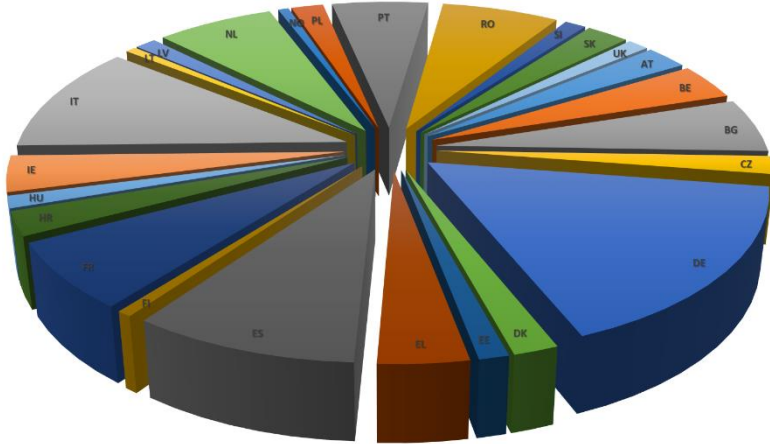
³¹ Figures include additional FTEs from ESAs' review and PEPP.

Category and grade	Establishment plan in voted EU Budget 2019		Filled by 31.12.19		Modifications envisaged in establishment plan 2019 in application of flexibility rule ²⁸		Establishment plan in voted EU Budget 2020 ²⁹		Modifications envisaged in establishment plan 2019 in application of flexibility rule ³⁰		Establishment plan 2021 ³¹		Proposed Establishment Plan 2022		Proposed Establishment Plan 2023	
	officials	TA	officials	TA	officials	TA	officials	TA	Officials	TA	officials	TA	officials	TA	Officials	TA
AD 8		12		7				15				15		16		16
AD 7		14		15				15				15		13		11
AD 6		7		24		+1		7				20		9		7
AD 5		0		17				11				11		3		2
AD 5 DORA														5		5
Total AD		100		99		+1		113				124		129		129
AST 11		0						1				1		1		1
AST 10		1						1				1		1		1
AST 9		1						2				2		4		5
AST 8		3						3				3		4		4
AST 7		3						3				3		2		1

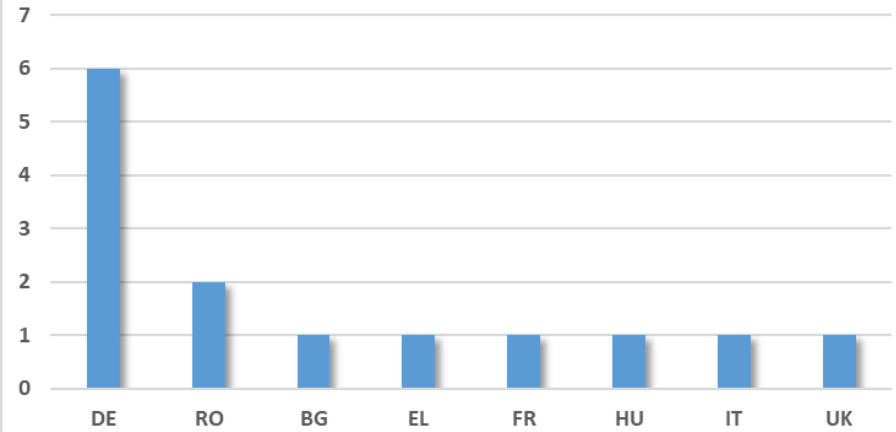
Category and grade	Establishment plan in voted EU Budget 2019		Filled by 31.12.19		Modifications envisaged in establishment plan 2019 in application of flexibility rule ²⁸		Establishment plan in voted EU Budget 2020 ²⁹		Modifications envisaged in establishment plan 2019 in application of flexibility rule ³⁰		Establishment plan 2021 ³¹		Proposed Establishment Plan 2022		Proposed Establishment Plan 2023	
	officials	TA	officials	TA	officials	TA	officials	TA	Officials	TA	officials	TA	officials	TA	Officials	TA
AST 6		3		3		-1		2				2		1		1
AST 5		3		4				2				2		1		1
AST 5 DORA														1		1
AST 4		1		5				0				0		0		0
AST 3		0		2				0				0		0		0
AST 2		0		0				0				0		0		0
AST 1		0						0				0		0		0
Total AST		15		14		-1		14				14		15		15
AST/SC 6		0				0		0				0		0		0
AST/SC5		0				0		0				0		0		0
AST/SC4		0				0		0				0		0		0

Category and grade	Establishment plan in voted EU Budget 2019		Filled by 31.12.19		Modifications envisaged in establishment plan 2019 in application of flexibility rule ²⁸		Establishment plan in voted EU Budget 2020 ²⁹		Modifications envisaged in establishment plan 2019 in application of flexibility rule ³⁰		Establishment plan 2021 ³¹		Proposed Establishment Plan 2022		Proposed Establishment Plan 2023	
	officials	TA	officials	TA	officials	TA	officials	TA	Officials	TA	officials	TA	officials	TA	Officials	TA
AST/SC3		0				0		0				0		0		0
AST/SC2		0				0		0				0		0		0
AST/SC1		0				0		0				0		0		0
Total AST/SC		0				0		0				0		0		0
TOTAL		115		113				127				138		144		144

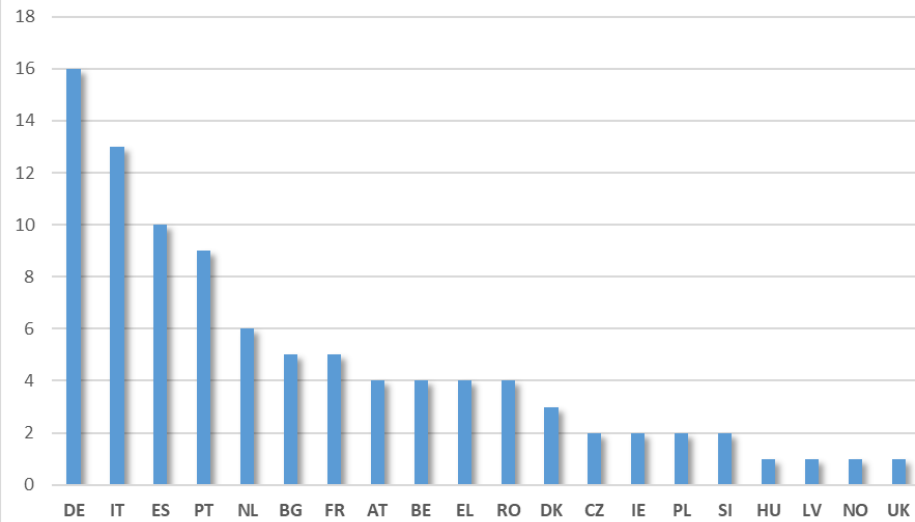
Nationalities at EIOPA in 2019
Total of 25 countries



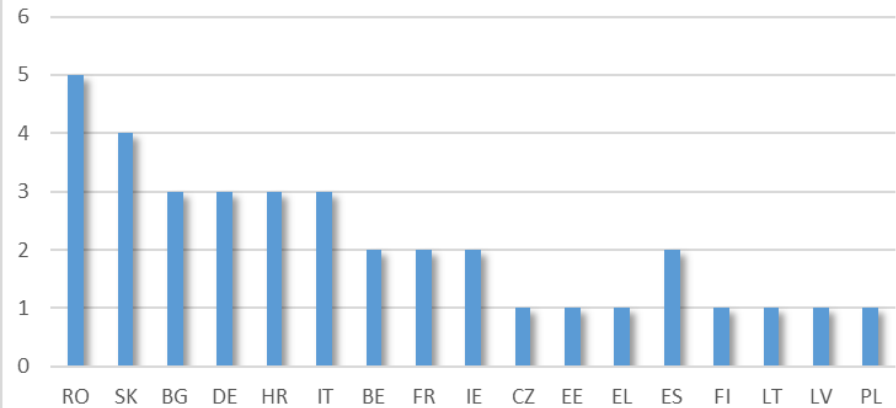
Nationalities of Temporary Agents AST at EIOPA in 2019



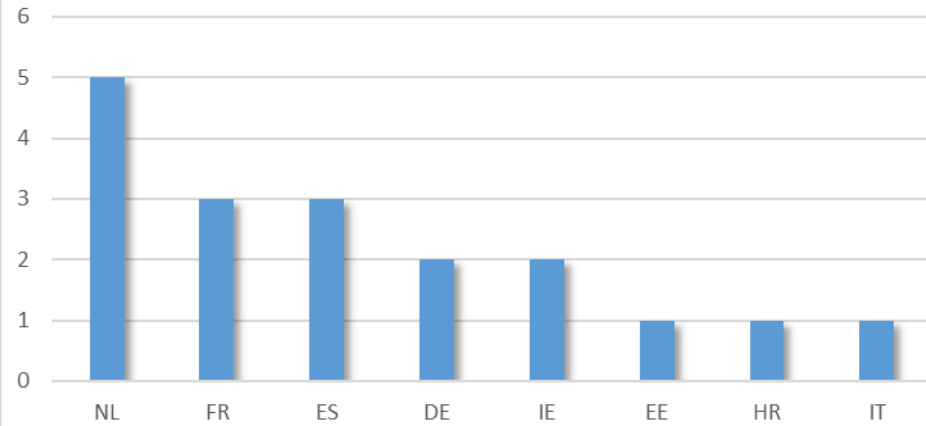
Nationalities of Temporary Agents AD at EIOPA 2019



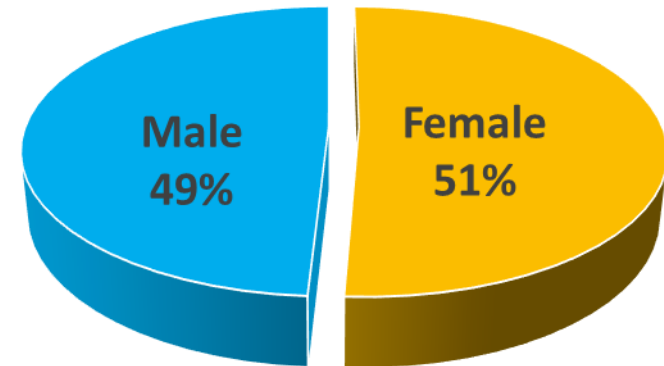
Nationalities of Contract Agents at EIOPA in 2019



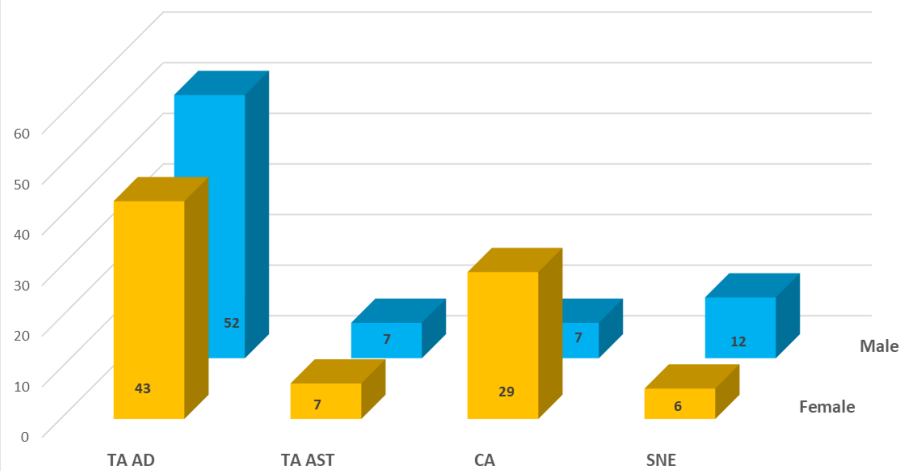
Nationalities of Seconded National Experts at EIOPA in 2019



Gender Distribution at EIOPA in 2019



Type of contract per gender in EIOPA 2019



Annex V: Human Resources

1. Recruitment policy

EIOPA's recruitment policy strives for efficiency, ensuring gender balance and equal treatment. EIOPA focuses on ensuring a timely process with an average of 6 weeks between the deadline for application and the recommendation of the selection committee to the Appointing Authority aligned with the EU Staff Regulations. EIOPA strives to provide an excellent candidate experience. We aim at recruiting at entry level for most profiles, while ensuring knowledge transfer. For Expert we mainly recruit at AD5, Senior Expert at AD7, Principal Expert at AD9, Head of Unit at AD9 and Head of Department at AD12. Temporary Agents (TA) are recruited mainly for core functions, while Contract Agents (CA) are often recruited for support positions.

EIOPA's selection procedure is based on its HR implementing rules with regards to the engagement of TAs and CAs, ensuring a consistent and compliant hiring policy. Employment contracts are offered for a three-year period, renewable for further three years and then for an indefinite period, subject to the position still available, budget and performance. Positions are allocated to the departments based on the establishment plan and work programme. EIOPA has further heightened its visibility of career opportunities by publishing, not only on its website, EPSO, EU inter-agency, but also on LinkedIn and various social media tools to attract the right talent. The published vacancy notice specifies the essential requirements to be able to perform the main responsibilities of the job, along with desirable skills, that provide added value. Behavioural competencies are also specified based on EIOPA's competency framework. EIOPA also fosters internal mobility to enhance staff development and a talent management database has been designed and implemented to this end. EIOPA promotes a collaborative culture, recruiting, nurturing and developing the talent of all staff through processes and activities aligned with the organizational mission, vision and strategic planning. EIOPA aims at attracting, identifying, developing, engaging and retaining talent, ensuring the right person, with the right competencies in the right job.

Candidates go through a rigorous screening encompassing a pre-screening phone interview and, if short-listed, participate in a panel interview and undergo an anonymous written test. EIOPA is utilising invigilated remote testing service to manage the anonymous written tests to ensure compliancy with the rules and regulations.

EIOPA has a strong SNE programme permitting an exchange of knowledge between people and institutions. SNEs are engaged for an initial period of two years, which can be extended further.

EIOPA offers a paid traineeship to talented professionals in the early stages of their career. Trainees are engaged for a period of 1 – 6 months.

EIOPA has the following profiles:

- Senior Management: Chairperson, Executive Director;
- Middle Management: Head of Department, Head of Unit;
- Team Leaders;
- Financial Services (core business): Consumer Protection, Oversight, Policy, Risks and Financial Stability, Supervisory Processes, Data Management;
- Corporate Support and Affairs: Finance and Procurement, Accounting, HR, IT, Corporate Services, Legal, Communications, Institutional Relations, Strategy and Implementation, Document Management, Internal Control and Security.

2. Appraisal of performance and promotion/reclassification

EIOPA follows the HR implementing rules on appraisal of staff, as per the revised Staff Regulations. All staff benefit from feedback and development in the form of an appraisal, irrespective of the type of contract with EIOPA, including SNEs. Mid-year reviews are also done before summer as part of the performance management process.

In 2020 EIOPA conducted the annual reclassification exercise for TAs and CAs.

2.1. Reclassification of temporary staff/promotion of officials in 2020

Category and grade	Number of staff in activity on 01.01.2019		Number of staff members promoted / reclassified in 2020		Average number of years in grade of reclassified/promoted staff members
	officials	TA	officials	TA	
AD 16	n/a	1	n/a		
AD 15	n/a	0	n/a		
AD 14	n/a	1	n/a		
AD 13	n/a	2	n/a		
AD 12	n/a	3	n/a		
AD 11	n/a	5	n/a	1	7.9
AD 10	n/a	8	n/a		
AD 9	n/a	14	n/a	1	4.0
AD 8	n/a	5	n/a		
AD 7	n/a	14	n/a	1	2.3
AD 6	n/a	22	n/a	5	3.5
AD 5	n/a	18	n/a	1	3.1
Total AD	n/a	93	n/a	9	
AST 11	n/a	0	n/a		
AST 10	n/a	0	n/a		
AST 9	n/a	0	n/a		
AST 8	n/a	0	n/a		
AST 7	n/a	0	n/a		
AST 6	n/a	3	n/a		
AST 5	n/a	4	n/a		
AST 4	n/a	5	n/a		
AST 3	n/a	2	n/a	1	6.0
AST 2	n/a	0	n/a		
AST 1	n/a	0	n/a		

Category and grade	Number of staff in activity on 01.01.2019		Number of staff members promoted / reclassified in 2020		Average number of years in grade of reclassified/promoted staff members
	officials	TA	officials	TA	
Total AST	n/a	14	n/a	1	
AST/SC6	n/a	n/a	n/a		
AST/SC5	n/a	n/a	n/a		
AST/SC4	n/a	n/a	n/a		
AST/SC3	n/a	n/a	n/a		
AST/SC2	n/a	n/a	n/a		
AST/SC1	n/a	n/a	n/a		
Total AST/SC	n/a	n/a	n/a	0	
Total		107		9	

2.2. Reclassification of contract staff

Function Group	Grade	Number of staff in activity on 01.01.2018	Number of staff members reclassified in 2019	Average number of years in grade of reclassified staff members
CA IV	18			
	17			
	16	3		
	15	1		
	14	3		
	13	1	1	2
CA III	12			
	11			
	10	8	1	3
	9	8	1	4
	8	1		
CA II	7			
	6	3		
	5	4		
	4	1		
CA I	3			

Function Group	Grade	Number of staff in activity on 01.01.2018	Number of staff members reclassified in 2019	Average number of years in grade of reclassified staff members
	2			
	1			
Total		33	0	

3. Mobility policy

EIOPA has a dedicated internal mobility policy in place. Eleven colleagues changed positions within EIOPA in 2020.

1. Gender and geographical balance

Equal opportunities are provided mainly through the recruitment procedure, access to training, to the European School in Frankfurt and childminding places. EIOPA strives for gender balance in its selection committees. Moreover, a new approach in launching the vacancy notice for managerial positions within the Authority has been taken. A disclaimer was put in the vacancy notice whereby female applications were strongly encouraged to ensure diversity among the leadership team and the Selection Committee was encouraged to shortlist female applications for interview.

EIOPA recognises that a diverse and inclusive workplace is essential for a strong and high-performing organisation. Starting in 2021, EIOPA will create a series of profiles of successful women in the insurance and pensions sector, to be shared through our newsletter and social media. The aim is to provide role models and to raise awareness of the sector as a rewarding and long-term career choice, whether at EIOPA, at national supervisors or in the private sector.

EIOPA's population is currently 51% female and 49% male. The Management team is composed of 1/3 females and 2/3 males.

The Authority currently has 26 nationalities among its 163 staff. Germans represent 17% of the staff population. This 'headquarter effect' remains at the same level as the previous year.

2. Schooling

EIOPA's staff have access to the European School in Frankfurt for their children.

Annex VI: Environmental management

EIOPA aims to improve its environmental performance and lower the impact of its operations on the environment. In line with the European Court of Auditors' recommendation to all EU institutions and bodies, the Authority is implementing EMAS. With the assistance of external consultants, an environmental aspects register detailing EIOPA's key environmental impacts has been established and an initial action plan has been created. The development and implementation of EIOPA's environmental management system is ongoing. In 2021, the Authority plans to finalise the establishment of its environmental management system and start running related management processes in alignment with EMAS standards. The registration for EMAS certification is indicatively planned for 2022.

In the context of the COVID-19 pandemic, EIOPA reviewed its multiannual environmental targets and has formulated the ambition to reduce its number of on-site meetings and missions by 35% as of 2021. This would imply to reduce the number of on-site meetings with external participants from 300-400 in previous years to around 250 meetings per year. EIOPA intends to achieve this by capping the number of on-site meetings for each meeting body and encouraging virtual participation for attending meetings. Similarly, the total number of missions is planned to be reduced from 655 approved in 2019 to approximately 425 in future years.

As EIOPA does not own and operate its own building and facilities but instead occupies rented office space, the scope for environmental improvements is comparatively limited. However, the Westhafen Tower in Frankfurt, which houses all of EIOPA's offices, adheres to very advanced sustainability and environmental standards, as accredited by the building's Leadership in Energy and Environmental Design Gold certification. In addition, EIOPA maintains regular exchanges with the landlord to identify and pursue opportunities for the further environmental improvement of the building infrastructure, especially upgrading automation systems for lights, blinds, heating and cooling.

Within the remit of EIOPA's own office, facility and staff policies and processes, the Authority has already implemented several actions to reduce the impact of its administrative operations on the environment, and is pursuing others. Examples include the following:

- it is reducing paper use by e-workflows for most financial transactions, the planned digitalisation of further work processes and awareness campaigns to change staff behaviour;
- EIOPA's travel policy encourages staff to use the train for distances of 400 km or less, one way;
- EIOPA's meeting room and audio-visual facilities have been upgraded to promote and facilitate the increased use of videoconferencing instead of travelling, and additional staff training on the effective use of web conferencing tools is planned;
- for on-site catering, EIOPA puts increasing emphasis on local produce and offering a greater variety of vegetarian options;
- EIOPA has adopted a sustainable public procurement approach and has already trained all interested staff;
- EIOPA also participates in Earth Hour to raise awareness of environmental protection;
- Reduction of on-site meetings and missions as of 2021 by 35% compared to 2019.

Annex VII: Building Policy

Current building(s)

	Name, location and type of building	Other Comment
Information to be provided per building:	Westhafen Tower, Westhafen Platz 1, D-60327 Frankfurt am Main, Germany	
Surface area (in square metres) - Of which office space - Of which non-office space	EIOPA currently occupies 5 ½ floors (2nd, 21 st -South, 25th, 26th, 27th, 28th): - 4,664 square metres of office and meeting space; - 23 square metres of basement storage; - 47 parking spaces.	
Annual rent (in EUR)	2020: € 1,715,937.53 (excl. utilities, incl. rental of floor 21 st -South as of August) 2021 onwards: € 1,807,644.21 (excl. utilities, possible indexation still to be determined)	
Type and duration of rental contract	In June 2019 EIOPA's rental contract was revised, merging all contract end dates for the rented (half-) floors into now until June 2028 (namely for the half floors of 25th, 26th and 27th floor and the whole floors of 2nd and 28th floor). The contract defines the price per square meter, which is subject to indexation.	
Host country grant or support	N/A	
Present value of the building	N/A	

EIOPA's initial contract with the landlord (Mann Management) foresaw a dedicated 10-year contract for every half floor. The average rental fee per square metre, adjusted after indexation in line with the German consumer price index was EUR 30.15/month/m² (indexed until September 2018, i.e. the latest official indexation).

At the end of June 2019 EIOPA signed a twelfth amendment to the contract. This has led to a number of new lease conditions applicable as of 1 July 2019:

- All contract end dates for the rented (half-)floors are merged into one, i.e. until June 2028;
- 2 rent-free months, respectively in July 2023 and 2024;

- New (lower) rental fee as of 1 July 2019: EUR 29.30/month/m²; on average EUR 28.76/month/m² calculated over the total contract term, subject to indexation;
- Financial contributions for open office space works for the next years, worth 300,000 EUR in total;
- Re-confirmation of the exit clause of the contract entitling EIOPA to an early termination in case it is closed down or its seat is transferred to a location outside Germany. In addition an early termination right in case the Landlord cannot offer sufficient office space in the event EIOPA needs to expand. In such circumstances EIOPA has the right to terminate the contract under the condition of compensation payments;
- The right of having an additional half floor via pre-booking without additional costs and keeping on hold until the actual need may arise.

Building projects in planning phase

The implementation of adjustments in the context of the recently conducted ESAs review will result in an increase of EIOPA staff and require the provision of additional workstations and the improvement of existing office facilities. To accommodate the need for an enhanced office space utilisation, more workplaces as well as improved meeting and break-out spaces, EIOPA has launched the Workplace Strategy 2020-2022 project. The project also addresses COVID-19 related requirements. Depending on the extent of the office space re-modelling, all infrastructure and interior fitting works, layout changes, furniture replacements, additional furnishings and staff relocations will be executed gradually within the timeframe 2020-2022.

Building projects submitted to the European Parliament and the Council

No new building project was submitted to the European Parliament and the Council (information on building policy provided on 1 June 2019 according to Article 266 of the Regulation (EU, Euratom) 2018/1046).

Annex VIII: Privileges and Immunities

EIOPA benefits from the privileges granted by the Protocol of Privileges and Immunities to EU organisations and institutions (mainly from the VAT exemption of supplier invoices).

EIOPA concluded a headquarters agreement with the Government of the Federal Republic of Germany on 18 October 2011, capturing the privileges granted to staff.

Annex IX: Evaluations

EIOPA is periodically subject to review by the EU Institutions.

According to EIOPA's founding regulation Article 81, the European Commission shall publish a general report on the experience acquired as a result of the operation of EIOPA and the procedures laid down in the Regulation. That report shall evaluate, inter alia, (a) the effectiveness and convergence in supervisory practices reached by competent authorities, (b) the functioning of the colleges of supervisors; (c) the progress achieved towards convergence in the fields of crisis prevention, management and resolution, including Union funding mechanisms; (d) the role of the Authority as regards systemic risk; (e) the application of the safeguard clause established in Article 38; (f) the application of the binding mediation role established in Article 19: and the functioning of the Joint Committee. The next report is expected by year-end 2021.

According to EIOPA's founding regulation Article 3, EIOPA is furthermore accountable to the European Parliament. For instance, at the request of the European Parliament the Chairperson shall participate in a hearing before the European Parliament on the performance of the Authority. A hearing shall take place at least annually. The Chairperson shall make a statement before the European Parliament and answer any questions from its members, whenever so requested.

EIOPA is furthermore subject to review by the European Court of Auditors and the European Commission Internal Audit Service.

In addition to the external evaluations, EIOPA has developed an internal strategy for performance monitoring and evaluation. The strategy addresses strategic, operational and individual performance levels. In accordance with organisational best practices, EIOPA formulates KPIs to enable a structured assessment of performance progress. The KPIs are assessed by EIOPA's Management Board and Board of Supervisors on a regular basis and are included in EIOPA's annual activity reports.

EIOPA establishes on an annual basis an implementation plan that allows monitoring of progress in delivery of products and services. As the KPIs, progress is reported to EIOPA's Management Board and Board of Supervisors on a regular basis and allows proactive reprioritisations of resources at both EIOPA and NCA level. The data also feeds into the assessments made by the EIOPA Quality Committee, composed of a sub-set of Board Members, that provide advice to the EIOPA Executive Director on possible organisational adjustments to cater to the needs of the NCAs.

Annex X: Strategy for the organisational management and internal control systems

Compliance and effectiveness of the Internal Control System

EIOPA's internal control framework was initially approved by the Management Board in 2015 and implemented within the organisation by the Executive Director through the adoption of detailed implementing rules and related procedures. The annual assessment of the internal control system is conducted by the Internal Control function and has led to process adjustments where relevant.

In November 2018, the Management Board adopted the revised internal control framework, which is in line with the principle-based model of the European Commission and the Committee of Sponsoring Organizations (COSO)³² and fully harmonized between the three ESA's. The revised framework applies to EIOPA from January 2019 and is implemented through a dedicated internal control strategy, continuous and periodical assessments, corrective actions and internal and external reporting, including to the Management Board.

Management assurance

The building blocks of management assurance at EIOPA consist of several core elements. These are rooted in the implementation of the internal control framework and continued strong management oversight of both operational and horizontal activities, and adherence to principles such as sound financial management. Regular reviews by EIOPA's Internal Control Coordinator and audits of EIOPA by the Internal Audit Service, the European Court of Auditors, the Quality Control Committee and audit firms provide impartial and thorough reviews of these measures, and are a further element of management assurance. With this framework in place, EIOPA is confident there are no significant weaknesses that would create reservations or affect the validity of the Declaration of Assurance found in EIOPA's Consolidated Annual Activity Reports.

Anti-Fraud

EIOPA has an anti-fraud strategy, with objectives for:

- Preventing suspicious incidents from occurring through strong process and fostering an anti-fraud culture;
- Identifying irregularities and supporting investigations by the appropriate authorities;
- Recovering lost resources, mitigating risks and providing an appropriate response for those found to have perpetrated an act of fraud; and
- Applying lessons learnt from any case to help harden processes against fraud and to ensure EIOPA staff are aware of the consequences of committing fraud.

Also, EIOPA has implemented rules and measures to address ethics and conflicts of interest. It has automated a number of key administrative processes ensuring enhanced managerial oversight. Presentations to staff have also raised awareness of fraud risks and of individual staff obligations for reporting. Finally, a decision on whistleblowing has been adopted by EIOPA's Management Board with channels put in place for staff to report their concerns.

Going forward, EIOPA will reassess the potential risks of fraud it faces and define a new strategy that ensures EIOPA's processes and culture challenge fraudulent behaviour, that it has systems in place to identify irregularities and any identified perpetrators of fraud are robustly dealt with and where possible, lost finance and any other resources are reclaimed.

³² <https://www.coso.org/Pages/aboutus.aspx>

Corporate risk management process

A risk is defined as 'an uncertain event or set of events that, should it occur, would have an effect on the achievement of (an) objective(s)'.³³ To manage such risks, EIOPA has initiated an approach to systematically identify and assess potential risk events and then plan and, if required, implement responses to them. Such events can originate from within the Authority or be driven by external forces. The likelihood of an event occurring and the impact of its consequences on an objective should it occur will vary. This variance is discussed in terms of risk exposure.

The aim of the process is to provide the management with an overview of the aggregated risks, and in particular to allow the management to focus on those with a potential material impact on its work programme and wider operations, and to offer responses to mitigate and overcome risks as they occur. Based on the level of negative exposure, EIOPA considers steps to prevent the event from happening (if within its power), avoid it or mitigate the negative consequences. Staff at all levels of the Authority are asked to consider risks in their work, assess them using a standardised scale and then consider appropriate and proportionate responses, escalating material risks to management when needed. Such an approach is essential, and will aid the management as it oversees implementation of an ambitious work programme.

EIOPA's risk management process is in line with internal control principle No 7, which defines how risks should be managed to assure the achievement of the institutional objectives.

Risk Overview

Through its formal risk management process, EIOPA has identified three strategic risks relevant to the term of the present SPD that need to be effectively managed. These are:

- The high degree of uncertainty in the external political, economic and legislative environment, including the effects of Covid-19 pandemic;
- adapting to changes whilst continuing to deliver EIOPA's existing commitments; and
- the allocation of new tasks and powers without sufficient staff and budget to deliver.

Risk 1: High degree of uncertainty in the external environment, including the effects of Covid-19 pandemic

Given the continuous adverse impact of the Covid-19 pandemic, and the ensuing effect on the real economy, the political crisis management and recovery programmes of the EU institutions EIOPA's work in 2021-2023 will be adjusted to accommodate new market and policy developments. It is expected that EIOPA, via agile planning, will re-prioritise its tasks and deliverables in regular intervals. Moreover, high degree of uncertainty on the adverse impact of the ongoing crisis on the insurance and IORPs sectors will need to be reflected in the risk analysis work of EIOPA.

Risk 2: Adapting to changes whilst continuing to deliver existing commitments

EIOPA has received new tasks in relation to PEPP and changes to the updated EIOPA Regulation following the ESA review. Throughout the term of this SPD, EIOPA must

³³ OGC (2007), *Management of Risk: Guidance for practitioners*.

invest considerable effort in performing these new tasks, including developing relevant regulation, implementing new organisational structures and processes, and developing the necessary IT solutions. The Digital Operational Resilience Act under discussion will require the development of 11 regulatory technical standards to be delivered one year after the Regulation's entry into force and an additional one is to be delivered two months before the entry into force. A number of additional COM initiatives as a result of the Digital Finance Strategy will impact EIOPA in different areas such as digitalisation, InsurTech or data and reporting without any additional resources foreseen. Much of this work will need to be undertaken whilst EIOPA continues to deliver on its existing commitments along with the additional work to address the consequences of the COVID-19 crisis, and before the extra staff allocated for the new tasks and powers have been appointed.

Risk 3: Allocation of new tasks and powers without sufficient staff and budget

EIOPA has been allocated additional staff and budget based on the Commission's own assessment of resource needs stemming from PEPP and following changes to its regulation. A number of new tasks, particularly in relation to EIOPA's supervisory work, require considerable resources with a high degree of expertise to ensure they are used as intended whilst managing the risks to EIOPA when using them. An example is in the area of cross border cooperation platforms, where new responsibilities have been assigned to EIOPA in response to the increasing number of cross-border cases and failures that amplify the risks to consumers and endanger the credibility of the Single Market. Another example is EIOPA's experience in the use of product intervention which has demonstrated the need to have available significant resources when it is necessary to apply these important powers. If EIOPA cannot draw upon the necessary resources, including at times of crisis when there are other competing demands, considerable risks arise.

Mitigation 1: Stronger approach to prioritisation

To effectively manage the uncertainty, EIOPA has further enhanced its approach to prioritisation, allowing timely and upfront discussions with its Management Board and Board of Supervisors. The intention is to enable more informed decision-making through strategic discussions focused on the likely developments in the external environment. By judging the potential impacts of these developments on the Authority and the future setting priorities can be strengthened.

To support this and enhance the Authority's ability to prepare for change, internal cross-departmental project groups have been established to deal with EIOPA's response to Brexit, and with its new tasks and powers under PEPP and the ESA review. This has allowed EIOPA to consider different scenarios and the impacts it may need to manage in the future.

Mitigation 2: Efficiency and re-deployment

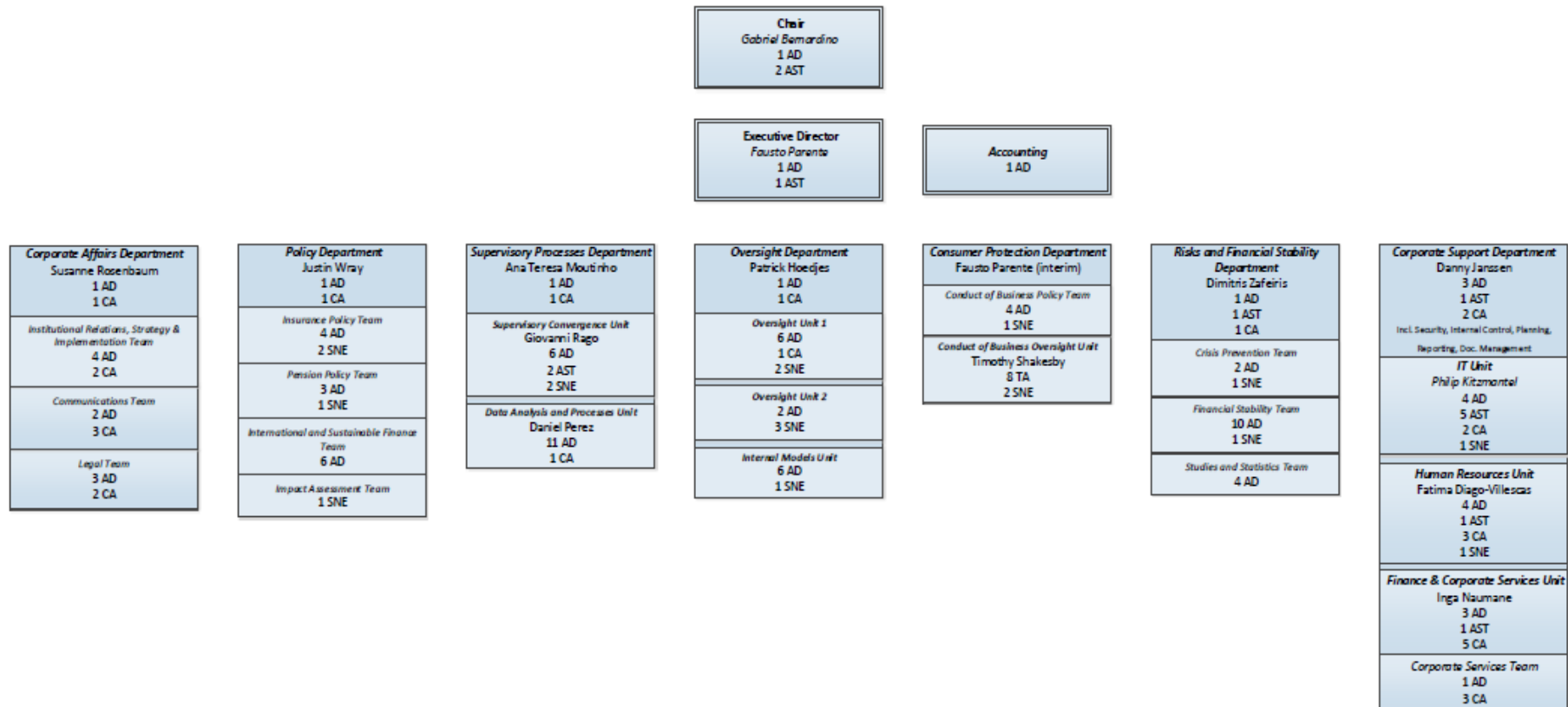
To mitigate any potential risks of resource gaps, EIOPA will continue to improve efficiency and evolve as an organisation to meet new demands. For efficiency, EIOPA will continue to review its processes, rationalise and, where possible, automate more, allowing staff to be reallocated to other tasks. Synergies with other EU agencies, and in particular the other ESAs, will allow EIOPA to benefit from economies of scale and administrative efficiencies when procuring services from external suppliers. For example, EIOPA and EBA have already been collaborating extensively to run their IT services using shared central infrastructure procured by the European Food Safety

Authority. This journey will continue in line with the IT Strategy, which calls for the use of inter-institutional contracts for all standard services with clear economies of scale. EIOPA will seek further opportunities to bring together different elements of the organisation working on similar areas, to capitalise on synergies and enhance efficiency. To match changing priorities by adjusting its structure and the abilities of its workforce, EIOPA has already implemented a competency framework. This allows it to better manage and reallocate staff across its many tasks as priorities shift. This has already proven useful to manage the change in EIOPA's tasks from regulation to supervision. However, the still uncertain cumulative impact of PEPP, the Covid-19 crisis and preparatory works for DORA makes difficult a meaningful redeployment to cover the gaps between EIOPA's and the Commission's resource assessment.

Annex XI: Procurement plan (2021)

Ref	Planned launch	Subject	Estimated value NET (whole contract duration)	Estimated value NET (for 2021)	Estimated start-end contract	Procedure / Type of contract (FWC, Direct)
1	Feb	Photography shooting services	20,000	3,000	Q3 2021 – Q3 2025	Negotiated Procedure for low value contracts/FWC
2	May	External Legal Services on Information Technology, Intellectual Property	135,000	20,000	Q4 2021 – Q3 2025	Negotiated Procedure for middle value contracts/FWC

Annex XII: Organisation Chart (December 2020)



Annex XIII: Strategy for cooperation with third countries and/or international organisations

In recognition of the growing importance of a global insurance market, also for EU undertakings, and steadily increasing insurance premium income in Asia, EIOPA has, since its beginning in 2011, prioritised international engagement and cooperation in its work programmes. This has primarily been delivered through activate participation across the committees and workstreams of the International Association of Insurance Supervisors (IAIS), where EIOPA has consistently provided input from a European perspective on a broad array of topics and supported the effort to create a common worldwide language for supervision and a level playing field for internationally active insurance groups.

Building a sound and consistent global insurance regime

EIOPA and its Members as part of the IAIS Executive Committee strongly support(s) a strategic focus beyond the post-crisis reform agenda of policy work to ensuring their proper implementation and implementation assessment of supervisory material. The central driver for this shift was the recent endorsement of the first global frameworks for supervision of internationally active insurance groups, including an Insurance Capital Standard Version 2.0 (ICS 2.0), and for the assessment and mitigation of systemic risk in the insurance sector as a common basis.

The adopted Common Framework (ComFrame) establishes supervisory standards and guidance, whilst the ICS 2.0 for the monitoring period strives to enhance convergence towards a global group capital standard over time.

By 2021, and with the on-going commitment and contributions of EIOPA at the international level, the implementation of both frameworks will advance the objective of a sound and consistent global insurance regime.

It is intended that the Holistic Framework (HF) will supersede the previous methodology to designate Globally Systemically Important Insurers (GSII). The latter currently on suspension, the Financial Stability Board (FSB) will ultimately decide upon the HF by the end of 2022, pending the outcome of a credible implementation assessment. Built on two foci (monitoring of individual (re)insurance undertakings and monitoring at the sector/market level), the assessment will involve peer reviews and members' assessments. The peer review will investigate how the elements of the framework are met by individual jurisdictions in terms of application in law and supervisory practices. A more detailed assessment, including in-depth analysis and on-site visits, will be performed on a selected sample of jurisdictions for the members' assessment.

Implementation of the ICS will be carried out in a two-step approach: the first one being the five year monitoring period: The quantitative element foresees the calculation and confidential reporting of the ICS 2.0 according to the approved technical specifications. The qualitative element expects a discussion of the performance of the ICS 2.0 in international colleges of supervisors.

Ensuring global insurance supervision remains adaptive and relevant

EIOPA will also continue its cooperation with international organisations and engagement and dialogue with third country supervisors, to address emerging risks and drivers for change in the insurance market. In terms of sustainable finance, EIOPA will maintain its participation in global bodies such as the Sustainable Insurance Forum (SIF) and the Network for Greening the Financial System (NGFS). EIOPA will contribute to the IAIS work on FinTech and Innovation (e.g. cyber underwriting and SupTech) and

also address these topics through its ongoing dialogues with third country supervisors, including the EU US insurance project. EIOPA also intends to engage in additional IAIS areas of focus, such as approaches to identify qualified infrastructure investments and its potential differential treatment on a global level, allowing the matching of long-term liabilities to illiquid assets. EIOPA will also seek to enhance its level of engagement with developing markets in both Asia and Latin America, with a key focus on discussing, exchanging on and providing support to issues of risk based insurance regimes.

Monitoring third country regimes where there is an equivalence decision

Changes to EIOPA's regulation, taking effect in 2020, will enhance the Authority's responsibility and specify its mandate in terms of monitoring regimes where there is an equivalence decision in place. By 2021, EIOPA will be undertaking on-site visits and delivering individual third country reports, and broader annual assessments. This will be in addition to the ongoing mandate for providing input into the European Commission's equivalence decisions.