Gabriel Bernardino Chairman

European Commission - DG FISMA Mr Olivier Guersent Director General B-1049 Bruxelles



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## EIOPA's advice on the development of an EU Single Market for personal pensions

Dear Mr Guersent,

In response to your services' Call for Advice of 24 July 2014, and concluding years of research, thorough analysis and public consultations, the last one recently in 2016, I am pleased to send you EIOPA's advice on the development of an EU Single Market for personal pensions. EIOPA's analyses and research confirmed our views regarding the potential and attractiveness of a Pan-European Personal Pension Product (PEPP), facilitating superior outcomes of a 2nd regime standardised personal pension product.

The results of the recent public consultation reinforced the preliminary conclusions that due to the highly divergent market for personal pension products in the EEA, a 2nd regime product, which is standardised yet flexible in some aspects is capable of making an important difference to the efficiency of an EU Single Market for personal pensions and of changing the market dynamics of retirement savings.

Focussing on the analysis of the alternative option of harmonising the current EU frameworks for all personal pension products (PPP) in the EEA during the recent public consultation, EIOPA considered whether and how the recommendations set for the PEPP could be applied to PPPs in general and in that case, whether and which possible adjustments are needed. Based on the feedback received during the public consultation, it is clear that at this point in time harmonising applicable Directives across the relevant sectors and filling any gaps does not seem to be the most efficient solution to promote the development of a Single Market for personal pension product.

I remain at your disposal for any queries regarding this advice and to discuss the upcoming steps of this important project. We would welcome to support any future European Commission's initiatives around private pensions, which are crucial for European citizens, also in light of the Capital Markets Union.

Yours sincerely,

## Gabriel Bernardino