



71ST BOARD OF SUPERVISORS MEETING VIA VIDEOCONFERENCE

DATE: 29 JUNE 2021 09:00 - 13:30 CET

30 JUNE 2021 09:00 - 12:05 CET

LOCATION: N/A

FINAL MINUTES

WELCOME AND INTRODUCTORY REMARKS BY THE EIOPA CHAIRPERSON

1. The Vice-Chairperson welcomed the attendees to the 71st meeting of EIOPA's Board of Supervisors (BoS).
2. The Vice-Chairperson informed the Members on the attendance of the newly appointed Chairperson, Ms Petra Hielkema, who was invited to attend the 71st meeting of the Board of Supervisors as a special guest. Ms Hielkema will take office on September 1st.
3. In her address to the BoS Members, Ms Hielkema expressed enthusiasm serving EIOPA and to start working with the BoS Members in her new capacity as a Chairperson.

AGENDA ITEM 1: ADOPTION OF THE AGENDA

4. The Vice-Chairperson invited all BoS Members to comment on the agenda and to declare accurately and completely whether there is any interest which might be considered prejudicial to their independence in relation to any items on the agenda in accordance with Article 42(3) of the EIOPA Regulation.

DECISION

5. The BoS adopted the agenda by consensus.

CONCLUSIONS AND ACTION POINTS

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

AGENDA ITEM 2: UPDATES BY VICE-CHAIRPERSON, EXECUTIVE DIRECTOR AND EUROPEAN COMMISSION

UPDATES BY VICE-CHAIRPERSON

MEMBERSHIP UPDATES

7. The Vice-Chairperson started his updates by informing the Members on the recent changes in the composition of the BoS Membership and namely:
 - Ms Mary-Cécile Duchon, Deputy Director for International Affairs (ACPR) was appointed Alternate to Mr Patrick Montagner, replacing Mr Frédéric Hervo who stepped down as BoS Alternate.
 - Ms Jekaterina Govina, Director for Financial Market Supervision (Bank of Lithuania) was appointed Voting Member for Lithuania, replacing Ms Renata Bagdonienė. Ms Bagdonienė will continue representing the Bank of Lithuania as Alternate, replacing Mr Mindaugas Šalčius who left the Authority in December 2020.
 - Ms Natasha Cazenave was appointed Executive Director of the European Securities and Markets Authority (ESMA) with effect from 1 June 2021 for a five-year renewable term.
 - Mr Dimitar Koychev, Alternate to Mr Vladimir Savov left the Bulgarian Financial Supervision Commission (FSC). Mr Savov will remain the only representative of the Bulgarian FSC at EIOPA BoS until an Alternate is appointed.

RECURRING UPDATE FROM STAKEHOLDER GROUP (SHG) MEETINGS

8. Two stakeholder meetings took place between the last and the current BoS meeting: the Insurance and Reinsurance Stakeholder Group (IRSG) met on 6 May and the Occupational Pensions Stakeholder Group (OPSG) met on 23 June.
9. Both meetings were attended by the Vice-Chairperson and Executive Director of EIOPA. From the BoS side, Mr Domhnall Cullinan (Central Bank of Ireland - CBI) participated in the IRSG meeting and Mr. Hugo Borginho (Autoridade de Supervisão de Seguros e Fundos de Pensões – ASF Portugal) in the OPSG meeting.
10. The Vice-Chairperson informed the Members that during its September meeting, the BoS will discuss the future approach to meetings of the IRSG and OPSG taking into Article 40(2) of the EIOPA Regulation as well as its environmental policy.

EUROPEAN SYSTEMIC RISK BOARD (ESRB) GENERAL BOARD (GB)

11. On 24 June 2021, the Vice-Chairperson attended the ESRB General Board (GB) meeting. One of the topics discussed at the meeting was the future steps regarding the ESRB recommendation on dividend distribution. The Vice-Chairperson underlined the persistence of risks, the importance of combined communication and the strong coordination between the European bodies. The final decision on the recommendation will be made at the September GB meeting.

THE INTERNATIONAL ASSOCIATION OF INSURANCE SUPERVISORS (IAIS) WESTERN EUROPEAN REGION – CALL FOR CANDIDATES

FINAL MINUTES

12. The membership of the IAIS Executive Committee (ExCo) is divided into nine different regions. The Western European Region holds seven votes in total in the IAIS ExCo composed of five standing member jurisdictions (EIOPA, France, Germany, United Kingdom and Switzerland) and two voting representatives on a rotating basis.
13. The two seats, currently held by Alberto Corinti (IT) and Gerry Cross (IE), need to be re-elected for another two-year term and communicated to the IAIS by November 2021.
14. The Vice-Chairperson informed the Members that EIOPA has already started the internal preparations and a procedure for the re-election will be launched in the coming days.

GLOBAL INSURANCE SUPERVISION (GIS) CONFERENCE 2021

15. Members were reminded that EIOPA will hold the GIS conference on 13-15 September, in virtual format. The main topic for this year's conference will be "The Insurance Sector in the Aftermath of the Covid-19 Pandemic". Members are invited to attend. More information on the conference can be found on EIOPA's website.

BREXIT

16. The Vice-Chairperson underlined that the current political discussions between the EU and the UK government and the inherent spill-over to the financial services sector.
17. Regarding the EIOPA-UK dialogue, the Vice-Chairperson informed the BoS that EIOPA meets with the FCA and PRA on a quarterly basis and with the UK Pensions Authority – on an annual basis. The last joint dialogue with the PRA and FCA took place on 17 June 2021.
18. One particular item came to EIOPA's attention. The PRA has reached out to some NCAs to agree on split of responsibilities in supervision (the so-called "Split of Responsibilities agreements"). EIOPA is assessing the need to reach such additional agreements with the PRA and the FCA, which would supplement the MMoU on cooperation already signed. The Vice-Chairperson stressed the key importance of maintaining a harmonized approach across EEA jurisdictions.

EU-US PROJECT

19. A Steering Committee Meeting took place on 16 June 2021. It was agreed to initiate three new work-streams for 2021-2022: (i) Climate Risk Financial Oversight; (ii) Climate Risk and Resilience; and (iii) Technology and Innovation. The work done in 2020-2021 on Cyber Security, Cyber Insurance and Big Data will be presented in a virtual event after the summer.

ECOFIN – LETTER

20. The Vice-Chairperson informed the BoS that ahead of the ECOFIN meeting of 18 June 2021, EIOPA sent a letter to the ECOFIN President, Mr João Leão, on the implications of insurers' failures for the protection of European policyholders.
21. This action came following the Commission's updates at EIOPA's Management Board on 8 June 2021 about its consideration to decouple the decision on Insurance Guarantee Schemes (IGS) from the upcoming Solvency II package and to postpone the discussions on this topic.

FINAL MINUTES

22. The letter reiterates EIOPA's view on the need for a European network of national IGS or similar mechanisms, which should meet a minimum set of harmonised features in order to ensure the functioning of the single market.

UPDATES BY THE EXECUTIVE DIRECTOR

FINANCIAL SERVICES COMMITTEE - FSC

23. The ED briefed the Members on his most recent attendances of the FSC meetings where EIOPA updated FSC Members on its work on unit-linked insurance in the context of the EIOPA's framework to address value for money risk, and on the main findings of the 2021 Cost and Past Performance Report.

BOARD OF APPEAL

24. The ED informed the BoS Members on two major points:
- First, on the upcoming renewal process of the members of the Board of Appeal (BoA) whose mandates will come to an end in November 2021. The European Commission (COM) has finalised its internal shortlisting process for the replacement of the outgoing BoA members. EIOPA and the other ESAs will address the topic in September at Management Board level, once the COM has shared the shortlist.
 - Second, on the BoA case brought up by a insurance undertaking against EIOPA's participation in the Romanian Balance Sheet Review (BSR). The BoA unanimously dismissed the appeal of the insurance undertaking and closed the case without any further action.

JOINT COMMITTEE

25. On 3 June 2021, a Joint Committee (JC) meeting took place. EIOPA presented the draft 2022 JC Work Programme in view of EIOPA's Chairmanship in 2022. The work for 2022 will focus in particular on the area of sustainable finance and on work stemming from the Digital Finance Package, securitisation and financial conglomerates.
26. The draft JC Work Programme will be sent for comments and approval to all three ESAs' BoSs in a written procedure.

2021 ESA REVIEW

27. The ED briefed the Members of COM's technical questionnaire seeking EIOPA's staff view on the revision of the ESAs' founding regulations. EIOPA submitted its reply to the Commission on 21 May 2021, highlighting the challenges in the area of cross-border activities that would require more centralised supervision at EU level to ensure timely actions. Answering to questions raised by some BoS members the ED clarified that the answers represent EIOPA's staff view already expressed in the past and are in line with the view expressed in the Capital Market Union High Level Working Group (CMU HLWG) as well as the CMU Action Plan.

DISCLOSURE OF BOS MEMBERS INDIVIDUAL VOTES AND REASONING

FINAL MINUTES

28. The BoS was reminded of the approved revision of the Rules of Procedure of the Board of Supervisors following the Ombudsman's relevant case and advice to EIOPA to change its approach regarding the disclosure of individual votes on legislative documents.
29. The changes will apply to the qualified majority votes solely on technical standards. In addition to the disclosure of the votes also any potential dissenting reasons will be published.
30. The disclosure will be executed through the minutes of the BoS meetings.
31. In addition, the ED informed the Members on the developments of another relevant Ombudsman investigation into the EBA's decision-making on alleged breaches of EU law by national regulatory authorities in two instances .

PUBLIC ACCESS UPDATE

32. The ED informed the Members of the ongoing processing of public access requests and relevant deadlines. EIOPA will ask NCAs for specific feedback in this respect.

EIOPA MEETINGS AND STAKEHOLDER EVENTS IN 2022

33. The Members were informed that for the remaining two BoS meetings in 2021, EIOPA plans to hold the September BoS remotely and, tentatively, the November meeting in-person. More information will follow under the item 4 of the meeting agenda.

BUDGET

34. For 2021, EIOPA will have budget savings (currently a saving of around EUR 500,000 is forecasted). The savings result mostly from cancelled missions, reduced meetings, training and events organisation costs as well as less childminding expenditure. EIOPA proposes to use the savings for essential operational projects (i.e. IT related projects).

ORGANISATIONAL MATTERS – NEW ETHICS OFFICER FOR NON STAFF

35. The BoS was informed about the appointment of a new ethic officer for non staff.

OTHER MATTERS

36. The ED closed his updates by complementing the information provided by the Vice-Chairperson on BREXIT issue. The BoS Members are invited to attend the upcoming quarterly meeting between EIOPA and UK where it will be discussed the Spilt of Repsonsibilities in supervision.
37. Some of the Members highlighted the need for a coordinated approach among the Members and the need to have an additional agreement on top of the MMoU. On the basis of our understanding the MMoU provide sufficient room for exchange of information of third countris branches in light of the confidentiality rule ecquivalence.

UPDATE BY THE EUROPEAN COMMISSION (COM)

38. The COM representative informed the BoS Members on the following business files:

FINAL MINUTES

- Board of Appeal renewal: The letter with the shortlisted candidates, signed by Sean Berrigan, was sent to the Chairpersons of the ESAs and the Parliament. The letter should reach EIOPA soon.
 - Solvency II review: COM is working on the finalisation of the package and is targeting 30 September for adoption.
 - COM does not envisage to include a proposal on insurance guarantee schemes as part of the package, at this stage. Due to the prioritisation of work at the COM level, currently with focus on recovery, COM is also very mindful of the possible implementation costs that such IGS proposal would add to the industry in the Covid environment. Therefore, COM's thinking is that any further attempt to harmonise the IGS should happen at a later stage.
 - Motor Insurance Directive: a final trilogue took place on 22 June 2021 and an agreement was reached between the European Council and the European Parliament (EP). The agreement was confirmed on 28 June 2021.
 - Internal discussion on the review of Insurance Distribution Directive (IDD): COM is contemplating to launch a large project on retail investor protection as announced through the CMU Action Plan. This initiative will involve elements which are already tackled by the IDD, in particular in terms of disclosure, advice and inducement. COM is currently discussing the organisation of the work and involvement of Authorities. A targeted Call for Advice will be sent to EIOPA.
 - Pensions related issues: study on autenrolement done by an external contractor. A workshop with the participaton of EIOPA took place and a proposal for best practices was discussed. COM should receive the conclusions of the study in autum.
 - Pan-European Personal Pension Product (PEPP): Legislative package is fully complete. All Level II measures are published. Implementation is projected for 22 March 2022.
 - International issues: COM adopted adequacy decision under GDPR for the UK. The decision will enter into force and is subject to a "Sunset clause", meaning it will be in force for an initial 4 years with possibility to be reviewed after.
39. In the follow-up discussions, several BoS Members highlighted that the legislative proposal on IGS would be an opportunity to build at EU level a framework for insurance guarantee schemes, to ensure the same level of policyholder protection throughout the EU.
40. Also, Members expressed views on the public access and the importance of having a unified approach at EU level.
41. In response the COM reiterated that the IGS is postponed and not cancelled and expressed that currently the main focus is on recovery. Though no timeline is envisaged for restarting the project on the harmonization, it is still under consideration for a later stage. Regarding the later, the recovery and resolution, this is part of the package as a separate Act which will be adopted at the same time as the Directive amending the Solvency II Directive.

FINAL MINUTES

DECISION

- 42. Not applicable.

CONCLUSIONS AND ACTION POINTS

- 43. Not applicable.

AGENDA ITEM 3: COVID-19: LATEST DEVELOPMENTS

- 44. The Chair of the Risk and Financial Stability Steering Committee (RSFC) provided an update on the latest developments. In this respect, it was mentioned that the economic outlook has improved, although uncertainties remain high.
- 45. Furthermore, there was a discussion on the ESRB recommendation on dividend distributions that is supposed to expire at the end of September 2021, in absence of deteriorating economic conditions. Moreover, it was mentioned that the stress test results of European Banking Authority (EBA) will be disclosed in July 2021 and could be important for the final ESRB decision.

DECISION

- 46. Not applicable.

CONCLUSIONS AND ACTION POINTS

- 47. EIOPA to continue monitoring the risk conditions and to be prepared for a potential lapse of the ESRB recommendation on the dividend distributions in September 2021, including having in place an appropriate communication strategy.

AGENDA ITEM 4: EIOPA ENVIRONMENTAL POLICY: FUTURE APPROACH TOWARDS ON-SITE MEETINGS

- 48. The Head of the Corporate Support Department presented an overview of EIOPA's environmental objectives in the context of the Authority's planned certification under the Eco-Management and Audit Scheme. In this context, EIOPA plans to reduce both on-site meetings with external participants as well as missions of EIOPA staff by 35% compared to pre-pandemic times. Individual reduction targets for EIOPA's different meeting bodies were presented and subsequently discussed.
- 49. Members welcomed the ambitious approach to reduce on-site meetings but also highlighted the continued importance of efficiency as well as face-to-face interactions for effective cooperation.
- 50. Members emphasised the need to implement a clear governance process to ensure that the future meeting practice is appropriately monitored and the reduction targets are being met.
- 51. With the general agreement that hybrid meetings pose many disadvantages, some Members emphasised the need to continue to provide the possibility for remote participation in on-site meetings beyond the pandemic situation.

FINAL MINUTES

DECISION

52. Not applicable.

CONCLUSIONS AND ACTION POINTS

- 53. BoS welcomed the environmental policy, including the objectives and proposed targets.
- 54. EIOPA to take into account the importance of physical meetings for relationship building and effective cooperation and, in this context, to further refine the individual reduction targets for different meeting bodies.
- 55. EIOPA to implement a governance process to monitor meeting practice and the achievement of the reduction targets.
- 56. EIOPA to consider the budget impact and potential for savings related to the reduction of on-site meetings and missions.

AGENDA ITEM 5: QCC REVIEW OF THE OPERATIONALITY OF EIOPA'S WEBSITE: RESULTS

- 57. The Quality Control Committee (QCC) Chairperson presented the main outcome of the draft report on the QCC review of the operability of EIOPA's website (public area and extranet).
- 58. The findings of the report are based on replies received from National Competent Authorities (NCAs) and the Members of the Stakeholder Groups to an online survey. The main findings of the report are related to the website, the extranet as well as to more horizontal communication aspects. The report includes a set of recommendations made by the QCC, which are drafted to allow for practical ways of implementing the proposed improvements.
- 59. The QCC Chairperson recommended that a cost analysis would be performed by EIOPA to select the actions needed for addressing the report's recommendations.
- 60. The BoS welcomed the report and highlighted the importance for EIOPA to prioritise and develop a dedicated action plan.

DECISION

61. Not applicable.

CONCLUSIONS AND ACTION POINTS

- 62. BoS welcomed the draft report.
- 63. The BoS Members are invited to provide additional comments to the draft report by 14 July 2021 via written procedure. QCC to subsequently finalise the report and circulate it to MB for the final approval.
- 64. Upon final approval of the report, EIOPA to draft a cost-beneficial action plan to address the recommendations, taking into account whether alternative solutions could achieve an equivalent outcome.

AGENDA ITEM 6: DRAFT REPORT ON SUPERVISORY INDEPENDENCE

- 65. The Head of the Oversight Department presented the topic, and explained the background and aim of the report, which is to set out a factual report that is consistent among the ESAs.

FINAL MINUTES

66. The Members expressed general support on the draft report. Some concrete suggestions and clarifications were made. Several Members indicated having factual comments, which will be submitted after the meeting.
67. Given the discussion, Members will have 3 weeks to submit comments on the draft report. EIOPA will subsequently prepare the report for approval in the September BoS meeting.
68. Several Members underlined the importance of cooperation between the ESAs and the need for consistency across the reports.
69. The Head of the Oversight Department mentioned that the criteria for the independence of supervisory authorities, approved in May by the BoS via a written approval procedure, will be published at EIOPA's website shortly.

DECISION

70. Not applicable.

CONCLUSIONS AND ACTION POINTS

71. EIOPA to send the draft report to BoS for written comments within a three-week period. EIOPA to present the revised report for approval at the September BoS.
72. EIOPA to continue close coordination with the other ESAs.

AGENDA ITEM 7: SUSTAINABLE FINANCE

7.1. Impact underwriting: report and next steps

73. The Head of Policy Department introduced the report, which takes into account the feedback received from the public consultation.
74. Members supported the report which aims at identifying how insurers could address the insurance protection gap and contribute to climate change mitigation and adaptation.
75. In the ensuing discussion, some Members sought clarification with regard to the next steps in terms of timing and resources needed. Some Members expressed a preference to have less emphasis on long-term non-life contracts.

DECISION

76. BoS adopted, by consensus, the 'Report on non-life underwriting and pricing in light of climate change (EIOPA-BoS-21-259)', the 'Feedback statement (EIOPA-BoS-21-260)' and the 'Resolutions to comments received during the public consultation (EIOPA-BoS-21-261)'.

CONCLUSIONS AND ACTION POINTS

77. BoS supported the next steps as set out in the report, though with less emphasis on non-life long-term contracts. More broadly, BoS asked for regard to be paid to prioritisation and resources in relation to EIOPA's sustainable finance work.
78. EIOPA to publish the report, the feedback statement and the resolutions to comments on its website.
79. EIOPA to continue the work on impact underwriting.

80. EIOPA to come back to the BoS in relation to its overall work on sustainable finance.

7.2. Methodological paper on natural catastrophe risk

81. The Head of Policy Department introduced the methodological paper, which takes into account the feedback received from the public consultation.
82. BoS supported the paper which presents a methodological proposal for the potential inclusion of climate change in the natural catastrophe sub-module of the Solvency II standard formula.

DECISION

83. BoS adopted, by consensus of all voting members, the 'Methodological paper on potential inclusion of climate change in the Nat Cat standard formula (EIOPA-BoS-21-253)', the 'Feedback statement (EIOPA-BoS-21-254)' and the 'Resolutions to comments received during the public consultation (EIOPA-BoS-21-255)'.

CONCLUSIONS AND ACTION POINTS

84. EIOPA to publish the methodological paper and the accompanying documentation on its website.

AGENDA ITEM 8: UPDATE ON JOINT ESAS WORK ON TAXONOMY-RELATED PRODUCT DISCLOSURES

85. The Chair of the Joint Committee Sub-Committee on Consumer Protection and Financial Innovation presented the Progress report on the draft Regulatory Technical Standards on the Taxonomy-related product disclosures which takes into account the feedback received from the public consultation and presents the key open issues to obtain the views of BoS Members.
86. With regard to the choice of Key Performance Indicator (KPI) to calculate the Taxonomy-alignment for investments in Non-Financial Undertakings (NFU), Members expressed almost equal support for Option 1 and Option 2 which allow to tailor the KPI to the nature of the product. Option 1 consists in using one KPI for all NFU investments in pre-contractual and periodic disclosures, defaulting to turnover but allowing a choice of CapEx or OpEx when justified by the characteristics of the financial product. Option 2 consists in using one turnover-default KPI (allowing a choice of CapEx or OpEx when justified by the characteristics of the product) for all NFU investments in pre-contractual disclosures but disclose all three in periodic disclosures. The Commission expressed support for Option 2. Finally, Option 3 received significantly less support, but Members supporting it highlighted that the advantage of this option is the alignment with the EU Ecolabel
87. With regard to the inclusion of sovereign bonds in the denominator of the KPI to calculate the Taxonomy-alignment of a financial product, a BoS majority expressed support for their inclusion, however a few Members expressed support for exclusion. COM supported the inclusion of sovereign bonds in the denominator. Those in favour of inclusion argued that an exclusion of sovereign bonds would lead to greenwashing, as products mostly invested in government bonds could show a high taxonomy-alignment of the financial product when the remaining minority

FINAL MINUTES

assets of the product are taxonomy-aligned. Also, those Members in favour of an exclusion insisted in the need to be consistent with the draft delegated act under article 8 of the Taxonomy Regulation and noted that the inclusion of sovereign bonds in the denominator will lead to consumers investing more in financial products which do not make investments in government bonds, with a higher risk profile than traditional insurance and pension products.

88. Some Members highlighted that the priority of the ESAs work is to avoid information overload and ensure that consumers understand the information.
89. The Vice-Chairperson noted the importance of this project to prevent greenwashing and consequently called on Members to support the draft RTS in the subsequent BoS Written Procedure in July. The Written Procedure will be launched after ESMA BoS discusses the Progress Report on 8 July 2021 and an ESAs final discussion takes place on 12 July 2021 to reflect EIOPA and ESMA BoS feedback in the Final Report.

DECISION

90. Not applicable.

CONCLUSIONS AND ACTION POINTS

91. BoS supported the options presented.
92. With regards to the choice of Key Performance Indicator (KPI) to calculate the Taxonomy-alignment for investments in Non-Financial Undertakings, BoS expressed almost equal support for Option 1 and Option 2.
93. With regards to the inclusion of sovereign bonds in the denominator of the KPI to calculate the Taxonomy-alignment of a financial product, a BoS majority expressed support for their inclusion.
94. Following the upcoming ESMA BoS discussion on the Progress Report on 8 July, Joint Committee to discuss proposed way forward for written procedure in all three ESA BoS in mid-July.

AGENDA ITEM 9: CALL FOR ADVICE – CONSULTATION

9.1. Pensions tracking system

95. The Head of Policy Department presented the paper on the Pension Tracking Systems (PTS), responding to the first part of the COMs Call for Advice (CfA) on the pension tools. This is to be put forward for an eight week consultation period.
96. Several members supported the principles and recommendations for the PTS, including the need to keep the PTS' landing page simple for individuals to understand the information.
97. Several members raised concerns regarding the sensitive social nature of the Call for Advice being beyond prudential supervision and so beyond the remit of EIOPA or the NCAs.
98. The Vice-Chairperson concluded that specific modifications will be made to the paper and re-submitted for approval via written procedure.

DECISION

99. Not applicable

CONCLUSIONS AND ACTION POINTS

100. Overall, BoS supported the consultation paper on pensions tracking subject to some fine tuning.
101. EIOPA to include a statement highlighting the technical nature of the advice and circulate the revised version to BoS in a written procedure for approval before the launch of the public consultation.

9.2. Pensions dashboard

102. The Head of Policy Department presented the paper on the Pensions Dashboard, responding to the second part of the COMs Call for Advice (CfA) on the pension tools. The paper is to be put forward for an eight week consultation period.
103. While members broadly supported EIOPA's advice as responding to the request from the COM, several members raised strong concerns with the request, and consequently the advice, referring to the scope of the CfA as being beyond prudential supervision and so beyond the remit of EIOPA and the NCAs. Some members mentioned that a dashboard should be developed incrementally.
104. The cost of collecting the proposed data, particularly if it were outside the scope of prudential supervision, needed also to be reflected.
105. The COM recognised that more than supervisory issues were raised by the dashboard. It noted that it sought technical advice from EIOPA, whereas decisions on implementation would be taken at political level
106. The Vice-Chairperson concluded that specific modifications will be made to the paper and re-submitted for approval via written procedure.

DECISION

107. Not applicable

CONCLUSIONS AND ACTION POINTS

108. Overall, BoS supported the consultation paper on pensions dashboard subject to some fine tuning.
109. EIOPA to include a statement highlighting the technical nature of the advice and circulate the revised version to BoS in a written procedure for approval before the launch of the public consultation.

AGENDA ITEM 10: IDD REVIEW: INITIAL STRATEGIC DISCUSSION

110. EIOPA staff presented the note on 'Initial strategic discussion related to the review of the Insurance Distribution Directive (IDD)'. It was highlighted that EIOPA has begun thinking of possible areas of focus such as digitalisation, improvements to disclosures and point of sale process, enhancing supervisory convergence/co-operation, raising the level of professionalism etc.

FINAL MINUTES

111. The COM emphasised that the intention of the COM was to focus on the Retail Investment Strategy and retail investment products, which meant only focussing on insurance-based investment products (IBIPs) in case of the IDD. Consequently, the IDD review would be delayed to an undefined date as it was not possible for the COM to run parallel processes of making sectorial changes at the same time as taking a holistic approach. However, the COM highlighted that EIOPA could expect a CfA on retail investment topics very soon, with the expectation that EIOPA's advice would be provided by the end of the year, as the COM is under significant time pressure. In any case, the COM expected EIOPA to provide the Report on the Application of the IDD by the end of the year and this will provide an evidence basis for a future IDD review.
112. Several Members stated that they would provide their comments in writing.

DECISION

113. Not applicable.

CONCLUSIONS AND ACTION POINTS

114. EIOPA stands ready to provide input, within a reasonable deadline, to a Call for Advice on the COM's Retail Investment Strategy once received from the COM.
115. EIOPA to continue working on the Report on the Application of the IDD under Article 41(4) of the IDD with the aim of finalising it by end of 2021.

AGENDA ITEM 11: CLOSED SESSION – CONFIDENTIAL EXCHANGE OF INFORMATION

AGENDA ITEM 12: INSURANCE STRESS TEST 2021 – VALIDATION PROCESS

116. The Head of the Risks and Financial Stability Department introduced the topic, providing an update on the status of the activities and presenting the approach to the validation process with focus on the timeline and logistic. In line with the current evolution of the pandemic, the central validation will be on-site with possibility of remote access by experts always in compliance with confidentiality and security of the treated information. The proposed approach received support from the BoS.

DECISION

117. BoS adopted, by simple majority, the 'Note on the validation procedure (EIOPA-BoS-21-247)'.

CONCLUSIONS AND ACTION POINTS

118. The BoS supported the proposed approach to the central validation. While in-presence activities are envisaged, EIOPA is making necessary steps to allow central validation activities remotely.

AGENDA ITEM 13: PROPOSAL FOR A STUDY ON PHYSICAL RISKS IN A CLIMATE-CHANGE PERSPECTIVE

119. The Head of the Risks and Financial Stability Department presented the outline of the study on physical risks in light of climate change. The study is a follow-up of the sensitivity analysis published in 2020 and will include a targeted data collection.
120. BoS Members expressed support of the exercise and it was agreed that a “lessons learned” exercise related to the data collection is to be carried out after the finalisation of the exercise.

DECISION

121. Not applicable.

CONCLUSIONS AND ACTION POINTS

122. BoS Members supported the study exercise as planned. EIOPA to launch the approval of the physical risk study and data collection for study and protection gap dashboard through the written procedure following the BoS meeting.
123. EIOPA to initiate a “lessons learned” exercise related to the data collection after the exercise is finalised.

AGENDA ITEM 14: OPINION ON THE USE OF RISK MITIGATION TECHNIQUES BY INSURANCE AND REINSURANCE UNDERTAKINGS

124. The Head of Supervisory Processes Department presented the ‘Opinion on the use of risk mitigation techniques’, which was welcomed by BoS even if some Members expressed preference to have few additional details on the examples included in the Opinion.
125. The BoS agreed that it is important to publish the Opinion now and once more experience is gained the level of detail can be reconsidered if necessary.

DECISION

126. BoS adopted, by simple majority, the ‘Opinion on the use of risk mitigation techniques (EIOPA-BoS-21-306)’, the ‘Impact assessment (EIOPA-BoS-21-307)’, the ‘Feedback statement (EIOPA-BoS-21-294)’, and the ‘Comments template (EIOPA-BoS-21-295)’.

CONCLUSIONS AND ACTION POINTS

127. The BoS Members agreed to exchange some experiences on the application of the Opinion in Expert Networks in the future. If needed, once NCAs have more experience on the application of the Opinion, it may be considered to include additional details on specific examples.
128. EIOPA to publish the Opinion and the accompanying documentation on its website.

AGENDA ITEM 15: CONSULTATION PAPER - AMENDMENTS TO GUIDELINES ON CONTRACT BOUNDARIES AND GUIDELINES ON TECHNICAL PROVISIONS

129. EIOPA staff presented the consultation paper.

FINAL MINUTES

130. Members welcomed the paper and the related documents, which cover a wide range of topics including unbundling, discernible effect, policyholder behaviour, stochastic valuation, expense assumptions, expected profits included in future premiums (EPIFP), Expert judgement and future management actions.
131. The consultation paper will be published in EIOPA website for a four-month public consultation, including an information request to finalise the impact assessment of the revision of the Guidelines on Contract Boundaries. This information request will have the same deadline than the public consultation and will cover 50% of the market in terms of life technical provisions. The information request will be channelled through the NCAs.

DECISION

132. BoS adopted, by simple majority, the 'Consultation papers on the revision of the Guidelines on Contract Boundaries (EIOPA-BoS-21-301)', and the 'Revision of the Guidelines on valuation of technical provisions (EIOPA-BoS-21-302)'.

CONCLUSIONS AND ACTION POINTS

133. EIOPA to publish the Consultation Papers and the accompanying documentation on its website for a four-month public consultation.

AGENDA ITEM 16: AOB

134. The Vice-Chairperson informed the Members that the September BoS meeting which will be chaired by Ms Hielkema will be organized still as a remote meeting. Tentatively, should the conditions remain favorable, the November BoS is planned to take place as on-site meeting. More information will be provided to the BoS Members after the summer.

DECISION

135. Not applicable.

CONCLUSIONS AND ACTION POINTS

136. Not applicable.

ANNEX: LIST OF DECISIONS ADOPTED BY WRITTEN PROCEDURE FROM 01.04.2021 TO 30.06.2021

BOS-2021-27

1. Decision adopting by simple majority the Working instructions for data revisions.

BOS-2021-33

2. Decision adopting by consensus of all voting members the package for the consultation phase of the 2021 Insurance Stress Test exercise.

BOS-2021-34

3. Decision adopting by simple majority the Note on dividend distribution.

BOS-2021-35

4. Decision adopting by consensus of all voting members the draft Joint Committee report on the implementation and functioning of the Securitisation Regulation (JC 2021 31).

BOS-2021-36

5. Decision adopting by consensus of all voting members the Minutes of the 70th Board of Supervisors Meeting held via videoconference on 30-31 March 2021).

BOS-2021-37

6. Decision adopting by consensus of all voting members the consultation paper and the technical specification on the information request on IBOR transitions.

BOS-2021-38

7. Decision adopting by simple majority the Criteria for the independence of supervisory authorities.

BOS-2021-39

8. Decision adopting by consensus of all voting members the April 2021 Risk Dashboard.

BOS-2021-40

9. Decision adopting by consensus of all voting members the consultation package of the 2021 insurance stress test.

FINAL MINUTES

BOS-2021-41

10. Decision adopting by consensus of all voting members the Introduction of Cross Border Insurance Statistics.

BOS-2021-42

11. Decision adopting by consensus of all voting members the Consolidated Annual Activity Report 2020 (CAAR 2020).

BOS-2021-43

12. Decision adopting by consensus of all voting members the Feedback statement of the discussion paper on the (re)insurance value chain and new business models arising from digitalization.

BOS-2021-44

13. Decision adopting by consensus of all voting members the Solvency II 2020 review: data correction in the impact assessment.

BOS-2021-45

14. Decision adopting by consensus of all voting members the Q&A 1856 on look-through.

BOS-2021-46

15. Decision adopting by simple majority the revised the Rules of Procedure of the BoS

BOS-2021-47

16. Decision adopting by consensus of all voting members the Amendment of EIOPA Budget 2021.

BOS-2021-48

17. Decision adopting by consensus of all voting members the Amended version of the Decision on the collaboration between the insurance supervisory authorities.

BOS-2021-49

18. Decision adopting by consensus of all voting members the Discussion Paper on a Methodological Framework for Stress-Testing IORPs.

BOS-2021-50

19. Decision adopting by consensus of all voting members the Financial Stability Report June 2021.

FINAL MINUTES

BOS-2021-51

20. Decision adopting by consensus of all voting members the ESAs final Joint Reports on the draft ITS.

BOS-2021-52

21. Decision adopting by consensus of all voting members the resolution of comments and feedback statement to the stakeholder's' comments on EIOPA's insurance protection dashboard on natural catastrophes.

BOS-2021-54

22. Decision adopting by consensus of all voting members the Follow-up report on peer review of key functions: supervisory practices and application in assessing key functions.

BOS-2021-55

23. Decision adopting by consensus of all voting members the Board of Supervisors on the EIOPA Final Annual Accounts 2020 (BoS-2021-55).

Participants at the Board of Supervisor's Meeting via Videoconference**29 – 30 June 2021****Vice-Chairperson:** Peter Braumüller

<u>Country</u>	<u>Voting member/ Alternate</u>	<u>Accompanying Experts</u>
Austria	Gerlinde Taurer (PoA) Day 2/Katharina Muther-Pradler(Day 1)	Gerlinde Taurer (Day 1)
Belgium	Jean Hilgers/ Dieter Hendrickx	
Bulgaria	Vladimir Savov/[-]	
Croatia	Ante Žigman/[-]	
Cyprus	Antonia Tsangaris /Constantinos Kalopsidiotis	
Czech Republic	Zuzana Silberová/Jiří Kalivoda	Hana Marčíková
Denmark	Carsten Brogaard (Day1)/ [-]	
Estonia	Siim Tammer /[-]	
Finland	[-]/Teija Korpiaho	
France	Patrick Montagner/ Mary-Cécile Duchon	Gwenola Trotin (Day 2)
Germany	Frank Grund/ Thomas Schmitz-Lippert	Petra Faber-Graw
Greece	Ioanna Seliniotaki /Ioannis Chatzivasiloglou	
Hungary	Beatrix Dénes (PoA)/[-]	
Ireland	Domhnall Cullinan/[-]	Joseph Collins
Italy	Alberto Corinti/ [-]	
Latvia	[-]/ Evija Dundure	
Lithuania	Jekaterina Govina/[-]	
Luxembourg	Thierry Flamand /Yves Baustert	
Malta	Ray Schembri /Luciano Micallef	
Netherlands	Else Bos/[-]	Véronique Hijl
Poland	Damian Jaworski/ Mariusz Smętek	
Portugal	Margarida Corrêa de Aguiar/Hugo Borginho	Ana Byrne
Romania	Valentin Ionescu (PoA)/[-]	Beatrice Verdes
Slovakia	Júlia Cillíková/[-]	Zuzana Kardošová
Slovenia	Goraz Čibej/ Mojca Rome	
Spain	Sergio Alvarez /Francisco Carrasco Bahamonde	
Sweden	Åsa Larson/Bertil Sjöo	

<u>Country</u>	<u>Permanent Representative/ Alternate</u>	<u>Accompanying Experts</u>
Belgium	Henk Becquaert (Day 1), Greet T'Jonck (Day2)/ [-]	
Cyprus	Nikos Koullapis (Day 1)/[-]	
Ireland	[-]/[-]	
Italy	[-]/Ambrogio Rinaldi	

<u>EEA EFTA Country</u>	<u>Non-Voting Member/ Alternate</u>	<u>Accompanying Experts</u>
Iceland	Sara Sigurðardóttir (PoA)/ [-]	
Liechtenstein	Alexandre Imhof/[-]	
Norway	[-]/ Hege Elstrand	Brita Hrenovica

<u>Institution</u>	<u>Non-Voting Member/ Alternate</u>	<u>Accompanying Experts</u>
European Commission	Didier Millerot	
ESMA	[-]/[-]	Tomas Borovsky
EBA	[-]/[-]	Ann Tiedemann
ESRB	Francesco Mazzaferro	
EFTA	[-]/ Jonina Sigrun Larusdottir	Marta Margret Runarsdottir

<u>Observers</u>	<u>Representative</u>	<u>Accompanying Experts</u>
N/A	[-]	

Other

Special Guest Petra Hielkema

EIOPA Staff

Executive Director	Fausto Parente
Head of Corporate Affairs Department	Susanne Rosenbaum
Head of Corporate Affairs Department	Danny Janssen (Day 1)
Head of Policy Department	Justin Wray
Head of Risk and Financial Stability Department	Dimitris Zafeiris
Head of Oversight Department	Patrick Hoedjes
Head of Supervisory Processes Department	Ana Teresa Moutinho