



Content:

Pension Policy

- [EIOPA publishes two supervisory opinions on IORPs](#)
- [With\(out\) Holding Tax](#)
- [European Commission public consultation on corporate reporting](#)
- [Pension scheme arrangements clearing with the UK CCPs](#)
- [SFDR – final report on Taxonomy – related Product disclosure RTS](#)

Upcoming events:

- [European Retirement Week](#)
- [Changes in PensionsEurope Board of Directors](#)

1 EIOPA publishes two supervisory opinions on IORPs

On 7 October 2021, The European Insurance and Occupational Pensions Authority (EIOPA) published two Opinions to assist National Competent Authorities (NCAs) in the implementation of the IORP II Directive: an [Opinion on the supervisory reporting of costs and charges of IORPs](#), and an [Opinion on the supervision of long-term risk assessment by IORPs providing DC schemes](#).

The first opinion sets out expectations on the supervisory reporting of costs and charges of IORPs. It provides a classification of costs to be reported to national supervisors and introduces guidance for supervisors and IORPs - including reporting templates - on how to collect data. Moreover, it lays out principles for the compilation of cost information and gives guidance on the supervisory use of cost data. National supervisors are expected to assess the cost efficiency of IORPs, the affordability for sponsors and the value for money offered to members and beneficiaries. The outcomes of the comparative analysis should be considered within the supervisory review process, including in the dialogues with the IORPs' management boards.

The objective of the Opinion on the supervision of long-term risk assessment by IORPs providing DC schemes is the enhancement of supervisory convergence in this area. The opinion focuses on the use of quantitative elements in operational risk management¹ and of projections of future retirement income, as part of the long-term risk assessment from the perspective of members and beneficiaries, also in interaction with the determination of their risk tolerance and the establishment of investment strategies.

Regarding these opinions, PensionsEurope has:

- Participated in the two workshops organised by EIOPA in January 2021;
- Provided feedback to EIOPA on the preliminary views shared during these workshops;
- Answered to the public consultations on the draft opinions published by EIOPA (see Newsletter of September 2021);
- Analysed the final outcomes published by EIOPA in October.

As for the next steps, two years following the publication of these Opinions, EIOPA will look into the supervisory practices of the CAs with a view to evaluate supervisory convergence.

¹ Supplementing the guidance provided in EIOPA's Opinion on operational risk management, which takes a more qualitative approach

2 With(out) Holding Tax

On 26 October 2021, we provided [feedback](#) to the European Commission on its [roadmap](#) on the ‘New EU system for the avoidance of double taxation and prevention of tax abuse in the field of withholding taxes’.

In that feedback, we e.g., welcomed the Commission’s roadmap and supported the current Commission’s mandate call for removing all barriers to the completion of the Capital Markets Union (CMU) – particularly in the field of simplifying taxation. We also agreed with the objective that a standardised relief at source system becomes the principal mechanism for WHT relief procedures and their streamlining. We have stressed for a long time that the relief at source is the best practice for pension funds. We warmly welcome the action of the Commission ‘Action Plan for fair and simple taxation supporting the recovery strategy’ to introduce a common, standardised EU-wide system for withholding tax relief at source.

However, there are also many other recent WHT proposals which the EC should thoroughly consider. PensionsEurope has proposed to the Commission to establish an EU tax register of recognised pension institutions in order that Member States can reciprocally and automatically recognise pension institutions. Furthermore, in many countries pension institutions invest cross border via specialised investments funds and/or vehicles to increase the economies of scale, and it is important to ensure a tax-neutral treatment of these investment structures as well.

Soon the EC’s feedback period will be followed by the EC public consultation, and the EC adoption has been scheduled for the fourth quarter of 2022.

3 The European Commission has launched a public consultation on corporate reporting – improving its quality and enforcement

The European Commission has launched a public consultation on corporate reporting – improving its quality and enforcement. The EC with this initiative aims to improve the quality of corporate reporting and its enforcement, by addressing shortcomings in the underlying eco-system.

Improving the framework for corporate governance, external audit and supervision will increase investor protection and improve the depth and attractiveness of the Capital Markets Union (the single market for capital in the EU).

This consultation is divided into 5 parts:

- The first part seeks your views about the overall impact of the EU framework on the three pillars of high quality and reliable corporate reporting - corporate governance, statutory audit and supervision. It also seeks your views about the interaction between the three pillars

- The second part of the questionnaire focuses on the corporate governance pillar, as far as relevant for corporate reporting. It aims to get your feedback in particular on the functioning of company boards, audit committees and your views on how to improve their functioning
- The third part focuses on the statutory audit pillar. The first questions in this part aim at getting your views on the effectiveness, efficiency and coherence of the EU audit framework. It focuses in particular on the changes brought by the 2014 audit reform. Subsequently, the questions aim to seek views on how to improve the functioning of statutory audit
- The fourth part asks questions about the supervision of PIE statutory auditors and audit firms
- Finally, the consultation will ask questions about the supervision of corporate reporting and how to improve it

This consultation will directly feed into an impact assessment that the Commission will prepare in 2022 with a view to possibly amend and strengthen the current EU rules. We would like to invite you to provide your comments by 10 December (consultation closes on 4 February 2022).

4 SFDR – final report on Taxonomy – related Product disclosure RTS

On the 22 October 2021, the final report on Taxonomy- related Product disclosure RTS was published. The European Supervisory Authorities (ESAs) have developed through the Joint Committee (JC) draft Regulatory Technical Standards (RTS) with regard to the content and presentation of disclosures under Articles 8(4), 9(6) and 11(5) of Regulation (EU) 2019/2088 (hereinafter ‘Sustainable Finance Disclosure Regulation’ or ‘SFDR’).

The abovementioned Articles were inserted in the SFDR through Article 25 of Regulation (EU) 2020/852 (the ‘Taxonomy Regulation’ or the ‘TR’) which amends the SFDR. Following this amendment, the ESAs have been empowered to develop draft RTS on taxonomy-related product disclosures. Specifically, the ESAs have been empowered to develop further obligations to the SFDR product disclosures where the product makes sustainable investments contributing to environmental objectives. The draft RTS text and accompanying Annexes set out the ESAs’ proposals. They reflect the responses to the ESAs’ Consultation Paper (JC 2021 22) published on 17 March 2021. The draft RTS contain templates for pre-contractual and periodic product disclosures. The ESAs agreed to amend the existing finalised draft RTS and their accompanying templates in order to minimise duplication and complexity, thus creating a single ruleset.

The ESAs’ finalised draft RTS¹ (the ‘SFDR RTS’), which were published 4 February 2021, have already established the content, methodology and presentation of other disclosures to be made under the SFDR in accordance with the ESAs’ empowerments under Articles 2a, 4(6) and (7), 8(3), 9(5), 10(2) and 11(4) SFDR. The ESAs’ aim is to have the technical standards on disclosures rules function as a “single rulebook” for sustainability disclosures for both the original empowerments in the SFDR and the additional ones added by the TR.

In line with the ESAs’ empowerments, the draft RTS have been developed in the following areas:

- According to Article 8(4) SFDR: Development of additional pre-contractual disclosures relating to the content and presentation of Article 8 SFDR products subject to Article 6 TR, concerning climate objectives and other environmental objectives under Article 9 TR respectively.
- According to Article 9(6) SFDR: Development of additional pre-contractual disclosures relating to the content and presentation of Article 9 SFDR products subject to Article 5 TR, relating to disclosures concerning climate objectives and other environmental objectives under Article 9 TR respectively.
- According to Article 11(5) SFDR: Development of additional rules on the content and presentation of information required under Article 5 and 6 TR for periodic disclosures relating to climate objectives and other environmental objectives under Article 9 TR respectively.

The document is separated in the following parts:

- In section 2 the general background and rationale of the proposal is presented.
- Section 3 includes the RTS and the mandatory templates for the product disclosures.
- Included in section 4 is an impact assessment that analyses the ESAs proposals and a feedback statement on the Consultation Paper. Responses by the stakeholder groups of ESMA, EIOPA and EBA are attached as annexes to this final report.
- Lastly, section 5 contains a draft consolidated SFDR RTS.

Given the importance of the topic, the Secretariat will continue to keep you informed for all the relevant developments.

5 Pension scheme arrangements clearing with the UK CCPs

Based on the comments and suggestions that we received from our Members and C&S Members to our recent survey on PSAs' clearing with the UK CCPs, on 22 October 2021 we [sent](#) a letter to Commissioner Mairead McGuinness (responsible for Financial services, financial stability and Capital Markets Union) on PSAs clearing with the UK CCPs. In that letter, we requested the Commission to grant one year extension to the current equivalence decision in relation to UK CCPs. We also promised that, in exchange, PSAs would be willing to continue actively reducing their exposures to UK CCPs, and open and hold active accounts within the EU based CCPs.

Prior to the end of the Brexit transition period (end of 2020), on 21 September 2020 the European Commission granted temporary and conditional equivalence to UK central clearing counterparties (CCPs) until 30 June 2022 to avoid cliff edge risks after the end of the Brexit transition period. In the equivalence decision, the EC has clearly outlined its expectations for market participants to reduce their exposure to UK CCPs and to build up clearing capacities in the EU until the temporary equivalence elapses. The EC has stressed these expectations also to the pension funds.

According to the current timeline, in March 2022, the 3 UK CCPs will start sending termination letters to the EU clients, if no further changes occur.

6 European Retirement Week

The European Retirement Week will take place in the week 29 November – 3 December 2021.



This year, European Retirement Week will be organised in an online setting in light of the continuing uncertainty surrounding the COVID-19 pandemic.

On 9 November 2021, we published a [press release](#) with all the participating organisations² to announce the preliminary programme for the inaugural European Retirement Week. The week will begin with a launch event on 29 November, featuring a keynote speech by Mairead McGuinness, European Commissioner for Financial Services, Financial Stability and the Capital Markets Union.

You can register to the launch event [here](#).

The launch event will be followed by a range of presentations and panel discussions that will be organised individually by the eleven participating associations. Each will address Europe's retirement savings challenge and explore solutions to drive and deliver value for European pension savers.

PensionsEurope will host its side event [Investing in the Future](#) on 1 December 2021, 10:00am – 12:00pm CET.

You can access the programme and register to our event [here](#).

7 Changes in PensionsEurope Board of Directors

The PensionsEurope Board of Directors has undergone some changes following the General Assembly Meeting of 18 November 2021, with new appointments in the presidency configuration, as well as in the Board of Directors.

The upcoming retirement of Pierre BOLLON, who has been PensionsEurope Vice-Chair for 9 years, has created an opportunity for a new wind within PensionsEurope, as also Jerry Moriarty, who has been PensionsEurope Vice-Chair for 6 years, has given up the position. In search for their successors, the General Assembly of 18 November 2021 has elected Ms Laure DELAHOUSSE and Mr Klaus STIEFERMANN as Vice-Chairs.

In addition to a changing presidency configuration, PensionsEurope also welcomed some new names in the Board of Directors, as Christina LINDENIUS, Managing Director at Svensk Försäkring, was elected

² Participating associations include AGE Platform Europe, BETTER FINANCE, BEUC – The European Consumer Association, Cross Border Benefits Alliance - Europe (CBBA-Europe), ETS Project Consortium, European Association of Paritarian Institutions (AEIP), the European Banking Federation (EBF), EFAMA, the Federation of European Securities Exchanges (FESE), Insurance Europe, PensionsEurope.

as a director, and also Angel MARTINEZ-ALDAMA, President at Inverco, returned as a PensionsEurope director after Elisa RICON's recent resignation.