

EXTRAORDINARY 56TH BOARD OF SUPERVISORS MEETING VIA TELECONFERENCE

DATE: 17 MARCH 2020 11:00-13:00

LOCATION: N/A

FINAL MINUTES

WELCOME AND INTRODUCTORY REMARKS BY THE EIOPA CHAIRMAN

1. The Chairman welcomed the attendees to the fifty-sixth meeting of EIOPA's Board of Supervisors (BoS).
2. PRA (UK) was invited to participate in the call.

AGENDA ITEM 1: ADOPTION OF THE AGENDA

DECISION

3. BoS adopted the agenda by consensus.

CONCLUSIONS AND ACTION POINTS

4. The Chairman concluded that there is no BoS Member that has interest that could be considered prejudicial to their independence with regard to the any item of the adopted agenda following declaration by all BoS Members of absence of any such interests.

AGENDA ITEM 2.1: UPDATE AND FEEDBACK FROM RFSC TELCO

5. The Risk and Financial Stability Committee Chair updated on the conclusions from the RFSC telco. It was further highlighted that the current market development is triggered by both demand and supply shock to economies because of the coronavirus outbreak. This situation is reflected by highly volatile financial markets with sharp decline in equity prices and widening credit spreads.

DECISION

Not applicable

CONCLUSIONS AND ACTION POINTS

6. The BoS agreed that the current situation requires close monitoring and coordination role of the Risk and Financial Stability Committee (RFSC).
7. EIOPA to organise regular weekly RFSC telcos until the situation will be normalised. EIOPA to organise a BoS telco on 24 March 2020.

2.2: DISCUSSION ON MARKET DEVELOPMENTS AND ASSESSMENT OF INITIAL IMPACT ON THE SECTOR

8. The Head of the Risks and Financial Stability Department presented the preliminary assessment of the impact of COVID19 on the market.
9. The Chairman informed the BoS that, according to the first feedback from the industry, undertakings' business continuity and level-of-claims ratio seems to be relatively fine but there will be an impact on new business.

CONCLUSIONS AND ACTION POINTS

10. BoS agreed with the description of the market developments and with the assessment of the impact of COVID19 on the sector, as presented by EIOPA.

2.3: TOUR DE TABLE AND SHARING EXPERIENCES AT NATIONAL LEVEL

11. BoS members reported on their experiences and recently taken initiatives at national level with regard to the business continuity communication to the market, and on their initial assessment of the consequences for the financial position of undertakings, their concerns on their ability to write new business and the message to keep an adequate level of capital (e.g. reviewing the dividend distribution policies).

CONCLUSIONS AND ACTION POINTS

12. BoS members agreed that we are facing an extraordinary situation with severe negative impacts on the economies and profound implications for the European insurance sector. Under this circumstance, the coordination role of EIOPA is crucial.
13. BoS members also raised the importance of providing some relief to undertakings with regard to supervisory requirements (e.g. reporting and public disclosure), considering at the same time the need to receive the minimum updated information necessary for supervisory purposes.
14. BoS members also agreed to include in the communication statement by EIOPA the need to postpone by two months the deadline for the Holistic Impact Assessment, for the purpose of

FINAL MINUTES

the Solvency II 2020 review, also in light of the importance to receive good and up-to-date information.

2.4: EIOPA COMMUNICATION AND POTENTIAL COORDINATED SUPERVISORY RESPONSE

15. The Chairman presented the draft draft public statement that was broadly agreed by BoS members.
16. The Chairman presented the list of possible measures, foreseen by the current framework, and the new ones that could be active in light of the current exceptional circumstances, which were welcomed by the BoS.

CONCLUSIONS AND ACTION POINTS

17. BoS members broadly agreed with the draft public statement. EIOPA to adjust the statement in view of concrete drafting suggestions received from the BoS and to circulate it to the BoS for approval via a red flag procedure later in the day. EIOPA to publish the statement at the end of the day.
18. BoS members welcomed the identification of potential responses and decided that they should be further explored. EIOPA to prepare a more detailed document for next BoS telco at the latest.
19. EIOPA to work on a concrete proposal on alleviating the burden of specific reporting requirements and disclosure by the end of the week.
20. EIOPA to consider the potential existence of an emergency situation, based on the Crisis Prevention and Management Handbook.
21. BoS agreed to consider RFSC as main crisis management body, requiring experts from other areas, such as policy and supervision to contribute to the discussions.

AGENDA ITEM 3: AOB

CONCLUSIONS AND ACTION POINTS

22. Not applicable

Participants at the Extraordinary Board of Supervisor's teleconference (as per registration)

17 March 2020

Chairperson: Gabriel Bernardino

<u>Country</u>	<u>Voting member/ Alternate</u>	<u>Accompanying Experts</u>
Austria	Peter Braumueller	Gerlinde Taurer
Belgium	Jean Hilgers/ Dieter Hendrickx	
Bulgaria	Nikolay Petkov (PoA)	
Bulgaria	Zhivka Slavkova (PoA)	
Croatia	Ljiljana Marić	
Croatia	Ante Žigman	
Cyprus	Tonia Tsangaris	
Czech Republic	Zuzana Silberová	
Denmark	Carsten Brogaard	
Estonia	Siim Tammer	
Finland	Teija Korpiaho	Silvaliisa Virri
France	Patrick Montagner	Mary-Cécile Duchon
Germany	Frank Grund/ Thomas Schmitz-Lippert	Petra Faber-Graw
Greece	Ioanna Seliniotaki /Ioannis Chatzivasiloglou	
Hungary	Ferenc Szebelédi	
Ireland	Domhnall Cullinan	Zita Culliton
Italy	Alberto Corinti/ Alessia Angelilli	
Latvia	Santa Purgaile /Dina Mikelsone	
Lithuania	Mindaugas Salcius	
Luxembourg	Claude Wirion	Yves Baustert
Malta	Ray Schembri	
Netherlands	Petra Hielkema	
Poland	Damian Jaworski/ Mariusz Smętek	
Portugal	Margarida Corrêa de Aguiar / Hugo Borginho	
Romania	Valentin Ionescu (PoA)	
Slovakia	Júlia Cillíková	Zuzana Kardosova
Slovenia	Goraz Čibej/ Mojca Rome	
Spain	Sergio Alvarez /Francisco Carrasco	
Sweden	Åsa Larson	

FINAL MINUTES

<u>Country</u>	<u>Permanent Representative/ Alternate</u>	<u>Accompanying Experts</u>
Belgium	Henk Becquaert	
Italy	Ambrogio Rinaldi	
Cyprus	Constantinos Stavrakis	

<u>EEA EFTA Country</u>	<u>Non-Voting Member/ Alternate</u>	<u>Accompanying Experts</u>
Iceland	Rúnar Guðmundsson	
Lichtenstein	Alexander Imhof	
Norway	Ann Viljugrein	

<u>Institution</u>	<u>Non-Voting Member/ Alternate</u>	<u>Accompanying Experts</u>
European Commission	Didier Millerot	
ESMA	Tomas Borovsky	
EBA	Tijmen Swank	
ESRB	Francesco Mazzaferro	
EFTA	Frank Büchel	

<u>Observer</u>	<u>Representative</u>	<u>Accompanying Experts</u>
UK	Anna Sweeney	

EIOPA Staff

Executive Director	Fausto Parente
Head of Risk and Financial Stability Department	Dimitris Zafeiris
Head of Policy Department	Justin Wray
Head of Supervisory Processes Department	Ana Teresa Moutinho
Head of Oversight Department	Patrick Hoedjes