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FSMA\_2019\_03 of 8/01/2019

## Transposition of IORP II

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### **Scope:**

Institutions for Occupational Retirement Provision (IORPs)

### **Summary/Objectives:**

This Communication draws the attention of IORPs to a number of new legal obligations arising from the transposition of IORP II which IORPs need to take into account from now on.

### **Structure:**

<b>1. INTRODUCTION</b> .....	2
<b>2. GOVERNANCE</b> .....	3
2.1. Policies (Article 76/1, § 1, fourth subparagraph, 5° and 6° LIRP/WIBP) .....	3
2.2. Key functions (Article 77/2ff. LIRP/WIBP) .....	4
2.3. Professional integrity and appropriate expertise (Article 77 LIRP/WIBP) .....	5
2.4. Risk management and own-risk assessment (ORA) (Article 76/1, § 2 and 95/1 LIRP/WIBP) .....	8
2.5. Outsourcing (Article 78 LIRP/WIBP) .....	8
<b>3. CROSS-BORDER ACTIVITIES AND TRANSFER</b> .....	9
<b>4. MISCELLANEOUS ASPECTS</b> .....	10
4.1. Notifying significant changes (Article 54 LIRP/WIBP) .....	10
4.2. Multi-employer IORPs for unrelated employers (Article 20/1 LIRP/WIBP) .....	10
4.3. Investments – permanent inventory (Article 90ff and 93 LIRP/WIBP) .....	10
4.4. Transfers (Article 133 LIRP/WIBP).....	11
4.5. Formal update of documents (Article 162/1, § 1 LIRP/WIBP) .....	11
4.6. eCorporate .....	11
<b>5. SUMMARY TABLE OF TRANSITIONAL MEASURES</b> .....	12

## 1. INTRODUCTION

Directive (EU) 2016/2341 of the European Parliament and of the Council of 14 December 2016 on the activities and supervision of institutions for occupational retirement provision (IORPs) (recast)<sup>1</sup> (hereafter IORP II) is a recast of and supplement to Directive 2003/41/EC of 3 June 2003<sup>2</sup> (hereafter IORP I). The main new elements in IORP II have to do with the rules pertaining to cross-border activity, governance and information requirements.

The Law of 11 January 2019<sup>3</sup> amends the Law of 27 October 2006 on the supervision of institutions for occupational retirement provision (hereafter LIRP/WIBP), in the course of the transposition of IORP II<sup>4</sup>. The amendments entered into force on **13 January 2019**.

To complete the transposition of IORP II, a number of implementing measures of the LIRP/WIBP have yet to be adjusted<sup>5</sup>.

The FSMA intends in the course of 2019 to set out its expectations regarding the implementation of the new or amended legal requirements in the form of circulars. The existing circulars, such as those concerning good governance, will be reworked to reflect the legislative amendments in question, and circulars will be prepared on topics such as the statement of investment principles (SIP), the prudent calculation of technical provisions and the financing plan.

The FSMA considered it nonetheless advisable to refer already in this Communication to a few matters that warrant immediate attention on the part of IORPs. In particular, it addresses the transitional provisions and matters that will have immediate consequences for the FSMA's notification procedures.

Given their indissoluble link with the social legislation governing supplementary pensions, the new transparency requirements<sup>6</sup> are not addressed in this Communication.

This Communication is addressed, certainly as regards the transitional provisions, to the IORPs that already held an authorization on 13 January 2019, the date of entry into force of the amendments. The provisions of the LIRP/WIBP apply in full to IORPs that are granted authorization after that date.

Lastly, the principle of proportionality is an important element of IORP II and of the LIRP/WIBP. The FSMA's supervision is imbued with this principle. The scope and intensity of the expectations of the

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<sup>1</sup> PB L354 of 23 December 2016, p. 37.

<sup>2</sup> Directive 2003/41/EC of the European Parliament and of the Council of 3 June 2003 on the activities and supervision of institutions for occupational retirement provision, PB L 235 of 23 September 2003, p. 10 and 2003L0041 of 20 June 2013, p. 1 (last consolidated version).

<sup>3</sup> The Law of 11 January 2019 transposing Directive (EU) 2016/2341 of the European Parliament and of the Council of 14 December 2016 on the activities and supervision of institutions for occupational retirement provision (IORPs) and amending the Law of 27 October 2006 on the supervision of institutions for occupational retirement provision (published in the Belgian Official Gazette, 23 January 2019). The preparatory work can be consulted via the following link: <http://www.lachambre.be/kvvcr/showpage.cfm?section=/flwb&language=nl&cfm=/site/wwwcfm/flwb/flwb.cfm?legislat=54&dossierID=3395>.

<sup>4</sup> Unless otherwise indicated, references to the LIRP/WIBP in this Communication are to the provisions of the LIRP/WIBP as amended by the Law of 11 January 2019.

<sup>5</sup> The most important ones are the Royal Decree of 12 January 2007 on the prudential supervision of institutions for occupational retirement provision and the Royal Decree of 5 June 2007 on the financial statements of institutions for occupational retirement provision.

<sup>6</sup> Article 96ff. LIRP/WIBP.

FSMA can vary depending on the nature, size and complexity of the IORP's activities. The FSMA assesses for each individual IORP the "nature", "size" and "complexity" of its risks and activities, taking into account all circumstances. The application of the principle of proportionality does not mean, however, that "smaller" IORPs can be exempted from the basic requirements. It does mean that the way in which the FSMA's expectations are met, such as with regard to details and the formalization of the governance system, for example, can be customized to the IORP in question, without sacrificing any efficacy as regards the objectives of the relevant governance provisions.

## 2. GOVERNANCE

IORP II contains an extensive set of rules on governance. Its transposition into Belgian law entailed the introduction of the governance requirements into the LIRP/WIBP itself. In reality, the "new" legal governance requirements will not cause any significant revolution for most IORPs. Comparable governance guidelines were already in effect based on the interpretation that the FSMA had given, via its circulars<sup>7</sup>, of the open standards of IORP I as regards good governance<sup>8</sup>. The transposition of IORP II has thus found partial expression in the incorporation and refinement of the existing "soft law" within the legislation itself.

In Title II, Chapter V of the LIRP/WIBP, a new Section II has been added on the governing structure and the organization of an IORP. This Section is divided into the following subsections:

Subsection I – governance system

Subsection II – requirements for fit and proper management

Subsection III – remuneration policy

Subsection IV – key functions

Subsection V – outsourcing

Subsection VI – miscellaneous organizational aspects.

This Communication will examine only the new provisions and transitional measures. Later, one or more circulars will take a closer look at the FSMA's expectations regarding the various topics.

### 2.1. POLICIES (ARTICLE 76/1, § 1, FOURTH SUBPARAGRAPH, 5° AND 6° LIRP/WIBP)

IORPs must draw up a number of written policies. These concern risk management, internal audit, actuarial activities (where applicable) and remuneration policy<sup>9</sup>. Although this requirement may appear new in the Belgian context, these topics have already been addressed to a greater or lesser extent in the key documents and policies expected by the FSMA, such as the internal audit charter, the regulations on conflict of interest and the financing plan. The FSMA invites IORPs to consider the drafting of the requisite policies as an opportunity to carry out a thorough assessment of the relevant aspects of their operations.

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<sup>7</sup> See in particular Circular CPP-2007-2-LIRP/WIBP of 23 May 2007 on the good governance of IORPs with further explanations in the accompanying CPP-2007-2-LIRP/WIBP memo of the same date on the prudential expectations of the CBFA regarding the governance of IORPs.

<sup>8</sup> Article 77 of the LIRP/WIBP, before the transposition of IORP II, required that IORPs have "a governing structure, administrative and accounting organization and internal control appropriate to their activities".

<sup>9</sup> Article 77/1 LIRP/WIBP.

IORPs have until **31 December 2020** to prepare a formal update of their policies<sup>10</sup>.

## 2.2. KEY FUNCTIONS (ARTICLE 77/2FF. LIRP/WIBP)

The LIRP/WIBP provides that an IORP must set up four effective and permanent key functions:

- the risk management function,
- the actuarial function, where applicable<sup>11</sup>,
- the compliance function, and
- the internal audit function.

These four key functions support the board of directors, in particular, in carrying out their oversight tasks. They now also have a **signalling function**<sup>12</sup> vis-à-vis the FSMA (see below).

Only the risk management function is new. The actuarial function replaces the function of appointed actuary.

IORPs must appoint at least one independent person from within or outside the IORP to be responsible for each key function (hereafter the key function holder). That person may be assisted by other persons, but retains ultimate responsibility.

For reasons of proportionality (size, nature, scale, complexity and risk profile of the activities managed), it may be acceptable for a person to combine the role of key function holder for several key functions or for one or more key functions and the performance of other tasks at the IORP, with the exception of the internal audit function, which must at all times be independent of the other key functions. Once again with the exception of the internal audit function, the persons who assist a key function holder may be involved in other functions or tasks at the IORP. In those cases, both the persons involved and the IORP must be vigilant for potential conflicts of interest.

The IORP can outsource all or part of a key function.

Article 77/2, § 2, fifth subparagraph, stipulates that the key function holders and the persons who assist them must be different, in principle, from those who carry out a similar function in the sponsoring undertaking. For reasons of proportionality, and thus taking account of the size, nature, scale and complexity of its activities, the IORP can nevertheless allow such key functions to be performed by the same persons as those in the sponsoring undertaking, provided the IORP explains how it prevents and, if necessary, manages any conflict of interest with the sponsoring undertaking and develop a policy in this regard.

The LIRP/WIBP henceforth entrusts the key function holders with a signalling role vis-à-vis the FSMA<sup>13</sup>. This important role means that the key function holder must notify the FSMA:

- if he or she has discovered a substantial risk that the IORP will not comply with an important legal provision and if this risk could have a significant impact on the interests of the members and beneficiaries; or

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<sup>10</sup> Article 162/1, § 1 LIRP/WIBP.

<sup>11</sup> The actuarial function only needs to be set up in the cases provided for in Article 77/4, § 1, LIRP/WIBP. This is when the IORP manages a pension scheme that offers cover against biometric risks or provides for a set level of return on investment or benefit level.

<sup>12</sup> Article 77/2, § 4 LIRP/WIBP.

<sup>13</sup> Article 77/2, § 4 LIRP/WIBP.

- If he or she has discovered a significant material infringement of the regulations applicable to the IORP and its activities;

and he or she reported the risk or the infringement to the board of directors and the board did not take appropriate corrective measures in reasonable time.

The LIRP/WIBP provides for the necessary transitional measures to ensure the continuity of IORPs:

- the persons who, prior to the entry into force of the LIRP/WIBP as amended by the Law of 11 January 2019, were appointed by IORPs as appointed actuary, compliance officer and internal auditor, will be considered automatically as the key function holder for the *actuarial, compliance and internal audit functions* respectively until their reappointment or the appointment of another key function holder for the function in question, at the latest by **31 December 2020**<sup>14</sup>;

The person who served as appointed actuary prior to 13 January 2019 must in 2019 draw up a report for the 2018 financial year in accordance with the modalities that applied before the transposition of IORP II;

- IORPs have until **31 December 2019** to set up the *risk management function* and to appoint a key function holder<sup>15</sup>.

The file with the information on the person to be appointed as a key holder function must be submitted to the FSMA in advance. Except in the case of a reappointment, such an appointment is henceforth also subject to prior approval by the FSMA (see further details under point 2.3.2 regarding fit and proper screening).

## **2.3. PROFESSIONAL INTEGRITY AND APPROPRIATE EXPERTISE (ARTICLE 77 LIRP/WIBP)**

### **2.3.1. Requirements**

The requirements regarding professional integrity and appropriate expertise (fitness and probity) are unchanged. These rules were already included in the LIRP/WIBP<sup>16</sup> for members of operational bodies<sup>17</sup>. What is new is that these legal requirements are now also expressly applied by the LIRP/WIBP to persons who perform a key function and to persons or entities to whom a key function is outsourced<sup>18</sup>.

Professional integrity means that the person is honest and of good repute and integrity. Integrity requires that the person has irreproachable professional ethics that guarantee that the IORP complies with the obligations and prohibitions laid down in the law and with the IORP's rules of conduct. The

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<sup>14</sup> The IORP must submit the necessary information to the FSMA within a reasonable time before the appointment, and at the latest on 30 September 2020 (Article 162, § 2, first and third subparagraphs of the LIRP/WIBP).

<sup>15</sup> The IORP must submit the necessary information to the FSMA within a reasonable time before the appointment, and at the latest on 30 September 2019 (Article 162, § 2, first and third subparagraphs of the LIRP/WIBP).

<sup>16</sup> Articles 24 and 25 LIRP/WIBP, which are abrogated by the Law of 11 January 2019.

<sup>17</sup> Board of directors and other operational bodies (these are bodies with decision-making powers). Bodies with purely advisory powers are not subject to the specific fit & proper test.

<sup>18</sup> Article 77, § 1, first subparagraph LIRP/WIBP.

requirement of professional integrity is not a purely formal condition that can be deduced from the absence of a criminal record. This requirement is assessed on an individual basis.

The requirement of appropriate expertise covers the professional qualifications, knowledge and experience that are necessary to ensure the sound and prudent management of an IORP.

- members of the operational bodies must have these qualities both individually and collectively, assessed in accordance with the characteristics of the IORP (type of activity, complexity, risk profile, etc.) and with the division of tasks within the operational body, the collective expertise of the members of the body in question and the extent to which they draw on advisors who have the necessary expertise;
- for key function holders, expertise is assessed on an individual basis, but with the understanding that the assessment takes into consideration the extent to which the person in question calls upon others for advice or to perform certain audits.

If one person is a key function holder for several key functions, he or she must have the necessary expertise in each domain of the different key functions held. Moreover, it is strongly recommended that such a person seek the help of experts for advice and for performing certain audits in the domains in which he or she has less extensive expertise.

Where appropriate (for example, if several key functions are combined), assessment of the requisite expertise will not be limited to the personal expertise of the holder of the key function(s) in question but will also extend to a judgment of the suitability of the organization of the function. The size, nature, scale and complexity of the IORP's activities will be taken into account in this regard.

### **2.3.2. Monitoring - Prior notification - approval**

The members of the operational bodies and the key function holders must at all times have the appropriate professional integrity and requisite expertise to carry out their functions. The ongoing nature of these fit and proper requirements has implications for the responsibility of the person in question, the IORP and the supervisor.

It is important in this regard to emphasize that the IORP itself must, in the first instance, ensure that the members of its operational bodies and its key function holders (continue to) fulfil those requirements at all times.

The appointment and reappointment of a member of an operational body and of a key function holder are subject to systematic supervision by the FSMA. Such supervision does not apply to members of the IORP's advisory bodies.

This systematic supervision comprises the following aspects<sup>19</sup>:

- The IORP must submit all necessary documents and information for each appointment and reappointment to the FSMA prior to each (re)appointment.

The IORP must likewise provide the FSMA with information about the advisors whom the IORP will call upon (name and areas of expertise). As regards the key function holders, the IORP shall, where applicable, describe the organization of the function.

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<sup>19</sup> Article 77, § 2 - § 3 LIRP/WIBP.

While awaiting publication of a specific circular on the matter, the IORP can use the forms available on the FSMA's website (<https://www.fsma.be/en/institutions-occupational-retirement-provision-iorp>);

- for nominations of members of operational bodies and of key functions holders, the FSMA's prior approval is now required. The appointment in question cannot therefore take effect until the FSMA has given its approval.

Such prior approval is not required for a reappointment. In the latter case, only prior notification is required. A change in function (appointment to another body) is considered to be a new appointment;

- furthermore, the IORP and the person in question must immediately inform the FSMA of any new fact or new circumstance that could raise doubt as to the professional integrity or suitable expertise of the members of operational bodies or of the key function holders;
- the resignation or dismissal of the aforementioned persons must also be brought immediately to the attention of the FSMA.

In order to ensure the continuity of the IORP's functioning, the law provides for the following in respect of the transposition of IORP II:

- there are no special transitional provisions for the members of the operational bodies. This means that they can serve out their mandate without any special notification to the FSMA. For their (re)appointment, the following applies:
  - o new members or change of function: prior notification to and approval by the FSMA. The appointment takes effect only after approval of the nomination by the FSMA;
  - o reappointments: only prior notification to the FSMA, with submission of the necessary documents. In that case no prior approval by the FSMA is required, but the FSMA can intervene if it appears that the person in question no longer fulfils the fit & proper requirements.

The law does not set a deadline for the IORP to make the necessary notifications or by which the FSMA must take its decision. The latter deadline in particular can vary depending on the complexity of the dossier in question. It goes without saying that in accordance with the principles of good governance, the FSMA's decision must be taken within a reasonable period of the receipt of a complete dossier. The relevant information should therefore be provided in a timely manner;

- for the key function holders, the LIRP/WIBP contains specific transitional provisions<sup>20</sup>:
  - o risk management function: IORPs must appoint a key function holder for the risk management function at the latest by **31 December 2019**<sup>21</sup>. Since this is a new function, all proposed appointments are subject to prior approval by the FSMA;
  - o other key functions: persons who were appointed before 13 January 2019 as appointed actuary, compliance officer and internal auditor are automatically considered to be the key function holders for the actuarial, compliance and internal audit functions respectively until

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<sup>20</sup> Article 162, § 2 LIRP/WIBP.

<sup>21</sup> Article 162, § 2, second subparagraph LIRP/WIBP.

their reappointment or the appointment of another key function holder for the function in question, at the latest by **31 December 2020**<sup>22</sup>.

For their (re)appointment, the following applies:

- new key function holders or change of key function (e.g. combination of several key functions): prior notification to and approval by the FSMA. The appointment takes effect only after approval of the nomination by the FSMA;
- reappointments: only prior notification to the FSMA, with submission of the necessary documents. In that case no prior approval by the FSMA is required, but the FSMA can intervene if it appears that the person no longer fulfils the fit and proper requirements applicable to the function(s) in question.

The IORPs are to propose the (re)appointment of a key function holder and must submit the requisite documents to the FSMA at least **three months** before the appointment of the person in question is to take effect<sup>23</sup>.

#### **2.4. RISK MANAGEMENT AND OWN-RISK ASSESSMENT (ORA) (ARTICLE 76/1, § 2 AND 95/1 LIRP/WIBP)**

IORPs must henceforth carry out an own-risk assessment (hereafter “ORA”) every three years, or sooner in the event of any significant change.

At the latest by **31 December 2020**, as part of their risk management policy<sup>24</sup>, IORPs must draw up a policy on the carrying out of the ORA and on the way in which the ORA will be incorporated into the IORP’s decision-making processes. Drawing up an effective and relevant ORA policy is a very important thought exercise to which IORPs must devote sufficient time.

As regards the ORA exercise and ORA report as such, the FSMA recommends that, as far as possible, these coincide with the next revision of the SIP so as to achieve a consistent cycle of review of the IORP’s key documents. The first ORA report should however be submitted to the FSMA by **13 January 2022**.

#### **2.5. OUTSOURCING (ARTICLE 78 LIRP/WIBP)**

IORPs must inform the FSMA in good time of the outsourcing of a function, activity or operational task<sup>25</sup>.

As regards the outsourcing of key functions or of significant or critical tasks, the IORP must notify the FSMA before the outsourcing agreement takes effect.

In order to determine whether a function, activity or task is critical or significant, one must examine whether it is of essential importance for the IORP’s management. A function, activity or task is to be considered critical or significant if, without that function or activity, the IORP would not be in a position to manage the pension schemes. In any case, these include activities such as pension administration, asset management, accounting and reporting.

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<sup>22</sup> Article 162, § 2, first subparagraph LIRP/WIBP.

<sup>23</sup> Article 162, § 2, third subparagraph LIRP/WIBP.

<sup>24</sup> Article 76/1, § 1, fourth subparagraph, 5°, a) iuncto Article 162/1, § 1 LIRP/WIBP.

<sup>25</sup> Article 78, § 4 LIRP/WIBP.

### 3. CROSS-BORDER ACTIVITIES AND TRANSFER

One of the most important objectives of IORP II is the elimination of legal obstacles to cross-border management by IORPs, with the aim of creating an internal market for occupational retirement provision. To this end, the Directive contains a number of amendments that have chiefly to do with:

- Defining the notion of “cross-border” for purposes of cross-border activities and transfers;
- a special procedure for effecting a cross-border transfer;
- the abrogation of the possibility of drawing up special investment rules for the assets that belong to a cross-border activity;
- delineating the areas of prudential supervision;
- the scope of the requirement for full funding.

The most important of these changes is the introduction of a separate procedure for a cross-border transfer that may or may not lead to cross-border activity.

The legislation applicable to cross-border activity has not changed.

The entry into force of IORP II has served as the occasion for a review of the Budapest Protocol, which contains a number of provisions for collaboration among the competent authorities of the Member States involved in the supervision of cross-border activity by IORPs<sup>26</sup>.

The FSMA will shortly be publishing a circular<sup>27</sup> which sets out the various notification and approval procedures and provides the accompanying standard forms for putting together the supervisory dossier. The procedures and forms relate to:

- (1) notification of a cross-border activity carried out by a Belgian IORP;
- (2) application for approval of a cross-border transfer to a Belgian receiving IORP that leads to a cross-border activity;
- (3) application for approval of a cross-border transfer to a Belgian receiving IORP that does not lead to a cross-border activity;
- (4) application for consent to a cross-border transfer by a Belgian transferring IORP;
- (5) notification of an activity carried out by a Belgian IORP in a country that is not part of the EEA.

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<sup>26</sup> Protocol relating to the Collaboration of the Relevant Competent Authorities of the Member States of the European Union in particular in the Application of the Directive 2003/41/EC of the European Parliament and of the Council of 3 June 2003 on the Activities and Supervision of Institutions for Occupational Retirement Provision (IORPs) Operating Cross-Border Activity (CEIOPS-DOC-08-06-Rev1) (Budapest Protocol).

This Protocol was replaced by an EIOPA decision (Decision of the Board of Supervisors on the collaboration of the competent authorities of the Member States of the European Economic Area with regard to the application of Directive (EU) 2016/2341 of the European Parliament and of the Council of 14 December 2016 on the activities and supervision of institutions for occupational retirement provision (IORPs)). The amended Budapest Protocol, as adjusted to the provisions of the IORP II Directive, is an annex to that EIOPA decision ([https://eiopa.europa.eu/Publications/Protocols/EIOPA-BoS-18-321\\_ANNEX\\_Decision\\_IORPII\\_cross-border\\_collaboration.pdf](https://eiopa.europa.eu/Publications/Protocols/EIOPA-BoS-18-321_ANNEX_Decision_IORPII_cross-border_collaboration.pdf)).

<sup>27</sup> Circular replacing Circular CBFA\_2010\_03 dated 12 January 2010.

**The updated/new procedures apply to cross-border activities or activities in a non-EEA country that have been brought to the FSMA's attention as from 13 January 2019.**

#### **4. MISCELLANEOUS ASPECTS**

##### **4.1. NOTIFYING SIGNIFICANT CHANGES (ARTICLE 54 LIRP/WIBP)**

As was already the case for cross-border activities, an IORP must notify the FSMA in advance of its intention to make a significant change to its activities or functioning. The information and documents of the authorization dossier, updated to reflect the new or changed activity, must also be included with the said notification.

Significant changes can, for example, include the addition or departure of a sponsoring undertaking, the management of a new or new type of pension scheme or an important change in the nature of the pension scheme(s) managed, a transfer of pension liabilities, etc. It is emphasized that these only include changes that may have a significant impact on the activities, financial position or organization of the IORP.

This notification does not mean that the FSMA has to approve the changes before they can be launched. This means that these changes will not in every case be subjected to an immediate examination, as is the case for applications for authorization.

##### **4.2. MULTI-EMPLOYER IORPs FOR UNRELATED EMPLOYERS (ARTICLE 20/1 LIRP/WIBP)**

Multi-employer IORPs for unrelated employers are IORPs that were generally set up at the initiative of specialized service providers. They manage pension schemes of different sponsoring undertakings that do not belong to the same group of companies. The day-to-day management of these IORPs lies for the most part in the hands of the service provider that took the initiative.

Article 20/1 LIRP/WIBP contains a number of special rules for this category of IORPs. These rules are intended to strengthen the commitment of the sponsoring undertakings and to ensure that no sponsoring undertakings are hampered in their participation in the decision-making process regarding matters that will in fact have an impact on them as sponsoring undertakings. The articles of association may not limit such rights.

The IORPs concerned have until **31 December 2019** at the latest to come in line with the new rules<sup>28</sup>.

##### **4.3. INVESTMENTS – PERMANENT INVENTORY (ARTICLE 90FF AND 93 LIRP/WIBP)**

in accordance with the European directives, the provisions of Title II, Chapter V, Section VI of the LIRP/WIBP in relation to the investments of IORPs apply henceforth to all assets and not only to the covering assets. IORPs that encounter problems in applying these provisions to all their assets starting on **13 January 2019** are asked to contact the FSMA.

From now on, IORPs must also include all assets in the permanent inventory (for each separate fund). The covering assets must be identified separately therein<sup>29</sup>.

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<sup>28</sup> Article 162/1, § 2 LIRP/WIBP.

<sup>29</sup> Article 93 LIRP/WIBP.

The IORPs must henceforth also indicate in their SIP the way in which they take account, in their investment policy, of environmental, social and governance factors<sup>30</sup>.

The FSMA recommends that, if necessary, the SIP be aligned with the amended provisions of the LIRP/WIBP the next time it is reviewed. Pursuant to the transitional measures<sup>31</sup>, this must be done at the latest by **31 December 2020**.

#### 4.4. TRANSFERS (ARTICLE 133 LIRP/WIBP)

From now on, prior notification must be given to the FSMA of transfers of pension liabilities to another IORP or to an insurance company.

Account must also be taken of certain majority rules for the approval of a transfer by the members and beneficiaries concerned.

See point 3 for further explanations regarding cross-border transfers.

#### 4.5. FORMAL UPDATE OF DOCUMENTS (ARTICLE 162/1, § 1 LIRP/WIBP)

The IORPs have until **31 December 2020** to draw up and update their documents in order to bring them in line with the new rules<sup>32</sup>. This applies to the key documents such as the articles of association<sup>33</sup>, management agreement<sup>34</sup>, SIP<sup>35</sup>, financing plan<sup>36</sup> and the various governance policies<sup>37</sup>.

#### 4.6. eCORPORATE

While awaiting a revision of the circular on reporting, in which the manual for the eCorporate platform will also be included, IORPs can use the existing headings in eCorporate (e.g. appointment of members of operational bodies, etc.) and for the new documents of the upcoming new headings in eCorporate. In the event that no special form is available yet, the requisite information can also be uploaded in another form:

Heading	Document
III.A.13.	Notification of significant changes
III.B. [...]	Cross-border activity and activity in a State not belonging to the EEA

<sup>30</sup> Article 95, second paragraph LIRP/WIBP.

<sup>31</sup> Article 162/1, § 1 LIRP/WIBP.

<sup>32</sup> Article 95 LIRP/WIBP.

<sup>33</sup> With the understanding that IORPs that manage pension schemes for companies that are not part of the same group of companies (multi-employer IORPs for unrelated employers) must already update their articles of association by 31 December 2019 to bring them in line with the special rules laid down in Article 20/1 LIRP/WIBP (see point 4.2 of this Communication).

<sup>34</sup> Article 79 LIRP/WIBP.

<sup>35</sup> Article 95 LIRP/WIBP.

<sup>36</sup> Article 86 LIRP/WIBP.

<sup>37</sup> Article 76/1, § 1, fourth subparagraph, 5° and 6° LIRP/WIBP.

III.C [...]	Cross-border transfers, whether or not these lead to cross-border activity
III.D.1.	Transfers, other than cross-border
IV.B.17.	Risk management policy
IV.B.18.	Remuneration policy
IV.B.19.	Notification of outsourcing
V.7.	Appointment of a key function holder for the risk management function

## 5. SUMMARY TABLE OF TRANSITIONAL MEASURES

date	Topic
As from 13 January 2019	<ul style="list-style-type: none"> <li>– Entry into force of the Law of 11 January 2019.</li> <li>– Fit &amp; proper screening for all appointments and reappointments of members of operational bodies</li> <li>– Informing the FSMA of the outsourcing of key functions and important and critical tasks and activities before the entry into force of the agreement</li> <li>– Notification of a new cross-border activity and of a cross-border transfer in accordance with the new procedures</li> <li>– Prior notification of transfers of pension liabilities</li> <li>– Implementation of the investment rules for all assets and inclusion of all assets in the permanent inventory</li> </ul>
At the latest by 31 December 2019	<ul style="list-style-type: none"> <li>– Appointment of a key function holder for the risk management function</li> <li>– Updating of the rules governing multi-employer IORPs for unrelated employers</li> </ul>
At the latest by 31 December 2020	<ul style="list-style-type: none"> <li>– Appointment of a key function holder for the key functions, with the exception of the risk management function</li> <li>– Formal updating of the key and governance documents</li> </ul>
At the latest by 13 January 2022	<ul style="list-style-type: none"> <li>– Carrying out the first ORA exercise and submitting the ORA report to the FSMA</li> </ul>

Jean-Paul Servais  
Chairman