

OPSG meeting

DATE: 31 May 2022
TIME: 10:00 – 15:30 h CEST

LOCATION: EIOPA PREMISES, FRANKFURT

MEETING CONCLUSIONS

AGENDA ITEM 1: APPROVAL OF THE AGENDA

1. The OPSG Chairperson welcomed members to the 11th OPSG meeting.

CONCLUSIONS AND ACTION POINTS

2. The draft agenda (EIOPA-OPSG-22-05) was adopted.

AGENDA ITEM 2: UPDATE BY OPSG CHAIRPERSON

3. OPSG Chairperson informed the group about upcoming deadlines and deliverables.

CONCLUSIONS AND ACTION POINTS

4. Matti Leppälä to lead drafting of the OPSG advice on [pensions data](#).
5. Members will be invited to send possible topics for own-initiative advice to prepare during the second half of the OPSG mandate.

AGENDA ITEM 3: UPDATE BY EIOPA

6. EIOPA's Chairperson provided an update to the group on:

EIOPA's feedback to OPSG Advice on IORP II review / cross border activities

EIOPA agreed that the IORP II Directive has not promoted or facilitated cross-border activity in the way it was intended, and is open to discuss how these “inherent complexities” can be overcome in the framework of the IORP II Review.

7. **EIOPA's feedback to OPSG Advice on Sustainable investments for IORPs: risk, return and inclusion properties**

EIOPA was pleased to receive advice on the topical question of whether investing in ESG factors bring more returns (from a past-performance as well as future-trends perspective). This valuable input complements the analysis of the fiduciary duty of IORPs in light of sustainability factors, which is in scope of the forthcoming call for advice to EIOPA on the review of IORP II Directive.

8. **EIOPA’s feedback to [OPSG Advice on funded pensions contribution to income in later life, growth and employment](#)**

EIOPA also thanked the OPSG for this broad-reaching reflection paper touching on many different areas of concern. Some elements that fall outside of EIOPA’s remit as a supervisor are nevertheless noteworthy in the broad scheme of pensions supervision (national mandatory obligations to save for retirement, national first pillar systems, financial education and social dialogue between governments and social partners). However, there are elements that do fall under EIOPA’s work plan (ESG requirements, digitisation, costs and charges of IORPs). Focussing specifically on one element close to EIOPA’s remit and examining it in more detail would add the most value to EIOPA.

9. **IORP Stress Test**

The 2022 IORP stress test (ST) is the first EEA-wide IORP Climate Stress Test. Aim is to understand the impact on the IORP’s investments and to address liabilities – including the financing by sponsoring undertakings. ST is complemented by an analysis relating to inflation which aims at understanding the impact on IORPs’ members’ and beneficiaries’ future retirement income. Results are expected to be published in December 2022.

10. **EIOPA’s Strategy Day**

On 17-18 May BoS members exchanged views not only on EIOPA's strategic objectives concerning consumer protection and the financial stability, but also on digital transformation, shared resilience and conduct of business issues. Pensions issues were also considered and more specifically how to meet long-term retirement needs. BoS members endorsed the emphasis on defined contribution pensions given significant shift towards these arrangements across Europe.

CONCLUSIONS AND ACTION POINTS

11. EIOPA to consider further interaction with OPSG on PEPP once some PEPP products will be on the markets.

AGENDA ITEM 4: PENSIONS DATA

12. EIOPA provided a summary of the main issues raised in the [consultation](#) including the cases for EIOPA to collect data and function as data collector.
13. Members further discussed related topics such as the existing synergies with other data collectors. There was consensus about the fact that EIOPA should have access to all the data it requires in order to fulfil its objections. In addition, OPSG pointed to the importance of proportionate and streamlined data collection exercises in order to balance the incurred costs and workload.

CONCLUSIONS AND ACTION POINTS

14. Members were informed about a pension’s data event envisaged in July.
15. Matti Leppälä to seek members’ input in order to finalise the OPSG advice by 18 July.

AGENDA ITEM 5: GOOD PRACTICES FOR DEFINED CONTRIBUTION (DC) PENSIONS

16. EIOPA provided a status update on the Good Practices project, which aims to identify principles and best practices on the overall design of sustainable occupational DC pensions, in view of securing adequate retirement outcomes for EU citizens in the future. EIOPA gave further feedback to the OPSG on the 2021 [OPSG Advice](#).

CONCLUSIONS AND ACTION POINTS

17. EIOPA is keen to receive specific input from the OPSG e.g. on a list of existing good practices at national level.

AGENDA ITEM 6: SUSTAINABLE FINANCE

18. EIOPA updated on two upcoming consultations linked to [SFDR](#) mandates: (i) to review the indicators for principal adverse impact and (ii) to define pre-contractual and periodic disclosures to ensure investors receive information reflecting the provisions set out in the [Complementary Climate Delegated Act](#) covering nuclear and fossil gas. Ambitious deadline set for delivering the Regulatory Technical Standard on (ii) by 30 September 2022 led the ESAs to opt for a targeted consultation with the ESAs Stakeholder Groups and consumer organisations.

CONCLUSIONS AND ACTION POINTS

19. Members to volunteer to draft and lead the drafting on the OPSG advice on disclosures on nuclear and fossil gas in the period 20 June – 8 July 2022.

AGENDA ITEM 7: IORP II REVIEW

20. EIOPA gave feedback on the OPSG advice received.
21. EIOPA agreed with some of the conclusions of the report:
 - The cross-border (XB) activity has failed to create an internal market.
 - EIOPA acknowledged the IORP II Review should address the aspects that hinder the XB activity and the link between the lack of XB and the minimum harmonization of IORP II Directive.
22. One of the issues highlighted was the condition imposed by the Directive concerning the transfer shall be subject to prior approval by the majority of members and beneficiaries, leaving the definition of the majority according to national law (2/3 in NL) as a reason for hinder the cross-border transfers.
23. Members further exchanged on helping to solve issues that hinder cross-border IORP activities.

24. CONCLUSIONS AND ACTION POINTS

25. EIOPA to share the Call for Advice on IORP II as soon as it receives it, and subsequently engage with OPSG.

AGENDA ITEM 8: DIVERSITY AND INCLUSION IN PENSIONS

26. Following a proposal by BoS in March, EIOPA wrote to the European Institutions calling for diversity of management bodies in insurance and pensions and asking that diversity criteria be considered as part of the legislative review processes of Solvency II and Call for Advice on IORP II.
27. Members further discussed about the definition and application of diversity and application.

CONCLUSIONS AND ACTION POINTS

28. EIOPA to update and engage with OPSG once EIOPA receives the COM's Call for Advice on IORP II.
29. Members to take note of initiatives at national level to set own standards for good pension fund governance.

AGENDA ITEM 9: EIOPA'S UPDATE ON RETAIL RELATED WORK

30. EIOPA formally presented this year's edition of the Costs and past performance report highlighting the development achieved and the next steps planned
31. Members further discussed about the IORPs data methodology and scope of the analysis.

CONCLUSIONS AND ACTION POINTS

32. EIOPA to update OPSG on the next development and findings. EIOPA to engage with OPSG in case a new methodology is developed (yet under discussion).

AGENDA ITEM 10: PROPORTIONALITY (Advisory Committee on Proportionality - ACP)

33. The ACP advice to EIOPA on proportionality areas regarding EIOPA's Annual Work Programme 2023 is to focus on "Technical advice on the role of occupational pension funds in the context of COM's renewed strategy on sustainable finance", on "Recovery and Resolution", and on "Diversity and Inclusion". In addition, a Joint advice from the ACPs of the ESAs is expected on DORA.
34. Work in the Task Force (TF) on Conduct of Business is still work in progress with priorities still to be determined: either also on IORP or on insurers only at the first stage.

CONCLUSIONS AND ACTION POINTS

35. Members to take note of ACP advice to EIOPA on proportionality areas.
36. Aleksandra Maczynska to circulate a draft in relation to Conduct of Business areas.
37. Falco Valkenburg and Ioannis Tzanakos to coordinate the OPSG input to the ACP work on IORPs.

AGENDA ITEM 11: ANY OTHER BUSINESS

38. Members were informed that EIOPA plans to organize an election of the OPSG Chairperson and Vice-Chairpersons during the next meeting of the OPSG on 21 September, which will be held in person. This election will not affect the composition of the OPSG, as the mandate of its members has been set to a period of four years. According to an assessment by the ESAs, all OPSG members are eligible to run for the mid-term election of the Chairperson and Vice-Chairpersons.

Participants

Chairperson: Bernard Delbecque (Belgium)

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

First name	Last name	Country	OPSG Category	Attendance
Cosmina	Amariei	Romania	Beneficiaries	Present
Pauline	Azzopardi	Malta	Beneficiaries	Present
Francesco	Briganti	Italy	IORPs	Present
Łukasz	Budzyński	Poland/France	IORPs	Present
Marjolijn	Bulk	Netherlands	Employees	Absent
Bernard	Delbecque	Belgium	Professional associations	Present
Valdemar	Duarte	Portugal	IORPs	Present
Bruno	Gabellieri	France	Employees	Present
Christian	Gülich	Germany	Beneficiaries	Present
Olav	Jones	Norway/UK	IORPs	Present
Kęstutis	Kupšys	Lithuania	Beneficiaries	Present
Paul	Le Bihan	France	IORPs	Absent
Christian	Lemaire	France	IORPs	Present
Matti	Leppälä	Finland	IORPs	Present
Elisa	Luciano	Italy	Academics	Present
Aleksandra	Maczynska	Poland	Beneficiaries	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	Absent
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	Present
Falco	Valkenburg	Netherlands	Professional associations	Present
Hans	Van Meerten	Netherlands	Academics	Present

Other participants:

EIOPA's Senior Management and staff members (contact: Stakeholder.Groups@eiopa.europa.eu)