Notes of Meetings in Strasbourg 16 December 2015

General comments

AAE should recognise that MEPs are important players in the EU co-legislation process: historically our focus was on the Commission but we should engage with MEPs as well (including on an individual basis with MEPs from our own countries). We should be prepared to talk to MEPs of all shades of political opinion (including far left and far right) if they want to talk to us, provided we give the same objective, impartial message to all. ECON members are most relevant, but we should also target EMPL members in relation to pensions and social security issues.

Our overall view was that the meetings were worth doing, if only to see how the Parliament operates in Strasbourg and we did get to talk with 2 high profile MEPs. It was unfortunate that Ad wasn't able to attend as this would have provided continuity for the future. It would be helpful if Officers had AAE business cards rather than having to offer ones giving their own employer/business details.

We need to have a better understanding of what issues are likely to be of interest to each MEP and what grouping he/she represents - this is homework which we should allocate amongst ourselves before we meet with MEPs. We should be happy to meet advisors/assistants (assuming they have some knowledge of what we want to discuss) as in some cases this is more productive than meeting the MEP (and is less likely to be cancelled?)

We felt on balance that having meetings when the Parliament is in Brussels would be better than in Strasbourg as it is easier for us to get to, and we could meet with other parties e.g. Commission to fill in gaps in the schedule. However, we could /should at least occasionally visit Strasbourg as well. AAE/MEP meetings should be held at least annually.

We probably don't need more than 4 people to provide adequate resource for meetings although we need to ensure we have people who can talk on the relevant topics e.g. technical Committee chairs.

We should have available AAE papers (or at least AAE positions discussed among the Officers in advance) on relevant subjects to hand out and ready to send out electronically. Electronic versions sent before the meetings might also be useful.

Detail of meetings

1. **Jan Moens, parl. ass. to Neena Gill**

Kristoffer, Esko

JM showed little interest and insight in the insurance and pensions industries. He was only available for 20 minutes, and the meeting added little value. After the meeting, however, JM sent us a polite acknowledgement and showed interest in receiving information from the AAE in the future.

2. Gerard Oosterwijk, policy advisor to Paul Tang

Philip, Falco, David

GO was a late replacement for Paul Tang MREP who had to speak in Parliament. He was not familiar with the IORP file but had been briefed by Erik Hormes, whom we had met previously, who deals with this issue. Most of our discussion was on cross-border plans and the full funding requirements – we undertook to send him a note on "regulatory arbitrage". Low interest rates and the issues in *Clarity before Solvency* regarding the nature of the pensions promise relating to valuation interest rates were of interest to him. We also mentioned our concern about Article 28 re the AF holder. He took copious note on his iPhone and sent them to Erik. Copies for him of *Clarity before Solvency* and the Low Interest Rate paper in addition to the item on regulatory arbitrage would be helpful.

3. Sven Giegold MEP (plus Greens advisor David Kemp)

Kristoffer, Esko, Christoph, David, Philip, Falco

SG made a number of fairly direct comments before leaving us to discuss IORP II with DK.

On infrastructure, he said that he had quoted part of our paper in Parliament (Justin Wray subsequently confirmed this on Friday) and that he was against "political incentives". He is also concerned about the risk free rate and asked us what we thought the UFR should be – Esko responded with references to market consistency but we should think whether we can produce some written comment on this. SG was also exercised about SII delegated acts – apparently Lord Hill had given a commitment that some amendments required by France would not be included but in the event one was (inserted by Olivier Guersent) and hence they were not agreed, so we have the 3 month delay.

SG showed also interest in the topic infrastructure investments.

SG further confirmed that he is interested to receive reports/statements from the actuarial profession, also on a confidential basis if we feel we would need that.

We had a good discussion with DK on IORPII, with reference to discount rates, pensions benefit statements and investment issues.

While the Greens' approach is for full funding for IORPs on a "prudent" basis, as under SII, there was a good exchange of views and acknowledgment of each other's position.

We promised the paper on low interest rates as well as the proposed one on UFR.

4. Cora van Nieuwenhuizen MEP plus assistant Evelien Alblas

Kristoffer, Philip, Falco, [Esko, Christoph and David first part]

We had an open discussion for about 45 minutes with CvN covering low interest rates/QE, sustainability of pensions and inter-generational equity issues. She seemed to be well versed on issues at least at a high level. CvN showed particular interest in the topics Employee Benefits Statement, Choice of pension fund (introducing competition) and the low interest environment.

Papers to be sent to CvN are Low Interest Rates and Infrastructure.

5. Sylvain Maréchal, parl. ass. to Sylvie Goulard

Christoph, Esko, David

Discussion partly on global issues (IAIS and IASB), Infrastructure Investment and on European supervisors. Also information to him on IORP II and actuarial function qualification in IORP2.

SM (and SG) wanted a "standard approach" to funding all European IORPs along SII lines.

SM also had concerns on the interaction of IFRS9 and IFRS4 and on the large volume of EIOPA regulations.

SM was sceptical on proportionality issues, due to the perceived effect of non-compliance by a large number of small organisations.

We promised to send him papers on *Clarity before Solvency,* Infrastructure and the comparison paper on Basel III/Solvency II.

Esko chatted with Finnish MEPs Annelli Jäätteenmäki, Petri Sarvamaa, Heidi Hautala, Liisa Jaakonsaari and Sirpa Pietikäinen during our time in Strasbourg. The last two are connected to ECON and are willing to meet with an AAE delegation later on.

Follow up:

We should contact everybody we met and thank them for their time, send them any additional material which we have and offer to meet again in Brussels in 2016. We should also follow up with those who suggested deferring to 2016 and suggest (Brussels?) dates to them asap.

We (Falco, Ad) should also engage with the Dutch presidency for HI 2016.

Philip Shier

5 January 2016