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Dr Thomas Steffen
Chairman of CEIOPS
CEIOPS-Secretariat
Westhafenplatz 1
DE-60327 Frankfurt am Main

Subject: Follow-up of the Commission Communication of 4 March 2009 "Driving European recovery" on insurance guarantee schemes

Dear Thomas,

The Commission in its Communication of 4 March 2009 "Driving European recovery" underlines the need to reinforce the protection of consumers, investors and small companies. Additional measures are needed to reinforce depositor, investor and policyholder protection. An effective and comprehensive legal framework for retail financial services needs to be put in place. The Commission will therefore review, by the end of 2009, the adequacy of existing guarantee schemes in insurance and make appropriate legislative proposals.

To this end the Commission intends to adopt a White Paper on Insurance Guarantee Schemes by the end of this year. The White Paper will set out a European solution for insurance guarantee schemes and propose appropriate follow-up measures. In line with our better regulation agenda, the White Paper will be accompanied by an impact assessment.

The White Paper will take into account the work of the Working Party on insurance guarantee schemes, the findings of the OXERA Report *Insurance Guarantee Schemes in the EU*¹ and the results of the public consultation on those findings last summer. CEIOPS' participation in the public hearing and its comprehensive response to the consultation paper made an important contribution to the successful conclusion of the public consultation.

I would very much welcome CEIOPS' continued contribution to this important dossier. Therefore, we were very pleased to learn about the establishment of the CEIOPS Task Force on insurance guarantee schemes at the last CEIOPS Members' Meeting.

¹ Available at: http://ec.europa.eu/internal_market/insurance/docs/guarantee_schemes_en.pdf.

We would like CEIOPS to provide the Commission with an analysis of the feasibility of the design options of a European solution on insurance guarantee schemes. With design options we mean the role of an insurance guarantee scheme, the legal and regulatory framework, the ownership, management and administration, scheme participation, nature of scheme intervention, protected policies and eligible claimants, compensation limits and other reductions in benefits and cross-border arrangements.

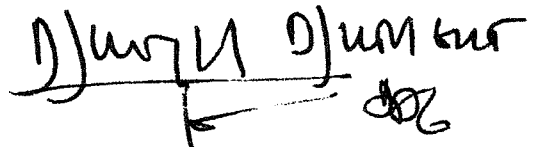
Working out these options, CEIOPS should consider the work already done over the past few years. In this sense, we would also welcome an update of the summary description of existing insurance guarantee schemes in the EU in the OXERA Report. Furthermore we would like CEIOPS to provide support for the Impact Assessment report that will accompany the White Paper.

Although no decision on this matter has yet been taken, the question has been raised, whether, if the EU were to introduce a European regime for insurance guarantee schemes, this should be extended to the pensions sector. We would welcome CEIOPS' views on this question as well.

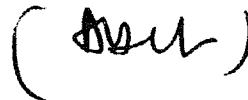
The time table set out in the Communication of 4 March 2009 is very ambitious. Therefore, I would like to suggest that you provide the Commission with your findings by the end of June 2009, without launching a formal consultation, but working together with stakeholders in a pragmatic way. The support for the impact assessment report would however need to be given on a continuous basis throughout the process to the extent possible in the given frame of your work programme 2009, already approved by the European Institutions.

I would like to thank you and your colleagues once again for your help on this important file and I would appreciate if you could confirm your agreement with the above mentioned deliverables and timing set out in this letter.

Yours sincerely,



Jörgen HOLMQUIST



Contact:

Ines Alpert, Telephone:(32-2) 296 31 11, ines.alpert@ec.europa.eu

Cc.: Mr Elemér Terták, Mr Karel Van Hulle, Mr Massimo Marchesi