



EIOPA REGULAR USE
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The Revised EIOPA Single Programming Document 2019-2021 with Annual Work Programme 2019

Disclaimer: At the time of preparing EIOPA's revised Single Programming Document (SPD) 2019-2021, the trilogues for the Pan-European Personal Pensions product were yet to conclude, the trilogues on the review of the European Supervisory Authorities had not yet begun and discussions were ongoing on the Sustainable Finance legislative proposal. This SPD includes resources information for the years 2019, 2020 and 2021 as foreseen in the three legislative proposals from the Commission regarding the outcome of the review into the European Supervisory Authorities (ESAs), the Pan-European Personal Pension product (PEPP) and Sustainable Finance. It should be noted that: a) the allocation of resources accompanying new tasks may be subject to change pending the outcome of ongoing negotiations; b) the estimations do not necessarily reflect EIOPA's own view regarding the required resources to deliver the proposed new tasks and powers; and c) EIOPA will not spend any of the additional resources nor recruit any new staff stemming from the legislative proposals until said proposals have been adopted. EIOPA stands ready to adapt the resource estimations in its relevant SPDs as and when the outcome of negotiations is made clear. Furthermore, EIOPA will conduct its own in depth analysis of resource requirements associated with the assumption of new tasks and powers, which it will provide to the EU Institutions to inform their decision-making.

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Foreword

This Single Programming Document covers the period 2019 to 2021 and informs the actions of the European Insurance and Occupational Pensions Authority (EIOPA) during this timeframe. Specifically, this document demonstrates how the Authority will implement its mandate through concrete, measurable activities.

Throughout this period, EIOPA's overarching mission remains the protection of policy holders and beneficiaries and financial stability. To achieve this, EIOPA will continue to work to deliver high-quality regulation, technical advice and analysis at European level, and support to national competent authorities (NCAs) to strengthen supervision in Europe. EIOPA will also continue to support the European Commission's agenda to build a strong and trusted financial system.

In the coming years, EIOPA's key priority is to further enhance supervisory convergence with the aim of moving towards a common supervisory culture. As part of its supervisory convergence agenda, EIOPA will focus on building common standards and interpretations, on leveraging data for risk assessment and supervisory purposes, on monitoring common standards and on challenging and supporting NCAs.

In light of their growing importance, the Authority has added 'InsurTech' and sustainable finance to its ongoing priorities. These two cross-cutting themes will draw on expertise from across the organisation.

Within the 'InsurTech' theme, EIOPA will assess the impact that digitalisation is having on both consumers and industry, with a view to identifying supervisory approaches that allow innovation to flourish and consumers to benefit while remaining protected. Priorities in this area include the use of Big Data; the fragmentation of the value chain and corresponding impact on business; and cyber risks and cyber insurance. In keeping pace with new approaches, EIOPA will contribute to a regulatory framework that addresses both the opportunities and risks that digitalisation brings to consumers.

In terms of sustainable finance, there is an increasing need for insurers and pension providers to give more consideration to sustainability. EIOPA has therefore made sustainability a central theme in its strategic thinking and will examine how best to include sustainability considerations in supervisory and regulatory frameworks. Activities in this theme include an assessment of the risks that climate change could have on financial stability and guidance on how sustainability factors can be effectively embodied in relevant EU financial legislation. In this way, EIOPA can support sustainability in becoming a central consideration in regulation and supervision.

This document is the result of careful planning and prioritisation so that the Authority is sure to deliver its mandate and meet its strategic objectives. Certain factors, such as proposed changes to the Authority's mandate, outlined in the European Commission's review of ESAs, and possible uncertainties stemming from the United Kingdom's decision to leave the European Union have been taken into consideration. Should proposed changes to the Authority's mandate come into force, the Authority stands ready to take on new activities, notably in relation to the PEPP, internal models and equivalence.

EIOPA will always need to remain alert and responsive to possible changes in the political and financial climate. The organisation must remain agile to respond to

future challenges. In this regard, robust risk management will help to identify threats that may prevent the organisation from achieving its strategic objectives. In addition, making sure that staff, systems and processes are able to adapt to and are resilient to changing priorities will help EIOPA to manage change successfully.

As always, the Authority will act in an independent, transparent and accountable manner.

The Authority's success in delivering its annual work programme of activities is dependent on close cooperation with stakeholders, and in particular national competent authorities and European institutions.

Sound and effective supervision is at the heart of EIOPA's mission. Through a holistic and integrated approach, EIOPA aims to deliver its mandate in support of financial stability leading to economic growth and public confidence, while growing further as a credible supervisory authority.

Mission

EIOPA's mission is to protect the public interest by contributing to the short, medium and long-term stability and effectiveness of the financial system for the Union economy, its citizens and businesses.

This mission is pursued by promoting a sound regulatory framework and consistent supervisory practices in order to protect the rights of policyholders, pension scheme members and beneficiaries and contribute to the public confidence in the EU's insurance and occupational pensions sectors.

European Court of Auditors Performance Audit

In 2018 the European Court of Auditors (ECA) examined whether EIOPA made an effective contribution to supervision and financial stability in the insurance sector.¹ In its Special Report No 29/2018 the ECA recognized EIOPA's "important contribution to a common supervisory culture and financial stability in the insurance sector". ECA concluded that EIOPA made a good contribution to supporting the quality of supervision and stability in the EU insurance sector. In doing so, however, EIOPA faced limitations in terms of the architecture of the supervision system, scarcity of resources and, in some instances, insufficient support and collaboration from NCAs. As a result, much still needs to be done by EIOPA, legislators and NCAs to achieve supervisory convergence, i.e. a level playing field for insurance businesses operating across EU Member States and for their customers.

EIOPA takes note of the findings, recommendations and corresponding target dates, and will keep ECA informed of the progress in implementing the recommendations. EIOPA will launch an action plan to address those recommendations that are in its power to deal with and will through engagement and the provision of information, work with NCAs and the legislators to address the other actions.

¹ The report can be found: <https://www.eca.europa.eu/en/Pages/NewsItem.aspx?nid=11026>

Acronyms

ABAC - Accrual Based Accounting
AD - Administrator
AML - Anti-Money Laundering
AST - Assistant
AWP - Annual Work Programme
BI - Business Intelligence
CA - Contract agent
CMU - Capital Markets Union
DC - Defined Contribution
EC - European Commission
EFTA - European Free Trade Association
EIOPA - European Insurance and Occupational Pensions Authority
ESRB - European Systemic Risk Board
FICOD - Financial Conglomerates Directive
FTE - Full time equivalent
GIS - Global Insurance Supervision
GSIIIs - Globally systemically important insurers
HR - Human resources
IAIS - International Association of Insurance Supervisors
IBIPs - Insurance-based investment products
ICS - Insurance Capital Standards
ICT - Information and Communication Technology
IDD - Insurance Distribution Directive
IMOGAPIs - Internal Model On-going appropriateness indicators
IORP - Institutions for Occupational Retirement Provision
IRSG - Insurance and Re-insurance Stakeholder Group
ITS - Implementing Technical Standards
KID - Key Information Document
MDP - Market Data Provider

MFF - Multi-annual Financial Framework
MS - Member States
N/A - Not applicable
NCA - National Competent Authority
OPSG - Occupational Pensions Stakeholder Group
POG - Product oversight and governance
PRIIPs - Packaged retail and insurance-based investment products
QRT - Quantitative Reporting Templates
RFR - Risk Free interest Rate
RTS - Regulatory Technical Standards
SAA - Strategic Action Area
SNE - Seconded National Expert
SRP - Supervisory Review Process
TA - Temporary Agent
XBRL - eXtensible Business Reporting Language

Section I: General Context

Introduction

The period 2019-2021 has the potential to bring considerable change for EIOPA, the wider European System of Financial Supervision (ESFS) and the EU as a whole.

There are a number of factors that will affect EIOPA's strategic objectives for that period, including the political and business environment in which EIOPA operates, as well as the wider economic and financial situation. To effectively achieve its objectives and fulfil its mandate, EIOPA must remain ready to respond to these developments.

Political and business environment

Major factors from the political environment that will influence EIOPA and its work include the legislative proposal for the PEPP and Commission's proposal regarding the mandates, governance and funding of the ESAs. They will likely mean changes to the European supervisory landscape, and new powers for EIOPA along with a revised funding mechanism. By 2019, EIOPA will have consolidated its position as a credible supervisory authority, recognised through its contribution to the consistent implementation of Solvency II, the development of its conduct of business supervision approach and its work on pensions. Regardless of the outcome of political discussions on changes to its mandate, there will remain the need for EIOPA to play an active role ensuring a high, effective and consistent level of supervision, preventing supervisory arbitrage, guaranteeing a level playing field and ensuring a similar level of protection to all insurance policyholders and pensions' beneficiaries.

EIOPA will continue to have a role advancing the Commission's agenda in a number of key areas, where insurance and pensions can contribute, such as the Capital Markets Union (CMU). The re-election and renewal of the European Parliament and Commission could result in new political priorities and demands on the Authority. Combined, these demands will necessitate the continuation and likely strengthening of EIOPA's role and powers, albeit delivered within a new ESFS landscape.

The ramifications from the Brexit negotiations, which will need to be concluded by 2019, will be more apparent. EIOPA will need to continue its work ensuring a high-level of supervisory standards within a EU27, whilst establishing a new relationship with the UK under revised terms. EIOPA will monitor any stability issues in the run up to and following the UK's exit from the EU, including during any transition period.

Further digitalisation, increasing the role for technology enabled financial innovation ('InsurTech' in the insurance industry), will become an increasingly important issue impacting on business models and distribution channels. Digitalisation holds the potential for consumers to obtain a better consumer experience with personalised products based on their own behaviour (interconnected cars, health devices, homes).

At the same time, there are risks of exclusion from essential products based on the use of big data, or at least very expensive products resulting from analysis of the behaviour of the individual customer. Other potential risks include the collection of sensitive personal data, which can increase the threat of cybercrime to undertakings. In a context of rapid ongoing development, there are specific challenges both in terms of EU insurance regulation and competent authorities keeping pace with the vast array of technological developments on the market. EIOPA must ensure it keeps pace with these developments, and that the regulatory framework can account for the new opportunities and risks.

There is an increasing prominence of new players in the global insurance market with growing importance to the market of the EU. To account for this, EIOPA must maintain

its active participation in the development of the insurance international capital standard, creating a common worldwide language for supervisors and a level playing field for undertakings.

Economic and financial environment

The European macroeconomic environment remains challenging also for the upcoming years. Risks resulting from low interest rates and the consequent potential search for yield behaviour will remain high. This is set against recent figures pointing to an increasing inflation that is reflected in higher short-term interest rates and an overall slight upward shift of the yield curves. It suggests an increased likelihood of a persistent low interest rates reversal. The potential effects of scenarios such as a sudden substantial yield increase and a drop in asset prices for the insurance sector has to be carefully analysed.

These developments call for an active and engaged supervisory community. EIOPA will maintain the most comprehensive data sets for the insurance sector, allowing for unique and deeper market analysis of risks. The Authority will also advance the framework for data for the pensions sector. The availability of this information will facilitate timely preventative supervisory action throughout the EU.

Section II: Multi-Annual Work Programme

Introduction

For the period 2019–2021, EIOPA will build on its tasks to deliver high quality regulation, technical advice and analysis at the EU level, along with direct support to NCA to further reinforce consumer protection and strengthen the quality and consistency of supervision in Europe.

EIOPA will continue its evolution from regulator to supervisor to ensure sound and effective supervision; achieving a holistic and integrated approach towards prudential and conduct of business supervision is key to this goal.

This draft programming document presents EIOPA's strategic objectives for the period 2019–2021 in the context of the political, business and economic environment based on today's perspective.

Planning assumptions and managing change

At the time of preparing this Single Programming Document (SPD), negotiations are yet to conclude on legislative proposals following the review of the ESAs and for PEPP. To ensure EIOPA is prepared for their application, the new tasks, powers and funding have been included in plans for 2019 and 2020. Regarding the negotiations on Brexit, there also remains uncertainty, and with a number of potential impacts on tasks and resources, EIOPA has prepared a contingency plan for worst case scenario.

EIOPA will monitor developments with all the negotiations and revise its plans accordingly. Should the Authority need to undertake additional work not commensurate with available resources, it will need to revise down the level of ambition and reprioritize the products and services in the present Annual Work Programme 2019.

EIOPA's Multi-annual objectives

Driving forward conduct of business regulation and supervision		
SAA 1.1 – Develop and strengthen the regulatory framework for the protection of consumers		SAA 1.2 - Develop and strengthen a comprehensive risk-based and preventive framework for appropriate conduct of business supervision
Lead convergence towards high-quality prudential supervision throughout the EU		
SAA 2.1 – Enable supervisory convergence with a sound, smart and robust regulatory framework which is responsive to market developments	SAA 2.2 - Enhance the use and quality of supervisory information through efficient standardised exchange mechanisms, centralised quality checks and the timely provision of business intelligence	SAA 2.3 - Improve quality and consistency of supervision, contributing to a level playing field in the insurance and pensions market
Strengthen the financial stability of the insurance and occupational pensions sectors		
SAA 3.1 – Identify, assess, monitor and report risks to the financial stability of the European insurance and pensions sectors		SAA 3.2 - Propose preventative policies and actions to mitigate risks to financial stability
Delivering EIOPA's mandate effectively and efficiently		
SAA 4.1 – Ensuring a strong corporate culture, proper governance as well as skilled and committed staff		

To reflect the evolving context and changing strategic priorities, EIOPA has revised its strategic objectives (SO) for the period 2019-2021. The main changes compared to EIOPA's previous objectives (for the period 2017-2019) are as follows:

- **Consumer protection (SO 1)** - the focus has been strengthened on conduct of business supervision reflecting the need to address the currently diverse and fragmented approaches across the EU;

- **Supervisory convergence (SO 2)** – the focus has moved to leading convergence towards high-quality supervision and building on the existing tools EIOPA aims to further improve the framework;
- **Financial stability (SO 3)** – a strengthened focus on the mitigation of risk to financial stability with the introduction of a new Strategic Action Area on preventative policies and actions; and
- **Organisation (SO 4)** – the focus will be on EIOPA’s priorities for effectiveness and efficiency, while maintaining readiness for any changes to come.

Digitalisation and InsurTech will be a cross-cutting theme across all of the objectives. All areas of the Authority will be involved in dealing with these topics.

Cross cutting themes

InsurTech

EIOPA will look at the impact of digitalisation for consumers and industry alike, considering a supervisory approach that facilitates financial innovation in the interest of society at large whilst ensuring that the best interest of consumers are at the forefront when doing so. In this respect, pursuing an ongoing dialogue with all stakeholders on these topics, EIOPA will address the disintermediation of the value chain, which the InsurTech developments entail. Based on mapping of ongoing developments and national supervisory approaches, thematic reviews will be undertaken, e.g. on the ethical uses of big data such as price discrimination or exclusions, or the implications of the use of big data for underwriting, claims managements, sales and/or marketing. Further analysis will also be required on the use of algorithms and data analytical processes with a view to the need to supervise such tools and processes. While this reality leads to an increase of dependency on digital technology, ensuring that the insurance sector is safe and resilient is essential. On this context EIOPA will also address the supervision of ICT security and governance, including the assessment on the adequacy of implementing a ‘Cyber resilience test’ in the insurance market.

Sustainable Finance

EIOPA will put sustainability as a central theme in its strategic thinking and examine how best to include sustainability considerations in supervisory and regulatory frameworks. Financial supervision of insurers and pension funds should pay increasing regard to sustainability.

Strategic Objective 1: Driving forward conduct of business regulation and supervision

EIOPA’s continued evolution from regulation to supervision will by 2019 mean an increased focus on cross-border cases and on strengthening conduct of business supervision. Supervisory convergence encompasses both prudential and conduct supervision, and the synergies of integrating the two are vitally important. Conduct issues not only harm individual consumers, but can have a wider prudential impact on insurance undertakings. Moreover, poor conduct of business, such as mass mis-selling, can have a detrimental impact on the market and potentially fuel the emergence of systemic risk. Recognising the existing linkages and embedding these in high-quality and effective supervision is relevant for all Member States for the objectives of supervisory convergence.

Previous EU conduct of business regulation and supervision has proven to be too fragmented to coherently address these challenges in both the insurance and pension markets. New regulation such as IDD and PRIIPs can address this to some extent. EIOPA can also help to build a more coordinated and effective approach and by that driving forward the consumer protection framework and its practical and convergent implementation by supervisors. This will ensure a higher, more effective and consistent level of regulation and supervision, taking account of the varying conditions and needs

of Member States and the different nature of financial institutions across the EU. It will foster coherent and consistent application of rules for financial institutions and markets across the EU to develop a stronger Single Market. At the same time it will build capacity within the supervisory community to identify conduct risks and address poor consumer outcomes, promote coordinated EU supervisory approaches, and act preventively in a proportionate manner when conduct risks emerge, before they spread across multiple Member States.

Strategic Objective 2: Leading convergence towards high-quality prudential supervision throughout the EU

High-quality prudential supervision is a prerequisite for an effective functioning of the internal market, preserving the future economic well-being of EU citizens. In the field of insurance and pensions, it means that consumers in every member state have confidence that insurance undertakings and Institutions for Occupational Retirement Provision (IORPs) are being run properly and are subject to appropriate prudential supervision to ensure that this is the case. For insurance undertakings and IORPs, it means a proportionate level of regulation applied consistently across the Union, preventing regulatory and supervisory arbitrage to create a level playing field for competition.

Day-to-day supervision lies with the NCAs. EIOPA leads supervisory convergence by supporting NCAs in their consistent and convergent application of Union Law. EIOPA will develop an Annual Supervisory Convergence Work Plan that will identify the key priorities from a convergence perspective. The Annual Supervisory Convergence Work Plan will focus on the areas where the lack of convergence leads to a higher impact in the level playing field. For each area identified and addressed EIOPA has available a toolkit which includes adequate regulation, guidelines, opinions, supervisory statements, reviews and sharing of good supervisory practices. Furthermore, EIOPA will develop a three year Strategic Supervisory Plan, more tailored towards the individual NCA and aimed at areas posing higher risks to policyholder protection and financial stability. Through this work EIOPA will lead the development of a high, effective and consistent level of supervision across the EU. Where necessary, EIOPA is ready to challenge NCAs on their supervisory practices. Fresh impetus has been given to this work by the increasing number of cross-border cases and failures, which amplify risks to consumers and the stability of the financial system. Only strong and timely European responses are able to counter these negative developments, and provide the consumer with additional safeguards. EIOPA therefore seeks to act more intrusively when it detects signals of risks of cross-border failures.

Strategic Objective 3: Strengthening the financial stability of the insurance and occupational pensions sectors

Early identification and communication of risks, followed by the timely implementation of preventative measures are essential to ensuring the stability of the insurance and occupational pensions sectors and in avoiding financial shocks. EIOPA's contribution to strengthening financial stability is therefore based on its ongoing monitoring, identification and reporting on trends, potential risks and vulnerabilities stemming from the micro-prudential level. To ensure the provision of this accurate, timely and useful analysis in support of continued financial stability, EIOPA continually reviews and refines its analytical tools and frameworks. To strengthen the identification, assessment and monitoring of risks, EIOPA will continue to develop a solid statistical basis and enhance its focus on horizontal, sector wide, analysis of risks.

Strategic Objective 4: Delivering EIOPA's mandate effectively and efficiently

Effectiveness and efficiency are essential to EIOPA achieving its strategic ambitions to reinforce conduct of business supervision, supervisory convergence and financial stability in the insurance and occupational pensions sectors. At EIOPA, effectiveness is predicated on clear strategic leadership guiding capable and well trained people, who are supported by an up-to-date, fully functioning IT infrastructure and competent administrative functions. Efficiency means using the available resources in the smartest and best possible way to deliver EIOPA’s mandated tasks and achieve its strategic objectives. It is also important for EIOPA to be responsive and adaptable to new demands as and when they arise. In recognition of the likelihood of change during the term of the Single Programming Document, EIOPA will remain flexible and ready to embark upon changes, including those decided at the political level as providing the best model to deliver support and coordination within the European Supervisory Framework.

Key Performance Indicators

Strategic Objective 1: Driving forward conduct of business regulation and supervision

Average number and diversity of respondents to public consultations on consumer protection topics per consultation.			
Target	2019	2020	2021
	20	20	20
Rationale	Indication of engagement of EIOPA with stakeholders and useful feedback by a sufficient diversity of respondents on topics in the domain of consumer protection to enable the Authority to factor in the broadest possible views for better regulation		

Number of national initiatives taking inspiration from deliverables (reports, thematic reviews, conduct oversight country visits and recommendations in the course of oversight work more generally etc.) of EIOPA’s conduct of business supervision framework and broader consumer protection work.			
Target	2019	2020	2021
	5	5	5
Rationale	Demonstrates the value of EIOPA’s strategic framework in providing a trigger for more intensified conduct of business supervision at the national level through e.g. national surveys, thematic reviews, intensified on-site supervision, policy/legislative initiatives etc.		

Strategic Objective 2: Leading convergence towards high-quality prudential supervision throughout the EU

A technically sound and participatory review of the Solvency II insurance regulation by EIOPA.			
Target	2019	2020	2021

	EIOPA technical advice and annual reports provide a sound basis for regulatory review of Solvency II. An evidence-based feedback loop allows for the assessment of the effectiveness and quality of the implemented regulation.	EIOPA technical advice and annual reports provide a sound basis for regulatory review of Solvency II. An evidence-based feedback loop allows for the assessment of the effectiveness and quality of the implemented regulation.	EIOPA technical advice and annual reports provide a sound basis for regulatory review of Solvency II. An evidence-based feedback loop allows for the assessment of the effectiveness and quality of the implemented regulation.
Rationale	EIOPA strives for solution by involving stakeholders but that, in the end, it is an independent EIOPA making decisions on sound technical grounds and on the basis of evidence.		

Pursuit of Solvency II as the practical implementation of the International Association of Insurance Supervisors' (IAIS) International Capital Standard (ICS).			
Target	2019	2020	2021
	IAIS international capital standard to be published in 2019 (but not yet be binding) is in line with the principles of Solvency II: market consistency and risk-based.	The adaptations during the monitoring phase of ICS 2.0 remain largely in line with Solvency II.	The adaptations during the monitoring phase of ICS 2.0 remain largely in line with Solvency II.
Rationale	Demonstrates the coordination role of EIOPA in the development of an international capital standard on a global level and reducing burden for undertakings to cope with several layers of regulations.		

The development of the internal market for pensions by promoting a common supervisory culture, consistent supervisory practices and sound European regulation.			
Target	2019	2020	2021
	EIOPA supervisory opinions and reports in the areas of governance, risk assessment and information provision to members and beneficiaries under IORP II promote a common supervisory culture as well as best and consistent supervisory practices.	EIOPA supervisory opinions and reports in the areas of investment rules, governance, risk assessment and information provision to members and beneficiaries under IORP II promote a common supervisory culture as well as best and consistent supervisory practices.	EIOPA technical advice and reports provide for a sound basis for the review of the IORP II Directive and the accompanying report on its application and effectiveness.
Rationale	EIOPA has an important role in improving the functioning of the internal market for pensions by promoting a common supervisory culture, consistent supervisory practices and a sound EU regulatory framework.		

Data available in the Central Repository calculated as a percentage of number of insurance undertakings reported on with valid data by NCAs and market share of each country, as evidenced by the completeness ratio of technically valid reports of the Quantitative Reporting Templates (QRTs).

Target	2019	2020	2021
	97% of number or 98% of market share	97% of number or 99% of market share	97% of number or 99% of market share
Rationale	This measure will provide an indication of the extent of coverage of the European insurance sector EIOPA maintains in its Central Repository. This is a valuable measure in relation to the functioning of the common supervisory reporting and data framework.		

Timely and high quality publication of the Risk Free Rate.			
Target	2019	2020	2021
	Twelve publications a year – meeting the deadline of publication within four working days of the beginning of the month.	Twelve publications a year – meeting the deadline of publication within three working days of the beginning of the month.	Twelve publications a year – meeting the deadline of publication within three working days of the beginning of the month.
Rationale	A mandated task for EIOPA stemming from Solvency II the timely provision of the information is of strategic importance to the Authority.		

Number of supervisory or policy actions taken by NCAs following observations and feedback from EIOPA's Oversight Unit.			
Target	2019	2020	2021
	20	20	20
Rationale	This KPI demonstrates EIOPA's impact in influencing National Competent Authority approach to supervision.		

Number of annual visits to NCAs to assess progress against the objectives set out in Supervisory Plans. ²			
Target	2019	2020	2021
	25	25	25
Rationale	Capturing an important element for substantive engagements with NCAs in support of higher quality and more consistent supervision, this is a measure of the effort EIOPA invests in directly working with national supervisors.		

Strategic Objective 3: Strengthening the financial stability of the insurance and occupational pensions sectors

Citations of EIOPA's Financial Stability products in research journals and publications from other public institutions in the field of financial stability.			
Target	2019	2020	2021

² In the case of the legislative proposal of the Commission following the review of the ESAs not applying in 2019, EIOPA will revert to the previous KPI of 'Number of bi-lateral engagements with National Competent Authorities on oversight topics' with the target set for 25.

	4	5	6
Rationale	EIOPA's goal within this SAA is to provide valuable and insightful assessments of the stability of the insurance and occupational pensions sectors. The quality and broader acceptance of EIOPA's financial stability analysis can be indicated by the use and reporting of EIOPA's works in publications on the two sectors.		

The number of financial stability risks with a material impact, within the agreed scope of the Stress Test, not identified by the exercise materialising within one year of the publish date of the results.			
Target	2019	2020	2021
	0	0	0
Rationale	EIOPA will run insurance and pensions stress tests on a revolving basis i.e. insurance stress test one year and pensions the next – subject to BoS decision. The exercises should serve as a basis for supervisory or policy actions, where deemed necessary, or trigger further work within the European System of Financial Supervision. This KPI assesses the extent to which this is happening.		

Strategic Objective 4: Delivering EIOPA's mandate effectively and efficiently

Percentage of audit findings from European Court of Auditors and Internal Audit Service addressed by improvement measures by the agreed deadline, or if no deadline was set, within twelve months of the finding being issued.			
Target	2019	2020	2021
	100%	100%	100%
Rationale	A key priority of EIOPA is to demonstrate its maturity and compliance and its ability to address audit findings represents this.		

Implementation rate of EIOPA budget: Percentage of the approved budget committed.			
Target	2019	2020	2021
	99%	99%	99%
Rationale	A concrete measure of the effectiveness of the management of EIOPA's budget.		

Multi-annual programme

Cross Cutting Theme 0.1: InsurTech

EIOPA stands ready to deliver its allocated workstreams from the Commission's FinTech Action Plan. In addition, to provide in-depth analysis and highlight areas of risk EIOPA will continue to launch thematic reviews on important areas and topics. Based on mapping of developments and national supervisory approaches, thematic reviews may be undertaken on areas including, e.g. on the impact on business models and the use of blockchain/Digital Ledger Technology. Further analysis will also be required on the use of algorithms and data analytical processes with a view to the need to supervise such tools and processes. While this reality leads to an increase of dependency on digital technology, ensuring that the insurance sector is safe and resilient is essential. In this context EIOPA will also address the supervision of ICT security and governance, including the assessment on the adequacy of implementing a 'Cyber resilience test' in the insurance market.

Cross Cutting Theme 0.2: Sustainability

EIOPA's sustainable finance action plan is comprised of projects in eight areas in both insurance and pensions and covering prudential, consumer protection, and financial stability issues. EIOPA will also play a full role in implementation of the Commission's Action Plan on Sustainable Finance.

Strategic Action Area 1.1: Developing and strengthening the regulatory framework for the protection of consumers

A European single rulebook ensures uniform application of Union law, thereby contributing to the proper functioning of the Single Market. For the insurance and pension markets, EIOPA will continue its efforts to complete the single rulebook ensuring a high level of consumer protection. This will help industry to apply and comply with Level 1 acts relating to consumer protection (i.e. IDD, PRIIPs, etc.) in a consistent way, whilst advancing convergent standards and supervisory approaches at a national level.

Key areas of work to develop and strengthen the regulatory framework for the protection of consumers:

- further deliverables under IDD; and
- work on consumer protection in the context of cross-border provision of services.

Further deliverables under IDD

Further work will be undertaken on the deliverables under the Insurance Distribution Directive (IDD), particularly as regards the integration of sustainability risks and factors. Together with the other European Supervisory Authorities, EIOPA will also further develop the Key Information Documents for Packaged Retail and Insurance-based Investment Products (PRIIPs). EIOPA will continue to work on Technical Advice, where requested by the European Commission, and issue Guidelines where appropriate, and additional reporting requirements exist under both legal regimes and further guidance and/or Questions & Answers work is envisaged to ensure consistent implementation in practice, both for NCA and for insurance undertakings and intermediaries.

EIOPA will monitor the market effects and any potential areas for enhancement of existing technical standards and guidelines. The Authority will also initiate technical reviews where deemed appropriate to ensure sound, efficient and consistent implementation at national level. EIOPA expects to evaluate technical standards and guidance on a recurring basis and pay specific attention to their impact on insurance and pensions markets.

Work on consumer protection in the context of cross-border provision of services

One of the challenges of ensuring adequate consumer protection in the context of cross-border provision of services is that the insurance and private pensions sectors do not have a stringent clear demarcation of cross-border competencies regarding conduct supervision for home and host supervisors. Set out in EU rules and existing 'passporting' arrangements, challenges have been identified regarding home/host co-operation. Further clarification of competencies remains a longer term project for the EU legal framework.

EIOPA has a critical role to play in driving this forward, through guidance material and gathering and sharing evidence on practical problems and solutions to develop a common understanding amongst NCAs. Much progress for the benefit of both home and host supervisors can be made already through mutual recognition and convergence, as under the existing protocols (e.g. Luxembourg Protocol). Recent regulatory changes (IDD, Solvency II, PRIIPs) offer a new foundation on which further progress can be

made and where EIOPA can play an essential role, not least through its mediation, settling cross-border disagreements between national authorities.

Strategic Action Area 1.2: Developing and strengthening a comprehensive risk-based and preventive framework for appropriate conduct of business supervision

In strengthening supervisory convergence across the EU, EIOPA has an important role in driving forward more consistent and comprehensive conduct of business supervisory practices. This is advanced through EIOPA's risk-based approach, using different supervisory tools to enhance capacity at both European and national levels to address consumer detriment. With the aim of achieving common outcomes and levels of protection, EIOPA will support a coordinated development of supervisory practices and tools. This will simultaneously allow NCAs to benefit from new insights and quickly access new tools in a convergent fashion. Through this work, EIOPA can support greater consistency across the Single Market, and greater resilience from a conduct perspective following possible future increases in cross-border business.

Key areas of work to develop and strengthen a comprehensive risk-based and preventive framework for appropriate conduct of business supervision:

- further develop the risk-based framework for conduct of business supervision;
- enhance existing tools and developing new ones; and
- delivering thematic reviews, risk indicators and new risk dashboard.

Further develop the risk-based framework for conduct of business supervision

In view of its technical experience and knowledge of the markets, EIOPA is central to coordinating and building a common understanding of conduct risk. This includes facilitating joint European supervisory responses where the same issues arise in more than one national market. EIOPA aims to take a proactive role in driving coordinated early interventions before consumer detriment becomes material.

Enhance existing tools and developing new ones

EIOPA has already put into practice its strategy on conduct of business supervision. Experience has been gained using the tools such as trends reports, enhanced monitoring of financial activities in the market, thematic reviews and retail risk indicators. Using more granular product specific data, a detailed risk dashboard will be created to identify outliers in product characteristics and distribution processes in a more real time manner than has been possible. Obligations on EIOPA and NCAs to monitor developments in the market are laid down by Union law (EIOPA's Founding Regulation, IDD, PRIIPs). EIOPA will aid NCAs by facilitating and coordinating their implementation of a comprehensive risk-based conduct of business supervision, rooted in their monitoring of conduct risks in view of consumer detriment, while building its own capacity from an EU-wide perspective.

Delivering thematic reviews, risk indicators and new risk dashboard

In this vein, further thematic reviews targeting specific financial activities or products potentially causing consumer detriment or creating a barrier to the effective functioning of a retail market will be undertaken. Other tools at EIOPA's disposal include workshops allowing exchange of experiences, training and discussion. Consideration as to the expansion of the 'toolbox' will be made, and by 2021, EIOPA foresees on-site visits to NCAs as a pragmatic way to effectively assist them in building well-functioning and consistent approaches for conduct of business supervision.

Strategic Action Area 2.1: Enabling supervisory convergence with a sound, smart and robust regulatory framework which is responsive to market developments

Achieving high quality supervision and strengthening supervisory convergence starts with good and effective regulation. EIOPA will continue to play a leading role in the development of risk-based regimes for insurance and pensions. Regulatory cycles for the two sectors are at different stages of development and EIOPA's approach will be adapted as appropriate.

EIOPA's focus in its policy work is primarily to promote a sound and risk-based world-wide regime. From 2019 – 2021, the 'frontier' of development of an insurance international capital standard (ICS) version 2.0 by the International Association of Insurance Supervisors (IAIS) will enter into its monitoring, i.e. confidential reporting, phase, primarily within international colleges. EIOPA's contribution will have narrowed down optionality on valuation (market adjusted valuation or MAV), capital resources and capital requirements. EIOPA continues to pursue the goal that Solvency II can be broadly considered a practical implementation of the ICS. The new activities based methodology for systemic risk will be developed and refined.

Key areas of work to enable supervisory convergence with a sound, smart and robust regulatory framework which is responsive to market developments:

- reviews of Solvency II;
- enhanced framework for monitoring and assessing regulation;
- implementation monitoring of IORP II and cross-border pensions schemes;
- initiatives to enable the implementation of the PEPP Regulation (PEPP Proposal);
- Long-Term Assets and Environment Social and Governance (ESG) factors; and
- engagement with third countries.

Reviews of Solvency II

EIOPA will conduct regulatory assessments and reviews, such as that for Solvency II, which will assess the extent to which the regulation is able to engender effective prudential supervision and reach its original objectives. This will include a review of the provision of long term guarantees (LTGs) used by insurance undertakings, work on the treatment of illiquid liabilities and discussions on a macro-prudential framework for the insurance sector. In the run up to the review, EIOPA will publish annual reports on the effectiveness of the measures. In relation to the solvency capital requirements for the Solvency II standard formula, after finalisation of the Level 2 legislation latest in early 2019, EIOPA will consider in the context of sustainable finance the coverage of natural catastrophes modelling and risk assessment. A review of Reporting and Disclosure Commission Implementing Regulations will be undertaken following amendment of Delegated Regulation and regulatory feedback loop. EIOPA will also continue to work on the risk free rate methodology, and an annual monitoring and calculation of the ultimate forward rates (UFR) will be carried out based on its published methodology in 2017. The Authority will also undertake work on the treatment of illiquid liabilities.

Enhanced framework for monitoring and assessing regulation

EIOPA will strengthen its impact assessment methodology and the evidence-based regulatory review loop to assess regulations' effectiveness in practice. This will benefit from the improved availability of data and ongoing stakeholder engagement. The implementation by undertakings and NCAs of specific aspects of Solvency II will be assessed along with a more general review of the relevant standards and guidelines.

Monitoring of IORP II, supervisory convergence and cross-border pensions schemes

The period between 2019 and 2021 will also be important for developments in the field of private pension policy. It will see the setting out of the key objectives and guiding principles for promoting supervisory convergence within Europe by further advancing a consistent application of IORP II with a focus on governance and risk management. By

2020, EIOPA will be at the start of monitoring the implementation of IORP II, also with a view to the consultation of EIOPA on the review of IORP II and the report on its application by 13 January 2023. The application of the revised "Budapest Protocol" is expected to take place in 2019 and its monitoring thereafter.

There will be a continued focus on the extent and activities of cross-border pension schemes and on the enhanced collection of high-quality, meaningful and reliable pensions data. This will allow an improved monitoring and assessment of market developments in EIOPA's Financial Stability Reports.

Strategic guidance in relation to the application of IORP II with regards to setting relevant principles and common supervisory expectations, in particular regarding the ever growing Defined Contribution (DC) pension schemes and to strengthen the 2nd pillar of occupational pensions, with leading European guidance. Another area where development of a transparency framework will be ongoing is in respect of environmental, social and governance factors and their role in investment, risk management and information policies.

Initiatives to enable the implementation of the PEPP Regulation (PEPP Proposal)

In light of the completion of the Capital Markets Union, and the Commission's legislative proposal, EIOPA will carry out all necessary activities to properly implement the future Regulation on the Pan-European Personal Pension product (PEPP). EIOPA will be able to progress on its support for the development of an internal market for personal pensions, while implementing the Regulation at European level. The focus will be on facilitating cross border business of private pensions in Europe.

Long-Term Assets and Environmental, Social and Governance factors

For both insurance and pensions, it is crucial that long-term liabilities are appropriately matched by long-term assets for the benefit of policyholders, members and beneficiaries. A truly long-term perspective not only enables retail investors to gain access to long-term assets and benefit from such approaches with regards to long-term returns but also contributes to the Capital Markets Union with contained risk for consumers. EIOPA is also monitoring the 'green' and sustainable investment field and will take action as necessary, especially in the context of the IORP II Directive, or upon request by the Commission.

Engagement with third countries

The issue of Brexit will further enhance the importance of maintaining dialogue and engagement with third countries. In light of this, EIOPA shall stand ready to develop dialogue and cooperation systems with the UK after the conclusion of the exit negotiation. Other dialogues with third countries will continue with a particular focus on fast growing economies including China. The important dialogue with the US will be strengthened. With regard to the EU US Covered Agreement, EIOPA will continue to monitor its practical implementation in the EU. The assessment of third countries via the equivalence procedure will continue. EIOPA will put particular focus on the monitoring of regimes for which positive equivalence decisions have been taken, including temporary ones, and assess whether implementation and potential regulatory amendments still meet the criteria.

Strategic Action Area 2.2: Enhancing the use and quality of supervisory information through efficient standardised exchange mechanisms, centralised quality checks and the timely provision of business intelligence

With the application of Solvency II in January 2016, the availability of insurance undertaking-specific, detailed and harmonised information brought EIOPA a major step

forward in the way the Authority executes its tasks in the area of financial stability, market monitoring and data dissemination. The establishment of a more consistent data and information framework for pension funds, developed in close cooperation with the European Central Bank, will by 2019 lead to the greater availability of information also on the pensions sector. Key areas of work to enhance the use and quality of supervisory information will be:

- production of the Risk Free Rate and associated information;
- further enhance the Business Intelligence and analytics framework based on insurance (Solvency II) and pensions data;
- strengthen European and international data and reporting standards;
- stronger information and knowledge management; and
- maintenance and running of existing systems.

Production of the Risk Free Rate and associated information

An important task entrusted to EIOPA under Solvency II is the monthly production of the Solvency II technical information, such as the risk-free interest rate (RFR) and the symmetric adjustment to the equity risk module. This information provides the basis for the calculation of the value of insurance undertakings' liabilities. The task has no precedent in any other international public institution due to the impact on companies' balance sheets and the broad array of currencies to be dealt with. It requires the production of a RFR curve, and for EIOPA to be ready to justify the decisions made in the calculation and react to unforeseen circumstances. Continuous maintenance of EIOPA's data collection and processing systems is needed to keep the automated RFR calculation engine at the required high-quality level.

Further enhance the Business Intelligence and Analytics framework based on insurance (Solvency II) and pensions data

EIOPA will cement its position as central hub to deal with data dissemination and enhance the system of supervisory information and data analysis. EIOPA's business intelligence and data management capability allows the Authority to leverage the available Solvency II data and facilitate data exchange with relevant stakeholders. Business intelligence tools are also used to analyse, report and feedback to NCA providing added value to their supervisory work. EIOPA is committed to continuously improve process and product quality in this area. EIOPA will further enhance its risk assessment framework based on Solvency II data to support its own activities. Achieving a harmonised risk indicators and assessment framework is key for supervisory convergence. The Authority will also enhance its analytical framework with regular risk reports and the publication of statistics. EIOPA will strengthen its robust data quality process with an emphasis on the use of consistent data definitions, business terms and data validation processes.

Strengthen European and international data and reporting standards

EIOPA is committed to contribute to the establishment of international data standards. This includes its participation in the global Legal Entity Identifier (LEI) system, initiated by the Financial Stability Board (FSB), and through interinstitutional cooperation on the development of XBRL (eXtensible Business Reporting Language) taxonomies. Harmonisation and standardisation are elementary tools to increase the quality, accessibility and interoperability of data whilst significantly lowering the burden on industry to provide information.

Stronger information and knowledge management

EIOPA will strengthen its knowledge management and information sharing capabilities. Further development of EIOPA's document management framework will enhance the processing and availability of information for analysis, and ensure EIOPA provides

consistent responses to the same or similar issues. It will also allow EIOPA to draw upon knowledge developed in one domain for the benefit of others, reflecting the interconnectedness of many of the issues faced across EIOPA's areas of competency.

Maintenance and running of existing systems

EIOPA's data framework underpins its capability to securely collect, manage, analyse and report on the data it receives. It has allowed the establishment of a central repository of data on insurance and pensions markets. The data is essential for EIOPA to perform risk analysis at individual, horizontal and market levels in addition to other specific tasks such as the determination of the RFR curves. EIOPA will run its existing systems whilst implementing improvements to ensure their continued functioning and capacity to meet new demands.

Strategic Action Area 2.3: Improving quality and consistency of supervision to contribute to a level playing field in the insurance and pensions market

EIOPA will continue to lead convergence towards consistent and high-quality supervision of insurers via the effective and consistent implementation of Solvency II across Europe. EIOPA works with a risk-based, flexible planning and prioritisation approach to effectively deploy its resources and achieve the greatest added value. EIOPA uses a structured framework to ensure a risk-based approach, which provides transparency on the specific planned activities with respect to achieving consistency and convergence while keeping enough flexibility for judgment. Evidence and information are gathered via its Business Intelligence and Analytics framework based on insurance (Solvency II) and pensions data, engagement with group supervisors and NCAs at different levels. Further sources include issues raised by market participants and EIOPA's own in-house analysis of additional quantitative and qualitative information.

Key areas of work to improve the quality and consistency of supervision and contribute to a level playing field in the insurance and pensions market:

- quality of supervision – monitoring of quality of supervision through bi-lateral visits and independent reviews;
- cross-border and consistency – colleges, Internal Models; and
- Common supervisory culture, consistency of implementation of Solvency II and convergence of supervisory practices – Annual Supervisory Convergence work plan, Supervisory Handbook, Opinions, Supervisory Statements, training of supervisors.

Quality of supervision

EIOPA will continue to provide on-going technical assistance to NCA to strengthen their supervisory capacity especially where weaknesses have been identified during bilateral visits, both in the insurance and pensions' areas. Following the review of the ESAs, EIOPA will develop a three-year Strategic Supervisory Plan specifically addressing areas with amplified risks to consumers and the stability of the financial system. EIOPA will continue to conduct ex-post lessons learned assessments of supervisory actions or non-actions with NCA for the benefit of the European System of Financial Supervision as a whole. Also periodical reviews on specific activities of national supervisory authorities will be conducted to further strengthen consistency in the outcome of supervisory actions.

To ensure common understanding of effective supervision EIOPA will continue to regularly engage bilaterally with NCAs, assessing national supervisory practices. These bilateral engagements are tailored to national specificities. As an outcome, EIOPA delivers recommendations for improvements to the NCA and defines follow-up

measures to address EIOPA's recommendations and taking preventive and remedial actions in line with the Strategic Supervisory Plan. EIOPA also expects to assume its new tasks for leading independent reviews, as specified in the proposals following the review of the ESAs.

EIOPA participates in national sector wide assessments. This is especially relevant where concerns arise regarding the soundness of the market and/or the effectiveness of supervision. These exercises are crucial to strengthen the viability of and confidence in the sector.

Cross-border and consistency

EIOPA will, via its participation in the direct supervision of cross-border groups, play a coordinating role, helping to overcome fragmentation and enhance the effectiveness of supervision. The participation in colleges will focus on the potential risks and specific issues of each college. As part of EIOPA's risk-based planning some colleges will be followed more closely than others. EIOPA will also monitor the cooperation and coordination of cross-border activities between national authorities across the EU, in line with the 2017 Decision on the collaboration of the insurance supervisory authorities of the Member States of the European Economic Area. As one of the tools to increase cross-border cooperation, EIOPA promotes the creation of cooperation platforms in situations where a college of supervisors is not formed but where cross-border risks are identified. Under the umbrella of the cooperation platform, EIOPA can issue so-called supervisory recommendations to the home NCA with suggestions for specific supervisory measures to mitigate detriment to European consumers. Joint on-site inspections with the participation of EIOPA are also used to increase convergence of supervisory practices.

The support for the Globally Systemically Important Insurers (GSII) Forum as a means of direct access to group supervisors and a platform for the discussion of practical supervisory matters will be continued.

Group Internal Models still generate regular major changes that are subject to approval by the supervisory authorities concerned. EIOPA will continue to strengthen its capacity in this area to contribute in-depth to the discussions in the college. EIOPA also expects to exercise its new powers stemming from the ESAs review to issue Opinions on new applications or changes in existing internal models. EIOPA's attention will continue to focus on assessing the consistency of the supervisory assessment of the implementation and calibration of internal models, by carrying out quantitative and qualitative comparative exercises. To increase the supervisory knowledge and expertise in this area, EIOPA will maintain networks of technical experts to provide input into the consistency projects.

As specified in the Commission's legislative proposal following the review of the ESAs, and highly relevant to the issue of Brexit, EIOPA will play an active role in monitoring previously taken equivalence decisions.

Common supervisory culture, consistency of implementation of Solvency II and convergence of supervisory practices

EIOPA will continue to build and enhance a common supervisory culture and consistent supervisory practices. EIOPA will develop an Annual Supervisory Convergence work plan which will identify each year the main priorities and areas to be addressed from a convergence perspective.

The Supervisory Handbook is a key tool in achieving this objective. The Supervisory Handbook is continually updated to reflect good practices on areas already covered and will also be expanded with new areas not yet included.

A further important tool to address inconsistencies of supervisory practices, in particular due to inconsistent application of Solvency II or where divergent supervisory practices may impact the level playing field, are the dedicated EU-wide consistency studies which are collecting the required information and studying certain issues in detail. As a result EIOPA will take appropriate remediation actions, for example in the form of an EIOPA Opinion, Supervisory Statement or another relevant action.

A further means of enhancing supervisory culture and practices is EIOPA's sectoral and cross-sectoral training programme targeting supervisors. In addition, EIOPA will deliver public events such as the annual EIOPA conference, joint consumer protection days and public hearings. EIOPA will also make greater use of technology to ensure more interaction.

Strategic Action Area 3.1: Identifying, assessing, monitoring and reporting risks to the financial stability of the European insurance and pensions sectors

Identification of risks and vulnerabilities increasingly relies on robust EU sector-wide information, within a solid methodological framework. EIOPA's main areas of work to identify, assess, monitor and report risks to the financial stability of the European insurance and pensions sectors are:

- risk analysis products: Stress Tests, Financial Stability reports and Risk Dashboards;
- transparent and credible sectorial risk reports and statistics;
- building the methodological toolkit for vulnerability analysis;
- studies and surveys on emerging risks; and
- cooperation with other EU and international institutions on topics related to financial stability.

Risk analysis products: Stress Tests, Financial Stability reports and Risk Dashboards

EIOPA will further enhance its core risk analysis products such as insurance and IORPs Stress Tests and risk identification toolkit using relevant techniques, such as the Risk Dashboard. Refining the current risk and financial stability reporting by strengthening cooperation with academia and leveraging the growing EU-wide dataset, will add analytical and informative value for supervisors.

Transparent and credible risk reports and statistics

It will be essential to promote transparent and credible risk reports and statistics for the insurance and occupational pensions sectors to provide a solid basis for analysis. Increased market and risk complexity as well as potential sector interconnectedness necessitates advanced analysis based on solid data. The significant enhancement of available data for the insurance sector and improvements in the area of IORPs allow for increased information and awareness of supervisors, industry, academia and the public alike. The development and provision of reliable risk analysis and statistics will be an important area of focus.

Building the methodological toolkit for vulnerability analysis

Continuous further development of EIOPA's core risk analysis products (e.g. Stress Tests, Financial Stability Report, and Risk Dashboard) is key for the timely identification of risks. Top down analysis for stress tests and supplementing current risk dashboards with forward looking early warning indicators will significantly strengthen the early identification of trends and vulnerabilities. A key focus will be developing and using advanced techniques for the early identification and monitoring of threats to the financial stability of insurance and pension sectors.

Studies and surveys on emerging risks

As part of its risk identification process, EIOPA conducts studies on emerging risks (e.g. search for yield, cyber risk). EIOPA plans to further enhance such studies as part of its early risk identification and prevention process, such as assessing the impact of climate change and ESG aspects on financial stability.

Cooperation with other EU and international institutions on topics related to financial stability

EIOPA participates in work streams of other European or international institutions on topics related to insurance and pensions financial stability risk. Such participation ensures a sectorial view to financial stability issues while at the same time provides feedback to the institution regarding international developments.

Strategic Action Area 3.2: Preventative policies and actions to mitigate risks to financial stability

Crisis management increasingly needs to be preventative and based on proactive measures and robust information. Main areas of work in crisis prevention include:

- crisis preparedness;
- further work on recovery and resolution; and
- potential macroprudential framework for the insurance sector.

Crisis preparedness

EIOPA works with NCAs to enhance crisis preparedness. This is also supported by specific recommendations and proposed actions following stress tests or other relevant risk and vulnerability assessments. Participation in Crisis Management Groups, GSII related work and maintenance of the insurers' loss and near misses database are practical examples of crisis preparedness work of EIOPA.

Further work on recovery and resolution

EIOPA will continue promoting the development of an EU recovery and resolution framework and consider other related areas, such as the insurance guarantee schemes, with the aim of analysing the potential need for harmonisation of the main elements and contribute to consumer protection and the proper functioning of the internal market.

Potential macroprudential framework for the insurance sector

Regarding a potential macroprudential framework in insurance, EIOPA aims at integrating the discussions into the 2021 review of Solvency II. EIOPA will actively engage in relevant discussions in the EU, e.g. with the ESRB, and on international level, e.g. in IAIS, in combination with its own work on the topic to foster a consistent approach.

Strategic Action Area 4.1: Ensuring a strong corporate culture, proper governance as well as skilled and committed staff

To achieve EIOPA's ambition to ensure a strong corporate culture, proper governance as well as skilled and committed staff, the following key areas of work will be undertaken:

- ensuring the best management of EIOPA's human resources;
- improving, streamlining and automating EIOPA's processes, capitalising on the opportunities of E-administration and synergies;
- standing ready for potential change whilst delivering its mandated tasks;
- ensure the availability and security of its staff, information and physical assets;
- stakeholder relations; and
- legal institutional work.

Ensuring the best management of EIOPA's human resources

EIOPA's vision to be a credible supervisory authority is dependent on an engaged and well trained workforce, allocated smartly to its tasks. EIOPA will fully implement its competency framework to deliver a coherent and strategic approach to human resources management. This will allow EIOPA to anticipate future needs by identifying new demands, and then to plan for and address any resource gaps, through training and re-allocation of existing staff. EIOPA's management will also maintain an important decision-making role in prioritisation of competing demands for EIOPA's limited resources. The Authority will also seek to engage early with the Commission when new tasks appear on the horizon to ensure when they are allocated to EIOPA, they come with sufficient additional resources.

Improving, streamlining and automating EIOPA's processes

EIOPA will continue to search for efficiency in its administrative processes. Opportunities for automation will be capitalised on to further streamline, strengthen and ensure the compliance of processes with relevant regulation and expectations. EIOPA will also seek to make the most of synergies with other EU agencies in areas such as procurement to reduce costs through economies of scale and reduce the administrative burden. EIOPA will also seek to further strengthen its decision-making processes with a view to the active engagement and involvement of its Management Board and Board of Supervisors.

Standing ready for potential change whilst delivering its key mandated tasks

Change will be a recurrent theme throughout the term of the SPD. By 30th March 2019 the UK will have withdrawn from the EU with implications for EIOPA's work with the UK's NCAs. Political discussions will have ended regarding the Commission's legislative proposals for PEPP and following its reviews of the ESAs. All of which will likely impact on EIOPA's governance structure, funding framework, tasks and powers. EIOPA, as an organisation stands ready to implement the required changes. This includes ensuring the processes, people and solutions are in place to implement and run any new model for the Authority. Regardless of any changes, EIOPA will fulfil all its obligations for the proper and compliant management of its resources (budget and staff) and tasks in a transparent and accountable manner. To achieve this, EIOPA will continue to value the support of competent and knowledgeable staff.

Ensure the availability and security of its staff, information and physical assets

EIOPA will run initiatives to achieve greater maturity in the security of staff, information, IT infrastructure and its assets. This is a requirement driven by a number of factors, including a very real cybercrime threat, which constantly evolves in sophistication and requires constant review and strengthening of existing measures. EIOPA will also run initiatives to enhance its information technology infrastructure in general and supporting applications. To optimise the use of space and reduce costs, EIOPA will also further implement the open plan office set-up in its headquarters.

Stakeholder relations

EIOPA's communication strategy is based on the four guiding principles of proactivity, transparency, creativity and consistency. EIOPA will strengthen its integrated communications programme, with tools, channels and tailored communication activities designed to enhance stakeholders' understanding of EIOPA. EIOPA will remain in dialogue and cooperate with the European Institutions and other relevant national, European and international institutions linked with EIOPA's mandate. The Authority will also strengthen its relevant processes to ensure the continued positive engagement and involvement of stakeholders to ensure it remains responsive to their needs.

Legal institutional work

EIOPA will also work to enhance the legal drafting and soundness of the legal acts it adopts. This will have the effect of minimising the risk of legal challenge for EIOPA and proactively handle complaints/appeals/actions against the Authority.

Human and financial resource outlook for the years 2019 - 2021

Overview of the past and current situation

Staff Population overview

In January 2018 the EIOPA Management Board approved a reduction of the AST total number by 1 post and the increase of the AD total number by 1 post. This change was due to an unforeseen AST unfilled position. The budget remained neutral as the exchange was done at similar grade.

In 2019 EIOPA will not make use of the flexibility rule, but will need to capture the exchange done in 2018, which was not included in the approved budget for 2019.

Overview of all categories of staff

Staff population		Filled end 2017 ³	In EU Budget 2017 ⁴	Filled end 2018 ⁵	Voted EU Budget 2018	Voted EU Budget 2019	Envisaged in 2020	Envisaged in 2021
Officials	AD	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	AST	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	AST/SC	n/a	n/a	n/a	n/a	n/a	n/a	n/a
TA MFF	AD	85 ⁶	86	93 ⁷	96	97	98	98
	AST	15	15	14	16	15	14	14
	AST/SC	n/a	n/a	n/a	n/a	n/a	n/a	n/a
TA ESA Review ⁸	AD	n/a	n/a	n/a	n/a	9	23	23
	AST	n/a	n/a	n/a	n/a	0	0	0
	AST/SC	n/a	n/a	n/a	n/a	n/a	n/a	n/a
TA PEPP ⁹	AD	n/a	n/a	n/a	n/a	3	4	4
	AST	n/a	n/a	n/a	n/a	0	0	0
	AST/SC	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total¹⁰		100	101	107	112	124	139	139
CA GF IV		8	11	8	11	18	18	18
CA GF III		15	6	17	16	16	16	16
CA GF II		11	18	8	8	1	1	1
CA GF I		0	0	0	0	0	0	0
CA ESA Review ¹¹		n/a	n/a	n/a	n/a	5	9	9
CA PEPP ¹²		n/a	n/a	n/a	n/a	0	0	0
CA Sustainable Finance		n/a	n/a	n/a	n/a	n/a	1	1
Total CA¹³		34	35	33	35	40	45	45
SNE ¹⁴ MFF		17	25	18	25	25	25	25

³ Offer letters sent should be counted as posts filled in with a clear reference in a footnote **with a number how many posts/positions it concerns**

⁴ As authorised for officials and temporary agents (TA) and as estimated for contract agents (CA) and seconded national experts (SNE), including approved exchange of 1 AST for 1 AD by EIOPA Board of Supervisors on 30.1.2017.

⁵ As authorised for officials and temporary agents (TA) and as estimated for contract agents (CA) and seconded national experts (SNE)

⁶ 1 offer letter sent

⁷ 12 offer letters sent

⁸ Estimation is based on Commission's legislative proposal and does not necessarily reflect the views of EIOPA

⁹ Estimation is based on Commission's legislative proposal and does not necessarily reflect the views of EIOPA

¹⁰ Headcounts

¹¹ Estimation is based on Commission's legislative proposal and does not necessarily reflect the views of EIOPA

¹² Estimation is based on Commission's legislative proposal and does not necessarily reflect the views of EIOPA

¹³ FTE

¹⁴ FTE

Staff population	Filled end 2017 ³	In EU Budget 2017 ⁴	Filled end 2018 ⁵	Voted EU Budget 2018	Voted EU Budget 2019	Envisaged in 2020	Envisaged in 2021
SNE ESA Review ¹⁵	n/a	n/a	n/a	n/a	1	3	3
SNE PEPP ¹⁶	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total SNE	17	25	18	25	26	28	28
Structural service providers ¹⁷			3				
TOTAL	151	161	161	172	190	212	212
External staff ¹⁸ for occasional replacement ¹⁹	2		4				

Expenditure

The budget 2017 by title and chapter together with the financing decision and the procurement plan 2017 were adopted by the BoS in December 2016. The EIOPA Annual Work Programme 2017 and the allocation of the related expenditure by budget line were adopted in January 2017. A Re-prioritisation exercise was conducted during 2017 and alignment was sought with the strategic steer provided by the Management Board in the discussion on the Work Programme 2017. The table below provides with a summary of the main features regarding expenditure during 2017:

Title	Initial 2017 Budget €	2017 Budget after transfers €	Var. %	Committed	% Committed	Paid	% Paid	Carry-forward	% Carry-forward
Title I – Staff expenditure	15,872,446.67	15,466,510.25	-2.56%	15,438,886.12	99.82%	14,537,002.45	93.99%	901,883.67	5.83%
Title II – Administrative expenditure	3,352,666.00	3,631,821.37	8.33%	3,624,939.28	99.81%	2,998,681.58	82.57%	626,257.70	17.24%
Title III – Operational expenditure	4,774,143.38	4,900,924.43	2.66%	4,886,140.65	99.70%	3,604,936.67	73.56%	1,281,203.98	26.14%
Total	23,999,256.05	23,999,256.05	0.00%	23,949,966.05	99.79%	21,140,620.70	88.09%	2,809,345.35	11.71%

EIOPA's operational expenditure in 2017 has been driven to a large extent by the need to further develop the information and data framework capabilities in the below areas:

- a) Data Standardisation
- b) Data Management
- c) Data Analysis

¹⁵ Estimation is based on Commission's legislative proposal and does not necessarily reflect the views of EIOPA

¹⁶ Estimation is based on Commission's legislative proposal and does not necessarily reflect the views of EIOPA

¹⁷ **Service providers** are contracted by a private company and carry out specialised outsourced tasks of horizontal/support nature, for instance in the area of information technology. At the Commission the following general criteria should be fulfilled: 1) no individual contract with the Commission; 2) on the Commission premises, usually with a PC and desk; 3) administratively followed by the Commission (badge, etc.) and 4) contributing to the value added of the Commission. FTE

¹⁸ FTE

¹⁹ For instance replacement due to maternity leave or long sick leave

- d) Security, availability and efficiency measures for core infrastructure and tools for knowledge management and coordination and collaboration on a European level
- e) Horizontal functions

Resource programming for the years 2019 – 2021

Financial resources

The BoS adopts the EIOPA budget as a part of the Single Programming Document after it is approved by the European Union's Budgetary Authority at the end of each calendar year or beginning of the following year.

The European Union grants EIOPA a subsidy of 40%. The remaining 60% are contributions from the Member States (MS). In addition since 2016 the Member States and European Free Trade Association (EFTA) states pay the 'employers contributions to the EU pensions' scheme'. EFTA states pay their contributions according to the weighting factor on the top of the Member States contributions.

The following tables represent EIOPA's budget requests for 2019-2021 taking into account EIOPA's ambitions to continuously improve its credibility as a Supervisory Authority. The legislative proposal pertaining to the ESAs review allocates to EIOPA an advance payment for the years 2019 and 2020. This advance payment will not be subject to the 40/60 split in contributions and be will funded 100% by the Commission; this pre-financing is to be returned to the EU budget when the industry contributions start coming in. According to the PEPP and the sustainable finance legislative proposals, EIOPA will also receive additional funds required for them to assume its new tasks and powers. **It should be noted that EIOPA has in its plans used the values as outlined in the financial statements for the legislative proposals. At the time of preparing the SPD 2019-2021 the negotiations were still ongoing. The additional budget ultimately allocated to EIOPA may change.** The additional funding will be used as follows:

- to fund the recruitment of the additional 40 staff foreseen in the proposals (18 new staff for 2019 and additional 22 new staff for 2020);
- to fund the necessary changes to EIOPA's headquarters to allow it to accommodate the new staff; and
- to fulfil the specific requirements in the legislative proposals (e.g. PEPP Register and platform for collection of fees).

With the additional funds, EIOPA will also be in a position to reinvigorate its approach to data, delivering a major enhancement of the benefits to the supervisory community from its collection, management and reporting on conduct of business, supervision and financial stability data. The Authority will also use this additional finance to further develop the supporting IT infrastructure and strengthen its security. EIOPA handles ever greater quantities of market sensitive information and it is essential that its systems are reliable and that it has in place appropriate and robust measures for their protection.

During 2021, EIOPA expects to initiate the collection of fees, at the same time, it will begin the repayments to the Commission for its advance payments made in 2019 and 2020.

REVENUE²⁰	2018 (EUR)	2019 (EUR)	2020 (EUR)	2021 (EUR)
EU subsidy (including surplus)	9,365,000	10,082,000 ²¹	10,209,000 ²²	12,132,000
EU advance payment for ESA's review		2,361,336 ²³	5,356,000 ^{Error! Bookmark not defined.}	
Contributions from National Competent Authorities	14,043,065	15,123,000 ^{Error! Bookmark not defined.}	15,313,500	
EFTA contributions on top of NCA contributions	398,943	429,631 ^{Error! Bookmark not defined.}	435,043	
Pensions contributions (NCA and EFTA)	1,300,000	1,500,000 ²⁴	1,730,000	
Other revenues (administrative agreements, fees)	100,000			23,256,831 ²⁵
Total	25,207,008	29,495,967	33,043,543	35,388,831²⁶

EXPENDITURE	2018 (EUR)	2019 (EUR)	2020 (EUR)	2021 (EUR)
Staff Expenditure	17,386,000	19,115,200	22,081,200	24,396,200

²⁰ The figures are rounded

²¹ This includes the additional funds needed for PEPP applying the 40/60 ratio (EC part 348,000€, MS part 522,000€, EFTA part 14,830€)

²² This includes the additional funds needed for PEPP applying the 40/60 ratio (EC part 251,000€, MS part 376,000€, EFTA part 10,696€) and for sustainable finance applying the 40/60 ratio (EC part 29,000€, MS part 43,500€, EFTA part 1,236€)

²³ The ESAs review will be financed by the Commission pre-financing payment in 2019 and 2020

²⁴ This includes additional pension funds needed to cover ESAs review and PEPP

²⁵ Fees expected to be collected, which will be also used to repay the ESAs advance repayment received from COM in 2019 for the amount of 2,361,336€ and 300,000€ of the revenue to cover school contributions (in the case that fees from industry do not feature in the final legislation, EIOPA will revert back to its Board to determine a way forward on the issue of school contributions)

²⁶ This includes the amount needed to cover 2,361,842€ repayment to the EC for the advance payment and 300,000€ for the school contributions

EXPENDITURE	2018 (EUR)	2019 (EUR)	2020 (EUR)	2021 (EUR)
Administrative Expenditure	3,103,467	3,568,000	3,996,000	4,120,000
Operational Expenditure	4,717,541	6,812,767	6,966,343	4,511,295
Repayment of advance to the EC				2,361,336
Total	25,207,008	29,495,967	33,043,543	35,388,831²⁶

Human Resources

Resource outlook over the years 2019 – 2021

The legislative proposals pertaining to PEPP and the outcome of the ESA's review are expected to come into force during the term of this SPD. According to the proposals EIOPA should assume new tasks and powers not originally foreseen in the Commission's Multi-Annual Financial Framework 2014-2020. The Commission in its two legislative proposals has therefore allocated additional human resources to undertake the new work.

On PEPP, the Commission has in its proposal outlined that in 2019 EIOPA should receive three additional members of staff and in 2020 one further member of staff.

The outcome of the review into the ESAs touches upon multiple areas of EIOPA's work. In total 35 new members of staff have been allocated across its various functions for 2019 and 2020.

In the area of governance and decision-making, the proposals foresee a new permanent Executive Board comprised of the Chair, Executive Director and two new senior members of staff. To account for the additional reporting requirements and information needs of the Executive Board, two members of staff have been also allocated.

Under the role of indirect supervision, the legislative proposal outlines a number of new tasks and the strengthening of some existing areas. As such, EIOPA should receive five members of staff to undertake the new Independent Reviews. To devise and monitor the new EU Strategic Plan, three members of staff have been allocated. EIOPA should also have a stronger role in relation to FinTech and three staff members have also been provided to undertake it. Equivalence will grow in importance following the exit of the UK from the EU and reflecting this, EIOPA has been allocated two additional staff to monitor equivalence decisions. Finally, EIOPA should have a new power for issuing Opinions on new applications or changes in existing Internal Models. This will require considerable work with EIOPA's ongoing involvement in model reviews and the Authority has therefore been allocated five staff for the task.

Changes have been proposed by the Commission to EIOPA's funding model, involving the collection of fees. To run this process four additional staff have been allocated. The Commission in its proposal has also foreseen three staff to provide legal support and six for additional support in other areas across its functions.

To allow for an orderly process to recruit and integrate new staff members, EIOPA has opted to stagger the recruitments across 2019 and 2020. In 2019 the Authority will therefore only recruit the three staff specified for PEPP and 15 of the 35 allocated in the

outcome of the ESA review. The remaining one PEPP staff member and 20 for the ESA's review will come in 2020.

EIOPA will also receive an additional Contract Agent in 2020 to support its efforts in the field of Sustainable Finance.

ECA performance audit finding – EIOPA received the recommendation to strengthen human resources assigned to supervision. Since 2016 and the application of Solvency II and in line with the shift from regulation to supervision, EIOPA has reduced the number of staff allocated to producing regulation, and increased the numbers overseeing its consistent application. This specifically relates to building consistent and high-quality approaches to both prudential and conduct supervision and ensuring the supervisory community has the information it needs to decide upon and take supervisory actions. EIOPA intends to strengthen further its supervisory capacity in the interest of consumers fostering a well-functioning internal market. As there continues to be a demand also for regulatory work, including the reviews of key regulation (Solvency II, IORPs II and IDD), EIOPA needs to be properly resourced also in this area to ensure it can deliver on its tasks.

Negative priorities/decrease of existing tasks – EIOPA has strengthened its approach to prioritisation and made tough choices about what work to not take forward or to be a candidate for future cut from its work programmes should the need arise to accommodate additional work without additional staff. The negative priorities for the SPD 2019-2021 cover areas where EIOPA could undertake work within its mandate, but that work is not deemed as essential to achieving its strategic ambitions. In certain areas where EIOPA reports on trends and developments in the market, opportunities have been found to rationalise the number of different reports, but still deliver the same amount of information, offering up efficiencies. This has allowed EIOPA to allocate more staff to engage with NCAs on conduct of business supervision. EIOPA has also had to limit its ambition in terms of developing new tools and techniques that support its work in areas such as financial stability. The potentially allocated resources have instead been used in delivering the core financial stability products (e.g. stress test, financial stability reports) and strengthen the provision of statistics. A further negative priority has been EIOPA's level of participation in international fora relating to its mandate. Mainly touching upon areas of policy, financial stability and crisis prevention and management, the freed up resources have been allocated to important tasks including EIOPA's contribution into the Solvency II review. As a result of the ongoing uncertainty regarding the impacts of issues such as Brexit and the three legislative proposals from the Commission, EIOPA assessed the potential impact and has identified a number of potential cuts, specifying for each the likely resource savings to be able to absorb additional work and reallocate resources if required. If required, EIOPA will revise down the work in its AWP's to absorb any funding or human resources shortfall.

Efficiency gains - EIOPA will continue its efforts to deliver efficiency gains across its functions, with a particular focus on administrative processes. The Authority will continue to implement E-solutions to reduce numbers of staff required to deliver tasks and review its processes to ensure they are being delivered as efficiently as possible. Engagement will continue with the other ESAs in areas such as procurement to achieve economies of scale. Further implementation of the Open Office Space project will support EIOPA absorbing additional staff reducing the need to procure additional floor space.

Redeployment – to manage the changing requirements placed on EIOPA, the Authority is developing a new competency framework, this will highlight the knowledge and skills needed and train, as appropriate, its staff to facilitate the redeployment of EIOPA's existing staff from areas of lesser priority to those growing in importance.

Section III: Annual Work Programme 2019

Introduction

EIOPA's Annual Work Programme is driven by both mandated tasks and the work to achieve its vision to be a credible supervisory authority. It captures the Authority's efforts towards its objectives for conduct of business, supervisory convergence and financial stability. The work programme is defined in terms of operational and horizontal activities. Each activity details its own objective and link to EIOPA's strategy, the planned products and services, and the required human and financial resources. This provides clarity on the purpose and value of EIOPA's work, and enables prioritisation of the many competing demands.

EIOPA applies a method of prioritisation to its activities to identify the most important areas of work for the year. This prioritisation has implications for resource allocation and the continued inclusion in the Work Programme of an activity in the face of budget constraints and/ or new demands arising in-year. The allocation of 'High' is based on a judgment of the extent that the area of work is supporting one or more of EIOPA's key planning priorities for 2019, that it is a specific legal requirement that must be delivered in 2019 as well as having a clear and important link to EIOPA's Strategy. It is indicated in the title of the activities, as described in the following section if they are of a high priority.

Planning Priorities 2019

Cross Cutting Themes: InsurTech and Sustainable Finance

InsurTech has an impact across all of the steps of the value chain in the insurance and pension sectors, including through the emergence of start-ups, often in cooperation agreements with incumbent undertakings. The business models of undertakings and the consumer experience are being transformed as a result of the proliferation of financial innovation and technology. These developments are closely scrutinised by the supervisory and regulatory community, and offer a unique opportunity for EIOPA to establish supervisory convergence in a relatively new and rapidly evolving area. With a Task Force established and mandate for the forthcoming years prepared, it has been possible to define clear products and services in 2019 for the cross cutting theme of InsurTech. While this reality leads to an increase of dependency on digital technology, ensuring that the insurance sector is safe and resilient is essential. On this context EIOPA will also address the supervision of ICT security and governance, including the assessment on the adequacy of implementing a 'Cyber resilience test' in the insurance market.

Regarding sustainable finance including climate change, by 2019 EIOPA will have designed specific initiatives in areas such as scenario planning and the environmental, social and governance provisions in IORP II. During the course of 2018, EIOPA will establish in greater detail further work to be undertaken supporting the objectives regarding sustainable finance and it will revise its AWP 2019 in light of these discussions, potentially re-prioritising currently proposed products and services to accommodate any new work on the topic.

In view of the above, EIOPA has set the following priorities for 2019:

- **Fragmentation of the value chain and impact on business models** - it is necessary for supervisors to understand the (new) modus operandi for both incumbents and start-ups, together with the impact and change of business

modes to provide appropriate risk-based supervision. As part of this process, the understanding of new evolving business models is particularly important.

- **Big Data** – a priority because of the potential detriment to consumers when pricing is done using non-risk based data raising potential ethical issues.
- **Cyber risks** – an area of growing implications in terms of both opportunities and risks to industry and consumers alike.

Strategic Objective 1: Driving forward conduct of business regulation and supervision

Whilst the European Single Rulebook is being completed in the insurance area by means of IDD and PRIIPs, a number of regular reporting and review obligations exist under both of these frameworks, which will be populating EIOPA's work programme.

Moreover, EIOPA has been steadily implementing its comprehensive risk-based and preventative framework for conduct of business supervision by means of incremental steps, prioritising thematic reviews as a way of building experience and capacity, supervisory convergence and an evidence-based approach. Going forward, other oversight tools including, oversight platforms, country visits and recommendations are envisaged, with the expectation that conduct will be addressed using these wider tools, where appropriate. To achieve EIOPA's objective for driving forward conduct of business regulation and supervision, EIOPA has set the following priorities for 2019:

- **Completion of a European Single Rulebook** – supervisory convergence can only be achieved against a harmonised set of rules, ensuring a relative standardised approach, implementation and practises across Europe.
- **Holistic approach to monitoring risks** – strengthened methodology for monitoring conduct of business risks ensuring a holistic perspective across the entire value chain
- **Alignment of supervisory practises** – ensuring effective and efficient conduct of business supervision.

Strategic Objective 2: Leading convergence towards high-quality prudential supervision throughout the EU

EIOPA's work to lead convergence towards high-quality prudential supervision is divided into three key areas: a sound, smart and robust regulatory framework, enhancing the use and quality of supervisory information, and improving quality and consistency of supervision.

Operational activity: sound, smart and robust regulatory framework

Relating to EIOPA's policy work in the area of insurance, the Solvency Capital Requirement (SCR) Review will have been delivered in 2018 and the European Commission will have proposed changes to the Delegated Regulation. There will be some follow up work on the SCR Review, e.g. on risk margin and on Catastrophic (CAT) calibration. Also following the amendments to the Delegated Regulation the Reporting and Disclosure Commission Implementing Regulations need to be reviewed and adapted to the new requirements. EIOPA also plans to launch a review the reporting and disclosures requirements not only focusing on the amendments resulting from the new regulation but also already reflecting the regulatory feedback loop. Work on sustainable finance is also expected to evolve, in particular on the basis of the report of the High Level Expert Group. In addition, depending on the European's Commission approach to equivalence, requests could be made to EIOPA to either update prior assessments or enter into the monitoring of third country regulation and its practical implementation. Finally, 2019 will also bring first results from the review of the guidelines, initiated in 2018 and the regulatory feedback loop. A key priority in 2019 will be the 4th Report on Long-term Guarantee measures (LTG report) with first indications for improvement of the regulatory system on the basis of the effectiveness of the measures.

In the area of private pensions, 2019 will bring important changes in the regulatory frameworks at national level due to the implementation and application of the IORP II Directive. This will affect positively the internal market through more efficient collaboration between home and host supervisors of cross-border IORPs. It is also likely that due to the completion of the Capital Markets Union, key initiatives such as the PEPP will be brought into force. For a successful implementation of these initiatives, EIOPA will play a crucial role in the regulatory and supervisory framework. Furthermore, and as a consequence of the successful implementation of international and European initiatives to increase the transparency of pension funds, EIOPA will be able to carry out deeper and more sophisticated analyses and statistics to assess the European occupational pensions sector.

In light of these developments, EIOPA has the following priorities for 2019:

- **Further development of the regulation and eventually authorisation of PEPP (Commissions legislative proposal)** – several areas of the regulation of PEPP, for example, regarding the default investment option and transparency about the product deserve further guidance to promote the design of appropriate PEPPs.
- **Preparing the ground for EIOPA’s Opinion due in 2020 on the LTG Measures** - on the basis of robust evidence on their effectiveness, testing ideas for improvement and considering impact on existing regulation.
- **Further refinement of the International Capital Standard (ICS) 2.0 as reference ICS and starting confidential reporting to international colleges** – after the decision of the International Association of Insurance Supervisors (IAIS) announcing a unified path to convergence of group capital standards in furtherance of its ultimate goal of a single ICS that achieves comparable outcomes across jurisdictions, implementation work will start to be carried out.
- **Achieving proportionate and relevant application of IORP II throughout Europe** – by applying IORP II the national supervision of IORPs is enabled to reach deeper analysis and a multi-faceted approach to assessing the sustainability of IORPs. This is further supported by sophisticated studies based on a broader set of relevant pensions data.

Operational activity: quality of supervisory information

EIOPA works to enhance the use and quality of supervisory information through efficient standardised exchange mechanisms, centralised quality checks and the timely provision of business intelligence. By 2019, EIOPA will be receiving supervisory data on the insurance sector for three years then and will start receiving the pensions sector data. To ensure EIOPA makes the best use of this data in supporting its objectives, the following priorities have been set for 2019:

- **Enhance the quality of prudential and financial stability data on insurance and pensions** - maintain and further develop data quality checks and processes with a feedback loop to NCA improving measurable data quality indicators for insurance and take lessons from the process of insurance data to achieve data quality in pensions;
- **Promote consistency in supervision through the provision of a greater range of indicators to support identification of risks and guide decision-making on supervisory action** - widen the scope and improve the products developed using information through EIOPA business intelligence system and shared with NCAs in order to support supervision and delivered to EIOPA different users meeting user’s expectations.
- **Continue to strengthen security - investing in strengthening the security of the organisation in all its facets: physical, personnel and IT security** –

a safe and secure work environment, a secure and resilient digital infrastructure as well as secure information sharing and exchange solutions are vital requirements for a well-functioning Authority.

Operational activity: improving quality and consistency of supervision

The day-to-day supervision including the responsibility for monitoring and ensuring the proper functioning of insurance companies lies with the national supervisory authorities. Almost 30 per cent of the premium income in the EU is inward premiums coming from other jurisdictions within the EU. The European insurance sector as a whole has a larger cross-border dimension than the European banking sector. Due to these large-scale cross-border activities, the quality of national supervision is no longer solely a national issue but a European issue. The European supervisory system will only be as strong as its weakest link. Stronger and increased coordinated supervision is indispensable.

EIOPA is actively engaged to further supervisory convergence in the area of prudential supervision of insurance companies and to achieve this the following priorities have been set 2019:

- **Build and enhance a common supervisory culture and consistent supervisory practices** – to develop the Annual Supervisory Convergence Work Plan; advance the Supervisory Handbook, focus on new areas where development would contribute to high quality and effective supervision and reflect any feedback received as a result of the communication between supervisors; issue Opinions/Supervisory Statements in specific areas identified and as defined in the Supervisory Convergence Plan.
- **EIOPA issuing its first Opinions on new applications or changes in existing Internal Models** – based on a developed framework, EIOPA will issue as of 2019 Opinions regarding Internal Models approval.
- **EIOPA to conduct a risk-based assessment and follow up on specific supervisory issues in terms of quality and consistency of national supervisory practices with a focus on cross border issues** – EIOPA to monitor risks from a supervisory perspective and enact mitigating measures when required, specifically in cross-border issues and on the basis of the three year Strategic Supervisory Plan, developed in cooperation with the specific NCA.

Strategic Objective 3: Strengthening the financial stability of the insurance and occupational pensions sectors

Challenging market conditions and the inconclusive debate on the 'low for long' vs 'back to normal' scenarios amid an environment of high political risk, necessitates increased risk monitoring at EU level, aiming at early identification of risks and proposing mitigating actions for the stability of the insurance and occupational pensions sectors. To achieve EIOPA's objective for financial stability in this context, EIOPA has set the following priorities for 2019:

- **Maintain, further develop and reinforce core products (e.g. Stress Tests, Financial Stability Report, Risk Dashboard)** - refining the current risk and financial stability reporting by leveraging on the growing EU-wide dataset on both insurance and pensions to add analytical and informative value for supervisors.
- **Transparent and credible risk reports and statistics** - the development and provision of reliable risk analysis and statistics will be an important area of focus as it enhances transparency, trust and confidence to the insurance sector.
- **Preventative policies and actions to mitigate risks to financial stability** – as a safeguard to financial stability, the focus should be on crisis prevention. In that context, further work is expected on recovery and resolution as well as potential macroprudential frameworks for the insurance sector.

Strategic Objective 4: Delivering EIOPA's mandate effectively and efficiently

According to the Commission's Multi-Annual Financial Framework 2014-2020, by 2019, EIOPA would have achieved 'cruising speed'. This means that the Authority is fully established and not expected to grow further in terms of tasks and budget. However, the legislative proposals in relation to PEPP and the outcome of the review of the ESAs will require changes to EIOPA's governance structure, funding model, and tasks and powers, with additional budget and staff foreseen. In addition to this, and according to the Article 50 timeline, the UK will withdraw from the EU by March 2019. The consequences of this withdrawal will likely also impact on EIOPA's funding, access to information and data, and the contribution of the UK to EIOPA's various work streams.

To ensure the staff and budget allocated to EIOPA is applied as efficiently and effectively as possible the Authority has, and will continue to search out efficiencies in its own administrative processes and synergies and efficiencies gains through greater cooperation with other European Supervisory Authorities. EIOPA will, wherever possible seek to cooperate with the other two European Supervisory Authorities in areas such as procuring goods and services to do so cost effectively.

To address these developments and still achieve EIOPA's objective for effectiveness and efficiency, the Authority has set the following priorities for 2019:

- **To maintain readiness to implement effectively and efficiently any required changes whilst still delivering EIOPA's strategic objectives** – meaning that EIOPA is prepared to adapt existing processes, introduce new ones and build new structures to meet any new requirements resulting from the review of the ESAs, PEPP or Brexit whilst continuing to deliver added value in the areas of conduct of business supervision, quality and consistent prudential supervision and financial stability.
- **To improve, streamline and automate processes** – to ensure EIOPA operates as effectively and efficiently as possible, EIOPA will seek continuous improvement in the functioning and efficiency of its processes.

Activities 2019

Cross Cutting Themes

High Priority: InsurTech

Operational Objective: to promote supervisory convergence in the area of InsurTech, facilitating a level playing field throughout Europe based on the principle of proportionality and pursuing a technology-neutral approach to financial innovation.

Basis for inclusion in the AWP

Legal requirement: Article 1(6) of the EIOPA's Regulation, according to which EIOPA, inter alia, shall contribute to (i) the improved functioning of the internal market; (ii) ensure the integrity, transparency and efficiency of the financial markets; (iii) prevent regulatory arbitrage; (iv) ensure the appropriate regulation and supervision of the taking of risks; and (v) enhance consumer protection. The amendments to EIOPA's Regulation stemming from the ESAs review legislative proposal in relation to Article 8, and in particular reference to technological innovation, enhances the legal basis for EIOPA's ongoing work in this area.

Strategically aligned: as part of EIOPA's vision, work will be undertaken to promote financial innovation by means of the ongoing digitalisation of existing and evolving business and distribution models in a manner that does not cause undue detriment to consumers.

Planning priority for 2019: Fragmentation of the value chain and impact on business models; Big Data; and Cyber risks.

FTE²⁷	2.75	Evolution (Growing): With the additional staff as foreseen in the legislative proposal pertaining to the review of the ESAs beginning to be allocated to the activity, EIOPA will be in a position to further strengthening its efforts.
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ID ²⁸	Products	Due
0/01	Thematic Review Big Data – finalisation	Q1
0/02	Work on Cyber Risk	Q4
0/03	Supervisory approaches to InsurTech, licensing and European Innovation hub/ regulatory sandbox – following mapping exercising	Q1
0/04	Outsourcing to the cloud: Taking into consideration the potential benefits and risks for insurance undertakings and consumers linked to the use of cloud computing technology, the assessment will be finalised of the NCAs' supervisory practices and expectations on outsourcing to cloud service providers and explore the possible need to further regulate the activity.	Q4
0/05	Convergence on supervision of algorithms: Based on the outcome of the thematic review on Big Data, further assessment of the design and use of algorithms to determine how the functioning of increasingly complex analytical IT tools and processes (e.g. artificial intelligence or machine learning) can be best supervised and/or communicated to consumers. Different capacity-building activities for NCA such as workshops or seminars could eventually be explored.	Q4
0/06	Fragmentation of the (re-)insurance value chain and impact on business models: Analysis and proposal for remedies to the supervisory challenges arising from the fragmentation of the (re-)insurance value chain as a result of new technologies and actors. Among other things, this work would cover the increasing collaboration between (re-)insurance undertakings and non-regulated firms such as data vendors.	Q4
0/07	Distributed ledger technology (DLT) / Blockchain: the number of potential uses cases for DLT is constantly growing. Work to be launched exploring the benefits and risks arising from the use of Blockchain for (re-)insurance undertakings and consumers, including assessing possible regulatory barriers preventing the deployment of this innovation.	Q4

Data requests to NCAs	Relevant ID	
Mapping of existing supervisory practices across financial sectors around ICT security and governance requirements	0/02, 0/03	
Survey on ICT-security current ruling and practices	0/02	
InsurTech Task Force data request (tbc, but deliverables include insurance value chain, supervision of algorithms, and Innovation Hub)	0/03, 0/06	
Cloud Computing	0/04	
Cyber Risk (European Commission Fintech Action Plan)	0/02	
Innovation facilitators (European Commission Fintech Action Plan)		
Task Forces	Estimated number of meetings	Relevant ID
InsurTech Task Force	4-5	0/01, 0/04, 0/05, 0/06, 0/07

²⁷ FTE – Full Time Equivalent

²⁸ ID – Product/service identity number

Strategic Objective 1: Driving forward conduct of business regulation and supervision

Strategic Action Area 1.1: Developing and strengthening the regulatory framework for the protection of consumers

High Priority: Delivering technical advice and policy work

Operational Objective: to strengthen the protection of consumers through a smart regulatory framework.

Basis for inclusion in the AWP

Legal requirement: Article 9 of EIOPA's Regulation states that the Authority shall take a leading role in promoting transparency, simplicity and fairness across the internal market within its fields of competence. A central tool to achieving this is building the regulatory framework. In addition, the Insurance Distribution Directive contains a number of deliverables for EIOPA.

Strategically aligned: EIOPA's first strategic objective is to drive forward conduct of business regulation and this activity is the basis for EIOPA to deliver on its mandated objective.

Planning priority for 2019: completion of European Single Rulebook.

FTE	5.5
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Evolution (Declining): the decrease in FTE allocated to this task compared to the AWP 2018 is not a reflection of a decline in the complexity and scale consumer protection policy work (e.g. General Good and PRIIPs), but instead the more clear separation of work and resources between this activity and those for InsurTech and conduct of business supervision. With new work from the Commission to take into account sustainable finance factors in IDD delegated acts and further work on PRIIPs, this area will remain stable going forward.

ID	Products	Due Date
1/101	IDD: Finalise technical advice to the COM on incorporating sustainability risks in Level 2 Delegated Acts	Q2
1/102	IDD: Launch Review of the Decision on the co-operation of competent authorities	Q4
1/103	IDD: Finalise report on "general good" rules published by Member States	Q1
1/104	IDD: Ongoing work collecting data on sanctions (Art 36)	On-going
1/105	IDD: Launch work on report on the application and impact of IDD (DL February 2020), (Art 41(4) and (8))	Q4
1/105	IDD: On-going work on Q&As on IDD and its implementing measures	On-going
1/106	PRIIPs: Targeted revisions of the delegated regulation	Q1
1/107	PRIIPs: Input into PRIIPs review of regulation (Art. 33)	Q2/3
1/108	PRIIPs: First Annual Report on administrative sanctions or measures	Q4
1/109	Sustainable Finance: work on disclosure	tbc
1/110	PEPP proposal: Pension Benefit Statement	tbc
1/111	PEPP proposal: Key Information Document	tbc

Data requests to NCAs	Relevant ID
Annual Report information on the national use of sanctions under PRIIPs (required by PRIIPs)	1/108
Survey on the use of Comprehension Alert (required by PRIIPs)	Input into the Review of the Regulation, including consideration of scope (pensions) and survey on the use of the Comprehension Alert (2020)

Project Group/ Expert Network/ Work Streams	Estimated number of meetings	Relevant ID
Committee on Consumer Protection and Financial Innovation	5	All
IDD Work Stream	3	1/101, 1/102, 1/103, 1/104, 1/105

Strategic Action Area 1.2: Developing and strengthening a comprehensive risk-based and preventive framework for appropriate conduct of business supervision

Analysis and (where necessary) concrete supervisory measures in relation to market developments and supervisory practices to avoid consumer detriment

Operational Objective: early identification of potential consumer detriment that could otherwise materialise, allowing swift action, where necessary, including supervisory measures to correct detriment or threats.

Basis for inclusion in the AWP

Legal requirement: within Article 9 to take a leading role in promoting transparency, simplicity and fairness, EIOPA may also issue warnings where financial activities threaten EIOPA's objectives or temporary prohibitions/ restrictions where specifically mandated under Union Law (Articles 9.3 and 9.5). To fulfil its mandate in a robust and proportionate manner, EIOPA must develop and maintain the capability to monitor, analyse and report on developments likely to result in consumer detriment and then be ready to take swift action.

Strategically aligned: this activity provides EIOPA with a concrete and comprehensive risk-based and preventive framework for conduct of business supervision, pre-empting consumer detriment and therefore delivering against an important strategic objective for the Authority.

Planning priority for 2019:

- holistic approach to monitoring risks; and
- alignment of supervisory practises.

FTE	7.5
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Evolution (Growing): EIOPA's strategy for conduct of business will have been well implemented by 2019 and EIOPA will continue to develop and strengthen its engagement with NCAs in this important area.

ID	Products	Due Date
1/21	Continued work on the net performance and fees of long-term retail and pension products file, as part of the Commission's Capital Markets Union (CMU) Action Plan	tbc
1/22	Thematic reviews (topic TBD)	Q4
1/23	Annual consumer trends report	Q2
1/24	Conduct of business chapters for the Supervisory Handbook	Q4

ID	Services	Frequency
1/25	Facilitation and coordination of market monitoring and conduct risk identification including through retail risk indicators both at national and European levels	Continuous
1/26	Work to address possible use of product intervention powers whether by EIOPA or at the national level	Continuous
1/27	Conduct of business visits to NCA to foster the exchange of ideas and experiences and identify issues in convergence between the different authorities	Continuous
1/28	Work to address conduct issues arising out of cooperation platforms on cross-border activity	Continuous
1/29	Conduct of Business Supervisory workshops	Continuous

Data requests to NCAs	Relevant ID
Annual consumer trends report	1/23
Thematic review possibly involving consumer testing depending on scope of review	1/22
Net performance and fees of retail and pension products as part of the Commission's Capital Markets Union Action Plan	1/21
Market monitoring generally and specifically under the PRIIPS Regulation with a view to potential product intervention on IBIPs	1/26

Project Group/ Expert Network/ Work Stream	Estimated number of meetings	Relevant ID
Committee on Consumer Protection and Financial Innovation	(See Delivering technical advice and policy work)	All
Product and Markets Work Stream	3	1/26
Conduct of Business Handbook Work Stream	4-5	1/24

Strategic Objective 2: Leading convergence towards high-quality prudential supervision throughout the EU

Strategic Action Area 2.1: Enabling supervisory convergence with a sound, smart and robust regulatory framework which is responsive to market developments

High Priority: Develop, maintain and improve the regulatory framework and processes for insurance and reinsurance supervision

Operational Objective: support convergent and consistent application of Solvency II.

Basis for inclusion in the AWP

Legal requirement: EIOPA is required to contribute to the establishment of high-quality common regulatory standards and to contribute to the consistent application of legally binding Union acts as well as to build a common supervisory culture and consistent supervisory practices in ensuring uniform procedures and consistent approaches (Article 1(a) and (b), 29 (1)(a),(c) and (d) EIOPA Regulation). In particular, the Review of the Solvency Capital Requirements and the Review of the Long Term Guarantee measures are explicitly listed in legislation to be carried out in the frame of the Solvency II Directive.

Strategically aligned: this is a strategically important area of work because of its focus on the implementation of Solvency II, requiring the establishment of an evidence-based policy feedback loop, in cooperation with other units.

Planning priority for 2019: SII review context: Preparing the ground for EIOPA's Opinion due in 2020 on the LTG Measures

FTE	13.25
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Evolution (Growing): although previously in decline, this activity is growing slightly as a result of a number of important insurance related policy initiatives in 2019 and beyond, this includes the Commission's Call for Advice on Sustainable Finance topics and the expected Calls from the European Commission for the overall Solvency II 2020 Review.

ID	Products	Due Date
2/1101	Review of Reporting and Disclosure Commission Implementing Regulations following amendment of Delegated Regulation and regulatory feedback loop	Q2 (2019 review)+ (general review (2020))
2/1102	Long term guarantees review (thematic focus for 2019 to be specified): <ul style="list-style-type: none"> Full Impact Assessment EIOPA opinion to be delivered by 1/1/21 at latest 	Q2 Q4
2/1103	Follow up as required to advice provided in 2018 on Solvency Capital Requirements standard formula including on health risk	Q1-Q4
2/1104	Ongoing work on wider environmental, social and governance issues as required and on natural catastrophes ("climate change")	Q1-Q4
2/1105	Development/annual update of Risk Free Rate Methodology - in respect of representative portfolios, deep/ liquid transparent criteria, and ultimate forward rate	Q4
2/1106	Ongoing work stemming from Calls for Advice and Opinion on Sustainable Finance on the basis of corresponding EIOPA Action Plan	Q4
2/1107	Response to Commission Call for information on illiquid liabilities	Q3
2/1108	Potential additional Calls for Advice from the European Commission in the context of the wider Solvency II 2020 Review	Contingent on demand
2/1109	Solvency II Rule Book on website	Q4

ID	Services	Frequency
2/1110	Public Consultation and dialogue with stakeholders regarding the review of Reporting and Disclosure Commission Implementing Regulations	Q2 (2019 review)+ (general review (2020))
2/1111	Ensure EIOPA defines coherent position in treatment of Solvency II pillar 1 in respect of Solvency Capital Requirements, Long Term Guarantees and International Capital Standards and sustainable finance requirements	Continuous
2/1112	Establishment of a network on catastrophic risks	Q1
2/1113	Impact Assessments	Continuous
2/1114	Questions and Answers on application of insurance regulatory framework	Continuous
2/1115	Ongoing input into European Financial Reporting Advisory Group Board on accounting and deliver of comment letters on International Accounting Standards Board exposure drafts and/or discussion papers incl. International Financial Reporting Standards 17 implementation	Continuous

Data requests to NCAs		Relevant ID
LTG review info request to NCAs		2/1102
LTG review requests to undertakings		2/1102
Annual DLT assessment for the RFR calculation		2/1105
Information request on Sustainable Finance		2/1106
Info request (quantitative and qualitative) for analysing illiquid products and assets covering them linked to the work of the respective Project Group under PSC		2/1107
Call for information of the European Commission related to DIRECTIVE 2009/138/EC (insurance liabilities, insurers asset management, LTG measures, market valuation of insurance liabilities)		2/1107
Brexit related information request		tbc
Follow-up questionnaire from NL Long Term Business platform (quantitative and qualitative)		2/1018
Requests needed for the Solvency II 2020 Review (qualitative and quantitative)		2/1108

Project Group/ Expert Network	Estimated number of meetings	Relevant ID
Long Term Guarantee PG	6	2/1102
Risk Free Rate PG	6	2/1105
Illiquid Liabilities PG	6	2/1107
Solvency Capital Requirements PG	6	2/1110
Sustainable Finance PG	6	2/1104, 2/1106
ENW 3 – Information	5	2/1101
ENW 6 – Audit and Accounting	2-3	2/1114

Contribution to and coordination of EIOPA's work with the International Association of Insurance Supervisors (IAIS) and dialogues with authorities in third countries

Operational Objective: to coordinate the European position and contribute to the development of a common International Capital Standard, the convergence of international supervisory standards and building trust and understanding with third countries.

Basis for inclusion in the AWP

Legal requirement: this activity will be a cornerstone of EIOPA's proactive approach to international developments in 2019. EIOPA's regulation requires that the Authority reaches out to third countries to address key global issues in the supervision of insurance and pensions. Article 33 of EIOPA's regulation provides the mandate to '...develop contacts and enter into administrative arrangements with supervisory authorities, international organisations and the administrations of third countries.'

Strategically aligned: EIOPA's work on the International Association of Insurance Supervisors (IAIS) International Capital Standard (ICS) is a high priority with the aim to increase the global convergence and consistency of supervisory practices, through the implementation of a sound risk-based regulatory and supervisory framework (ComFrame), from which Solvency II can become a practical implementation.

Planning priority for 2019: Further refinement of the ICS 2.0 as reference ICS and starting confidential reporting to international colleges.

FTE	4.25
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Evolution (Declining): EIOPA will broadly maintain its level of participation in important international fora and engagement with third countries on topics of insurance regulation and supervision, but will limit its focus to only the most relevant and important topics.

ID	Products	Due Date
2/1201	EIOPA to coordinate with Members, including the International Relations Platform, and contribute to the implementation of the ICS 2.0	Continuous
2/1202	Equivalence and professional secrecy assessments (e.g. full equivalence assessment of Japanese insurance regime) and third country reports (if required)	Contingent on demand
2/1203	Regulatory work relating to the assumed status of the UK as a third country after March 2019	tbc

ID	Services	Frequency
2/1204	EU-US – twice yearly dialogue with public event / EU US Insurance Project lead (EU-side) and coordination	Q4
2/1205	China dialogue and operationalisation of the EIOPA Chinese Insurance Regulatory Commission Memorandum of Understanding	tbc
2/1206	Overall coordination of and responsibility for international policy development and relations, including its strategy and the representation of EIOPA	Continuous
2/1207	Chair and coordinate the EIOPA cross-departmental International Activities Committee	Continuous
2/1208	EU US Covered Agreement – practical implementation after signature (also: participate in "Joint Committee")	Q4
2/1209	Organise, together with the Goethe University and the World Bank, the 6 th GIS Conference in Frankfurt	Q3

Data requests to NCAs	Relevant ID
EU US Covered Agreement (survey on reinsurance and supervision group supervision) – potential follow-up	2/1208
EU US project specific quantitative and qualitative information request on cybersecurity, cyber underwriting, big data and intra-group transactions	2/1204

Pensions regulation including policy development and advice

Operational Objective: to lead the development of a sound and prudent regulatory framework for pensions to improve the functioning of the EU internal market in the field of private pensions.

Basis for inclusion in the AWP

Legal requirement: EIOPA's Regulation requires EIOPA to act in the field of activities of institutions for occupational retirement provision in order, amongst other objectives, to be actively involved in facilitating effective regulation and supervision. Hereby, EIOPA bases its conclusions and recommendation on factual evidence, research and close interaction with its members to attain a good understanding of the actual application of the IORP Directive and issues related to that act.

Strategically aligned: strategic action areas 2.1, 2.2 and 2.3 set out that building blocks of an improved functioning of the internal market for pensions are based on an evidence-based development of regulation, which needs to be supplied by a high-quality data framework and which feeds back into high-quality and convergent supervisory practices.

Planning priority for 2019: achieving proportionate and relevant application of IORP II throughout Europe.

FTE	6
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Evolution (Stable): EIOPA will continue to invest resources into developing the framework for pensions at the same level to the previous year. PEPP will in 2019 have its own activity (please see below) to which additional resources have been allocated.

ID	Products	Due Date
2/131	Furthering the application of IORP II through guidance in key areas, such as governance, risk assessment and management, and the use of supervisory tools and environmental, social and governance factors	Q2, contingent on demand
2/132	Initiate monitoring of the application of the revised Budapest Protocol	Q4
2/133	Follow-up work to the best practice report on the Pensions Benefit Statement with a focus on indicative design examples	Q4

ID	Services	Frequency
2/134	Depending on the review of EMIR, assessment of eligibility to exempt from the central clearing obligation	Contingent on demand
2/135	Monitoring conditions of pension schemes' transfers due to the UK withdrawing from the EU	Contingent on demand

Data requests to NCAs	Relevant ID
Information request on IORP II implementation (governance and risk assessment – 2 nd phase)	2/131
Information request on CfA Sustainable finance (IORP II fiduciary duty and disclosure)	2/131

Project Group/ Expert Network	Estimated number of meetings	Relevant ID
ENW 7 – Pensions	3	All
IORP II governance and risk assessment PG	4-5	2/131
IORP II pensions benefit statement and other information documents PG	2-3	2/133

High Priority: Authorisation of the pan-European Personal Pension Product (PEPP)

Operational Objective: for EIOPA to fulfil its role in authorising PEPPs for the EU.

Basis for inclusion in the AWP

Legal requirement: the Commission's proposal for the pan-European Personal Pension Product (PEPP) establishes a role for EIOPA in the authorisation of products (Article 6). This activity represents the tasks EIOPA will undertake to deliver this important role.

Strategically aligned: strategic action areas 2.1, 2.2 and 2.3 set out that building blocks of an improved functioning of the internal market for pensions are based on an evidence-based development of regulation, which needs to be supplied by a high-quality data framework and which feeds back into high-quality and convergent supervisory practices.

Planning priority for 2019: further development of the regulation and eventually authorisation of PEPP.

FTE

3.5

Evolution (New Task): EIOPA will have a completely new task in 2019 in authorising PEPPs and monitoring the efforts to supervise the new products across the Member States. The three members of staff allocated to this activity is based on the Commission's legislative proposal.

ID	Products	Due Date
2/141	Providing advice on developing PEPP's regulation and eventual authorisation in important areas, for example regarding the design of protection mechanisms and the default investment option, as required	Contingent on demand
2/142	PEPP proposal: Annual Report on PEPP Market	tbc
2/143	PEPP proposal: Annual Report on the Supervision of PEPP products	tbc

ID	Services	Frequency
2/144	PEPP proposal: Authorisation of PEPPs in EU	tbc
2/145	PEPP proposal: Up-to-date Register/Database of Authorised PEPPs	tbc
2/146	PEPP proposal: PEPP-related mediation	tbc

Regular and close cooperation between the three European Supervisory Authorities to ensure cross-sectoral consistency

Operational Objective: where a matter is of cross-sectoral nature, the European Supervisory Authorities cooperation in the Joint Committee relating to supervisory and regulatory activities in the securities, banking and insurance & pension markets ensures consistency of supervisory standards and practises.

Basis for inclusion in the AWP

Legal requirement: Article 54.2 of the EIOPA Regulation, lays down the following non-exhaustive list of areas for European Supervisory Authority cooperation on cross-sectoral themes: financial conglomerates, accounting and auditing, financial stability at the micro-prudential level, consumer protection, anti-money laundering and information exchange with the European Systemic Risk Board. The aim of this cooperation is to build consistency from a supervisory perspective across the financial markets. EIOPA has a key role to provide the insurance and pensions' perspective.

Strategically aligned: this activity covers EIOPA's efforts in leading the development of sound and prudent regulation for cross-sectoral matters. It contributes to promote supervisory convergence across financial sectors to the benefit of consumers.

Planning priority for 2019: N/A

FTE	2
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Evolution (Declining): in 2019 EIOPA will chair the Joint Committee, requiring additional effort on the part of the Authority, however, EIOPA has been able to streamline its processes in support of the JC to deliver a small reduction in FTE.

ID	Products	Due Date
2/1501	Update the list of identified financial conglomerates (in close coordination with the European Central Bank/Single Supervisory Mechanism)	Q4
2/1502	Regulatory work to promote the establishment of a Capital Markets Union addressing securitisation and recovery and resolution issues	Q4
2/1503	Joint Report on Risks and Vulnerabilities (presented at the Council's Economic and Financial Committee's Financial Stability Table)	Q2, Q4
2/1504	Activities with regards to Anti-Money Laundering	Q4
2/1505	Consumer protection work as defined in the Joint Committee Work Programme	Q4
2/1506	Digitalisation as defined in the Joint Committee Work Programme	Q4
2/1507	Develop joint position on securitisation	Q4

ID	Services	Frequency
2/1508	Chairing Joint Committee	Continuous
2/1509	Coordination of Joint Board of Appeal	Continuous
2/1510	The 7 th Joint ESAs Consumer Protection Day	Q3
2/1511	Functioning Joint Committee website	Continuous

Data requests to NCAs	Relevant ID
Questionnaire for the joint opinion as required by the Anti Money Laundering Directive	2/1504

Project Group/ Expert Network	Estimated number of meetings	Relevant ID
Joint Committee Financial Conglomerates Task Force on Conglomerate reporting template issues	4-6	2/1501
Special Securitisation Committee substructure (tbc)	2-4	2/1507

Strategic Action Area 2.2: Enhancing the use and quality of supervisory information through efficient standardised exchange mechanisms, centralised quality checks and the timely provision of business intelligence

Production of the Solvency II Risk Free Rate and Equity Dampener

Operational Objective: EIOPA to calculate and publish key information fundamental to effective application of Solvency II and maintain and improve the production processes.

Basis for inclusion in the AWP

Legal requirement: the effective implementation of Solvency II is dependent on the provision by EIOPA of a set of technical information on which undertakings will base their calculations of capital requirements and technical provisions. The determination of the Risk-Free interest Rate structure, the fundamental spread and the volatility adjustment determine the value of the liabilities of the undertakings and, to a large degree, the amount of capital that European insurers need to hold against their liabilities. It is mandated as a legal requirement within Omnibus II that EIOPA provides this information. Based on Solvency II legislation, EIOPA also currently publishes the level of the symmetric adjustment of the equity capital charge (or Equity Dampener or ED) on a monthly basis as part of the Solvency II technical information.

Strategically aligned: Risk-Free Rate and Equity Dampener production are key components of the greater emphasis on operational processes and data.

Planning priority for 2019: N/A

FTE

8

Evolution (Stable): EIOPA expects to maintain resourcing levels for this task. Following the implementation of the recommendations from the automation project and the audit of the process that took place in 2017 EIOPA will consider further improvements after the result of the a cost-benefit analysis to improve the data management platform solution dedicated to support the RFR production process. Further automation will also be considered for **the Equity Dampener process**.

ID	Products	Due Date
2/211	Implement any improvement of the data management platform solution dedicated to support the RFR production process (including moving to new data provider)	Q4
2/212	Consider further automation for the Equity Dampener process	Q4
2/213	Continued implementation of methodology changes into the production process regarding the regular update of representative portfolios, deep/ liquid transparent criteria, and ultimate forward rate	Q4
2/214	Assessment and review of EIOPA Equity Index and implementation of any recommendations	Q4

ID	Services	Frequency
2/215	Risk Free Rate production	Monthly
2/216	Equity Dampener production	Monthly
2/217	Provision of statistics on RFR/ED process	Q1, Q2, Q3, Q4
2/217	Launch Audit of RFR and ED process	Q3

Data requests to NCAs	Relevant ID
Assessment and review of EIOPA Equity Index – placeholder if information may not be retrieved completely from QRTs	2/214

Project Group/ Expert Network	Estimated number of meetings	Relevant ID
Risk Free Rate PG	5	2/213
ENW 1 – Quantitative requirements	2	2/214

Data standardisation and management

Operational Objective: harmonised reporting for the insurance and pensions sectors allowing for timely availability of high quality data to support EIOPA's work on crisis prevention, financial stability, oversight, policy and consumer protection.

Basis for inclusion in the AWP

Legal requirement: EIOPA's founding regulation and the Solvency II Directive, Delegated Act, Implementing Technical Standards and Guidelines on reporting collectively define a framework for reporting of information from undertakings to NCAs, along with EIOPA's role in collecting, managing, using and reporting on this data. Specifically, Article 8 of EIOPA's Regulation mandates a role in the collection and reporting concerning national institutions in the area of its competence. To deliver against its mandate, EIOPA must have in place the necessary information systems and tools to securely receive and manage data. Article 29 of its founding regulation also requires EIOPA to contribute to 'developing high quality and uniform supervisory standards, including reporting standards.'

Strategically aligned: EIOPA's strategic ambition is to be the EU data-hub for the collection, use and dissemination of reference and reporting data on EU insurance companies and pension funds. Without the products and services delivered through this activity, this ambition will not be achieved.

Planning priority for 2019: N/A

FTE

9.5

Evolution (Declining): with the considerable effort invested in the previous years to develop and implement the data and reporting framework, the resources required to maintain and update existing systems has been reduced slightly.

ID	Products	Due Date
2/2201	Updates to the insurance taxonomy	Q1, Q3
2/2202	Updates of the pensions taxonomy	Q3
2/2203	Central Repository – Release for updated insurance taxonomy	Q2, Q4
2/2204	Central Repository – Release for pensions taxonomy	Q2
2/2205	All Registers - Functional improvements	Q4
2/2206	Updated Register of Institutions for Occupational Retirement Provision	Q3
2/2207	Updated Register of IORPs Prudential Provisions	Q4
2/2208	Updated Database of Pension Plans and Products	Q4
2/2209	IT and Data Strategy 2019-2023	Q3

ID	Services	Frequency
2/2210	Taxonomy support (NCAs and market)	Continuous
2/2211	First pensions data collection and validation for Central Repository	Q4
2/2212	Insurance data collection and validation for Central Repository – according to annual submissions calendars	Continuous
2/2213	Functioning data collection system	Continuous
2/2214	Functioning Central Repository	Continuous
2/2215	Functioning Register of Insurance Undertakings	Continuous
2/2216	Functioning Register of Insurance Groups	Continuous
2/2217	Functioning Register of IORPs Prudential Provisions	Continuous
2/2218	Functioning Register of Institutions for Occupational Retirement Provision	Continuous
2/2219	Functioning Register of Financial Conglomerates	Continuous
2/2220	Functioning Database of Pension Plans and Products	Continuous
2/2221	Functioning Single Electronic Register for Passporting Intermediaries	Continuous

Data requests to NCAs	Relevant ID
Solvency II Prudential Data Submissions Flow	2/2212
Registers – DCCR unified flow for all releases	2/2214, 2/2215, 2/2216, 2/2217, 2/2218, 2/2219, 2/2220
Pension funds Data Submissions Flow	2/2211

Project Group/ Expert Network	Estimated number of meetings	Relevant ID
Information Technology and Data Committee	4	All
Information Technology and Data Committee Data Subgroup	4	All
ENW 3 – Information	2	All
ENW 7 – Pensions	3	2/2206, 2/2207, 2/2208

Data analysis

Operational Objective: provide analytical reports to NCAs and EIOPA business teams with a fully functioning business intelligence system.

Basis for inclusion in the AWP

Legal requirement: EIOPA's Regulation Article 8(1)(g) mandates EIOPA to undertake economic analyses of markets to inform the discharge of the Authority's functions.

Strategically aligned: priority is put on the access and use of good quality data. This is delivered through a comprehensive data analysis tool based on Solvency II reporting and maintaining the capacity to provide reliable risk as well as supervisory analysis, both at individual, group and system-wide levels. Furthermore, EIOPA will use the reporting data received to create added value for NCA by increasing the scope and improving the analytical reports on national and EU level provided to them. Similar processes need to be defined for pensions data.

Planning priority for 2019:

- enhance the quality and use of prudential and financial stability data on insurance and pensions;
- promote consistency in supervision through the provision of a greater range of indicators to guide risk identification and decision-making on supervisory action.

FTE

7.25

Evolution (Growing): EIOPA will seek to further advance the tools and methods to analyse the data it receives on both insurance and pensions markets. This is with the aim of enhancing the added value to the supervisory community on the reporting data EIOPA receives.

ID	Products	Due Date
2/2301	Data quality reports for NCAs	Q1, Q2, Q3, Q4
2/2302	Information exchange in colleges for group supervisors	Q3
2/2303	Peer group indicators for NCAs	Q1, Q2, Q3, Q4
2/2304	Indicators for European Systemic Risk Board	Q1 and Q3
2/2305	Data quality reports based on the Centralised Securities Database data for NCAs	Q1, Q2, Q3, Q4
2/2306	Information on cross-border business for NCAs	Q3
2/2307	Internal reports and indicators for EIOPA's business areas	Continuous
2/2308	Operationalisation of the Supervisory Handbook Risk Indicators	Q2

ID	Services	Frequency
2/2309	Assessment of appropriateness of the current Business Intelligence Tool	Continuous
2/2310	Phase I of Implementation of new Business Intelligence Tool	Q4
2/2311	Functioning Business Intelligence system including system support and maintenance of data marts Business Intelligence Standard Reports and ad-hoc reports on request of business user or on own initiative	Continuous
2/2312	Assess possible development of supervisory tools using available Solvency II information	Continuous
2/2313	Data and information dissemination – e.g. exchange of information in Colleges (indicators and peer groups) and Centralised Securities Database	Continuous
2/2314	Data preparation for analysis	Continuous
2/2315	Creating reports for information exchange with other authorities	Continuous
2/2316	Reconciliation and quality control of data	Continuous

Project Group/ Expert Network	Estimated number of meetings	Relevant ID
Information Technology and Data Committee	See Data standardisation and management	All
Information Technology and Data Committee Data Subgroup	See Data standardisation and management	All
Meeting of informal data quality network	1	All

High priority: Security, availability and efficiency measures for core infrastructure and tools for knowledge management and coordination and collaboration on a European level

Operational Objective: management of risks related to information & cyber security and maintenance of IT infrastructure essential for supporting core business data framework and of the structures and tools for knowledge management and coordination and collaboration on a European level.

Basis for inclusion in the AWP

Legal requirement: EU regulation on information security, archives, data protection, public access to documents, staff regulations and financial rules all lay down the requirements for proper and compliant management of information, which is delivered through this activity.

Strategically aligned: appropriate and well-functioning IT solutions and services are a vital component to ensure the Agency’s day-to-day functioning. Staff must always have technology and IT capacity available to get their work done, regardless of their location or the platform they are using. This activity will also deliver the elements to enhance information security capability within the Authority, which is essential for the secure handling of data. The enhanced collaboration among supervisory community and external stakeholders that this activity supports, along with the provision of timely feedback to questions on the practical application of regulation, are essential for maintaining the common supervisory framework and functioning of the internal market.

Planning priority for 2019: Continue to strengthen security.

FTE	8.5
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Evolution (Growing): in light of the growing complexity of cyber related risks, EIOPA will need to strengthen this area to ensure the sensitive data it receives is sufficiently protected. Furthermore, in 2019, EIOPA will need to undertake a renewal of its data centre, which will be a resource intensive task.

ID	Products	Due Date
2/241	Security Assessment and Penetration Testing	Q4
2/242	Additional information security measures according to implementation plan	Q1-Q4
2/243	Data centre migration	Q4

ID	Services	Frequency
2/244	Functioning core IT infrastructure (data centre, email)	Continuous
2/245	Management of security risks to information and information systems	Continuous
2/246	Functioning stakeholder relations and knowledge management solution	Continuous
2/247	Functioning extranet	Continuous
2/248	External helpdesk	Continuous
2/249	Functioning document management system	Continuous

Project Group/ Expert Network	Estimated number of meetings	Relevant ID
Information Technology and Data Committee IT Subgroup	4	All

Strategic Action Area 2.3: Improving quality and consistency of supervision to contribute to a level playing field in the insurance and pensions market

High Priority: Identification, prioritisation and resolution of supervisory issues

Operational Objective: increase overall quality of national supervision and achieve greater supervisory convergence in specific areas.

Basis for inclusion in the AWP

Legal requirement: Article 29 of EIOPA's Regulation establishes for the Authority an active role in building a common supervisory culture and consistent supervisory practices. EIOPA's Decision on the collaboration of the insurance supervisory authorities has mandated EIOPA to monitor the implementation with a specific focus on cross-border issues. This activity is an important element of that work, making it possible to target the Authority's efforts where it can have the greatest positive impact.

Strategically aligned: by improving EIOPA's capability to identify cases of inconsistent supervision or issues in terms of quality, EIOPA can prioritise its resources to addresses areas where it can achieve the most impact in improving the quality and consistency of supervision.

Planning priority for 2019: EIOPA to conduct a risk-based assessment and follow up on specific supervisory issues in terms of quality and consistency of national supervisory practices with a focus on cross border issues.

FTE

14.25

Evolution (Growing): in 2019 the scope of this activity will have been widened from just providing a risk-based framework for identifying and prioritising supervisory issues to also encompassing EIOPA's efforts to address them. Additional staff has also been added reflecting the new task of devising and monitoring the Strategic Supervisory Plans.

ID	Products	Due Date
2/3101	Regular supervisory risk and issue reports to enable prioritisation by EIOPA's management	Contingent on demand, at least Q2 and Q4
2/3102	Supervisory recommendations	Contingent on demand
2/3103	Reports on bilateral visits	Contingent on demand
2/3104	Lessons learned exercises	Contingent on demand
2/3105	Dedicated project based on specific supervisory requests	Contingent on demand
2/3106	Capability to measure supervisory convergence	Q1, Q2, Q3, Q4
2/3107	ESA Review: Strategic Supervisory plans	tbc

ID	Services	Frequency
2/3108	Managing projects to address the prioritised issues and themes	Contingent on demand
2/3109	Coordinating cooperation platforms on cross-border activity	Contingent on demand
2/3110	Deliver technical expertise to specific projects to support NCAs or the Commission to improve the effectiveness of supervision	Contingent on demand
2/3111	Support and advice to NCAs on specific supervisory issues	Contingent on demand

Data requests to NCAs	Relevant ID
Ad hoc requests on specific supervisory topics	2/3102, 2/3103, 2/3104, 2/3105

Effective and efficient functioning of colleges of supervisors

Operational Objective: advancing high-quality, consistent and efficient functioning of colleges of supervisors.

Basis for inclusion in the AWP

Legal requirement: this activity is undertaken within EIOPA's responsibility under Article 21 (promoting and monitoring the efficient, effective and consistent functioning of the colleges), as well as the broader responsibility under Article 29 to build a common supervisory culture.

Strategically aligned: by assessing the supervision of cross border groups, which have a significant market share across the Union, it is possible to identify and align supervisory practices across different authorities.

Planning priority for 2019: N/A

FTE	7.5
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Evolution (Declining): the decline in the allocation of resources reflects EIOPA's new and more integrated approach allowing it to undertake its colleges mandate in a more focused and targeted manner.

ID	Products	Due Date
2/321	Annual report on supervisory convergence, including the functioning of colleges	Q2

ID	Services	Frequency
2/322	Maintaining the risk-based engagement model for colleges	Continuous
2/323	Participation as full members of colleges, and provide feedback in college meetings, crisis management groups and joint on-site inspections	Continuous
2/324	Sharing of best practice and training	Continuous
2/325	ESA Review: participate and/or lead activities of the colleges	tbc

Monitoring the application in third countries of equivalence decisions²⁹

Operational Objective: effective control in the application of equivalence decisions, provided with technical analyses in a framework of agile monitoring.

Basis for inclusion in the AWP

Legal requirement: this activity is undertaken within EIOPA's responsibility under Article 33 (proposals from Commission based on ESFS review 2017).

Strategically aligned: Once equivalence decisions have been taken, it is important to ensure that they are adjusted to new developments. EIOPA is therefore entrusted with the responsibility for monitoring on an on-going basis the regulatory and supervisory developments as well as enforcement practices in third countries on which the Commission has taken an equivalence decision. On an annual basis it will submit a confidential report on their findings to the Commission. For this purpose, EIOPA shall also develop administrative arrangements with third countries.

Planning priority for 2019: N/A

FTE	2
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Evolution (New Task): this is a new task allocated to EIOPA following the review of the ESAs in 2017. In the Commission's legislative proposal, two FTEs have been allocated to undertake this work.

ID	Products	Due Date
2/331	ESA Review: Individual Third country reports	tbc
2/332	ESA Review: Annual report on application of equivalence decisions	tbc
2/333	ESA Review: Develop model administrative arrangements with third countries	tbc
2/334	ESA Review: Tools to address any identified issues in outsourcing, delegation and risk transfer arrangements in third countries	tbc

ID	Services	Frequency
2/335	ESA Review: Third country on-site visits	tbc
2/336	ESA Review: Sharing of legal, regulatory and supervisory developments and practices	tbc
2/337	ESA Review: Monitor outsourcing, delegation and risk transfer arrangements in third countries	tbc
2/338	Follow-up assessment on application in countries where there is already an equivalence decision in place	Continuous

²⁹ Although foreseen in the legislative proposal following the review of the ESAs, this activity may also feature as part of a potential Brexit deal.

High Priority: Consistent and efficient implementation of Solvency II Internal Models

Operational Objective: achieve a consistent implementation of Solvency II Internal Model provisions for specific priority areas.

Basis for inclusion in the AWP

Legal requirement: this activity contributes to EIOPA's responsibilities in the domain of Internal Models as stipulated under Article 29 to build a common supervisory culture and under Article 21 (proposals from Commission based on ESFS review 2017).

Strategically aligned: Internal Models cover a significant share of liabilities. EIOPA work strengthens the risk-assessment framework in relation to the Models through the projects that are launched to assess the extent of convergence in the area. This provides the basis for increasing consistency and quality of supervisory practices in the EU.

Planning priority for 2019: EIOPA issuing its first Opinions on new applications or changes in existing Internal Models

FTE	9
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Evolution (Growing): EIOPA has been allocated new powers for issuing Opinions on new applications or changes in existing Internal Models following on from the review of the ESAs in 2017. In total five additional FTE are foreseen in the Commission's legislative proposal, and in line with the staggered approach to recruiting, two are planned for 2019 with the remaining three coming in 2020.

ID	Products	Due Date
2/3401	Closing 2018 consistency projects addressing priority areas in relation to Internal Models including external reports	Q1
2/3402	New consistency projects addressing priority areas in relation to Internal Models including external reports	2019 Q1
2/3403	Issue Opinions or other action necessary to address general inconsistencies if required	Contingent on demand
2/3404	Further develop the SP Handbook to improve the quality of supervision in relation to Internal Models	Q4
2/3405	Revised Internal Model on-going appropriateness indicators (IMOGAPIs)	Q3
2/3406	Templates for internal model reporting for 2020 review	Q2
2/3407	Quantitative and qualitative tools for NCAs created in cooperation with them	Q4
2/3408	ESA Review: Involvement in model reviews and where necessary, issuing Opinions on new applications or changes in existing Internal Models	tbc

ID	Services	Frequency
2/3409	Provide expertise, support and advice on Internal Models to NCAs and colleges	Continuous
2/3410	Participation in colleges, joint on-site visits and visits to NCAs to enhance consistent and effective implementation of Internal Model provisions	Continuous

Data requests to NCAs	Relevant ID
MCRCS data request (comparative study on the market risk models)	2/3402
Data request for comparative study topic tbd in SSC - placeholder	2/3402
IMOGAPIS: data request on YE2017 IM reporting templates from NCAs	2/3405
Monitoring of the EIOPA Opinion on the dynamic volatility adjustment (under SSC - IM SRP PG)	2/3403

Project Group/ Expert Network	Estimated number of meetings	Relevant ID
ENW 4 - Internal Models	4	2/3405, 2/3409
Market and Credit Risk Comparative Study PG	4	2/3402
Supervisory Review Process PG	6	2/3403, 2/3404
Comparative Study PG (topic tbd in SSC)	4	2/3402

Independent reviews³⁰

Operational Objective: strengthen the consistency in the application of EU law and promote consistent supervisory practices.

Basis for inclusion in the AWP

Legal requirement: Article 8 and 30 of EIOPA's Regulation will, if the legislative proposal following the review of the ESAs is approved, set out the requirements for independent reviews, as a tool for fostering consistency in the application of the regulation and promoting convergent supervisory practices.

Strategically aligned: EIOPA's role organising and conducting independent reviews provides NCA with a means of comparing practices and identifying opportunities to build supervisory convergence in specific and prioritised areas.

Planning priority for 2019: N/A

FTE	4.5
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Evolution (New Task): changes to EIOPA's regulation following the review into the ESAs in 2017 replaced the task of peer reviews with the task of independent reviews. In the legislative proposal, to reflect the changing nature of the tasks and additional demands, additional resources have been allocated to EIOPA. Two of the five extra FTE are planned for 2019 with the remaining coming in 2020.

ID	Products	Due Date
2/351	ESA Review: Launch first independent reviews 2019	tbc
2/352	ESA Review: Independent review methodology	tbc
2/353	ESA Review: Work plan 2019	tbc

ID	Services	Frequency
2/354	ESA Review: On-site visits, meetings and information collection	tbc
2/355	ESA Review: Sharing of legal and supervisory developments and practices	tbc

Data requests to NCAs	Relevant ID
Peer Review on Decision on the collaboration between NCAs (on branches and FoS)	tbc
Peer Review on Regular Supervisory Report (RSR)	tbc
Surveys of Peer Reviews follow-ups	tbc

Project Group/ Expert Network	Estimated number of meetings	Relevant ID
Review Panel	7-8 (if for peer reviews)	tbc

³⁰ In the case of the legislative proposal of the Commission following the review of the ESAs not applying in 2019, EIOPA will revert to the previous activity of 'Peer Reviews'.

High Priority: Enhance coherent application of EU insurance regulation and develop a common supervisory culture

Operational Objective: promote the discussion and sharing of experiences between supervisors regarding the supervisory practices under the Solvency II framework and deliver recommendations/guidance to supervisors. Build a common supervisory culture that frames the Supervisory Review Process and promotes a high quality and effective supervision.

Basis for inclusion in the AWP

Legal requirement: this activity is delivered as part of EIOPA's responsibility under Article 29 of its Regulation to build a common supervisory culture and promote consistent supervisory practices.

Strategically aligned: the Annual Supervisory Convergence Work Plan sets the priority areas for the convergence of supervisory practices of the Authority in cooperation with NCAs, supporting increased consistency of supervisory practices across the EU. As an outcome, tools such as EIOPA Guidelines, the Supervisory Handbook, Supervisory Statements or other EIOPA tools will be developed to further support NCAs to reach a high quality and effective supervision while ensuring convergence of supervisory practices. This activity encompasses work on the tools referred but also raising awareness of them, specifically by promoting the actual use of the Handbook by day-to-day supervisors.

Planning priority for 2019: build and enhance a common supervisory culture and consistent supervisory practises

FTE	6
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Evolution (Growing): including major workstreams delivering greater convergence in the supervisory culture including the Supervisory Review Process Handbook and the Annual Supervisory Convergence Work Plan EIOPA will further strengthen this activity in 2019.

ID	Products	Due Date
2/361	Annual Supervisory Convergence Work Plan	Q1
2/362	Maintenance of digital Supervisory Handbook	Q1-Q4
2/363	Annual Report on the use of Capital Add-ons	Q4
2/364	Annual Report on the use of limitations and exemptions from reporting	Q4
2/365	Development of new chapters of the supervisory handbook and revision of chapters following experience from first year of implementation and amendments to Delegated Regulation	Q4
2/366	Issue of EIOPA Opinions or Supervisory Statements as needed	Contingent on demand
2/367	Projects addressing priority areas in relation to supervisory convergence including possible external reports (please see plan for further details)	Continuous

ID	Services	Frequency
2/368	Improve awareness of the Supervisory Handbook through training on the Handbook and other "advertising" tools, e.g. through colleges	Continuous
2/369	Monitoring and developing supervisory reporting requirements	Contingent on demand

Data requests to NCAs	Relevant ID
Use of Capital ad ons (Article 52 of Solvency II Directive)	2/363
Use of limitations/exemptions (Article 35(6) and (7) of Solvency II Directive)	2/364
Data request following discussion of Opinion on non-life Technical Provisions of Long-Term Business	2/367

Sectoral and cross-sectoral training and events programme

Operational Objective: to strengthen stakeholder and NCA understanding as to the practical supervisory use of EIOPA's framework and instruments, together with a detailed insight into and possibility of influencing the policy considerations on various files via public hearings, conferences etc.

Basis for inclusion in the AWP

Legal requirement: Article 29.1(e) of the EIOPA Regulation, states that a sectoral and cross-sectoral training and events programme shall be established by the Authority. Through the delivery of training, EIOPA can take an active role in building a common supervisory culture and consistent supervisory practices, as well as to ensure uniform procedures and consistent approaches throughout the Union.

Strategically aligned: having sufficient knowledge and understanding of the regulatory framework and instruments is a prerequisite for consistent, convergent and high-quality supervision. By providing training, EIOPA helps to build the necessary knowledge and skills of national supervisors.

Planning priority for 2019: N/A

FTE	5
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Evolution (Declining): there will be a small decline compared to 2018 based on EIOPA's ongoing efforts to deliver efficiencies.

ID	Products	Due Date
2/371	Setting up the sectoral and cross-sectoral training and events programme 2020	Q4

ID	Services	Frequency
2/372	Running/operating the sectoral and cross-sectoral training and events programme 2019, including the EIOPA annual conference and the Global Insurance Supervision (GIS) Conference	Continuous
2/373	Working group meeting organisation	Continuous

Mediation and breaches of Union Law

Operational Objective: NCAs are operating according to Union Law and cooperating effectively.

Basis for inclusion in the AWP

Legal requirement: according to Article 17 of its Founding Regulation, EIOPA is mandated to investigate potential breaches or non-application of relevant Union law by National Component Authorities, and issue recommendation to the concerned authority setting out the action necessary for its compliance with Union law. EIOPA is also obliged under Articles 19 of its Founding Regulation to assist NCAs in settling disagreements. As an impartial mediator with expertise in the domain of insurance legislation, EIOPA's support can be invaluable in reaching joint decisions in the colleges of supervisors or to settle disputes related to cross boarder business. Lastly, EIOPA can also provide non-binding mediation based on Article 31 of its Founding Regulation.

Strategically aligned: questions and disagreements may arise in relation to legislation with an impact on reaching supervisory convergence, EIOPA can therefore provide invaluable and impartial support in this area.

Planning priority for 2019: N/A

FTE	1.25
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Evolution (Growing): with a likely growing demand for EIOPA to undertake its mediation role, EIOPA is increasing the number of staff allocated to this activity.

ID	Products	Due Date
2/381	Recommendations on how the NCA concerned should comply with Union Law	Contingent on demand
2/382	Decisions towards NCA concerned on how they should settle their disagreements by taking specific action or to refrain from action	Contingent on demand
2/383	Individual decisions addressed to a financial institution requiring the necessary action to comply with its obligations under Union law including the cessation of any practice, in case NCA do not comply with EIOPA's decisions and/or opinions from the European Commission	Contingent on demand
2/384	Settlement agreements or opinion from EIOPA's Mediation Panel in non-binding mediation proceedings	Contingent on demand
2/385	ESA Review: Decision to impose a fine on institutions/ entity found to have breached obligations to provide information as stipulated under Article 35	tbc

ID	Services	Frequency
2/386	Assessment of complaints	Contingent on demand
2/387	Breach of Union law investigations	Contingent on demand
2/388	Providing the Panel Secretariat to the Mediation Panel	Continuous

Strategic Objective 3: Strengthening the financial stability of the insurance and occupational pensions sectors

Strategic Action Area 3.1: Identifying, assessing, monitoring and reporting risks to the financial stability of the European insurance and pensions sectors

High Priority: Monitoring, analysis, assessment and reporting of risks to the financial stability of the European Insurance & IORPS sectors

Operational Objective: the provision of timely and accurate financial stability analysis and risk assessment.

Basis for inclusion in the AWP

Legal requirement: EIOPA is mandated to identify potential risks and vulnerabilities under Article 42 of its regulation. By analysing and assessing the potential for adverse market developments, this activity is the chief means by which EIOPA delivers against this requirement. It is also the basis for coordinating Union-wide stress tests to assess the resilience of financial institutions to such developments.

Strategically aligned: the provision of timely and accurate assessments of market developments supports pre-emptive measures to mitigate or avoid risks. The products and services of this activity make it possible to maintain a comprehensive and timely overview of developments in the European insurance and occupational pensions sectors, which is a pre-requisite for directing action to mitigate and avoid risks.

Planning priority for 2019: maintain, further develop and reinforce core products (e.g. Stress Tests, Financial Stability Report, Risk Dashboard)

FTE	9.25
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Evolution (Declining): where previously work relating to the production of studies and statistics was featured as part of this activity, it is now a separate area of work with some of the resource following the allocation of products and services elsewhere.

ID	Products	Due Date
3/111	Financial Stability Report	Q2, Q4
3/112	Risk Dashboard	Q1, Q2, Q3, Q4
3/113	Pensions stress test 2019	Q4
3/114	Internal Risk update	Q1, Q2, Q3, Q4
3/115	Emerging risks analysis: Cyber Risks Report	Q2
3/116	Add hoc analysis to monitor emerging financial stability risks	Contingent on demand

ID	Services	Frequency
3/117	Contribution to financial stability work-streams of the Financial Stability Board (FSB) and International Association of Insurance Supervisors (IAIS)	Contingent on demand
3/118	Cooperation with the European Systemic Risk Board (ESRB) and participation in insurance related work-streams	Continuous

Data requests to NCAs	Relevant ID
EIOPA bottom-up risk assessment survey – 2019 1 st semester	3/111
EIOPA bottom-up risk assessment survey – 2019 2 nd semester	3/111
2019 IORPs stress test – collecting results and potential resubmissions	3/113
Financial stability related thematic survey – analysis (tbc)	3/115

Project Group/ Expert Network	Estimated number of meetings	Relevant ID
IORPs Stress Test 2019	10	3/113
ENW 5 – Financial Stability	4-5	3/112

Building the methodological framework to assess, monitor, report and mitigate risks to the financial stability of the European Insurance & IORPs sectors

Operational Objective: a robust methodological framework for identifying, assessing, mitigating and managing risks and threats, to the insurance and IORPS sectors.

Basis for inclusion in the AWP

Legal requirement: EIOPA's mandated role (Article 42) to safeguard financial stability necessitates the early identification of trends, potential risks and vulnerabilities. In order to deliver accurate and valid assessment, EIOPA needs a robust methodological framework that accounts for developments with new and improved tools and techniques to undertake financial stability analysis.

Strategically aligned: building the European methodological framework is absolutely crucial for identifying, assessing, mitigating and managing risks and threats.

Planning priority for 2019: N/A

FTE

3.5

Evolution (Declining): EIOPA has scaled back its ambition in relation to developing the methodological framework underpinning its analysis with the ever greater need to allocate resources to conduct the analysis itself.

ID	Products	Due Date
3/121	Development of methodological tools for the assessment and reporting of risks in the pensions sector	Continuous
3/122	Thematic articles in the Financial Stability Report	Q2, Q4
3/123	Econometric modelling to underpin financial stability analysis and assessment for the insurance sector	Continuous
3/124	Risk metrics using available data sources (Solvency II reporting) – likelihood and impact – defining indicators	Continuous
3/125	Methodological principles of insurance stress test (bottom up and top down)	Q4

ID	Services	Frequency
3/126	Potential review of early warning indicators for the insurance sector	Q4
3/127	Development of framework for horizontal risk analysis in insurance and pension sectors	Continuous

Project Group/ Expert Network	Estimated number of meetings	Relevant ID
Methodological principles of insurance stress testing	5	3/125

Studies and surveys on emerging risks and publication of statistics

Operational Objective: the provision of in-depth analysis of key themes related to risks in the insurance sector and high-quality insurance statistics covering both groups and solo entities.

Basis for inclusion in the AWP

Legal requirement: EIOPA is required to monitor and assess market developments in the area of its competences and to undertake economic analyses of markets according to Article 8 of the EIOPA regulation. Moreover, Article 1 prescribes EIOPA's role in ensuring the integrity, transparency, efficiency and orderly functioning of financial markets. Monitoring market developments and publishing statistics contributes to the fulfilment of these provisions and safeguarding financial stability.

Strategically aligned: it is important to EIOPA's strategy in relation to financial risk prevention that in-depth analysis on risk themes is available along with high quality statistics to inform decision-making and supervisory actions.

Planning priority for 2019: transparent and credible risk reports and statistics.

FTE	4
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Evolution (New Task): 2019 is the first year this work features within its own activity, which will have been strengthened with the allocation of additional resources.

ID	Products	Due Date
3/1301	Ad hoc studies to monitor new emerging risks	Contingent on demand
3/1302	Descriptive overviews and reports of the European insurance sector	Contingent on demand
3/1303	Annual Financial Stability Indicators Publication	Q4
3/1304	Annual group statistics publication	Q4
3/1305	Annual solo statistics publication	Q4
3/1306	Quarterly group statistics publication	Q1, Q2, Q3, Q4
3/1307	Quarterly solo statistics publication	Q1, Q2, Q3, Q4
3/1308	Insurance sector overview report	

ID	Services	Frequency
3/1309	Up-to-date statistical database on the insurance sector	Continuous
3/1310	Develop the indicators, datasets and statistical analysis for the disclosure of information in the insurance sector	Continuous
3/1311	Initial work on improving data accessibility and user interface	Continuous

Strategic Action Area 3.2: Preventative policies and actions to mitigate risks to financial stability

Crisis prevention, preparedness and management

Operational Objective: enhance European crisis management capacity and strengthen crisis prevention and preparedness and coordination between EIOPA and NCAs.

Basis for inclusion in the AWP

Legal requirement: EIOPA is mandated with a coordination and facilitation role in the case of adverse developments risking the orderly functioning and integrity of financial markets or the stability of the financial system in the Union (Article 18). If the Council declares the existence of an emergency situation and if certain conditions are met, EIOPA can adopt individual decisions that would require national supervisors to take necessary actions in order to address the emergency situation. If further conditions are met, the Authority can adopt an individual decision directly addressed to a financial institution requiring the necessary action to be taken. EIOPA must also contribute to the development and coordination of effective and consistent recovery and resolution and preventative measures, helping to shape the development of national supervisory practices bringing consistency (Article 25). The Authority is also empowered to make a declaration of an exceptional adverse situation under Solvency II. The Authority may also contribute to the assessment of the need for a European network of national insurance guarantee schemes, which is adequately funded and sufficiently harmonised (Article 26).

Strategically aligned: expectations are set for EIOPA to be able to prevent or, in case of adverse developments, be prepared to manage a crisis within the scope of its responsibilities. The Authority needs to strengthen preparedness both at microprudential and macroprudential level, and further enhance the focus on prevention through risk assessment techniques and by taking an active role on the shaping of a potential framework on recovery and resolution. Crisis management increasingly needs to pay attention on the financial soundness of undertakings and the stability of markets, in order to identify in a pro-active manner risks developing.

Planning priority for 2019: preventative policies and actions to mitigate risks to financial stability.

FTE

4.25

Evolution (Stable): the level of staff allocated to this activity will remain stable with the previous year.

ID	Products	Due Date
3/211	Updated insurers failures and near misses database and perform of quality checks	Q1
3/212	Opinions and recommendations in response to critical risks	Contingent on demand

ID	Services	Frequency
3/213	Update of crisis prevention and management process and procedures where needed	Continuous
3/214	Promote consistency for G-SIIs by hosting G-SII Forum and participating in Crisis Management Groups	Contingent on demand
3/215	Engage in crisis preparedness exercises	Contingent on demand
3/216	Contribution to recovery, resolution and Insurance Guarantee Scheme related topics	Continuous
3/217	Contribution to macroprudential policy in insurance related topics	Continuous

Data requests to NCAs	Relevant ID
Annual update of database on insurance failures and near misses	3/211

Project Group/ Expert Network	Estimated number of meetings	Relevant ID
Recovery and Resolution PG	4	3/216
Macroprudential Policy in Insurance PG	3	3/217
ENW 5 – Financial Stability	1	3/216, 3/217
G-SII	2	3/214

Strategic Objective 4: Delivering EIOPA's mandate effectively and efficiently

Strategic Action Area 4.1: Ensuring a strong corporate culture, proper governance as well as skilled and committed staff

Strategy, governance and management of EIOPA including corporate risks management

Operational Objective: ensure EIOPA, its work and the resources allocated to it are effectively and professionally managed, with effective internal governance and efficient cooperation between EIOPA staff and relevant national competent bodies. Also to lead a high performance and supportive culture enabling EIOPA to be a credible supervisory Authority and deliver a demanding programme of work benefiting consumer protection, financial stability and the internal market.

Basis for inclusion in the AWP

Legal requirement: regulation applying to EIOPA sets out the basic standards to which the Authority must comply in terms of management. This includes provisions on the planning and decision making process, internal control arrangements including risk and performance monitoring as well as the reporting to the stakeholders (EU institutions, management bodies).

Strategically aligned: EIOPA must continue its effective and efficient internal functioning built upon strong culture, proper governance and skilled and committed people. EIOPA has sought to build on these, implementing the process and structures to provide management oversight and accountability to stakeholders on its ambitious programme of work.

Planning priority for 2019: to maintain readiness to implement effectively and efficiently any required changes whilst still delivering EIOPA's strategic objectives.

FTE	15
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Evolution (Growing): growth in this activity is predominately the result of changes to EIOPA's governance structure as outlined in the legislative proposal issued by the Commission following the review of the ESAs and includes two additional FTEs for the Executive Board and a further two FTEs to provide support to it.

ID	Products	Due Date
4/1101	Programming document and implementation plan (Annual Work Programme 2020) – initiation of work on Annual Work Programme 2021 and Multi-Annual Work Programme)	Q1, Q3, Q4
4/1102	Annual Activity Report 2019 and 2020 Six Months Implementation Report	Q3
4/1103	EIOPA Anti-Fraud Strategy Implementation Project Products 2019	Q4
4/1104	Internal risks dashboard	Monthly
4/1105	ESA Review: Implementation of processes and structures required in support of potential governance changes e.g. the Executive Board	tbc
	Services	Frequency
4/1106	Implementing the annual work programme under the guidance of the Board of Supervisors and under the control of the Executive Board, setting and managing operational targets	Continuous
4/1107	Take necessary measures, notably the adoption of internal administrative instructions and the publication of notices, to ensure the functioning of the Authority, in accordance with the relevant Regulation	Continuous
4/1108	Implement the budget of the Authority in full compliance with EU Financial Regulation, including the Multi-annual Staff Policy Plan	Continuous
4/1109	Promoting EIOPA's role, business strategy and activities as well as preserving and further strengthening EIOPAs reputation towards the European institutions, including through regular contacts, meetings and other engagements	Continuous
4/1110	Managing all contacts and relations with European institutions including public hearings, parliamentary questions, etc.	Continuous
4/1111	Managing the smooth running of EIOPA's decision making bodies and internal management meetings based on sound processes	Continuous
4/1112	Managing the smooth running of EIOPA's two Stakeholder Groups	Continuous
4/1113	Delivery of Internal Control Coordination	Continuous
4/1114	Legal advice in relation to EIOPA's products and services Data Protection, Access to Documents	Continuous
4/1115	Litigation and legal institutional support	Continuous
4/1116	Anti-fraud prevention, detection and response measures	Continuous
4/1117	Internal risks monitoring	Continuous
4/1118	Change management	Continuous
4/1119	Managing Questions & Answers Process	Continuous

Budgetary, financial and procurement management

Operational Objective: sound financial management of EIOPA's finance, budget and procurement processes as well as establishment of sound financial annual accounts.

Basis for inclusion in the AWP

Legal requirement: Chapter VI of EIOPA's Regulation sets down the rules on the budget, its establishment and control. Article 65 requires the Authority to comply with the Financial Regulation. To comply with the Financial Regulation and EIOPA's Founding Regulation, EIOPA must implement and control the budget adopted by the Board of Supervisors. This includes the establishment of provisional and final accounts by the Accounting Officer and the opinion of the Management Board on the final accounts.

Strategically aligned: this activity encompasses a number of key tasks that ensures effective, efficient and compliant management of the finances allocated to EIOPA. Furthermore, through this activity, the required finance and procurement products contribute to the provision of professional services.

Planning priority for 2019: to improve, streamline and automate processes.

FTE

8.75

Evolution (Growing): with a new funding mechanism proposed by the Commission following its review of the ESAs the growth in this activity is based on the additional resources foreseen to implement and run the process for collecting fees.

ID	Products	Due Date
4/1201	EIOPA Draft estimate of revenues and expenditures 2019	Q1
4/1202	EIOPA Procurement Plan 2019	Q3
4/1203	EIOPA Annual accounts	Q2
4/1204	Regular budget, finance and procurement reports (internally, MB, BoS and European Commission)	Continuous
4/1205	Publication of annual contract lists on EIOPA's website	Q2
4/1206	ESA Review: IT system for collecting fees from NCAs and fines under Article 35c	tbc
4/1207	ESA Review: Defined and implemented process for collecting fees from NCAs and fines under Article 35c	tbc

ID	Services	Frequency
4/1208	E-Finance	Continuous
4/1209	Budget planning, implementation and reporting services	Continuous
4/1210	Management and coordination of processing of commitments, invoices, reimbursement requests and recovery orders	Continuous
4/1211	Management and coordination of procurement services	Continuous
4/1212	Management of EIOPA accounts	Continuous
4/1213	VAT recovery management	Continuous
4/1214	Administration of EIOPA's finance systems	Continuous
4/1215	Delivery of procurement, ABAC, expenditure-life cycle and other finance related training courses	Continuous
4/1216	Travel management	Continuous
4/1217	ESA Review: Running process for collecting fees from NCAs and fines under Article 35c	tbc

Human resources

Operational Objective: effective recruitment, management and development of EIOPA human capital.

Basis for inclusion in the AWP

Legal requirement: as a European Authority, must comply with EIOPA's founding regulations, EU Staff Regulations and EIOPA's Human Resources Implementing Rules. These pieces of regulation clearly define the good governance of human resources and provide transparency and equal treatment on their application.

Strategically aligned: by performing the human resources related activities like talent recruitment, staff development, performance management, compensation and staff relations, the Authority will also strive to retain the necessary competencies in house and maintain an engaged and well performing staff.

Planning priority for 2019: to improve, streamline and automate processes.

FTE

9.25

Evolution (Growing): reflecting the growth in the organisation based on the proposals of the Commission for PEPP and following the ESAs review, EIOPA will need to strengthen its HR function to manage change and support recruitment and integration of the new staff.

ID	Products	Due Date
4/1301	Develop and implement Integrated Talent Management System (based on EIOPA Competency Framework)	Q4
4/1302	HR implementing rules, policies and procedures	Q4
4/1303	Roll-out of SYSPER, the new electronic HR management system	Q4
4/1304	Quarterly HR report (recruitment, absences, Teleworking, flexitime, training)	Q1, Q2, Q3, Q4

ID	Services	Frequency
4/1305	HR strategic and operational planning, monitoring and reporting services	Continuous
4/1306	Recruitment services	Continuous
4/1307	Learning & Development for EIOPA staff	Continuous
4/1308	Staff Performance & Retention services	Continuous
4/1309	Health & work/life balance support	Continuous
4/1310	HR Business Partnership and coaching services	Continuous
4/1311	Staff Committee relations management	Continuous
4/1312	HR related finance and budget management, monitoring and implementation	Continuous
4/1313	HR Administration	Continuous

Adequate, safe and secure work environment

Operational Objective: provide EIOPA staff and stakeholders with a safe and secure work environment equipped with the resources required to undertake their tasks.

Basis for inclusion in the AWP

Legal requirement: N/A

Strategically aligned: effective and efficient internal functioning is dependent on staff having the support services and modern office space delivered through this activity.

Planning priority for 2019: to improve, streamline and automate processes.

FTE

3.25

Evolution (Declining): EIOPA continues to seek out opportunities to make more efficient its administrative functions, leading to a decline in the FTE for this activity.

ID	Products	Due Date
4/1401	Further implement additional security arrangements	Continuous
4/1402	Further implementation of open office space	Q4
4/1403	Further improvements to the IT workplace	Q4
4/1404	ESA Review: future office space and equipment project	tbc
4/1405	Implementation of EMAS requirements	Continuous

ID	Services	Frequency
4/1406	IT Workplace and helpdesk services	Continuous
4/1407	Functioning administrative business solutions	Continuous
4/1408	Physical and information security management	Continuous
4/1409	Facility management	Continuous
4/1410	Office management and reception	Continuous
4/1411	Meeting support	Continuous

Communications

Operational Objective: the role of communication at EIOPA is to support, in a strategic way, the business objectives of the organisation through the use of different communication tools, techniques and approaches, so that EIOPA can form stronger links with its stakeholders, better understand their needs and convey messages in the most effective manner, thereby strengthening awareness and understanding of EIOPA's ability to deliver its mandate effectively and efficiently.

Basis for inclusion in the AWP

Legal requirement: N/A

Strategically aligned: at EIOPA, communication raises awareness of activities, enhances the organisation's reputation, supports the organisation's effective operation, explains the benefit/impact of the Authority's work, explains the benefits of effective supervision to a wider audience and, through the publication on the website, ensures that the organisation fulfils its legal obligations to publish certain information.

Planning priority for 2019: N/A

FTE

5.25

Evolution (Declining): with the conclusion of substantial work on EIOPA's new website in 2018, it is possible to reduce the allocation of FTE to this activity.

ID	Products	Due Date
4/1501	Survey of target audiences to assess output and improve outcomes	Q4

ID	Services	Frequency
4/1501	Strategic and executive communication, including speech writing	Continuous
4/1501	Media relations and monitoring, including interviews, contributions, press conferences, press releases, background talks, media enquiries, etc.	Continuous
4/1501	Outreach, including, speaking engagements, public enquiries and visits/meetings with external stakeholders	Continuous
4/1501	Publications, including drafting, editing, design and layout	Continuous
4/1501	Digital communications, including content for and management of web, intranet and social media	Continuous
4/1501	Multi-media deliverables – e.g. Film, HTML publications and Infographics	Continuous
4/1501	Internal communication, including communication of organisational strategy, all staff town halls, ad hoc knowledge sharing activities and communication support to other business areas, in particular HR	Continuous
4/1501	Participation in communication networks, including with NCAs, ESAs and EU Agencies	Continuous
4/1501	Corporate identity	Continuous
4/1501	Crisis communication	Continuous

Annexes

Annex I: Resource Allocation per Activity (2019)

Strategic Action Area	FTE ³¹	Allocation FTE from legislative proposals	Title I	Title II	Title III	Total Costs
Cross cutting themes: InsurTech and Sustainable Finance ³²	2.75	1.00	€276,667.37	€51,642.11	€5,892.00	€334,201.47
Developing and strengthening the regulatory framework for the protection of consumers	5.50	0.20	€553,334.74	€103,284.21	€70,892.00	€727,510.95
Developing and strengthening a comprehensive risk-based and preventive framework for appropriate conduct of business supervision	7.50	0.00	€754,547.37	€140,842.11	€18,276.00	€913,665.47
Enabling supervisory convergence with a sound, smart and robust regulatory framework which is responsive to market developments	29.00	3.20	€2,917,583.16	€544,589.47	€419,023.00	€3,881,195.63
Enhancing the use and quality of supervisory information through efficient standardised exchange mechanisms, centralised quality checks and the timely provision of business intelligence	33.25	0.80	€3,345,160.00	€624,400.00	€5,025,275.14	€8,994,835.14
Improving quality and consistency of supervision to contribute to a level playing field in the insurance and pensions market	49.50	6.80	€4,980,012.63	€929,557.89	€468,489.86	€6,378,060.39
Identifying, assessing, monitoring and reporting risks to the financial stability of the European insurance and pensions sectors	16.75	0.00	€1,685,155.79	€314,547.37	€56,007.00	€2,055,710.16
Preventative policies and actions to mitigate risks to financial stability	4.25	0.00	€427,576.84	€79,810.53	€24,012.00	€531,399.37
Ensuring a strong corporate culture, proper governance as well as skilled and committed staff	41.50	6.00	€4,175,162.11	€779,326.32	€724,900.00	€5,679,388.42
Total	190	18	€19,115,200	€3,568,000	€6,812,767	€29,495,967

³¹ Including additional staff foreseen by Commission in the legislative proposals for PEPP and the ESAs review

³² The Sustainable Finance related resources are spread amongst the other activities

Annex II: Financial Resources (2016-2021)

Table 1: Expenditure

Expenditure	2017	2018	2019	2020	2021
	Commitment/ payment appropriations	Commitment/ payment appropriations	Commitment/ payment appropriations	Commitment/ payment appropriations	Commitment/ payment appropriations
Title I	15,872,446.67	17,386,000	19,115,200	22,081,200	24,396,200
Title II	3,352,666.00	3,103,467	3,568,000	3,996,000	4,120,000
Title III	4,774,143.38	4,717,541	6,812,767	6,966,343	4,511,295
Repayment of advance payment					2,361,336
Total expenditure	23,999,256	25,207,008	29,495,967	33,043,543	35,388,831²⁶

EXPENDITURE	Commitment appropriations							
	Executed Budget 2016	Adopted Budget 2017 ³³	Executed Budget 2017	Adopted Budget 2018	Adopted Budget 2019	Variance 2019 to 2018 adopted budget	Draft Budget 2020	Draft Budget 2021
Title I - Staff Expenditure	13,750,028.71	15,872,447	15,438,886.12	17,386,000	19,115,200	9.95%	22,081,200	24,396,200
11 Salaries & allowances	12,605,754.79	14,595,167	13,862,928.95	16,350,000	17,499,200	7.03%	20,349,200	22,684,200

³³ Figures rounded

EXPENDITURE	Commitment appropriations							
	Executed Budget 2016	Adopted Budget 2017 ³³	Executed Budget 2017	Adopted Budget 2018	Adopted Budget 2019	Variance 2019 to 2018 adopted budget	Draft Budget 2020	Draft Budget 2021
- of which establishment plan posts	10,192,643.64	11,716,667	11,065,801.34	13,402,000	14,320,000	6.85%	16,710,000	18,730,000
- of which external personnel	2,413,111.15	2,878,500	2,797,127.61	2,948,000	3,179,200	7.84%	3,639,200	3,954,200
12 Expenditure relating to Staff recruitment	378,708.59	262,000	216,551.83	228,000	415,000	82.02%	450,000	210,000
13 Mission expenses	129,000.00	115,000	81,615.79	115,000	125,000	8.70%	130,000	140,000
14 Socio-medical infrastructure	152,744.00	245,000	191,089.21	189,000	240,000	26.98%	270,000	555,000
15 Training	171,674.93	220,530	170,748.80	198,000	225,000	13.64%	260,000	260,000
16 External Services	304,149.00	428,000	913,978.14	300,000	605,000	101.67%	615,000	540,000
17 Receptions and events	7,997.40	6,750	1,973.40	6,000	6,000	0.00%	7,000	7,000
Title II - Infrastructure and operating expenditure	3,739,641.79	3,352,666	3,624,939.28	3,103,467	3,568,000	14.97%	3,996,000	4,120,000
20 Rental of buildings and associated costs	2,321,364.98	2,369,181	2,357,196.06	2,381,858	2,630,000	10.42%	2,960,000	2,830,000
21 Information and communication technology	730,679.75	385,725	687,780.37	310,000	395,000	27.42%	400,000	705,000

EXPENDITURE	Commitment appropriations							
	Executed Budget 2016	Adopted Budget 2017 ³³	Executed Budget 2017	Adopted Budget 2018	Adopted Budget 2019	Variance 2019 to 2018 adopted budget	Draft Budget 2020	Draft Budget 2021
22 Movable property and associated costs	21,662.00	30,000	105,915.65	22,499	94,000	317.80%	194,000	90,000
23 Current administrative expenditure	133,723.26	163,260	91,406.50	117,000	165,000	41.03%	165,000	165,000
24 Postage / Telecommunications	255,479.38	131,800	145,321.05	182,110	219,000	20.26%	212,000	265,000
25 Meeting expenses	143,785.55	212,500	184,780.10	30,000	30,000	0.00%	30,000	30,000
26 Running costs in connection with operational activities	0.00	0	0	0	0	0	0	0
27 Information and publishing	132,946.87	60,200	52,539.55	60,000	35,000	-41.67%	35,000	35,000
28 Studies	0.00	0	0	0	0	0	0	0
Title III - Operational Expenditure	4,203,639.69	4,774,143	4,886,140.65	4,717,541	6,812,767	44.41%	6,966,343	4,511,295
31 Common Supervisory Culture and International Relations	150,184.65	130,000	120,977.50	200,000	190,000	-5.00%	195,000	240,000
32 Operational Information and Data Management	3,263,929.65	3,771,381	3,908,695.54	3,515,541	5,147,767	46.43%	5,356,343	2,726,295

EXPENDITURE	Commitment appropriations							
	Executed Budget 2016	Adopted Budget 2017 ³³	Executed Budget 2017	Adopted Budget 2018	Adopted Budget 2019	Variance 2019 to 2018 adopted budget	Draft Budget 2020	Draft Budget 2021
33 General Operational Expenses	789,525.39	872,763	856,467.61	1,002,000	1,475,000	47.21%	1,415,000	1,545,000
Repayment of advance pre-financing								2,361,336
TOTAL EXPENDITURE	21,693,310.19	23,999,256	23,949,966.05	25,207,008	29,495,967	17.01%	33,043,543	35,388,831²⁶

Table 2: Revenue (2016-2021)

Revenues ³⁴	2017	2018	2019	2020	2021
	Adopted Budget	Adopted Budget	Budget Request	Budget Request	Budget Request
EU contribution	8,946,404	9,365,000	12,443,336 ³⁵	15,565,000 ³⁶	12,132,000
Other revenue	15,052,852	15,842,008	16,581,564 ³⁷	16,995,710 ³⁸	23,256,831 ³⁹
Total revenues	23,999,256	25,207,008	29,495,967	33,043,543	35,388,831

³⁴ The amounts are rounded

³⁵ This amount includes the **pre-financing amount of 2,361,336 € of the EC for the ESAs review and 348,000€ of the EC part for PEPP**

³⁶ This amount includes the **pre-financing amount of 5,356,000€ of the EC for the ESAs review and 251,000€ of the EC part for PEPP and 29,000€ of the EC part for sustainable finance**

³⁷ This amount includes the additional funds for PEPP and additional pensions contributions to be covered by the MS and EFTA

³⁸ This amount includes the additional funds for PEPP and sustainable finance and additional pensions contributions to be covered by the MS and EFTA

³⁹ This includes the repayment of the EC pre-financing amount of 2,361,336€ for the ESAs review

Revenues	2016	2017	2018	VAR 2017 /2018	2019	2020		2021	
	Executed Budget	Executed Budget	Adopted Budget		Adopted Budget	Budget Request	COM Proposal MFF & new LFS	Budget Request	COM Proposal MFF
1 Revenue from fees and charges	N/A	N/A	N/A	N/A	N/A	N/A	N/A	23,256,831 ⁴⁰	N/A
2. EU contribution	8,461,389	8,946,404	9,365,000	7.20%	12,443,336 ⁴¹	15,565,000 ⁴²	15,565,000	12,132,000	
<i>of which assigned revenues deriving from previous years' surpluses</i>	339,389	210,103	107,253	-48.95%	69,102	not known before beginning of January 2019	not known before beginning of January 2019	not known before beginning of January 2020	not known before beginning of January 2020
3. Third countries contribution (incl. EFTA and candidate countries)	367,428	415,583	434,855	4.64%	471,067	482,833	482,833		
<i>of which EFTA</i>	367,428	415,583	434,855	4.64%	471,067 ⁴³	482,833 ⁴⁴	482,833		
<i>of which candidate countries</i>	0	0	0	0	0	0	0		

⁴⁰ This includes the repayment of the ESAs review pre-financing amount of 2,361,336€ and 300,000€ for school contributions

⁴¹ This amount includes the **pre-financing of 2,361,336€ of the EC for the ESAs review and 348,000€ for PEPP**

⁴² This amount includes the **pre-financing of 5,356,000€ of the EC for the ESAs review, 29,000 for sustainable finance and 251,000€ for PEPP**

⁴³ This includes additional funds required – **the EFTA part for PEPP** and the PEPP and ESAs related pensions contributions

⁴⁴ This includes additional funds required – **the EFTA part for PEPP and sustainable finance** and the PEPP, sustainable finance and ESAs related pensions contributions

Revenues	2016	2017	2018	VAR 2017 /2018	2019	2020		2021	
	Executed Budget	Executed Budget	Adopted Budget		Adopted Budget	Budget Request	COM Proposal MFF & new LFS	Budget Request	COM Proposal MFF
4. Other contributions (member states contributions 60% and pensions contributions)	12,933,683	14,637,269	15,307,153	4.58%	16,581,564 ⁴⁵	16,995,710 ⁴⁶	16,995,710		
<i>of which delegation agreement, ad hoc grants</i>									
5. Administrative operations									
6. Revenues from services rendered against payment			100,000						
7. Correction of budgetary imbalances									
Total revenues	21,762,500	23,999,256	25,207,008	4.62%	29,495,967	33,043,543	33,043,543	35,388,831	

⁴⁵ This includes additional funds required - **60% of the MS part for PEPP** and the PEPP and ESAs related pensions contributions

⁴⁶ This includes additional funds required - **60% of the MS part for PEPP and sustainable finance** and the PEPP, sustainable finance and ESAs related pensions contributions

Annex III: Budget outturn and cancellation of appropriations (2014-2018)**Calculation budget outturn**

Budget outturn	2014	2015	2016	2017	2018
Revenue actually received (+)	21,592,768.12	20,570,328.35	21,801,776.64	24,090,701.89	25,290,647.12
Payments made (-)	-15,992,265.48	-16,935,296.33	-19,375,474.25	-21,145,557.10	-21,617,667.27
Carry-over of appropriations (-)	-5,613,560.03	-3,294,150.70	-2,345,562.88	-2,906,329.34	-3,749,497.56
Cancellation of appropriations carried over (+)	356,514.50	181,142.60	178,788.47	127,693.66	100,016.65
Adjustment for carry over of assigned revenue appropriations from previous year (+)	0.00	9,722.10	17,473.76	10,503.24	90,129.86
Exchange rate differences (+/-)	-4,067.86	-5,527.86	-8,867.06	-4,073.23	-9,385.97
Adjustment for negative balance from previous year (-)	0.00				
Total	339,389.25	526,218.16	268,134.68	172,939.12	104,242.83

Annex IV: Human Resources – Quantitative (2017-2021)

Establishment plan evolution 2017-2021

Category and grade	Establishment plan in EU Budget 2017		Filled as of 31.12.17		Modifications in 2017 in application of flexibility rule ⁴⁷		Establishment plan in voted EU Budget 2018		Modifications envisaged in establishment plan 2018 in application of flexibility rule ⁴⁸		Establishment plan in voted EU Budget 2019 ⁴⁹		Modifications envisaged in establishment plan 2019 in application of flexibility rule ⁵⁰		Establishment plan 2020 ⁵¹		Proposed Establishment Plan 2021	
	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	Officials	TA	officials	TA	officials	TA
AD 16		1		1				1				1				1		1
AD 15		1		0				1				1				1		1
AD 14		1		1				1				2				4		5
AD 13		3		2				4				5				6		7
AD 12		8		5				11				11				13		16
AD 11		10		5				14				17				18		19
AD 10		10		7		+1		13		+1		17				18		19
AD 9		12		12				15				17				22		23
AD 8		12		8				14				19				21		19

⁴⁷ In line with Article 32 (1) of the framework Financial Regulation, the management board may modify, under certain conditions, the establishment plan by in principle up to 10% of posts authorised, unless the financial rules of the body concerned allows for a different % rate.

⁴⁸ *Ibid.*

⁴⁹ Figures include additional FTEs from ESAs' review and PEPP.

⁵⁰ In line with Article 32 (1) of the framework Financial Regulation, the management board may modify, under certain conditions, the establishment plan by in principle up to 10% of posts authorised, unless the financial rules of the body concerned allows for a different % rate.

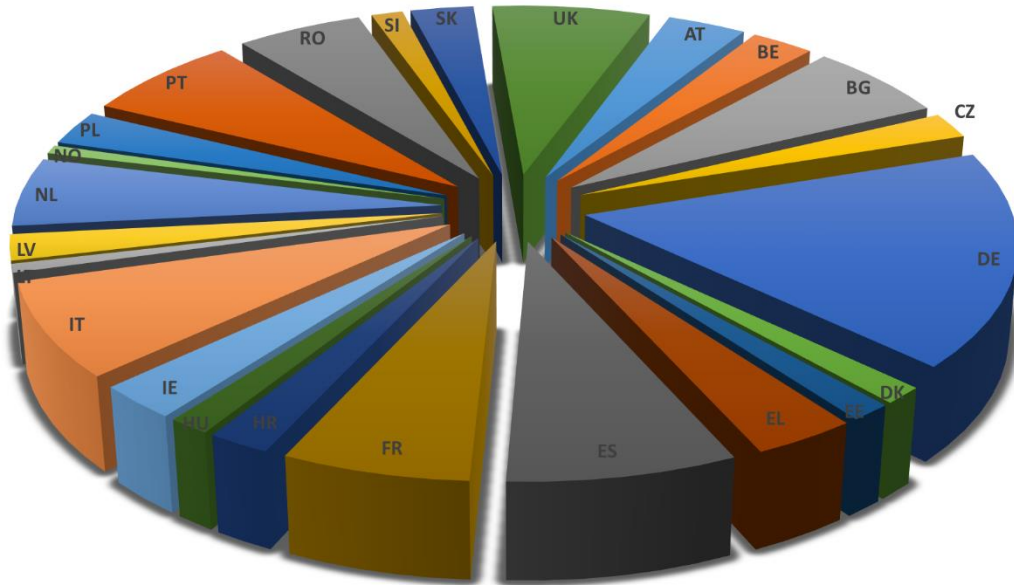
⁵¹ Figures include additional FTEs from ESAs' review and PEPP.

Category and grade	Establishment plan in EU Budget 2017		Filled as of 31.12.17		Modifications in 2017 in application of flexibility rule ⁴⁷		Establishment plan in voted EU Budget 2018		Modifications envisaged in establishment plan 2018 in application of flexibility rule ⁴⁸		Establishment plan in voted EU Budget 2019 ⁴⁹		Modifications envisaged in establishment plan 2019 in application of flexibility rule ⁵⁰		Establishment plan 2020 ⁵¹		Proposed Establishment Plan 2021	
	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	Officials	TA	officials	TA	officials	TA
AD 7		12		17				11				12				14		11
AD 6		11		20				9		+1		7		+1		7		4
AD 5		4		7				2				0				0		0
Total AD		85		85		+1		96		+2		109		+1		125		125
AST 11		0		0				0				0				1		1
AST 10		1		0		-1		1		-1		1				1		1
AST 9		1		0				1				1				2		3
AST 8		2		0				3				3				3		4
AST 7		3		0				3				3				3		3
AST 6		3		3				3		-1		3		-1		2		1
AST 5		3		1				3				3				2		1
AST 4		2		9				2				1				0		0
AST 3		1		2				0				0				0		0
AST 2		0		0				0				0				0		0
AST 1		0		0				0				0				0		0
Total AST		16		15		-1		16		-2		15		-1		14		14

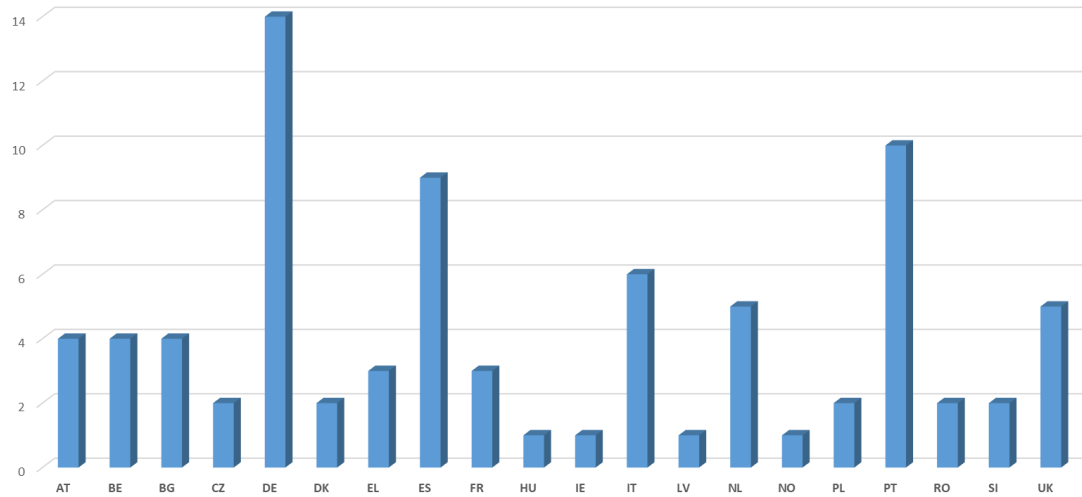
Category and grade	Establishment plan in EU Budget 2017		Filled as of 31.12.17		Modifications in 2017 in application of flexibility rule ⁴⁷		Establishment plan in voted EU Budget 2018		Modifications envisaged in establishment plan 2018 in application of flexibility rule ⁴⁸		Establishment plan in voted EU Budget 2019 ⁴⁹		Modifications envisaged in establishment plan 2019 in application of flexibility rule ⁵⁰		Establishment plan 2020 ⁵¹		Proposed Establishment Plan 2021	
	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	officials	TA	Officials	TA	officials	TA	officials	TA
AST/SC 6		0		0		0		0		0		0				0		0
AST/SC 5		0		0		0		0		0		0				0		0
AST/SC 4		0		0		0		0		0		0				0		0
AST/SC 3		0		0		0		0		0		0				0		0
AST/SC 2		0		0		0		0		0		0				0		0
AST/SC 1		0		0		0		0		0		0				0		0
Total AST/SC		0		0		0		0		0		0				0		0
TOTAL		101		100				112				124				139		139

Nationalities at EIOPA in 2018

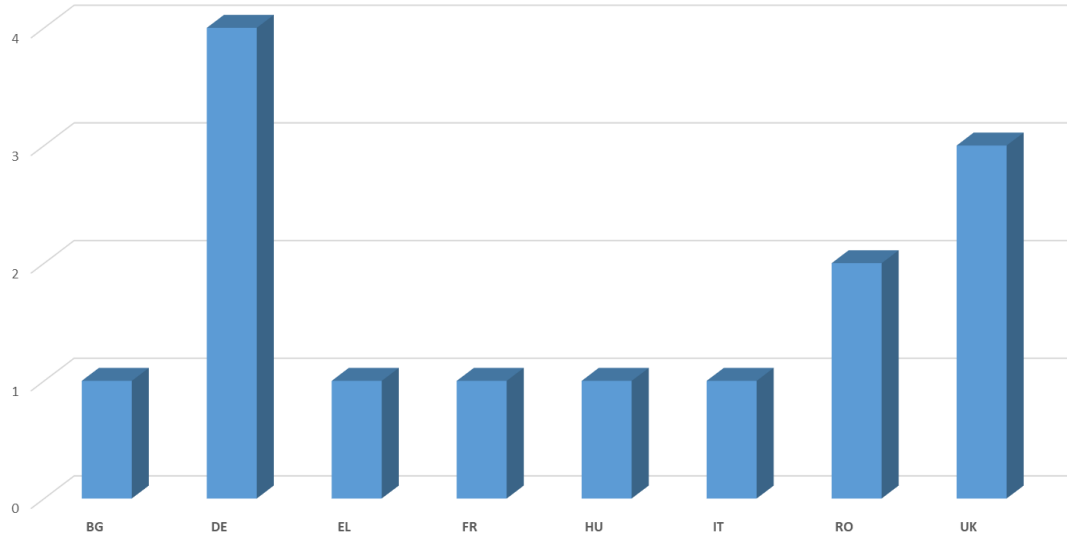
Total of 24 Countries



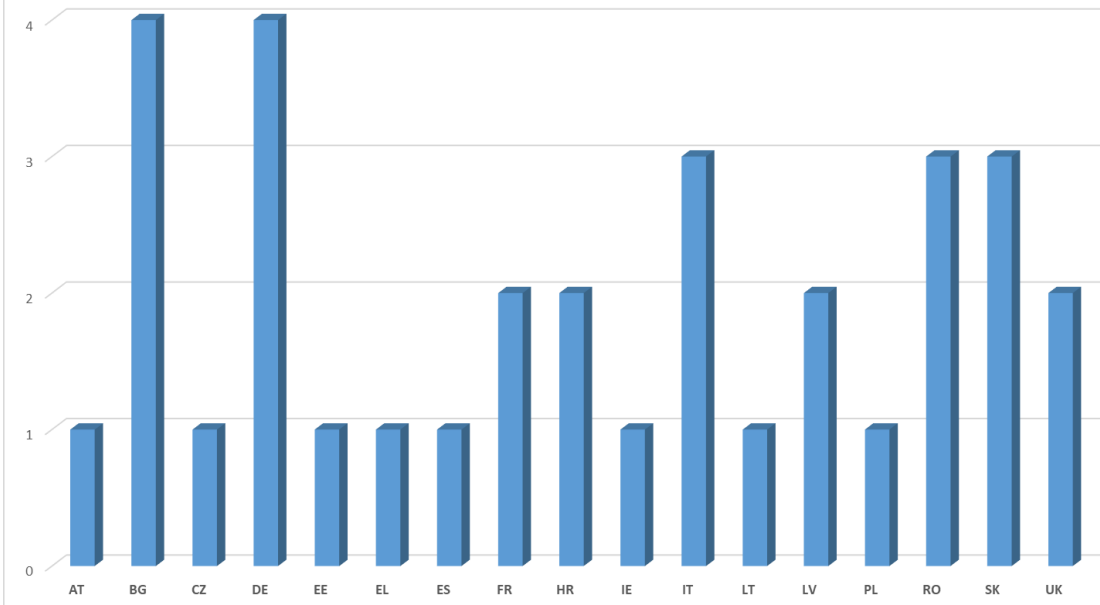
Nationalities of Temporary Agents AD at EIOPA in 2018

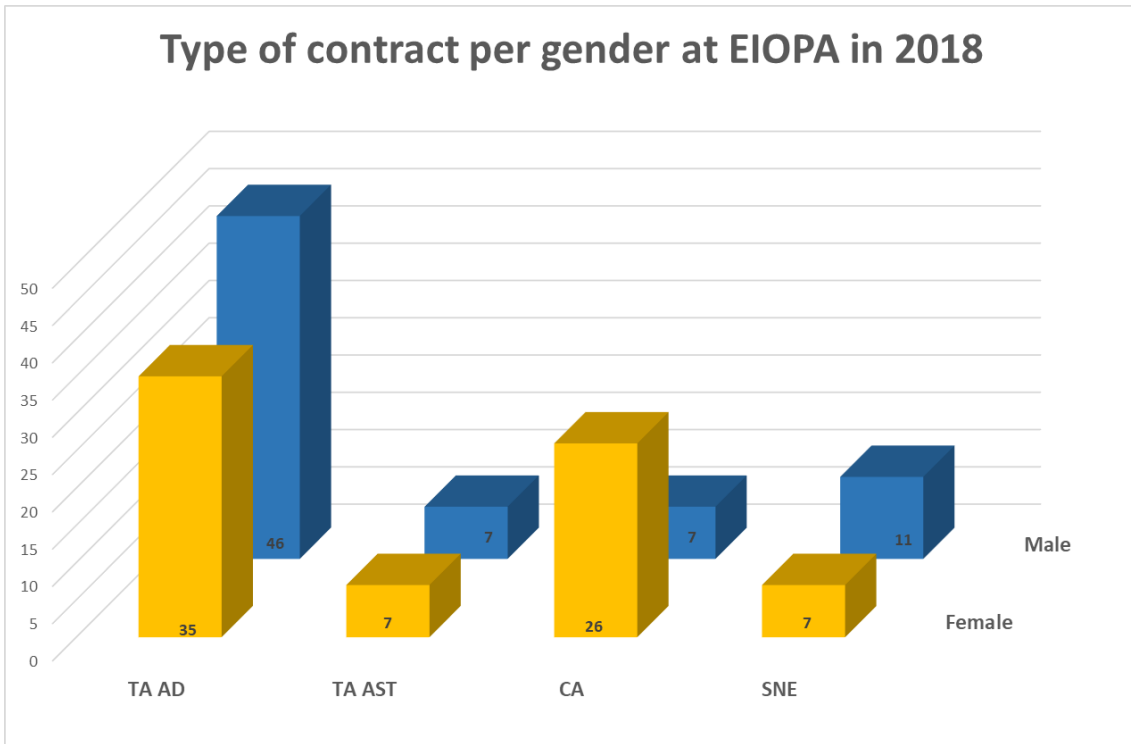
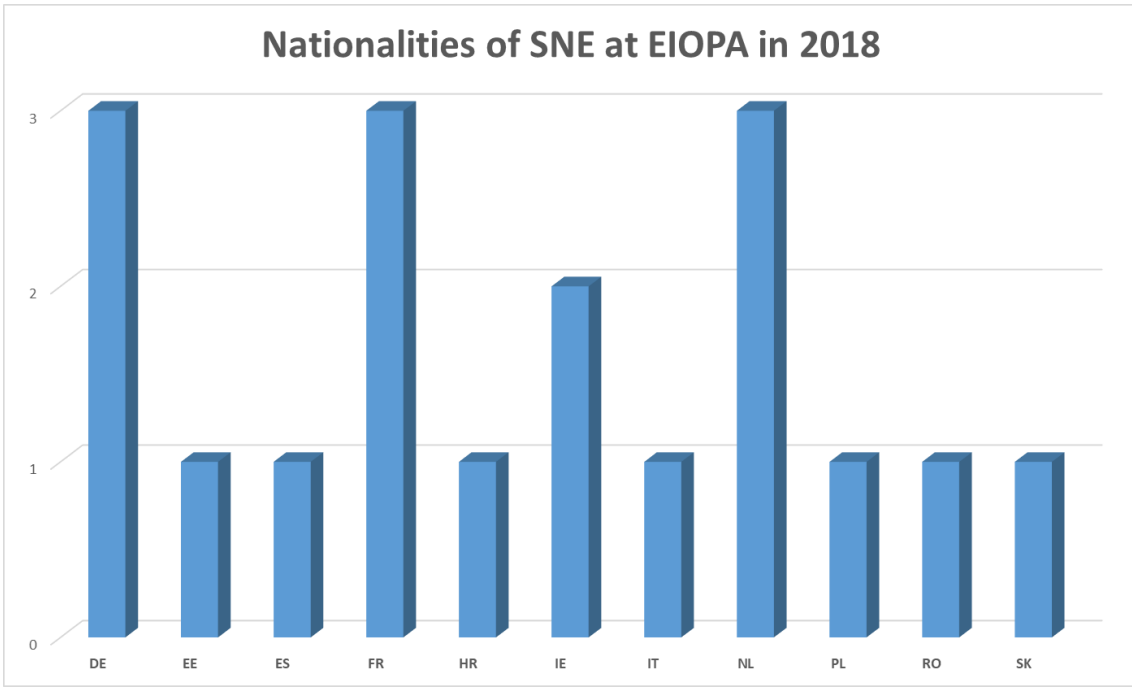


Nationalities of Temporary Agents AST at EIOPA in 2018

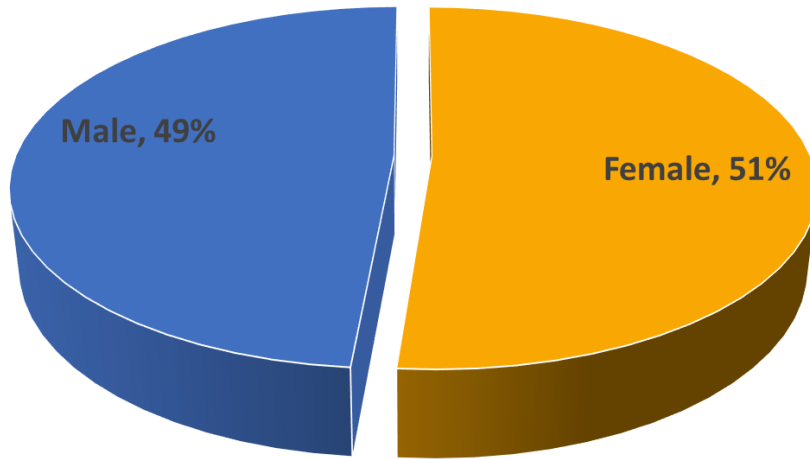


Nationalities of CA at EIOPA in 2018





Gender Distribution at EIOPA in 2018



Annex V: Human Resources – Qualitative

1. Recruitment policy

EIOPA's recruitment policy does not distinguish between different categories or types of contracts. EIOPA strives for efficiency and equal treatment, thus the recruitment process is similar for TA, CA and SNE. Nevertheless, in 2017 the Authority introduced a more streamlined procedure to recruit SNEs as per the Management Board Decision laying down rules for the Secondment of National Experts. EIOPA focuses on ensuring a timely process with an average 3-4 weeks between the deadline for application and the recommendation of the selection committee to the Appointing Authority. During the start-up phase there was no particular entry grade per function, as the priority was to recruit experienced people in the different fields.

EIOPA's selection procedure is based on its HR Implementing Rules, adopted by the Commission under Article 110. This means that based on the Establishment Plan the positions have been allocated to the different units according to the work programme.

The majority of the recruitment campaigns are internally and externally published, via our website as well as other means. Some of them have only been internally published within a range of grades. Each vacancy notice clearly specifies the essential requirements to be able to perform the main responsibilities of the job description, as well as the desirable skills which would provide added value to the performance. Behavioural competencies have also been specified. There are three behavioural competencies which are equally requested to all staff members working at EIOPA, whether in a management, assistant or administrator position. These competencies are team work, flexibility and continuous learning. The other behavioural competences are specific to the job and described in the vacancy notice.

The selection committee makes an assessment of the candidates to be invited for interview. For cost/efficiency purposes EIOPA has decided, as a general rule to invite three candidates per position. This implies that if there are more than three candidates that fulfil all the requirements, there will be a pre-screening phone interview with those candidates. The average has been to invite between five and seven candidates for pre-screening phone interviews. In terms of reserve lists EIOPA has had between zero and three candidates. The candidates shortlisted for panel interview are requested to have an anonymous written test, and if required for the position, to prepare a presentation.

Given EIOPA's mandate and tasks, and the fact that EIOPA is competing with the private financial sector for attracting the right level of resources, higher grades have to be used in order to recruit very specialised staff with long-term experience, as well as some SNEs at that high level. Lower grades have been used for less specialised profiles and for corporate support. CAs recruitment has been done for some corporate support profiles. All contracts, TAs and CAs, are currently issued for a three-year period with possibility of renewal, if specified in the vacancy notice. SNEs have been engaged for an initial period of two years.

EIOPA has the following profiles:

- Management: Chair, Executive Director, Head of Department and Head of Unit;
- Financial Services: Policy/Regulation, Supervisory, Financial Stability and Information;
- Corporate Support and Affaires: Finance and Procurement, Assistant, IT, Communications and HR; and
- Legal.

2. Appraisal of performance and promotion/reclassification

EIOPA follows the HR Implementing Rules on Appraisal of staff as per revised Staff Regulations. All staff members are benefitting from feedback and development in the form of an appraisal, irrespective of the type of contract with EIOPA, including SNEs. Mid-year reviews are also done before summer as part of the performance management process.

In addition to this, EIOPA has adopted COM decision C(2016) 7270 which regulates that for job holders occupying a managerial function, the report shall include a conclusion whether the jobholder's managerial performance has been satisfactory. Also, job holders are asked in their appraisal reports to indicate "Learning and Development objectives" for the following year instead of "Training objectives". This shall ensure that job holders do not insert only a training solution, but also the area/field in which they want to develop further. The appraisal process has been presented to all staff during staff performance info sessions where the already developed parts of the new competency model have been presented as well.

In 2018 we have conducted the reclassification exercise of TAs in line with the relevant HRIR, adopted by analogy, and the reclassification exercise of CAs.

2. Reclassification of temporary staff/promotion of officials

Category and grade	Staff in activity at 01.01.2017		How many staff were promoted / reclassified in 2018		Average number of years in grade of reclassified/promoted staff members
	officials	TA	officials	TA	
AD 16	n/a	1	n/a		
AD 15	n/a	0	n/a		
AD 14	n/a	1	n/a		
AD 13	n/a	2	n/a		
AD 12	n/a	5	n/a		
AD 11	n/a	5	n/a		
AD 10	n/a	8	n/a		
AD 9	n/a	11	n/a	2	3.3
AD 8	n/a	8	n/a	3	2.8
AD 7	n/a	10	n/a	1	5.5
AD 6	n/a	15	n/a		
AD 5	n/a	10	n/a		
Total AD	n/a	76	n/a	6	
AST 11	n/a	0	n/a		
AST 10	n/a	0	n/a		
AST 9	n/a	0	n/a		
AST 8	n/a	0	n/a		
AST 7	n/a	0	n/a		
AST 6	n/a	3	n/a		

Category and grade	Staff in activity at 01.01.2017		How many staff members were promoted / reclassified in 2018		Average number of years in grade of reclassified/promoted staff members
	officials	TA	officials	TA	
AST 5	n/a	1	n/a		
AST 4	n/a	7	n/a	3	4.4
AST 3	n/a	2	n/a		
AST 2	n/a	0	n/a		
AST 1	n/a	0	n/a		
Total AST	n/a	13	n/a	3	
AST/SC6	n/a	n/a	n/a		
AST/SC5	n/a	n/a	n/a		
AST/SC4	n/a	n/a	n/a		
AST/SC3	n/a	n/a	n/a		
AST/SC2	n/a	n/a	n/a		
AST/SC1	n/a	n/a	n/a		
Total AST/SC	n/a	n/a	n/a		
Total		89		9	

3. Reclassification of contract staff

Function Group	Grade	Staff in activity at 1.01.2017	How many staff members were reclassified in 2018	Average number of years in grade of reclassified staff members
CA IV	18			
	17			
	16	3		
	15	2		
	14	3		
	13	2		
CA III	12			
	11			
	10	3		
	9	3		
	8	2	1	3.3

Function Group	Grade	Staff in activity at 1.01.2017	How many staff members were reclassified in 2018	Average number of years in grade of reclassified staff members
CA II	7			
	6	3		
	5	11		
	4	2		
CA I	3			
	2			
	1			
Total		34	1	

4. Mobility policy

Internal mobility: 11 colleagues moved within EIOPA and 1 colleague moved to another EU institution.

5. Gender and geographical balance

Equal opportunities are mainly done through the recruitment procedure and access to training. We also strive for gender balance in our selection committees. We currently have a female population of 51% versus 49% male population.

EIOPA currently has 24 nationalities amongst our 146 staff. Germans represent 17% of the staff population. This so called 'site-effect' has slightly decreased in comparison with previous years.

7. Schooling

EIOPA's staff members have access to the European School in Frankfurt for their children.

Annex VI: Building Policy

Current building(s)

	Name, location and type of building	Other Comment
Information to be provided per building:	Westhafen Tower, Westhafen Platz 1, D-60327 Frankfurt am Main, Germany	
Surface area (in square metres) - Of which office space - Of which non-office space	EIOPA occupies 5 floors (2nd, 25th, 26th, 27th, 28th). 4,256 square metre: office and meeting space 23 square metre: basement 43 parking spaces	
Annual rent (in EUR)	1,681,521 € estimated in 2018	
Type and duration of rental contract	Every building unit (namely the half floors of 25th, 26th and 27th floor and the whole floors 2nd and 28th floors) has a 10-years contract. The contract defines the price per square meter, which is subject to indexation. The contract allows to gradually extend the office space in line with the actual growth of the Authority and real needs for office space. The occupation of the 28th floor in 2014 was the final office extension and provides room for accommodating the increased number of in-house working meetings, for the implementation of an open space policy on the 2nd floor and for the fulfilment of the necessary security requirements.	
Host country grant or support	N/A	
Present value of the building	N/A	

EIOPA's contract with GGM Mann Management foresees a dedicated 10-year contract for every half floor, which is set up in the following way: first 10 months lease free; following 26 months at a reduced rate of 75%; remaining 7 years at full lease rate. The rental fee for every floor as governed by the contract is € 29/month/m² (subject to indexation in line with the German consumer price index), which results in an average expenditure of € 25/month/m² over a full 10-year period. An Early Termination Clause has been established in the contract.

EIOPA's office space was gradually expanded over time to accommodate the growing staff numbers. In order to avoid periods during which unused offices would be rented, it was agreed with the landlord that office space could be added in half-floor steps and that the remaining halves could be put on hold until the actual need arose.

An open space policy has been implemented on the 2nd floor in 2016 to accommodate new recruits and consultants, and it is planned to be rolled out for other office floors. In addition, pending the outcome of the PEPP and ESAs review and the final staff allocation, EIOPA's office space might need to be extended (beyond the open office plans).

EIOPA is currently re-negotiating its lease contract conditions with the landlord, aiming at better conditions as well as simplifying the structure (one end date for all floors). The negotiations are expected to conclude in Q1 2019.

Building projects in planning phase

Besides the open office space implementation as described above, there are no building projects planned in the coming years.

Building projects submitted to the European Parliament and the Council

No new project submitted to the European Parliament and the Council – information on building policy was provided on 1 July 2018 according to Article 87 of the EIOPA Financial Regulation.

Annex VII: Privileges and Immunities

EIOPA benefits from the privileges granted by the Protocol of Privileges and Immunities to EU organisations and institutions (mainly from the VAT exemption of supplier invoices).

EIOPA concluded a Headquarter agreement with Government of the German Federal Republic on 18 October 2011, capturing the privileges granted to staff.

Annex VIII: Evaluations

EIOPA is evaluated on a number of levels. As part of the European System of Financial Supervisors, the Authority is periodically subject to a review by the Commission. Such a review occurred in 2017 with the effect of bestowing additional tasks and powers on the Authority. EIOPA also reports on its performance to the Parliament's Economic and Monetary Affairs Committee where on an annual basis the Chair details the main achievements since the last report.

Internally, EIOPA has developed its own framework for performance monitoring and evaluation. This framework exists across strategic, operational and individual performance levels, with each level cascading down to the next. At the top level EIOPA maintains Key Performance Indicators (KPIs) for judging progress against the objectives of its strategy. These are monitored and reported on internally and to EIOPA's Board of Supervisors after the second quarter of each year and to all stakeholders in the Consolidated Annual Activity Report in the following year.

Each year the Authority also establishes an Annual Implementation Plan that allows for more regular monitoring of delivery of the products and services described in the Annual Work Programme. Throughout the year progress is evaluated in terms of the described deadlines and milestones and reported to EIOPA's Board of Supervisors at the mid-year point and provides the basis for reporting successful completion of the Annual Work Programme in the Consolidated Annual Activity Report. Each product or service is assigned a 'red' (failure), 'amber' (serious risks/issues) or 'green' (successful delivery) status. In every case where a product or service has not delivered as originally planned, a review is undertaken and lessons learnt recorded and incorporated.

Finally, the objectives, products and services of the Annual Work Programme provide the basis for the objectives of individual staff members. Attainment of individual objectives is assessed based on the results recorded in the Annual Implementation Plan and is reviewed by the relevant team or unit on a bi-annual basis.

Annex IX: Risks

Introduction

A risk is defined as 'an uncertain event or set of events that, should it occur, would have an effect on the achievement of (an) objective(s)'.⁵² To manage such risks, EIOPA has initiated an approach to systematically identify, assess and then plan and if required, implement responses to potential risk events. Such events can originate from within the Authority or be driven by external forces. The likelihood of an event occurring and the impact of its consequences for an objective should it occur will vary. This variance is discussed in terms of 'risk exposure'. Based on the level of exposure, particularly if the impact would be negative, EIOPA considers steps to prevent the event from happening (if within its power), avoid it or mitigate the negative consequences. Staff at all levels of the Authority are asked to consider risks in terms of their work, assess them using a standardised scale and then consider appropriate and proportionate responses, escalating material risks to management when needed.

Corporate Risk Management Process

The aim of the process is to provide management with an overview of the aggregated risks and in particular to allow management to focus on those with a potential material impact on the commitments of the Authority as defined in its Work Programme and wider operations; and offer responses to mitigate and overcome risks as they occur. Such a picture is essential, and will aid management as they oversee implementation of an ambitious Work Programme.

EIOPA's risk management process has been developed in line with the Commission's Internal Control Standard No. 6 'Risk Management Process', which states a yearly assessment of risk is a basic requirement of the annual business planning process.

Risk Overview

Through its formal risk management process, EIOPA has identified two strategic risks relevant to the term of the present SPD that need to be effectively managed. These are:

- high degree of uncertainty in the external political, economic and legislative environment; and
- the allocation of new tasks and powers without sufficient staff and budget to deliver.

Risk 1: High degree of uncertainty in the external political, economic and legislative environment

The years 2019 – 2021 are expected to be a period of considerable change for the EU as a whole, and for EIOPA. By the end of the first quarter of 2019, the UK will have withdrawn from the EU. The implications of this withdrawal will likely be wide-ranging and important for EIOPA to take note of. However, during the preparations of the SPD, the political negotiations have not progressed sufficiently far to allow for a solid understanding on a number of key issues – clarity being dependent on the proceeding/outcome of these negotiations. It has therefore not been possible to reflect

⁵² OGC (2007) Management of Risk: Guidance for Practitioners

all the expected outcomes pertaining to Brexit. This touches upon important areas such as EIOPA's priorities, the work it expects to undertake and on its budget. A number of the implications will be picked up by work already carried out by the Authority, which, for example in the case of Equivalence, is strengthened by the Commission's legislative proposal pertaining to the review of the ESAs. Related to EIOPA's operations, contingency planning has been undertaken for different scenarios including a hard Brexit. Future updates to the SPD, required to reflect the new realities resulting from the UK's withdrawal will benefit from this pre-emptive planning.

Similarly, based on the Commission's legislative proposals the current expectation is that the additional tasks and powers stemming from PEPP and the review of the ESAs will be assumed during the course of 2019. It is important for EIOPA to ensure appropriate preparation prior to assumption of these new tasks so that it is ready to fulfil its new legal mandate. However, the ongoing negotiations regarding both legislative proposals will not have concluded sufficiently early for EIOPA to factor them into early iterations of its SPD 2019-2021. The Authority has included the information available in the legislative proposals, including on additional resources allocated, this is however likely to be subject to change pending the conclusion of negotiations. It should be noted that although the additional staff and finance pertaining to both legislative proposals is included in EIOPA's budget request, no new staff will be recruited and no funds will be spent until after the relevant legislative proposal is adopted.

Risk 2: The allocation of new tasks and powers without sufficient staff and budget to deliver

The Commission's Multi-Annual Financial Framework (MFF) establishes the EU's budgetary planning across the areas of its expenditure, including its funding of EU agencies. The funding assumes a level of tasks for each agency and seeks to allocate appropriate resources for them to be delivered on a yearly basis. Since the issuing of the present MFF, EIOPA has been allocated additional tasks stemming from new legislation such as Solvency II and IDD. Additional staff has been proposed with regards to EIOPA's assumption of these new tasks and powers. In the case of Solvency II, in a number of areas these additional resources were not entirely sufficient to cover all the demands. In the case of IDD, the proposed resources were not in the end allocated despite EIOPA assuming the tasks. The precedent this has set provides the basis of the second risk.

The two new legislative proposals pertaining to EIOPA (PEPP and ESAs review) do include a provision for additional staff and budget based on the Commission's own assessment for certain areas of work. Throughout 2018 EIOPA will conduct a robust analysis of the tasks allocated to it and the resources required to deliver. This exercise will inform a solid estimate of what would be appropriate resourcing levels. If a gap is identified between what has been allocated and what will be required, it is likely that the Authority will struggle to absorb the additional work whilst maintaining its current commitments. Should EIOPA receive additional tasks and powers without any additional resources, this problem will become even more acute.

Mitigation 1: Stronger approach to prioritisation

To effectively manage the present uncertainty EIOPA has further enhanced its approach to prioritization allowing timely and upfront discussions with its Management Board and Board of Supervisors. The intention is to facilitate more informed decision-making through strategic discussions focused on the likely developments in the external

environment. By judging the potential impacts of these developments on the Authority and the future demands to be placed on it, stronger priority setting can be achieved.

In support of this and enhancing the Authority's ability to prepare for the forthcoming changes, internal cross departmental project groups have been established to specifically deal with EIOPA's response to Brexit, and its new tasks and powers under PEPP and the ESAs review. This has allowed EIOPA to consider different scenarios and the impacts it may need to manage in the future. As further and more concrete information is made available on these three issues, EIOPA stands ready to adapt its plans and work to ensure it can still deliver its mandate.

Mitigation 2: Efficiency and re-deployment

To mitigate any potential risks of resource gaps, EIOPA will continue the positive efforts it has already made in improving efficiency and evolving as an organisation to meet the new demands placed on it. In terms of efficiencies, EIOPA will continue to review its processes, rationalise, and where possible, introduce more automation allowing staff to be re-allocated to other tasks. Ongoing efforts to seek out synergies with other EU agencies and in particular the other ESAs will allow EIOPA to benefit from economies of scale and administrative efficiencies when procuring services from external suppliers. Examples of this already include procurement of a contract for short-term IT staff run in conjuncture with the European Banking Authority, saving money and the administrative burden compared to running it separately.

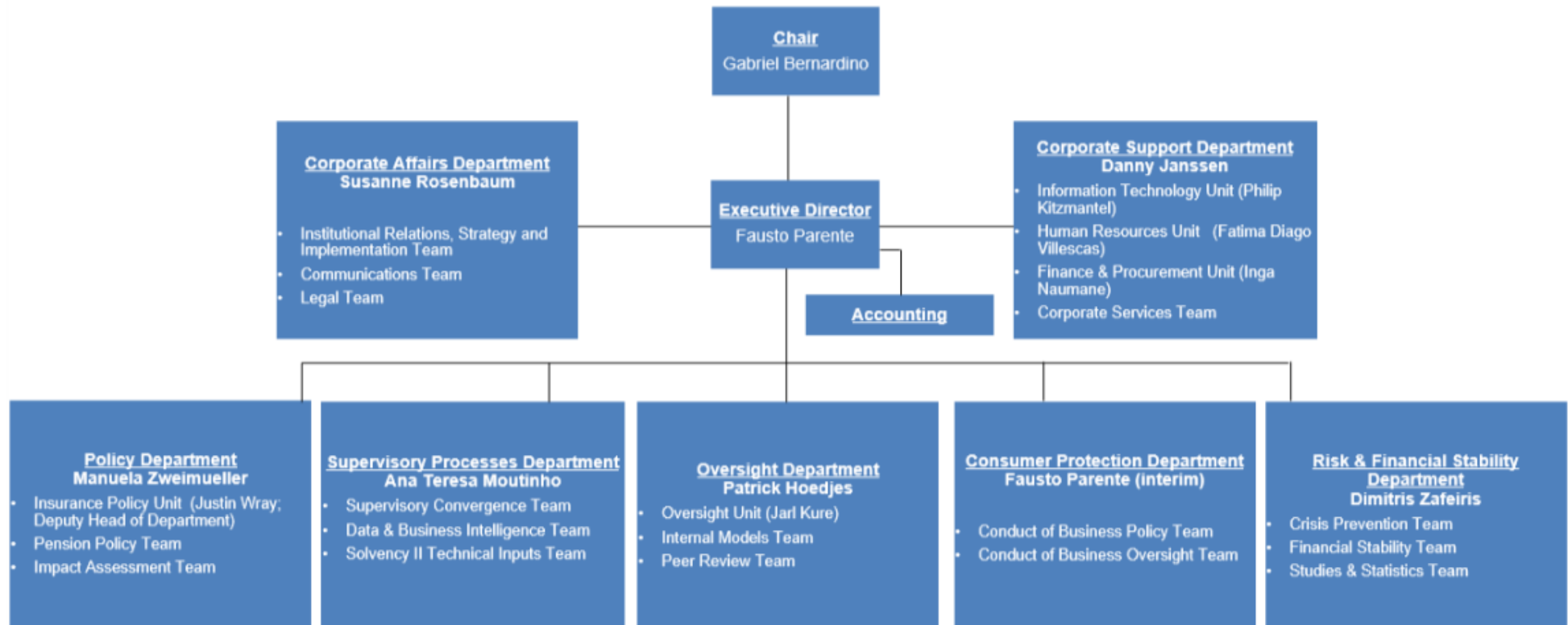
EIOPA will build upon the restructure of the Authority undertaken in 2016 to search out further opportunities to bring together different elements of the organisation working on similar areas to capitalise on synergies and enhance the efficiency. Ensuring changing priorities can be realised in changes to its structure and the competencies of its work force, EIOPA has already implemented a competency framework. This allows the Authority to better manage and re-allocate staff across its many tasks based on the shift in priorities. This has already proven useful to manage the change in EIOPA's tasks from regulation to supervision.

EIOPA remains committed to do as much as possible to narrow any future gap between allocated and required resources, allowing it to deliver existing commitments and its new tasks and powers. Pending the outcome of its own internal analysis the extent this effort can fully address the gap is still to be determined. If through these measures EIOPA cannot meet on the demands placed on it, robust re-prioritisation will be undertaken.

Annex X: Procurement Plan (2019)

Ref	Planned launch	Subject	Estimated value NET (whole contract duration)	Estimated value NET (for 2019)	Estimated start-end contract	Procedure / Type of contract (FWC, Direct)
1	Q1	Service provision for the XBRL-related developments	1,250,000	200,000	Q2 2019 - Q2 2023	Open procedure
2	Q1	Catering services for meetings with external parties (pool of restaurants)	137,000	44,500	Q2 2019 - Q2 2023	Call for expression of interest
3	Q1	Event venues (incl. Annual EIOPA conference)	575,000	127,000	Q2 2019 - Q2 2023	Competitive procedure with negotiation
4	Q1	External Legal Services (German law)	80,000	15,000	Q2 2019 - Q2 2023	Negotiated procedure for middle value contract (min 5 candidates)/FWC
5	Q2	Security Assessment & Penetration Testing	60,000	60,000	Q2 - Q4 2019	Negotiated procedure for middle value contract (min 5 candidates)
6	Q2	Conference moderators for EIOPA conferences and events	50,000	10,000	Q2 2019 - Q2 2023	Negotiated procedure for low value contract (min 3 candidates)

Annex XI: Organisation Chart (2018)



Annex XII: Calendar of data requests to NCAs

No.	Description of data request	Start date	Finish date	Distribution List
Regular quantitative				
1	Solvency II Prudential Data Submissions Flow	01/01/2019	31/12/2019	Not applicable
2	Registers - DCCR unified flow for all Releases Insurance Register IORPs Occupational Pensions List of Groups Pension Plans and Products	01/01/2019	31/12/2019	Not applicable
3	MCRCS data request (comparative study on the market risk models)	Q1 [TBC]	Q2 [TBC]	Specific Project Group
4	NLCS data request (comparative study on the non-life risk models) - placeholder	TBD	TBD	BoS
5	Use of Capital add ons (article 52 of SII Directive)	15/07/2019	15/08/2019	BoS
6	Use of limitations/exemptions (article 35 (6) and (7) of SII Directive)	15/07/2019	15/08/2019	BoS
7	LTG review info request to NSAs	Q1 [TBC]	Q2 [TBC]	Specific Project Group
8	LTG review info request to undertakings	Q2 [TBC]	Q3 [TBC]	Specific Project Group
9	Annual update of database on insurance failures and near misses	09/11/2019	10/12/2019	BoS
10	IMOGAPIS: data request on YE2017 IM reporting templates from NCAs	Q1 [TBC]	Q2 [TBC]	ENW4
Regular qualitative				
11	Annual Consumer Trends Report	25/02/2019	21/06/2019	CCPFI
12	Annual Report information on the national use of sanctions under PRIIPs (required by PRIIPs)	01/03/2019	31/03/2019	Mailing list based on contact points designated by NCAs
13	Annual DLT assessment for the RFR calculation	21/05/2019	17/08/2019	Specific Project Group
14	EIOPA bottom-up risk assessment survey - 2018 2nd semester	01/02/2019	31/03/2019	BoS
15	EIOPA bottom-up risk assessment survey - 2019 1st semester	02/07/2019	01/10/2019	BoS
Non-regular quantitative				
1	Mapping of existing supervisory practices across financial sectors around ICT security and governance requirements	03/01/2019	31/01/2019	BoS
2	Thematic review possibly involving consumer testing depending on scope of review	Q4	Q4	CCPFI
3	Net performance and fees of retail and pension products as part of the Commission's Capital Markets Union Action Plan	Q2 [TBC]	Q2 [TBC]	CCPFI
4	2019 IORPs stress test – collecting results and potential resubmissions	15/05/2019	30/11/2019	Specific Project Group
5	Financial stability related thematic survey - analysis	TBD	TBD	BoS
6	Information request on sustainable finance	01/02/2019	30/04/2019	BoS
7	Info request (quantitative and qualitative) for analysing illiquid products and assets covering them linked to the work of the respective Project Group under PSC (if possible combined with 8)	Q1 [TBC]	Q2 [TBC]	BoS
8	InsurTech Task Force data request (tbc, but deliverables include insurance value chain, supervision of algorithms, and Innovation Hub)	01/06/2019	31/07/2019	ITF
9	Call for information of the European Commission related to DIRECTIVE 2009/138/EC (insurance liabilities, insurers asset management, LTG measurs, market valuation of insurance liabilities) (some components may be covered by the requests in lines 6 and 7 of the regular quantitative requests)	Q1 [TBC]	Q2 [TBC]	BoS
10	Monitoring of the EIOPA Opinion on the dynamic volatility adjustment (under SSC - IM SRP PG)	Q1 [TBC]	Q2 [TBC]	Specific Project Group
11	Assessment and review of EIOPA Equity Index - placeholder if information may not be retrieved completely from QRTs	TBD	TBD	TBD
Non-regular qualitative				
12	Peer Review on Decision on the collaboration between NCAs (on branches and FoS)	15/02/2019	15/04/2019	BoS
13	Market monitoring generally and specifically under the PRIIPs Regulation with a view to potential product intervention on IBIPs	01/01/2019	31/12/2019	CCPFI
14	Survey on the use of the Comprehension Alert (required by PRIIPs)	TBD	TBD	TBD
15	Implications of self-placement in view of possible consumer detriment	Q1 [TBC]	Q1	CCPFI
16	Cloud Computing (European Commission Fintech Action Plan) - placeholder	TBD	TBD	Specific Project Group
17	Cyber Risk (European Commission Fintech Action Plan)	TBD	TBD	Specific Project Group
18	Innovation facilitators (European Commission Fintech Action Plan) - placeholder	TBD	TBD	TBD
19	EU US Covered Agreement (survey on reinsurance and survey on group supervision) - potential follow-up	H1 [TBC]	H1 [TBC]	BoS
20	Questionnaire for the joint opinion as required by the Anti Money Laundering Directive	Q3 [TBC]	Q3 [TBC]	BoS
21	Information request on IORP II implementation (governance and risk assessment- 2nd phase)	01/10/2019	15/12/2019	BoS (PSC, ENW 7 in copy)
22	Information request on CfA sustainable finance (IORP II fiduciary duty and disclosure)	01/02/2019	30/06/2019	BoS (PSC, ENW 7 in copy)
23	Peer Review on Regular Supervisory Report (RSR)	15/08/2019	15/10/2019	BoS
24	EU US project specific quantitative and qualitative information request on cybersecurity, cyber underwrit	01/01/2019	TBD	BoS
25	Brexit related information request	Q1 [TBC]	Q1 [TBC]	BoS
26	Follow-up questionnaire from NL Long Term Business platform (qualitative and quantitative) - placeholder	TBD	TBD	TBD
27	Requests needed for the Solvency II 2020 Review (qualitative and quantitative) - placeholder	TBD	TBD	TBD
28	Surveys of Peer Reviews follow-up	TBD	TBD	TBD
29	Survey on ICT-security current ruling and practices	07/01/2019	28/02/2019	BoS

Joint Committee of the European Supervisory Authorities 2019 Work Programme

- i. The Joint Committee of the European Supervisory Authorities (the “ESAs”) is the forum in which the three ESAs, namely the European Banking Authority (EBA), the European Insurance and Occupational Pensions Authority (EIOPA) and the European Securities and Markets Authority (ESMA), liaise very closely and on a regular basis with the aim to strengthening cooperation among each other. The European Commission and the European Systemic Risk Board (ESRB) also participate in the Joint Committee.
- ii. The ESAs cooperate closely to ensure cross-sectoral consistency as well as supervisory convergence in line with their institutional role. Through the Joint Committee, the three ESAs regularly coordinate their supervisory activities within the scope of their respective responsibilities and ensure consistency in their practices. The Joint Committee works in particular in the areas of risks and vulnerabilities for financial stability and micro-prudential analysis of cross-sectoral developments, retail investment products, supervision of financial conglomerates, accounting and auditing, and measures combating money laundering. The ESAs, via the Joint Committee, jointly explore and monitor potential emerging risks for financial markets participants and the financial system as a whole.
- iii. In 2019, the Joint Committee will continue to focus its work on consumer protection issues such as supporting and providing guidance for the PRIIPs Regulation, as well as monitoring and analysing financial technology innovations, and sustainability developments. In the field of anti-money laundering and counter terrorist financing, the Joint Committee will continue work on reviewing and developing its Guidelines and Technical Standards as necessary, as well as seek to enhance supervisory cooperation on anti-money laundering supervision in the EU. The Joint Committee will continue to be an important forum for discussing key cross- sectoral trends and vulnerabilities to financial stability, with the publication of bi-annual cross- sectoral Risk Reports and its submission to the EFC-FST. In the area of Financial Conglomerates, the Joint Committee will further develop and finalise its work on specific reporting formats for financial conglomerates.
- iv. In addition, the Joint Committee will serve as an important body for addressing other cross- sectoral matters such as the issues emanating from the UK withdrawing from the European Union, ongoing developments regarding the proposals to enhance the operation of the ESAs, mandates stemming from the Securitisation Regulation, and the work on the long-term performance of retail investment products.

Consumer Protection and Financial Innovation

- v. The Joint Committee enhances confidence and strengthens the protection of European consumers in relation to banking, insurance and securities products. This will continue to be an area of priority for the Joint Committee in 2019.

Topic/Activity	PRIPs work on review of the Regulation and Delegated Regulation
Description	The ESAs are required to review the application of Commission Delegated Regulation 2017/653 and propose amendments where appropriate, as well as provide information to the Commission to support the review of PRIIPs in accordance with Article 33 of Regulation.
Expected output	Technical advice or proposals for amendments, dependent on the nature of any request from the Commission.

Topic/Activity	PRIPs Level 3 work
Description	Work will continue on the development of Q&As to give competent authorities and market participant's further guidance on the implementation of the new PRIIPs rules.
Expected output	Q&As

Topic/Activity	Sustainability
Description	<p>On 24 May 2018, the European Commission published a proposal for a Regulation on disclosures relating to sustainable investments and sustainability risks. The proposal includes mandates for the Joint Committee to deliver:</p> <ul style="list-style-type: none"> • 1 Regulatory Technical Standard on pre-contractual disclosures (mandatory) • 1 Regulatory Technical Standard on transparency on websites (mandatory) • 1 Regulatory Technical Standard on periodical reports (mandatory) • 1 Implementing Technical Standard on marketing communications (discretionary)

	The ESAs will follow the development of the legislative process and, if the Regulation is approved by the European co-legislators, will develop the RTS listed above.
Expected output	Regulatory and Implementing Technical Standards on disclosure

Topic/Activity	Follow up on Complaints Handling Guidelines
Description	As a follow-up to the EBA/ESMA Guidelines for complaints handling for the securities and banking sectors and the EIOPA Guidelines for complaints handling for insurance undertakings, the three ESAs will assess the way financial institutions have implemented the Guidelines, with the overall aim to achieve a consistent standard of application across the EU.
Expected outputs	Joint Report

Topic/Activity	Fintech/Digitalisation of financial services
Description	The steadily growing phenomenon of Fintech/digitalisation of financial services creates new opportunities but also new risks for financial market participants, consumers, and the financial system as a whole. The ESAs will continue working on any Fintech related workstream started in 2018 and will continue monitoring the evolution of the market in the three sectors in order to identify at a later stage specific cross-sectoral relevant FinTech and digitalisation issues that need to be addressed. Through this work stream, the ESAs aim to contribute to the objectives of the European Commission's Fintech Action Plan for a more competitive and innovative European financial sector.
Expected output	Assessment of the Fintech phenomenon chosen; assessment of its benefits and risks; and, potentially, identification of any regulatory and/or supervisory measures which may need to be taken.

Topic/Activity	Use of behavioral finance findings for supervisory purposes
Description	<p>Firms in the financial sector are using insights from behavioral finance when dealing with clients and potential clients, especially when providing or collecting information.</p> <p>In light of the technological changes in the market, clients have access to more (complex) products, by more firms through different channels. While this is surely an opportunity, it also represents a risk for investors</p>

who could be miss-sold financial products by firms exploiting their behavioral biases.

Supervisory authorities may also consider these aspects when assessing risks to investors and the appropriate policy or supervisory responses.

The three ESAs will consider how behavioral finance findings can be used by NCAs and incorporated in their supervisory practices in order to strengthen financial consumer protection.

Expected output	Joint Report
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Risk Assessment

- vi. Cross-sectoral risk analysis and assessment will continue to be one of the main areas of focus for the Joint Committee in 2019. The analysis will highlight the assessments by the ESAs of key trends and vulnerabilities to financial stability and continue to include appropriate cross-referencing in the sectoral risk reports. The Joint Committee's Risk Sub-Committee will continue to be an important forum for discussion of cross-sectoral risks.

Topic/Activity	Joint Risk and Vulnerabilities report
Description	The ESAs will continue analysing the key trends and vulnerabilities to financial stability and continue to include appropriate cross-referencing in the sectoral risk reports, which will be submitted to the Council's Economic and Financial Committee's Financial Stability Table for the spring and autumn meeting, and be published.
Expected output	Semi-annual Joint Report on Risks and Vulnerabilities to the EFC-FST meetings in Spring and Autumn

Anti-Money Laundering

- vii. In the field of anti-money laundering and countering the financing of terrorism (AML/CFT), the Joint Committee will continue to provide an important forum for the identification of current and emerging risks and the exchange of information and good practices in relation to the AML/CFT supervision of credit and financial institutions. In addition to the Joint Committee's work on regulatory mandates and setting common standards, the focus in 2019 will be on the implementation of proposed actions to be set out in the EU AML Roadmap.

Topic/Activity	Joint Guidelines on Risk Factors
Description	The Joint Committee published its Guidelines on money laundering and terrorist financing risk factors in June 2017. However, due to recent legislative changes introduced by the 5th Anti-Money Laundering Directive, the Guidelines will need to be reviewed and updated.
Expected output	Updated Joint Guidelines on Risk Factors

Topic/Activity	Supervisory cooperation and information exchange
Description	In order to enhance the collaboration and cooperation of national competent authorities in relation to the AML/CFT supervision of banks and other financial institutions that operate on a cross-border basis, the Joint Committee will consider measures that can facilitate these aims.
Expected output	Own-initiative Guidelines

Topic/Activity	Review of Guidelines and Technical Standards
Description	Potentially more work could be generated for the AMLC as a result of reviews carried out by the EBA, in conjunctions with national experts, where it will be assessing the effectiveness of the member states' AML/CFT supervisory framework for the banking sector. If these reviews were to identify significant shortcomings in the supervisory practices, the AMLC will need to evaluate whether some of the existing Guidelines require enhancements or whether there is a need for additional Guidelines on the topic.
Expected output	Where deemed necessary, the Joint Committee will review existing guidelines or technical standards to ensure their ongoing alignment with changing legal standards.

Topic/Activity	EU AML Roadmap Actions
Description	The Joint Working Group on AML Supervision, which includes the European, the ESAs, the ECB and chair of the AMLC, developed on Reflection Paper identifying possible solutions on how to improve the framework for cooperation between AML/CFT and prudential supervision and how to improve AML supervisory practices within the EU. The Paper sets out a number of proposed actions for the ESAs, and once agreed the Joint Committee will work to implement these actions.

Expected output	Enhanced framework for cooperation between AML/CTF and prudential supervisors and improved supervision of AML/CFT
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Financial Conglomerates

- viii. The Joint Committee stands ready to bring forward the effective supplementary supervision of financial conglomerates and to discuss appropriate regulatory and supervisory actions.

Topic/Activity	Annual list of financial conglomerates
Description	The ESAs will continue to review and update its list of identified financial conglomerates.
Expected output	2019 list of identified Financial Conglomerates

Topic/Activity	Specific reporting formats for conglomerates
Description	The ESAs will continue develop technical standards on specific reporting formats (e.g. for intra-group transactions, risk concentration and capital adequacy).
Expected output	Draft ITS/ RTS

Securitisation

- ix. The Joint Committee will work on new mandates under the Securitisation Regulation, which amend the European Markets Infrastructure Regulation (EMIR).

Topic/Activity	STS Securitisation
Description	<p>In order to prevent divergent approaches in the implementation of the STS criteria, the ESAs will continue in 2019 to coordinate their work and that of the competent authorities to ensure cross-sectoral consistency and assess practical issues, which could arise with regard to STS securitisations.</p> <p>This work will be carried out in the framework of the Joint Committee, through a new Securitisation Committee that is required to be established under Article 36(3) of the Securitisation Regulation. The outcome of those discussions, which should take into account the views of market participants, should be made public on the websites of the</p>

	ESAs to help originators, sponsors, SSPEs and investors assess STS securitisations before issuing or investing in such positions.
Expected output	<ul style="list-style-type: none"> • Opinions; • Joint positions; • Q&As; • Report to the Commission; • Response to a call for advice from the Commission; • Develop and coordinate a training programme

Other work

Topic/Activity	Other expected work 2019
Corporate Reporting	<p><u>Single rulebook:</u> Discussion and coordination of input to the European endorsement process on the accounting standard IFRS 17 Insurance Contracts.</p> <p><u>Supervisory convergence:</u> Coordination of activities to address implementation issues relating to IFRS 9 Financial Instruments.</p>
Performance of retail investment products	The ESAs will continue to discuss progress on the work regarding regular analysis of the fees and long-term performance of retail investment products in their respective areas at Joint Committee level, and align wherever possible on issues.
Joint Consumer Protection Day 2019	In 2019, the ESAs will organise the 7th Joint Consumer Protection Day. Since its inception, the Consumer Protection Day has become an important milestone for stakeholders across the EU that take an interest in the topic of consumer protection.
ESAs Review Proposals	Discussions on ongoing developments regarding the proposals to enhance the operation of the ESAs and coordination on cross-ESA relevant aspects.
Brexit	Discussion and coordination of any individual and cross-sectoral work in preparation for, and after, the UK withdrawing from the EU.
IT (including cloud computing) and Information Security	Discussion and coordination, as appropriate, on any individual and cross-ESA relevant aspects in the area of information security and information technology, including cloud computing, to ensure harmonisation and consistency.