



**MARKT/2503/06 - EN Orig.**  
**7 March 2006**

**Draft Minutes of the 2<sup>nd</sup> meeting of the  
European Insurance and Occupational Pensions Committee**

*Brussels, 2 December 2005*

## **Opening and welcome**

The meeting was opened and chaired by Mr Elemér Terták, Director for Financial Institutions in the Internal Market Directorate-General.

Mr Terták apologised for the change of date of the meeting (originally scheduled for 30 November). This had been for organisational reasons beyond his Directorate's control.

### **1. Agenda**

The agenda for the meeting was adopted without comment.

### **2. Minutes of the 1st meeting of the EIOPC**

One delegation noted that at the June meeting it had made two points concerning agenda item 7 (deeply subordinated debt). Firstly it had asked whether the Commission's Legal Service had been consulted on the use of comitology powers. Secondly it had stressed the need to ensure consistency with the Basel work on the own funds review. It was requested that these points be reflected in the minutes. The Commission representative stated that comitology powers were available under the directives but the Legal Service would have to be consulted formally before any comitology proposal was made. The Chairman agreed that the minutes be amended accordingly.

No other requests for changes to the draft minutes were raised and the minutes of the 1st meeting of the EIOPC were adopted. The amended minutes would be put on the Commission's insurance website.

### **3. Revision of Article 15 of Directive 2002/82/EC and of the corresponding articles in the other Insurance Directives**

The Chairman introduced the ongoing review of the supervisory approval process in the banking and insurance field, which was initiated following the mandate from the informal ECOFIN Council in Scheveningen in September 2004.

The Commission services explained that the work on the revision of Article 16 in the banking sector was already fairly advanced as discussions with Member States had been underway for over a year. Adoption of a proposal by the Commission was foreseen for summer 2006. On substance, good progress had been made in the European Banking Committee (EBC) and its Working Group devoted to cross-border consolidation. The ECOFIN Council had addressed the issue of cross-border consolidation in financial services at its meeting on 8 November 2005. The ensuing Presidency conclusions that were agreed to by 24 Member States had supported the Commission's ongoing review of existing supervisory rules in banking and insurance. The conclusions underlined the importance of fair and transparent supervisory rules for both institutions and markets, and emphasised the need for consistency across financial services sectors.

The Commission services explained the main objectives of the ongoing review, namely to strengthen supervisory cooperation and convergence, especially in the case of cross-border mergers and acquisitions (M&A), and to enhance transparency and legal certainty in the supervisory approval process. The Commission services made it clear that the requirement for a supervisory assessment was not being called into question, but that there had been instances in the past where Art. 16 had been used to unduly block cross-border M&A. The Commission services outlined the main intended revisions to the Article, namely: providing a well-defined and limited set of prudential criteria; introducing clear procedures to follow including obligations on transparency and market disclosure; introducing a joint review process for M&A in an EU cross-border context; clarifying the procedure that should be followed when the acquirer is from outside the EU; specific non-discrimination and transparency requirements where there are competing bids for the same target bank; and a right of access to documents for the Commission subject to stringent confidentiality requirements.

Concluding on cross-sectoral consistency, the Commission services emphasised the need to change also the corresponding articles in the Insurance Directives and MiFID, should the Banking Directive be amended, in order to maintain the current consistency and for evident level-playing field reasons. The best way forward to ensure full transparency and to avoid any time gaps in implementation would seem to be the presentation of a single proposal amending the rules in all three sectors. Further work on that matter should be carried out as a joint project. It was therefore proposed to hold a joint EBC-EIOPC-ESC Working Group meeting on 3 February 2006.

One delegation asked whether the Commission services were also considering possible changes regarding the time period and the thresholds triggering the supervisory approval process for qualifying shareholdings. The Commission services confirmed that this was the case. Another delegation confirmed the stance it had taken in the ECOFIN meeting, namely that Article 16 was not a key obstacle to cross-border M&A in the banking field; indeed there were many other more important barriers (economic, social, cultural). This delegation thought that CEIOPS should be further consulted on this matter, beyond the fit and proper criteria. Finally, it was important that the specificities of each sector were taken into account. It would set out its specific arguments in a separate note. Another delegation stated its openness and support for the review as well as for the method envisaged by the Commission services, namely to deal with it on a cross-sectoral basis. This delegation asked for clarification on two points: regarding the Commission's right of access to documents (how would confidentiality be ensured?) and concerning certain limitations on the programme of operations. CEIOPS asked the Commission to elaborate on the intended role of CEIOPS in the review.

The Chairman concluded that the review should be conducted as a joint project to ensure that the amendments were fully consistent across banking and insurance. Member States were asked to send the Commission their insurance-related comments on the draft revised Article 16 of the Banking Directive by 6 January 2005.

#### **4. Solvency II**

The Chairman introduced the Solvency II agenda item. This was in three parts:

- A. The Commission's work to date on the recasting of the Insurance Directives.*
- B. Update by the Commission on impact assessment.*
- C. A brief presentation by CEIOPS on the final results of the second wave of calls for advice.*

##### **A. Recasting of the Insurance Directives**

The Commission introduced the document MARKT/2524/05 and its Annex, a working document recasting and codifying the Life and Non-life Insurance Directives. The consolidated version of the Insurance Groups Directive had been circulated to EIOPC members as a separate document. Detailed discussions about those documents were to take place in the working group on 14 December 2005. The Commission briefly recalled the background for the codification work. It was pointed out that the current structure of the Insurance Directives had been maintained but was likely to be adapted when the Solvency II changes were to be incorporated into the document. Provisions that had been identified as obsolete would need to be discussed with Member States. Moreover, EIOPC members were informed about the Commission's intention to incorporate into the codification document the recently adopted Reinsurance Directive. The Insurance Groups Directive (98/78/EC) and the Winding-up Directive (2001/17/EC) would be included in separate chapters.

Several Member States congratulated the Commission for the good work it had carried out. One delegation asked whether the timetable for Solvency II could be adapted, given the significant work already undertaken on the codification. One delegation noted that the wording of the merged articles could be improved. Another delegation observed that the wish to keep terminology consistent had occasionally been pushed too far. One Member State was opposed to the idea of including the Insurance Groups Directive and the Winding-up Directive in the codification document. Seven Member States expressed an explicit wish to include the Insurance Groups and Winding-up Directives. One delegation asked about the implications for the Insurance Accounts Directive. Two delegations inquired about a possible inclusion of the Insurance Mediation Directive (2002/92/EC).

The Commission thanked delegations for their comments and noted that a majority of the Member States that had spoken seemed to be in favour of including the Insurance Groups Directive as well as the Winding-up Directive in the codification exercise. This corresponded to the Commission's preferred option. Policy issues such as the implications for the Insurance Accounts Directive would need to be considered further. There was no intention to include the Insurance Mediation Directive, since this Directive was of a different nature. A new working document including provisions related to reinsurance, winding-up and insurance groups would be circulated shortly and discussed in the Solvency Working Group on 14 December.

## ***B. Impact assessment***

The Commission staff reminded EIOPC members that a document setting out the structure of the impact assessment report had been sent out in the summer, and briefly presented a new document containing the further work strands identified for the impact assessment report and further consultation (namely an Open Hearing was foreseen for June 2006). A detailed timetable was also communicated. EIOPC members were asked for input as to who should be consulted. The work programme and timetable were approved. Several Member States stressed the need to involve small insurers in the quantitative impact studies. The Commission staff pointed out that the impact assessment report, which had to accompany the Level 1 directive proposal (which would not contain all the technical details) was separate from the impact studies, for which several rounds would be needed to calibrate the detailed formulas. The impact assessment report would use the quantitative impact studies that were available up to the time of its finalization.

## ***C. CEIOPS' presentation on the final results of the second wave of calls for advice***

The CEIOPS representative reported on the considerable amount of work accomplished in a short period of time under the first and second waves. Major highlights were the work on the calculation of technical provisions, safety measures, internal models, quantitative impact studies (QIS), the fit and proper criteria, the supervisory review process as well as group and cross-sectoral issues. There had also been a public hearing organised by CEIOPS in September and the industry appeared to be satisfied with the general direction of the work.

There were of course some open issues from the second wave on which work was still continuing. Though technical in nature these were also political issues.

One such issue arising under calls for advice Nos 7 and 8 related to the calculation of technical provisions. Various percentiles would be tested. However there was also discussion on the cost of capital approach. Another open issue related to the calculation of the MCR, where there were three possible approaches, one similar to the current regime, another linked to the SCR and the third involving a margin over liabilities. Discussions were ongoing on asset requirements, where some saw no need for these, while others felt that some quantitative limits were still needed. There were also two views on the validation of internal models (call for advice No 18 with a link to No 20), one taking the CRD as the starting point, while the other view favoured a more bottom-up approach and was reluctant to see the group level dictate to the solo level. On this and the other disputed issues, work to seek a compromise was being pursued.

CEIOPS also reported on its work on QIS 1 relating to technical provisions. Work had begun in October 2005 and was due to end in February 2006. QIS 2 would then begin in May. The CEIOPS representative felt that four QIS rounds would probably be needed. He was encouraged by the significant number of participating entities, including small and medium-sized insurers.

The Commission representative noted that the second wave was at the heart of the future regime. It was understandable that some issues were still open. The Commission would be sending further questions to CEIOPS.

One delegation thought that where further questions were put to CEIOPS it should be given a working hypothesis on which to base its work.

A number of delegations were of the opinion that where there were different political approaches on various substantive issues it would be appropriate for the EIOPC to confront such issues, discuss them and give a steer. It was suggested that the Commission produce a paper on those issues for the next meeting of the Committee.

The Commission noted that the distinction between technical and political issues was not an easy one to make. Working group meetings would look at first drafts and would identify issues for further discussion at the EIOPC at its next meeting. Such issues should indeed be discussed in the EIOPC but only after a preparatory stage.

## **5. Solvency I**

The Commission reported that it had conducted the annual review of the minimum guarantee fund and the premium and claims indices, as required under Article 30 of Directive 2002/83/EC and Article 1(5) of Directive 2002/13/EC, in accordance with the methodology proposed and agreed at the 36<sup>th</sup> Insurance Committee held on 1 December 2004.

The results of the review indicated that the increase in the consumer price index since the last adaptation had been 6.07%, which exceeded the 5% threshold; as a consequence the minimum guarantee fund and premium and claims index figures needed to be updated.

A 6.07% increase, rounding up to the nearest €100,000, translated into a revised lower minimum guarantee fund of €2.2 million and a higher minimum guarantee fund of €3.2 and a revised premium index of €3.1 million and a revised claims index of €7.2 million.

In accordance with the standard approach to implementation agreed by the Insurance Committee, the revised amounts should be implemented by Member States under national law with an effective date for application before 1 January 2007.

The Chairman concluded that the Commission's new figures for the minimum guarantee fund, premium and claims index were agreed and that Member States agreed to implement the revised amounts by 1 January 2007.

In accordance with the legal obligation in the Directive, the Commission would inform the European Parliament and the Council of the review and of the adapted amounts.

The Commission would also publish the adapted amounts in the Official Journal.

One delegation remarked that the amounts in the reinsurance directive would not be adjusted and wondered whether it would not be logical to introduce the same changes.

In response the Commission representative noted that the base date in the reinsurance Directive was not the same. He considered that the necessary changes should be made as part of the Solvency II work.

## **6. Sector enquiry on insurance – brief factual update by DG COMP**

The Chairman introduced this point noting that DG COMP had launched in June 2005 a sector enquiry into competition in three financial services areas, namely payment systems, retail banking and business insurance.

The representative of DG COMP invited delegations to consult the special website set up at [http://www.europa.eu.int/comm/competition/antitrust/others/sector\\_inquiries/financial\\_services/](http://www.europa.eu.int/comm/competition/antitrust/others/sector_inquiries/financial_services/)

He noted that competition favoured greater efficiency, which was a goal of the Lisbon Agenda, and there were also issues of financial market integration, which linked up with the Commission's forthcoming White Paper on financial market policy.

Regarding business insurance the enquiry was focussing on two issues. The first was horizontal co-operation. Insurance enjoyed a Community block exemption conferring a measure of anti-trust immunity to enable insurers to engage in co-insurance, work on standard policy clauses, exchange of statistical data, etc. This made insurance business easier but needed monitoring to avoid any abuse. The second element was that of distribution, where a number of issues had arisen in recent times, including the operation of brokers, broker remuneration, etc.

A stage by stage process was being used for the insurance enquiry. Questions had already been put to the insurance associations and the insurance undertakings and brokers would be involved as from the beginning of 2006. The insurance regulators and supervisors would also be more closely involved. The whole process was limited in time and would be completed by the end of 2006.

Regarding deliverables, DG COMP noted that there was no regulatory mandate. It remained to be seen whether there were real competition issues. Matters other than of a competition nature might also emerge. The Commission was open to feedback and comments.

In response to a question regarding clearing and settlement, the representative of DG COMP replied that the work in that area was of a fact finding and market monitoring nature and was not part of the sector enquiry.

Another delegation asked whether the examination of the block exemption was the result of reported market conduct. DG COMP replied that it was reasonable periodically to review this horizontal exemption that was unique to insurance (and would only expire in 2010). There were good reasons for its existence but it was important to know how relevant it was, how much it was used and to what extent insurers co-operated in different markets. There might also be other questions discussed among insurers that were not formally exempted.

The Chairman thanked the representative of DG COMP for briefing the Committee on the work of his service.

## **7. Publication of winding-up decisions and reorganisation measures in the Official Journal**

The Commission presented its practical proposal for the publication of reorganisation measures and winding-up decisions in the Official Journal as foreseen by the Winding-up Directive for insurance undertakings. Three Member States had raised this issue and welcomed the Commission's attempt to provide a practical solution. In its proposal the Commission was advocating the use of form templates including only the key data. The intention was to minimise the translation requirements.

Two delegations raised an issue of shared competence in some of the Member States in winding-up proceedings between national courts and supervisors. It was suggested this problem could be resolved by referring not to the "competent authority" but rather to the "competent authorities".

Several delegations thought that the draft forms could be further improved. One delegation noted that it did not have the relevant expertise in order to comment on these issues and asked that the views of CEIOPS should be sought. The Chairman asked the CEIOPS representative to request the members of CEIOPS to examine this dossier and to report back to the Commission if possible by the end of January 2006.

The Chairman concluded this agenda point by asking both the members of EIOPC and CEIOPS to submit their comments in writing to the Commission as how to improve the forms by the end of January 2006.

## **8. Compulsory insurances**

The Commission representative recalled the origins of this agenda item, two delegations having raised it at the June meeting in the context of the discussions on Article 27 of the services proposal. It had been agreed at that meeting that the appropriate forum for discussion of the services proposal was the relevant Council working group but that, quite independently of the services proposal discussions, it would be useful for the EIOPC to have a clear idea of the range and number of compulsory insurances required under the Member States' national legislation and under Community secondary legislation.

The Commission had received a large amount of information from the Member States, which had helped in the preparation of the agenda document. A room document also set out the results of the Commission services' enquiries as the requirements under Community legislation.

Though copious, the information received was not always comparable or complete. There was a problem with regional or local requirements and very few delegations could report on the requirements imposed by the self-regulatory bodies of certain professions.

The Commission was asking delegations whether they considered it worthwhile to pursue further work in this area to draw up a more complete and accurate picture and perhaps carry out some further analysis work.

One delegation reported that it had sent its data to the officials responsible for the services proposal. This delegation and another contested the accuracy of the annex to the Commission's document.

Several delegations thanked the Commission for its work in this area and commented on its usefulness in providing an approximate picture of the situation, while stressing how difficult it would be to arrive at an agreed harmonised list of compulsory insurances.

Summing-up, the Commission representative noted that the intention of this work had been to prepare a picture of the situation and not to pursue work towards a harmonised list or interfere with the discussions on the services directive proposal. It was noted that no delegation had spoken out strongly in favour of committing resources to pursue this work. This work would therefore be discontinued but if delegations wished to send in additions or corrections the Commission would try to take them into account in an updated document or table.

## **9. Terrorism and natural catastrophe risks**

The Commission noted that the coverage of terrorism and natural catastrophe risks was an extremely important and highly topical issue.

Major terrorist attacks remained a real danger and catastrophic natural and climatic events seemed to be occurring with ever greater regularity.

In 2001 and 2002, the old Insurance Committee considered the effects of the 9/11 attacks on the insurance industry, the availability of insurance and reinsurance cover on the commercial insurance market and questions relating to the involvement of the public authorities. Particular attention was paid to the question of the availability of aviation insurance.

As the CEA said in its 2004-2005 Annual Report "It is not always possible to insure any risk at any given moment. As insurers face new, unknown risks for which little statistical data is available, they are less able to estimate losses and their compensation, and thus less likely to provide cover".

The Commission believed that the issues raised by the coverage of terrorism and natural catastrophe risks were so important and so central to the role and solidity of the insurance sector that they should form part of this Committee's work programme.

The Commission was proposing to study the work carried out and the documentation produced in this field (not least by the OECD). It would also seek to obtain an overall picture of the work in progress in the European Commission under the responsibility of other Commission departments, such as flood risk mapping (DG Environment) or aviation insurance (for which DG Transport and Energy is in the lead). There were also important considerations of competition policy.

The Commission would propose to report back to this Committee at regular intervals and would probably set out the results of its work in a composite report, the exact form of which would be determined in due course. There was no question at this stage of any policy initiative in this area.

The Commission was therefore seeking the support of the Member States for its conduct of work in this area and to include these issues as part of the Committee's work programme.

All the delegations that spoke welcomed the Commission's interest and involvement in this area, with particular reference to public/private initiatives. One delegation, however, felt it sensible to have a specific goal in this work. The EIOPC should ask itself what it could add to the debate on the coverage of these risks.

## **10. Prudential treatment of deeply subordinated debt**

At the meeting of the EIOPC on 29 June, one delegation had presented a paper arguing that this type of financial instrument could be as safe as own funds and was the nearest element to share capital without actually being share capital. It was suggested that the Life and Non-Life Directives could be amended via comitology to formally admit this type of instrument as an element, up to a certain percentage, of the solvency margin.

All the delegations which took the floor on this point expressed an open position. There was general agreement that in any case the views of CEIOPS should be obtained.

The Commission requested a separate answer on this particular issue, rather than as part of the CEIOPS answer on capital elements, and noted that the EIOPC would come back to this matter at a future meeting. The representative of CEIOPS was requested to brief the Committee on the progress of work on this issue.

The CEIOPS representative stated that the forthcoming Copenhagen meeting would consider a paper on this issue. It had been decided that a cross-sectoral approach was appropriate and there were three possible options – firstly not to amend now and leave to Solvency II (c.f. Call No 19 under the third wave), secondly to amend the current regime (if a minor technical amendment), which would result in a more prudent approach than in banking, or thirdly if it were decided to make the amendment, to seek consistency with the banking regime, which would involve a modification to the proposal tabled in June.

CEIOPS was keen to consult on the three possibilities and planned to publish its paper after the Copenhagen meeting.

The delegation that had originally raised this issue agreed with the planned consultation and took note of the cross-sectoral ramifications.

The Chairman noted that this question would appear on the agenda for the next EIOPC meeting.

## **11. Motor insurance**

The Commission updated the EIOPC on the preparation of the report to the European Parliament and the Council on compensation bodies and trailers which was to be released by the end of 2005. The results of this report would be presented at the next EIOPC meeting.

With regard to the Rome II project (proposal for a new regulation on the law applicable to non-contractual obligations), the EIOPC was informed that the Commission had decided to reject Parliament's amendment aiming at applying the residence law of the victim as the law of the accident.

As the third and most important point, uninsured driving was discussed. A note was circulated to the EIOPC members prior to the meeting which summarised the main findings of the enquiry on uninsured driving launched at the last EIOPC meeting in June 2005. EIOPC members had been requested to provide the Commission with data on the rate of uninsured vehicles in their respective countries, the method used for its calculation and measures taken to tackle this problem. The Commission reported its concerns about the high rates which were mentioned for some of the Member States and the fact that there was no common regime in the EU to calculate the number of uninsured vehicles. The reported rates were thus hardly comparable as most of them were calculated on a different basis. Since seven different methodologies were identified during this enquiry, the Commission asked the EIOPC to consider whether the calculation of uninsured driving should be harmonised and whether in that context one or two method(s) should be preferred.

One delegation mentioned that a preferred methodology would be the one comparing the number of registered vehicles with the number of motor third party liability policies. Another delegation indicated that it would be difficult to harmonise the calculation of uninsured driving. A third delegation pointed out that one should look more to the measures aiming at tackling this problem (in particular educational measures and awareness campaigns) than to the methodology itself. Four delegations indicated that they would deliver additional or updated information to that already provided for the enquiry.

The Commission concluded that although there was a need for further clarifications and harmonisation, uninsured driving remained a highly problematic issue which had to be tackled seriously as it affected EU citizens. Hence, uninsured driving would remain on the agenda for the next EIOPC meeting, to which the Council of Bureaux would also be invited.

## **12. Any other business**

The Commission reported on three issues:

- A. *The question of the report provided for in the Insurance Groups Directive***
- B. *The implementation situation of the Insurance Mediation Directive***
- C. *The correspondence between the OECD and the Commission***

### **A. *Oral presentation by the Commission on the need to present the report provided for in the Insurance Groups Directive***

The Insurance Groups Directive (“IGD”) was adopted in October 1998 with an implementation deadline of 5 June 2000. Article 11 stated that “*not later than 1 January 2006, the Commission shall issue a report on the application of this Directive and, if necessary, on the need for further harmonisation*”.

The Commission was of the view that this standard provision, which made full sense when adopted many years ago - at a time when the Solvency II project was not yet on the table - had lost most (if not all) of its relevance. After careful consideration of recent developments in insurance policy making, the Commission services considered that the production of such a Commission report on the application of the IGD would under the present circumstances fail to present significant added value.

The main reasons behind this conclusion were as follows:

- Most aspects covered by the IGD were at the core of the discussions underway in the context of Solvency II in various fora, in particular in CEIOPS, which had set up a specific *Working Group on Groups and Cross-Sectoral Issues*, addressing all issues arising from the various Commissions' Calls for advice and related to supervision of insurance groups. The answers from this CEIOPS working group, which were delivered after full public consultation, dealt extensively with the identification of potential amendments to the IGD which appeared desirable in the context of Solvency II.
- Independently of Solvency II, CEIOPS had taken the initiative to give a mandate to one of its permanent committees (the "*Insurance Groups Supervision Committee*") to produce a "Report on Possible Need for Amendments to the Insurance Groups Directive". A draft report, presenting a detailed analysis of the current IGD and recommendations for potential amendments, was issued for public consultation in March 2005, and CEIOPS' had released the final version of this report at the end of October.

The Commission considered that the above work, which covered a series of key issues related to group supervision, made it superfluous for the Commission to produce yet another report that would cover essentially the same issues. Indeed, the work already accomplished would seem to provide the necessary basis for the Commission preparation of the future Solvency II proposal, which would be based on a single text integrating several insurance directives (including an amended version of the IGD).

No delegation disputed the Commission's reasoning as set out above and the Committee noted and approved the Commission services' decision not to table the report envisaged in the IGD.

#### ***B. Situation with regard to the implementation of the Insurance Mediation Directive***

The Insurance Mediation Directive was adopted in December 2002. The deadline for its transposition was 15 January 2005.

In October 2005, the Commission sent reasoned opinions to Belgium, Germany, Greece, France, Italy, Luxembourg, the Netherlands, Malta, Portugal and Spain. The reasoned opinions followed the letters of formal notice sent to fourteen Member States in March 2005. Since October, Italy had communicated national implementing legislation and the proceedings against it would be discontinued.

The reasoned opinion was the second phase in the infringement procedure, after the letter of formal notice. Member States had two months to reply to the Commission, which would then decide on the next steps. It was normal practice for the infringement procedure to continue in the European Court of Justice unless Member States provided the Commission with a draft legislative text and a clear timetable for its adoption in the short-term.

The Commission greatly regretted the non-transposition of the Directive as it delayed the establishment of a truly integrated European market for insurance intermediaries.

Eight delegations reported on their progress towards full implementation of the Directive.

### ***C. Correspondence between the OECD and the Commission***

The Commission informed EIOPC that it had received a letter from the OECD Governmental Experts Group (a working group of the OECD Committee on Insurance and Private Pensions). The letter mentioned concerns about EU Member States' adding new reservations to the OECD Code of Liberalisation of Current Invisible Operations. Moreover, questions were asked about the relation between the Insurance Directives and the OECD Code. In its reply, the Commission had underlined that Member States act in their own capacity in the OECD and not as EU Members. Moreover, it was recalled that the EU Insurance Directives provided for rules regarding third country insurance undertakings only as far as establishment of branches and agencies in the European Union was concerned. Matters not dealt with in EU legislation remained in the competence of the Member States, subject to the general provisions of the Treaty and potential international obligations. Hence, the extent to which foreign insurance providers may provide their services on a cross-border basis without establishment in the European Union remained a matter for the competent national legislator.

One delegation commented that the Commission's reply had been well received by the Governmental Expert Group, which had met on Wednesday 30 November. One delegation expressed surprise over the Commission's reply and its statements regarding third country undertaking's rights to provide services in the EU without an EU establishment.

### **13. Newsletter**

The Chairman drew the attention of delegates to the traditional Insurance Committee newsletter which had been circulated.

### **Publication of EIOPC Papers**

The Chairman noted the agreement of Members for the release all EIOPC papers with the exception of the documents on compulsory insurances and uninsured driving.

No further business being raised, the Chairman closed the meeting, the next meeting of the EIOPC being scheduled for 5 April 2006.