

IRSG meeting and joint BoS/ IRSG meeting - Conclusions and Actions Points

DATE: 27 June 2023

TIME: 10:00 – 16:00 h CEST

LOCATION: EIOPA PREMISES, FRANKFURT

IRSG only meeting

MEETING CONCLUSIONS

AGENDA ITEM 1: APPROVAL OF THE AGENDA

1. The IRSG Chairperson welcomed the IRSG members to the IRSG meeting.

CONCLUSIONS AND ACTION POINTS

2. The draft agenda (EIOPA-IRSG-BoS-23-10) was adopted.

AGENDA ITEM 2: UPDATE BY IRSG CHAIRPERSON

3. IRSG members held a dedicated discussion on the draft IRSG advice on the EIOPA's consultation on the technical advice for the review of the IORP II Directive, as well as on the procedures for the approval of IRSG's advices.
4. The EIOPA's consultation on the technical advice for the review of the IORP II Directive was open until 25 May 2023. Under the lead of the IRSG member Marcin Kawiński a draft input was developed, but not submitted within the deadline.
5. During the approval process some IRSG members had raised concerns regarding the need for sufficient time to review and provide feedback on the IRSG's draft input.
6. For reaching a compromise, all IRSG members expressed in the end their agreement and support with the draft IRSG advice on the EIOPA's consultation on the IORP II review.
7. The draft advice on IORP II will be shared for information with EIOPA. It cannot be taken into account anymore in the consultation process as the deadline had already expired.
8. Following the discussion, IRSG Chairperson reminded IRSG members of other relevant public consultations and surveys for which IRSG feedback would be welcome.
9. The following EIOPA public consultations were still open:
 - [Digitalisation Market Monitoring Survey](#) – DL 30 June 2023;

- [Joint Consultation on the Review of SFDR Delegated Regulation regarding PAI and financial product disclosures](#) – DL 4 July 2023
 - [Joint Consultation on the first batch of DORA policy products](#) – DL 11 September 2023
10. Members were kindly requested to indicate their interest in leading and supporting the drafting of an IRSG advice for these consultations.

CONCLUSIONS AND ACTION POINTS

11. IRSG Members to be reminded and eventually to clarify the approval procedure for future IRSG advice. In urgent cases a streamlined shortened approval process for handling urgent situations for providing input to a consultation or survey can be agreed among the members.
12. IRSG Chairperson to moderate the process for appointing IRSG members who will take the lead on drafting and coordinating future IRSG advices, and to communicate that appointment to all IRSG members.
13. EIOPA secretariat together with IRSG Chairperson to keep the IRSG workplan overview up to date.
14. EIOPA secretariat to share information about any new open consultation or survey to IRSG as soon as possible.
15. EIOPA secretariat to publish the advice for the review of the IORP II Directive on the IRSG webpage.

AGENDA ITEM 3: UPDATE BY EIOPA

16. EIOPA Chair informed the IRSG members about the following items:
 - Development of a Staff Paper on the Demand side aspects of NatCat protection gap to be publish in early July. The paper includes a number of questions to stakeholders and feedback from IRSG would be very much welcomed.
 - Publication of the EIOPA joint discussion paper with the ECB on climate insurance protection gap, aiming at triggering a debate on how to tackle the climate insurance protection gap.
 - ESA's publication of an [interactive factsheet](#) to help consumers understand how the recent increases in inflation and interest rates can affect their money. This includes the financial products and services that consumers currently hold or plan to buy, such as loans, savings, financial investments, insurance, and pensions.
 - ESAs' Joint Consultation on the Review of the SFDR Delegated Regulation regarding PAI and financial product disclosures, open until 4 July 2023 and on the first batch of DORA policy products, open until 11 September 2023;
 - Invitation to the 8th Conference on Global Insurance Supervision on "Insurance Supervision in a world in transformation", to be held on 6 and 7 September 2023 at Campus Westend, Goethe University.
 - Invitation to the 2023 EIOPA Conference that will take place on Tuesday, 21 November 2023, at the JW Marriot Hotel in Frankfurt am Main, Germany.

CONCLUSIONS AND ACTION POINTS

17. EIOPA Secretariat to inform IRSG members about the publication of the Staff Paper on the Demand side aspects of NatCat protection gap in early July, and IRSG members to provide feedback.

AGENDA ITEM 4: EIOPA, UNIT-LINKED INSURANCE AND POLISH PRODUCT INTERVENTION

18. EIOPA introduced the topic and provided an overview on its recent work on product intervention as well as on its position on the recent Polish NCA proposed intervention measures in unit linked life insurance. The issues identified by KFN, the EIOPA Opinion on the justification and proportionality of the notified KNF's measures as well as legal considerations related to the application of Article 17 2 (b) of the PRIIPs Regulation were discussed.

CONCLUSIONS AND ACTION POINTS

19. IRSG members welcomed the presentation and exchange views on the adoption of product intervention measures as well as their compliance with the conditions laid down in Art. 17(2) of the PRIIPs Regulation and EIOPA's application of the main substantive requirements for national product intervention measures.

AGENDA ITEM 5: GREENWASHING PROGRESS REPORT

20. EIOPA presented its Progress Report on Greenwashing, that provides initial views on greenwashing from an insurance and pension perspective including on how it occurs, its impact, challenges related to its supervision as well as its implications for the regulatory framework. This Progress Report is the EIOPA's response to the European Commission request to each ESA, within its sectorial remit, to provide input on the phenomenon of greenwashing, first in the form of Progress Reports. The key initial findings on greenwashing as well as the progress made so far were presented to IRSG members.
21. IRSG members were informed that the progress report was delivered to the European Commission on May 2023 and that EIOPA is now working towards the final report, to be delivered by the end of May 2024, where it will focus on: (i). improvements to the regulatory framework, (ii). supervision of greenwashing, (iii). cases studies and potential financial stability implications of greenwashing. Further feedback from the IRSG members will be very much welcomed.

CONCLUSIONS AND ACTIONS POINTS

22. IRSG members welcomed the presentation by EIOPA, and discussed, among other topics, the SFDR products classifications and the scope of Article 8.
23. EIOPA to continue its work towards the final report and to continue the dialogue with stakeholders.

AGENDA ITEM 6: ACP WORK

24. EIOPA provided an update on the Joint ESA ACP ad hoc advice on DORA, as well as on EIOPA's recent and ongoing work in POG-related aspects.

CONCLUSIONS AND ACTION POINTS

25. IRSG to provide further reflection and suggestions for contributing to the ACP work for 2024.

AGENDA ITEM 7: EIOPA SUPERVISORY CONVERGENCE PLAN 2024

26. EIOPA provided an update on the implementation status of EIOPA Supervisory Convergence Plan of 2023. It was pointed that, although some projects from 2023 were finalized (e.g. Supervisory Statement on inflation, peer review on POG, etc.) or will be finalized soon, almost half of the projects will run also in 2024 and are expected to be finalized in Q3 or Q4 2024.
27. It was also mentioned that in 2024 it is expected that both EIOPA and NCAs will dedicate a considerable amount of time on the implementation of the IRRD and Solvency II review and therefore, considering also the resources needed to finalize the 2023 plan, EIOPA staff propose to be very selective for the new projects/priorities to be included in 2024 Supervisory Convergence Plan.

CONCLUSIONS AND ACTIONS POINTS

28. IRSG members to flag any potential new project or topic that might be included in the Supervisory Convergence Plan of 2024.

AGENDA ITEM 8: AOB

29. IRSG Chairperson reminded IRSG members about the next IRSG meeting on 14 November 2023 to be held in “in person ” at EIOPA .

CONCLUSIONS AND ACTION POINTS

30. Topic to be considered for the agenda of the next IRSG meeting in November: Demand side aspects of NatCat protection gap.

Joint BoS - IRSG meeting - 14:00 – 16:00

MEETING CONCLUSIONS

AGENDA ITEM A: Welcome of Members to the joint BoS/IRSG meeting

31. EIOPA’s Chairperson and IRSG Chairperson welcomed the participants to the joint BoS/IRSG meeting, extending the greetings to Didier Millerot from the European Commission, who joined the meeting online.
32. Following the initial welcome, EIOPA’s Chairperson provided an overview of the topics discussed during the morning session, in the dedicated IRSG only meeting, and presented the topics designated for discussion during the afternoon session, involving both BoS and IRSG members.

AGENDA ITEM B: APPROVAL OF THE AGENDA

33. The draft agenda (EIOPA-IRSG/BoS-23-10) was adopted.

CONCLUSIONS AND ACTION POINTS

34. BoS and IRSG members were encouraged to actively engage in an open dialogue and discussion on the European Commission’s recent legislative proposal on the EU Retail Investment Strategy as well as on the right to be forgotten (RTBF) that IRSG Vice-Chair, Michaela Koller, presented in the meeting.

AGENDA ITEM C: THE RETAIL INVESTMENT STRATEGY

35. The European Commission, Didier Millerot, introduced the topic and provided a comprehensive presentation on the package published by the European Commission on 24 May 2023 for the implementation of the Retail Investment Strategy. The so-called Retail Investment Package comprises: a Directive amending rules set out in MiFID II, IDD, UCITS, AIFMD and Solvency II (the “Omnibus Directive Proposal”); as well as a Regulation amending the Packaged Retail and Insurance-based Investment Products (PRIIPs) Regulation. The proposals set forth therein elaborate and expand on many rules designated to (1) empower retail investors to make more informed investment decisions and (2) to enhance trust and confidence and enhance retail investor participation.
36. Following an initial explanation on the main objectives of the Retail Investment Strategy, the Commission provided an overview on the concrete legislative amendment proposals, namely: (i) a possible new regulatory approach towards inducements; (ii) the enhancement of rules addressing the marketing communications and practices and the need to improve investors’ protection and confidence; (iii) the opportunity to improve cross-sectoral integration to address legislative misalignments between, as well as quality and content of, disclosure rules; (iv) the need to improve rules on product mapping and supervisory enforcement; and (v) the need to enhance financial literacy.
37. EIOPA’s Chairperson welcomed the publication of the European Commission’s legislative package as well as the thorough presentation by the Commission representative .
38. EIOPA’s Chairperson then presented the EIOPA’s stance regarding the Retail Investment Strategy. EIOPA is dully assessing the Commission’s legislative proposals and getting ready to deliver on an ambitious framework for implementing the Strategy via a variety of pieces of Level 2 and Level 3 work.
39. On the proposal itself, EIOPA fully supports the efforts to reduce savings gaps by creating a regulatory and supervisory framework in which the advice is provided in the best interests of consumers. EIOPA also welcomes the fact that the proposals take into account the insurance sector specificities with a focus on ensuring the protection of all types of retail investors.
40. BoS and IRSG members engaged in an open discussion regarding the Commission’s efforts to enhance retail investor participation in capital markets. The discussion covered several key topics, including existing issues in the market at product level (high costs) or at distribution level (quality advice, conflicts of interest), the complexities and opacities present in various financial products, the importance of improving the quality of information provided to retail investors, the development of price benchmarks for specific products, and the significance of POG supervision to ensure value for money in investment products.
41. Throughout the discussion, participants emphasized the relevance of academic analysis and consumer testing to ensure the provision of high-quality and effective information, promoting transparency and facilitating informed decision-making for (prospective) retail investors.
42. Concerns about a negative effect of the proposal on distribution and risk of stifling product innovation were also raised.

43. The critical role of disclosure rules was also recognized, underscoring the relevance of understandable information that empowers retail investors to make informed choices within the framework of the the Retail Investment Strategy. However, some participants also cautioned when aiming at further standardization efforts, as the diversity of products should be preserved to meet the variety of needs of retail investors.

CONCLUSIONS AND ACTION POINTS

44. BoS and IRSG members to monitor the legislative developments of the Retail Investment Strategy in the EU Parliament and in the Council, and to actively contribute to the discussions on the European Commission's proposal.

AGENDA ITEM D: RIGHT TO BE FORGOTTEN (RTBF)

45. IRSG Vice-Chair Michaela Koller presented her own initiative work on the right to be forgotten, providing a contextualization of the topic within the framework of the European Commission's initiative to develop a code of conduct focused on the RTBF. This initiative is part of the broader Europe's Beating Cancer Plan, which encompasses various actions to improve not only cancer prevention, treatment and care, but also to ensure a fair access for cancer survivors to financial services, including life insurance linked to credit or Loan agreements.
46. Welcoming the European Commission's work to develop a code of conduct, IRSG Vice-Chair further explained the aim and scope of her own initiative work. The report serves as a valuable contribution to the ongoing dialogue, evidence gathering and reflection on the potential consequences of any solution pertaining to fair access to products such as life insurances, and Loans or credits for cancer survivors.
47. Following IRSG Vice-Chair presentation, the Commission provided an update of the actions being taken by the Commission in view of establishing the EU Code of Conduct that would be applicable from 2024. As part of the process, roundtables and consultations are being organized to gather input and expertise from various stakeholders. The Commission informed that Deloitte has been commissioned to foster the development of the draft code of conduct.
48. BoS and IRSG members welcomed the comprehensive presentation and exchanged views on the topic, acknowledging the different existing definitions of "end of cancer treatment" and "complete remission", the different RTBF mechanisms already being implemented in some member states, as well as the importance of monitoring the development of the code of conduct on a RTBF closely.

CONCLUSIONS AND ACTION POINTS

49. After the discussions, the final version of the IRSG Vice-Chair own initiative report on the RTBF was unanimously approved by IRSG members.
50. IRSG members to continue their engagement in the dialogue on the RTBF, to participate in the dedicated roundtables organised by the European Commission and to provide input to ensure that the code of conduct is based on a fair assessment.
51. EIOPA to published the final version of the own initiative report on the dedicated IRSG webpage and to provide its input, as supervisory authority, to the consultations aimed to foster the development of a draft code of conduct on fair access of cancer survivors to financial services.

AGENDA ITEM E: AOB

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

Participants

IRSG Chairperson: Paul Fox, Vice-Chairperson: Michaela Koller

First Name	Last Name	Country	Member representing	Attendance
Mireille	Aubry	France	Industry	Present
Pauline	Azzopardi	Malta	Consumers & Users	Present (online)
Typhaine	Beaupérin	Belgium/France	Professional associations	Absent
Monica	Calu	Romania	Consumers & Users	Present
Desislav	Danov	Bulgaria	Consumers & Users	Present
Niko	Daskalakis	Greece	SMEs	Present
Claudia	Donzelmann	Germany	Industry	Present
Paul	Fox (Chair)	UK/Belgium	Consumers & Users	Present
Hugh	Francis	UK	Industry	Present
Liisa	Halme	Finland	Employees	Present
Liane	Hirner	Austria	Industry	Present (online)
Benoît	Hugonin	France	Industry	Present
Marcin	Kawiński	Poland	Academics	Present
Michaela	Koller (Vice-Chair)	Germany	Industry	Present
Xavier	Larnaudie Eiffel	France	Industry	Present
Pierpaolo	Marano	Italy	Academics	Present
Stefan	Materne	Germany	Academics	Present
Anthony	O'Riordan	Ireland	Professional associations	Present
Tomas	Paulauskas	Lithuania	Consumers & Users	Present
Juan - Ramón	Plá	Spain	Industry	Present
Patricia	Plas	Belgium	Industry	Absent
Guillaume	Prache	France/Belgium	Consumers & Users	Present
Tito	Rodrigues	Portugal	Consumers & Users	Present
Galit	Saar	Sweden	Industry	Present
Lauri	Saraste	Finland	Industry	Present
Bruno	Scaroni	Italy	Industry	Present
Martin	Schmalzried	Czech Republic	Consumers & Users	Present
Antti	Talonen	Finland	Academics	Present
Greg	Van Elsen	Belgium	Consumers & Users	Absent
Gisella	van Vollenhoven	Netherlands	Industry	Present

EIOPA Chairperson: Petra Hielkema

EIOPA BoS members

Other participants:

EIOPA's Senior Management and staff members.