

[EIOPA consults on the draft Opinion on the supervision of remuneration principles in the insurance and reinsurance sector](#)

The European Insurance and Occupational Pension Authority (EIOPA) launched today [a consultation on the draft Opinion on the supervision of remuneration principles in the insurance and reinsurance sector](#).

The remuneration principles set out in Article 275 of the European Commission Delegated Regulation (EU) 2015/35 are high level and leave considerable discretion to the undertakings and supervisory authorities. Therefore, divergent practices have emerged across the European Union.

EIOPA's task is to ensure an effective and consistent level of supervision to guarantee a similar level of protection for policyholders and beneficiaries at the European level. Its goal is to build a common supervisory culture through the convergence of national supervisory practice.

Therefore, this draft Opinion addressed to national supervisory authorities aims to enhance supervisory convergence by focussing on a set of remuneration principles. It provides guidance on how to challenge the application of the principles and focuses on a reduced scope of staff identified as potential higher profile risk-takers to promote a proportionate approach. The Opinion also identifies benchmarks that should trigger the supervisory dialogue and should not be seen as hard targets for the practical implementation of the remuneration principles.

EIOPA's intention is not to add requirements or to create administrative burden. Risk-based supervision of the remuneration policy means that the national supervisory authorities should have a two-dimensional approach when assessing the risk: the first dimension being the undertakings' overall risk profile and the second dimension being the design of the concrete remuneration policy which might be identified as being more risky than others. National supervisory authorities may adopt a proportionate and more flexible approach in the supervision of the remuneration principles when undertakings are categorized as 'low risk'.

Due to the importance of the issue EIOPA is seeking stakeholders' views.

Consultation process

For responding to this consultation please use this [link](#). The deadline for

submission of feedback is **Monday, 30 September 2019 at 23.59 hrs CET.**

Unless requested otherwise, all contributions received will be published after the deadline for submission.