

OPSG meeting

DATE: 11 October 2023

TIME: 10:00 – 16:00H CEST

LOCATION: IN PERSON, EIOPA'S PREMISES

OPSG meeting

MEETING CONCLUSIONS

AGENDA ITEM 1: APPROVAL OF THE AGENDA

1. The OPSG Chairperson welcomed the attendees to the “in person” meeting.

CONCLUSIONS AND ACTION POINTS

2. The draft agenda (EIOPA-OPSG-23-14) was adopted.

AGENDA ITEM 2: UPDATE BY OPSG CHAIRPERSON

3. The OPSG Chairperson went through the meeting agenda and presented the topics to be discussed. Members were invited to actively engage in the discussions.
4. The OPSG Chairperson reminded that the OPSG’s group mandate will end next year and emphasized the need to convene the final meeting dates of the outgoing group for the year 2024. The OPSG Chairperson has also expressed the OPSG’s wish for the final meeting of the current mandate to take place in 2024 in person.
5. OPSG members were encouraged to reflect on the ongoing work of the group and to prepare a report comprising the accomplishments of the current mandate to be presented during the OPSG’s final meeting next year. The idea would be to follow the same approach as the one followed to prepare the OPSG response to the review of the IORP II Directive, that is dividing the work around some broad topics with a team leader for each topic.
6. The OPSG Chairperson proposed to organize an ad hoc and in-person workshop, in Brussels, to discuss the pension reforms undertaken in different Member States (e.g., Netherlands, France, Spain) to increase the sustainability of their pension systems. He will organize this workshop together with Philip Neyt.

CONCLUSIONS AND ACTION POINTS

7. EIOPA secretariat to communicate the final OPSG’s meeting dates for the year 2024.

8. OPSG members to prepare a comprehensive report on the group's work for presentation during the OPSG's final meeting next year. The OPSG Chairperson will send an email to members to launch this work.
9. OPSG members to be invited to an ad hoc and in-person workshop in Brussels during the Belgian Council Presidency to discuss recent national pension reforms and to elaborate on further potential messages to include in the final OPSG report.

AGENDA ITEM 3: UPDATE BY EIOPA

10. EIOPA Chair welcomed the OPSG's Chairperson working proposals and looked forward to hearing from the OPSG members and, in particular, the insights on pensions reforms.
11. EIOPA Chair informed the OPSG members about the following items:
 - Publication of the EC legislative proposal on a Framework for Financial Data Access (FiDA) and its implications for the pensions sector. OPSG's members were urged to reflect on the impact of the proposal and the sharing of data on occupational and personal pension savings. OPSG's members were also encouraged to contemplate and suggest ideas regarding the conception of dashboards aiming at providing savers with a comprehensive overview of their entitlements and retirement income;
 - EIOPA has not received applications for registering any new PEPP;
 - Publication of [EIOPA's Single Programming Document 2024-2026](#) setting out the EIOPA's strategy and work programme for the coming years.
 - Finalisation of the advice for the IORP II review and the upcoming projects regarding the developments of best practices for defined contribution pensions and guidelines or report on liquidity risks management of IORPs.
 - Publication of the EIOPA's Digital Strategy, integrating EIOPA's view and mission on how to support the digitalization of the insurance and pensions sectors, of NCAs and of EIOPA itself. Under the objective of promoting consumer protection and financial stability, EIOPA's role will range from monitoring developments, facilitating and promoting innovation, contributing to digitalization of NCAs and implementing its own digital transformation.
 - Publication of the [Factsheet on Occupational Pensions Sector](#), providing an overview of the sector's size, development and recent trends, including the rise in defined contribution schemes and multi-sponsor IORPs.
 - Workshop organized on 19 September 2023 by the EP FEMM Committee on "The differences in member States' pension schemes with effects on women". The workshop highlighted the gender pension gap as a political priority for the upcoming Belgian Presidency of the Council.
 - Availability of the [documentary "The Future of our Pensions" online](#), featuring insights from EIOPA on transparency costs, value for money, and PEPP.
 - EIOPA Conference 2023 titled "Hidden Risks and New Horizons", scheduled for 21/11/2023 at JW Marriot Hotel Frankfurt.

12. OPSG members welcomed the information provided by the EIOPA Chair, emphasizing the significance of making consumer-centric data accessible. The potential importance of collaborating with OECD to enhance data availability and analysis for the development of dashboards was also acknowledged. To enrich discussions on pension reforms, members proposed examining the pension systems of Sweden and Denmark. Emphasis was also placed on the significance of addressing not only the gender pension gap but also broader issues related to pension adequacy.

CONCLUSIONS AND ACTION POINTS

13. OPSG's members to reflect on the new FiDA proposal and its implications, and to provide ideas on the development of pension tracking tools.
14. OPSG's members to actively engage in EIOPA's future pension policy work and upcoming projects regarding defined contribution pensions and liquidity risk management of IORPs.
15. OPSG's members to remain informed about the political priority of the upcoming Belgium presidency of the Council regarding the gender pension gap and to further explore potential ways to contribute to addressing this issue and to the debate on pension adequacy.
16. OPSG's members to consider attending the EIOPA's Conference 2023 virtually and engage with the discussions on supervision and evolving dynamics in the insurance and pension sectors.

AGENDA ITEM 4: IORP II REVIEW

17. EIOPA provided an update on its technical advice as submitted in September to the European Commission for the review of the IORP II Directive. EIOPA's technical advice is provided with the objective of ensuring that the reviewed Directive can embrace the future while protecting the legacy. In particular, EIOPA's technical advice (i) proposes changes to keep the regulatory framework for IORPs relevant bearing in mind the ongoing shift from defined benefit (DB) to defined contribution (DC) pensions; (ii) recognizes the need for existing DB IORPs to be properly regulated and supervised; and (iii) proposed ways to enhance the proportionality measures of the existing regulation and to reflect it in new standards.
18. OPSG members commended EIOPA for its efforts in this important work and engaged in a discussion covering various aspects outlined in the advice (such as cross-border activities, EIOPA's proposal regarding long-term risk assessment of DC pension plans, the proposed prudential assessment as part of authorization/registration and ongoing supervision and sustainability considerations) and how the next year's European elections and the changing of the European Commission are likely to impact and delay the revision of the IORP II Directive until 2025. It was also agreed that some of the proposals would significantly increase the cost of running IORPs and would therefore require careful assessment.

CONCLUSIONS AND ACTION POINTS

19. EIOPA to continue to engage with OPSG members on the IORP II review, ensuring a collaborative approach and further follow-up on the review of the IORP II Directive.

AGENDA ITEM 5: OPSG DISCUSSION PAPER ON A POTENTIAL PAN-EUROPEAN OCCUPATIONAL PENSION PRODUCT (PEOP)

20. OPSG Vice-Chair Falco Valkenburg presented the progress made by the sub-working group, which he has been leading, on the potential Pan-European Occupational Pension Product (PEOP). As mentioned in the previous OPSG meeting, the sub-group is developing a discussion paper instead of a position paper on PEOP. The main objective of the paper is to generate interest in the realm of PEOP and to reignite the discourse surrounding PEOP on a European level. The objective of the discussion paper is not to achieve unanimous agreement on every nuanced aspect or to create an exhaustive blueprint for PEOP, but rather to encompass a spectrum of views on the topic. The intention is to finalize the discussion paper in the upcoming weeks.
21. OPSG members, as well as EIOPA, commended the sub-working group for their efforts and work done.

CONCLUSIONS AND ACTION POINTS

22. OPSG members invited to provide comments on the draft paper by 30 November and join the sub-working group to continue working on the discussion paper.

AGENDA ITEM 6: GENDER PENSION GAP

23. OPSG member Janina Petelczyc provided an update on the progress made on her own-initiative work concerning the gender pension gap. During the presentation the main sources of information used to illustrate the scope of the gender pension gap in occupational pensions and the reasons behind it were highlighted.
24. OPSG members were urged to share examples of successful initiatives, measures, strategies or policies to reduced the gender pension gap in occupational pension schemes and to promote gender participation, as well as to enhance financial literacy and awareness among women regarding occupational pension schemes and retirement planning.
25. OPSG members as well as EIOPA welcomed Janina's presentation and ongoing work and engaged in a discussion highlighting the importance of the topic. During the discussion it the connection between the gender pension gap and the gender wage gap was emphasized. Reference was also made to the recent Nobel economics prize awarded to Claudia Goldin for her work on the gender gap, underscoring the relevance of her research.

CONCLUSIONS AND ACTION POINTS

26. OPSG members to provide their feedback on the questions raised during the debate and in the preparatory paper circulated for the meeting, by the 1st of November to assist in the finalization of the Janina's own initiative work on the gender pension gap.
27. Considering the feedback received, OPSG member Janina to finalize her own initiative work and submit it for approval, for possible presentation during the conference that will be organized by the Belgian Presidency on gender gap in February 2024.

AGENDA ITEM 7: CONSUMER TRENDS REPORT

28. EIOPA presented the preliminary pension-related findings for the 2023 Consumer Trends Report, highlighting the effects of inflation on returns and issues related to diversity, equity and inclusion, as well as disclosures and transparency.
29. Additionally, EIOPA welcomed the input received from OPSG, which complemented other sources of information for the Consumer Trends Report.
30. OPSG members welcomed the presentation and engaged in a discussion concerning the impact of inflation on consumer confidence. The discussion also encompassed women's access to (and purchasing capacity of) pension products, as well as the importance of considering the potential benefits of investing compared to keeping a disproportionate amount of wealth in bank deposits, as highlighted in the Capital Markets Union's initiative. Furthermore, OPSG members emphasized the necessity of clear information and effective and simplified regulations.

CONCLUSIONS AND ACTION POINTS

31. EIOPA will publish the Consumer Trends Report in early 2024 once adopted by its Board by the end of this year. EIOPA to distribute a questionnaire to collect further input from stakeholders.

AGENDA ITEM 8: SUSTAINABLE FINANCE DEVELOPMENTS

32. EIOPA provided an update on recent developments and upcoming initiatives in Sustainable Finance that could impact the pension sector. The updates encompassed significant areas such as the IORP II review; one-off EU wide coordinated financial system climate scenario analysis; Corporate Sustainability Due Diligence Directive; Sustainable Finance Disclosure Regulation and EC assessment of SFDR.
33. General recent developments linked to the European Commission and EIOPA work on sustainability were also presentend, including the Solvency II review; EIOPA work on insurance nat cat protection gaps; Corporate Sustainability Reporting Directive and EU Green Bond Standard.
34. OPSG members welcomed the presentation and engaged in a debate focusing on the importance of guidance concerning the interpretation and relationship between SFDR and the Taxonomy Regulation. The need for clarity on certain rules in the area of sustainable finance and the need to give more attention on the current implementation problems before developing new rules were also emphasized.

CONCLUSIONS AND ACTION POINTS

35. EIOPA to continue monitoring legislative developments and promoting a comprehensive understanding of the implications of measures related to Sustainable Finance for the pensions sector.

AGENDA ITEM 9: VALUE FOR MONEY METHODOLOGY FOR SUPERVISORY BENCHMARKS

36. EIOPA provided a presentation outlining its proposed approach towards the development of value for money supervisory benchmarks, primarily focusing on insurance-based investment products (IBIPs). While the benchmark work is centered on IBIPs, EIOPA emphasized its relevance for OPSG.

37. The aim of the presentation was to offer an overview of EIOPA's plans to approach the benchmarks via a level 3 work initiated before the RIS, and to clarify how EIOPA sees the benchmarks, namely (i) as a tool meant to enable insurance product manufacturers to better determine if their product offers value or not; and (ii) as a tool to help supervisors in taking a more risk-based approach to supervision by identifying those products which are outside of the perimeter of the benchmarks and which may require higher supervisory scrutiny.
38. OPSG members welcomed the presentation and engaged in a debate, particularly highlighting the importance of transparency in consumer disclosures and the need to take into account the outcome of the ongoing discussion on the Retail Investment Strategy in particular concerning value-for-money benchmarks.

CONCLUSIONS AND ACTION POINTS

39. EIOPA to continue its efforts, maintaining an ongoing dialogue with national supervisory authorities and collecting further feedback from stakeholders as part of the benchmark development process.

AGENDA ITEM 10: ACP UPDATE ON ADVICE 2024

40. EIOPA provided an update on the ACP advice concerning proportionality areas in 2024, focusing on the identified areas for further proportionality work in the coming year, namely on IRRD and POG. These areas were chosen based on the priorities outlined in the AWP, considering resource availability and ongoing regulatory developments. Examples of potential areas for enhancement or review of POG related-aspects were also mentioned, offering insights into potential directions for the upcoming work.

CONCLUSIONS AND ACTION POINTS

41. OPSG members to provide further reflection and suggestions for contributing to the ACP work for 2024.

AGENDA ITEM 11: AOB

42. OPSG Chairperson reminded OPSG members about the next joint meeting between BoS, OPSG and IRSG members on 13 December, in "online" format.

OPSG Participants

Chairperson: Bernard Delbecque (Belgium)

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

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

Other participants:

EIOPA's Senior Management and staff members.