

IORP II

Key Provisions and Supervisory Focus

Grace Guy

Head of Supervision and Enforcement

20 May 2021



An tÚdarás Pinsean
The Pensions Authority

iapf 
representing pension savers

Agenda

- Road to IORP II
- Key Provisions
- Supervisory Focus/Key Dates
- Guidance/Information



Road to IORP II



IORP I

Freedom of services in EU pension provision (Part XII of the Pensions Act on cross border schemes)

Investment rules - predominantly invested on regulated markets and prohibition on borrowing

Derogations for small schemes and OMAs

Transparency requirements for schemes (already well developed Disclosure under PA)

Road to IORP II

IORP II

Significantly more intrusive:

- substantive new governance requirements
- applies financial services concepts to management of pension schemes

Concept of prudential and forward-looking risk-based supervision (FLRBS)

Effective systems of governance and control, written policies and procedures, risk management systems, appointment of key function holders and F&P for trustees/KFHs

Parameters/Concepts

- Proportionality and SNSC
- OMAs

Turning Point

Significant additional demands

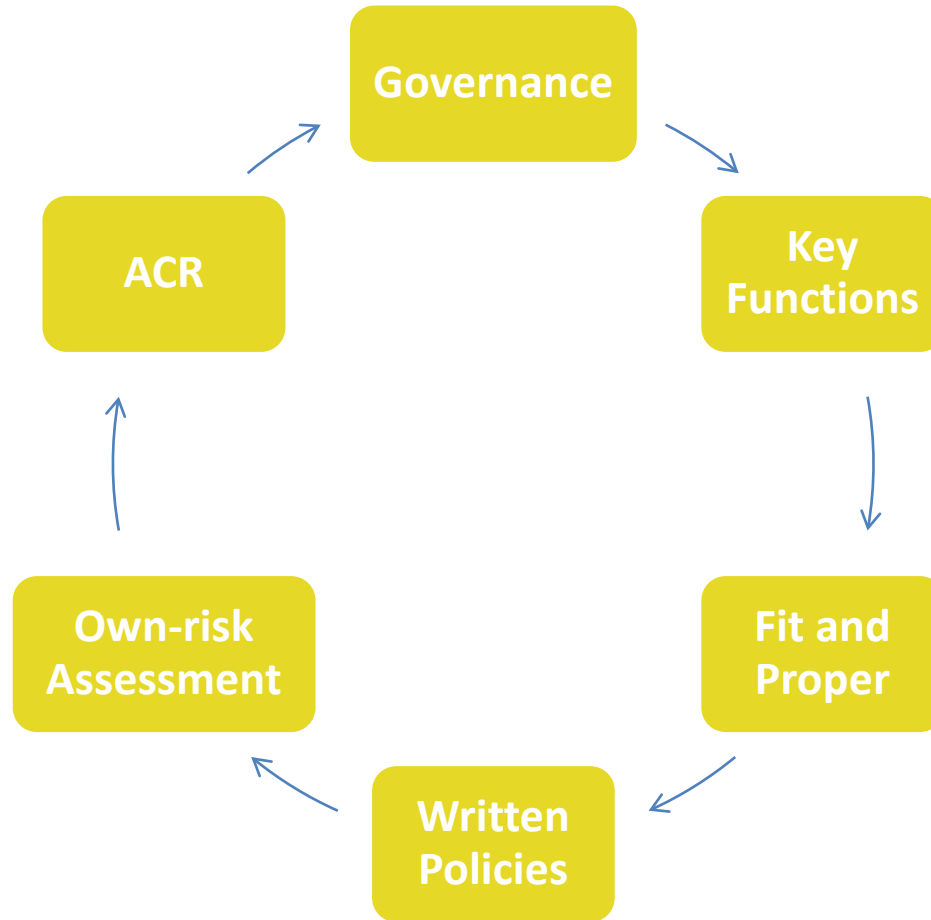
Forward-looking, Risk-based Supervision

Culture change

Tick-box
Compliance

Prudential
Supervision

Key Provisions of IORP II



Further Provisions..

Outsourcing

**Pension Benefit
Statements**

**Cross-border
Activity**

Depository



An tÚdarás Pinsean
The Pensions Authority

iapf 
representing pension savers

Supervisory Focus/Key Dates

One Member Arrangements

New OMAs	Existing OMAs
<ul style="list-style-type: none">• 22nd April 2021 Investment requirements• 1st July 2022 Full compliance	<ul style="list-style-type: none">• 22nd April 2021 New investments & borrowing• 22nd April 2026 Full compliance

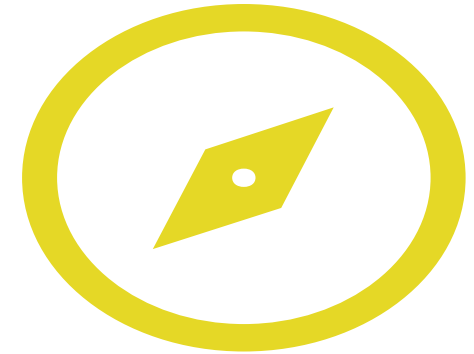
Supervisory Focus/Key Dates

Master Trusts	All Other Schemes
<ul style="list-style-type: none">• Ongoing Engagements to assess progress towards compliance• 1st July 2022 Full compliance	<ul style="list-style-type: none">• Ongoing Engagements to assess progress with compliance• 1st July 2022 Full compliance for new schemes2023 Full compliance

Guidance/Information

What you can expect from us..

- Codes of Practice
- Guidance on Master Trusts for Public and Employers
- Miscellaneous Information



Questions?



Thank you for your time.

