

THE INTERNATIONAL ORGANISATION OF PENSION SUPERVISORS (IOPS)

SUMMARY RECORD FOR IOPS TECHNICAL COMMITTEE MEETING

7th June, 2011

Mexico City, Mexico



INTERNATIONAL ORGANISATION OF PENSION SUPERVISORS SUMMARY RECORD IOPS TECHNICAL COMMITTEE MEETING

Tuesday 7th June, 2011

1. Administrative Issues

The Committee:

- **approved** the summary record of the previous meeting IOPS/TC(2011)7;
- **approved** the draft agenda IOPS/TC(2011)6.

2. Tour d'Horizon

The Committee:

- received updates from the Polish and Czech delegations, as well as the Pensions Coordination Group of the IAIS.

3. Project Update

The Committee:

- discussed a revised version of the Pension Fund Use of Alternative and Derivatives: Regulation, Industry Practice and Implementation Issues (IOPS IOPS/TC(2010)9/REV2) and noted the significant changes that have resulted in a more coherent paper. The Secretariat indicated that **Members should review the quantitative data provided to ensure its accuracy by 31 August 2011**. Following which the Committee **approved** the paper for publication in the IOPS Working Paper series;
- discussed a revised draft of the paper on the Structure of Pension Supervisory Authorities: Using Risk-based Supervision in a Post Financial Crisis Environment (IOPS/TC(2010)15/REV2). The committee noted the significant changes to the paper together with the slight change of analytical focus. The Secretariat asked that **comments regarding the DRAFT questionnaires** supporting the paper which were circulated during the meeting be provided by **30 June 2011** in order to be taken into consideration when preparing the FINAL questionnaire to be released in early July. **Written comments on the draft working paper were requested by 31 August 2011**. A revised version of the paper will be presented at the next meeting.
- discussed the first working draft of the Pension Supervisory Oversight of Financial Intermediaries paper (IOPS/TC(2011)3/REV1) presented by the Secretariat, which takes stock of how intermediation is organised in IOPS member countries. The Committee **agreed** that the project leader and Secretariat would review the structure of the paper (focusing on personal rather than occupational pensions) and the draft questionnaire for the 2nd part of the project, looking at how different regulatory and supervisory tools are used. **Written comments on the document were requested by 31ST August 2011;**

4. Information Sharing IOPS/AIOS

The Committee, together with AIOS received an update on the following matters:

- IOPS Principles, revision and self-assessment results

- Mexico's self-assessment against the IOPS principles
- Update on other IOPS standards

In addition, the Committee received an update from AIOS on the following matters:

- The objectives and administrative structure of AIOS
- AIOS principles of pension supervision
- The main conclusions of research conducted by AIOS
- Information regarding AIOS technical committees
- Current and pending research
- An update from CONSAR on the pension industry in Mexico
- An update on the pension industry in the Dominican Republic

AIOS also agreed to review their supervisory standards and consider revising them to align and complement the IOPS Principles.

5. Other Issues

i. Future meeting dates

The committee confirmed the following meeting dates:

2011

- 8-9 September, IOPS Latin American Workshop, Risk-based Supervision, Lima, Peru.
- 24-26 October, Committee meetings, AGM, OECD/IOPS Global Forum, Cape Town, South Africa (back to back with the OECD Financial Education Conference)

2012

- 27-28 February 2012, Committee Meetings, London, UK.
- 4-5 June 2012 (tbc), Committee Meetings, Paris, France (back to back with OECD WPPP)
- 5-7 November (tbc), Committee Meetings, AGM & OECD/IOPS Global Forum, Santiago Chile (back to back with AIOS meetings tbc)
- 9-10 November (tbc) Risk-based Supervision Workshop, Brazil (tbc)

ii. Feedback from Executive Committee

The Chair of the Executive Committee provided a brief summary of the matters discussed at the committee meeting, the preceding day.

The Executive Committee will **recommend** an increase of 10% of the membership fees across each category to the governing members at the upcoming AGM.

In addition, the term of five member countries of the Executive Committee (Australia, Egypt, Jordan, India, and Italy) will expire at the end of 2011 as will the position of President. The Secretariat will send out relevant information shortly calling for nominations and outlining the election process to be undertaken at the Annual General Meeting to be held in Cape Town in October 2011

The IOPS contract with the OECD for secretariat services is also scheduled for review as it expires at the end of the year. A document for evaluation of the Secretariat services will be sent out in order for members to provide their views. Subsequently, a draft report will be prepared with comments and feedback provided for the secretariat.

The Chair of the Executive Committee also suggested that Member countries that are interested in providing a secondee to IOPS, should make their interest known.

The Chair of the Executive Committee also encouraged Members to consider hosting a meeting in the first quarter of 2013. Any interest should be directed towards the President or the Secretariat.

iii. OECD Working Party on Private Pensions

It should also be noted that the follow documents were discussed at the joint IOPS Technical Committee meeting held with the OECD's Working Party on Private Pensions. Comments on these documents should also be submitted by the dates indicated.

- Good Practices on Pension Funds' Use of Alternative Investments and Derivatives (IOPS/TC(2010)16/REV1. Comments by **30 June 2011** - after which the paper will be released for public consultation
- Role of Pension Supervisory Authorities in the Provision of Information and Financial Education (IOPS/TC(2010)17/REV2). Comments by **31 August 2011**

Action Points

Members Involved	Deadline	Action Required
All members	<u>30 June, 2011</u>	<ul style="list-style-type: none"> • Comments on the revised Good Practices on Pension Funds' Use of Alternative Investments and Derivatives (IOPS/TC(2010)16/REV2) should be submitted to the IOPS Secretariat. • Comments to be reflected in a draft to be released for public consultation
All members	<u>30 June 2011 (draft questionnaire)</u> 31 August 2011 (paper)	<ul style="list-style-type: none"> • Comments on <u>draft questionnaire</u> that accompany the working paper. Final questionnaire will be subsequently sent out in July. • Comments on the Structure of Pension Supervisory Authorities: Using Risk-based Supervision in a Post Financial Crisis Environment (IOPS/TC(2010)15/REV2) should be submitted to the IOPS Secretariat. • Requested to provide information about the categorisation of their supervisory authority to populate Table 1 of the paper if not previously provided.
All members	31 August, 2011	<ul style="list-style-type: none"> • Statistical/factual updates on the revised Pension Fund Use of Alternative Investments and Derivatives: Regulation, Industry Practices and Implementation Issues paper (IOPS/TC(2010)9/REV3) should be submitted to the IOPS Secretariat.
All members	31 August, 2011	<ul style="list-style-type: none"> • Comments on Pension Supervisory Authorities in Providing Information and Financial Education (IOPS/TC(2010)17/REV2) should be submitted to the Secretariat.
All members	31 August, 2011	<ul style="list-style-type: none"> • Comments on Pension Supervisory Oversight of Financial Intermediaries project (IOPS/TC(2011)3/REV1) should be submitted to the Secretariat