

Targeted consultation on supplementary pensions

Fields marked with * are mandatory.

Introduction

What is this consultation about?

The organisation of pension systems is primarily the responsibility of Member States. Policies at Union level can and should support Member States' efforts to increase pension sustainability, pension adequacy and the welfare for European citizens when they retire. With this consultation, the Commission aims to present options on a series of interrelated initiatives on how to further develop supplementary pensions across the European Union. These Union-level initiatives on supplementary pensions would aim to support the initiatives of Member States.

The emphasis of any potential Union initiatives on supplementary pensions will be on individual citizens' welfare. Union initiatives on supplementary pensions will be respectful of what has been achieved at the level of the Member States, and respecting the autonomy and prerogatives of social partners, where applicable. The individual pension savers' and social partners' choices on how and by what means they wish to provide for their retirement will also be respected. Respect for such choices does not exclude Union-level efforts aiming to build awareness about the advantages that investing part of retirements savings in the capital market can bring in terms of enhanced investment return and contribute to financial security in retirement.

The guiding principle for any initiative on supplementary pensions is to increase uptake in supplementary pensions, with a view above all to increase financial security in retirement, and also to reinforce the supplementary pension sector as a long-term investor.

Why are we consulting?

In its [communication of 19 March 2025 on the savings and investments union \(SIU strategy\)](#), the Commission envisages several actions to increase the take-up of supplementary pensions across Europe, improve their return and facilitate pension funds' long-term investments into the economy, including in innovation. Since national competence and the design of the overall pension system do not allow for one-size-fits-all policy proposals in several areas, Commission's recommendations to Member States appear to be the most suitable tool to provide guidance on auto-enrolment, pension tracking systems, pension dashboards, and the implementation of the prudent person principle by pension funds. Such

policy recommendations would benefit from being as targeted as possible and highlight best practices that Member States can apply. Other policy goals might require targeted changes to the EU regulatory framework for supplementary pension provision, namely the [Directive \(EU\) 2016/2341 on the activities and supervision of institutions for occupational retirement provision \(IORPs\) \(the IORP II Directive\)](#) and [Regulation \(EU\) 2019/1238 on a pan-European Personal Pension Product \(PEPP\) \(the PEPP Regulation\)](#). The aim of any changes would be to ensure availability of solid occupational and personal pension products, possibly suitable for auto-enrolment.

The present consultation will complement the technical advice provided by EIOPA, along with other work on the main topics covered. EIOPA technical advice is as follows:

- [Technical advice on the development of pension tracking systems](#) (2021)
- [Technical advice on pensions dashboard](#) (2021)
- [Technical advice for the review of the IORP II Directive](#) (2023)
- [Staff Paper on the future of the pan-European Personal Pension Product \(PEPP\)](#) (2024)

The consultation will inform Commission's policy measures aimed at achieving the objectives set out in the SIU strategy and at addressing the findings of the European Court of Auditors contained in the recently published special [report on developing supplementary pensions in the EU](#).

Who should respond to this consultation?

This consultation forms part of an outreach strategy that will also comprise workshops with relevant stakeholders, including social partners, civil society, consumers and their organisations, businesses, including SMEs, financial intermediaries, including IORPs, other occupational and personal pension providers and their representative organisations, and the institutions and authorities of the Member States. The consultation specifically aims to identify best practices and useful ideas in this area.

What type of input is the Commission seeking through this consultation?

The Commission is seeking input that is as specific and detailed as possible. In addition to identifying challenges, stakeholders are encouraged to put forward concrete suggestions or specific proposals for how these could be addressed. Stakeholders are also invited to provide practical examples or case studies, as well as, where relevant, quantitative or qualitative data that can help illustrate key issues or shed light on potential impacts. Where data or evidence is submitted, the source should be clearly indicated and, if applicable, the methodology explained.

Input from a broad range of stakeholders is essential to ensure that the consultation reflects a wide diversity of perspectives and realities. This input will inform the preparation of policy proposals and the accompanying Staff Working Document, helping to ensure that future measures are appropriately calibrated.

Please note: In order to ensure a fair and transparent consultation process **only responses received through our online questionnaire will be taken into account** and included in the report summarising the responses. Should you have a problem completing this questionnaire or if you require particular assistance, please contact fisma-supplementary-pensions@ec.europa.eu.

More information on

- [this consultation](#)
- [the consultation document](#)
- [occupational pension funds](#)
- [personal pension products](#)
- [the protection of personal data regime for this consultation](#)

About you

* Language of my contribution

- ☐ Bulgarian
- ☐ Croatian
- ☐ Czech
- ☐ Danish
- ☐ Dutch
- ☒ English
- ☐ Estonian
- ☐ Finnish
- ☐ French
- ☐ German
- ☐ Greek
- ☐ Hungarian
- ☐ Irish
- ☐ Italian
- ☐ Latvian
- ☐ Lithuanian
- ☐ Maltese
- ☐ Polish
- ☐ Portuguese
- ☐ Romanian

- ☐ Slovak
- ☐ Slovenian
- ☐ Spanish
- ☐ Swedish

* I am giving my contribution as

- ☐ Academic/research institution
- ☐ Business association
- ☐ Company/business
- ☐ Consumer organisation
- ☐ EU citizen
- ☐ Environmental organisation
- ☐ Non-EU citizen
- ☐ Non-governmental organisation (NGO)
- ☐ Public authority
- ☐ Trade union
- ☒ Other

* First name

Bernard

* Surname

Delbecque

* Email (this won't be published)

Bernard.Delbecque@gmail.com

* Organisation name

255 character(s) maximum

I am submitting this contribution in my capacity as Chairperson of EIOPA's Occupational Pensions Stakeholder Group (OPSG), on behalf of the OPSG.

* Organisation size

- ☐ Micro (1 to 9 employees)
- ☒ Small (10 to 49 employees)
- ☐ Medium (50 to 249 employees)
- ☐ Large (250 or more)

Transparency register number

255 character(s) maximum

Check if your organisation is on the [transparency register](#). It's a voluntary database for organisations seeking to influence EU decision-making.

*Country of origin

Please add your country of origin, or that of your organisation.

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- ☐ Czechia
- ☐ Lebanon
- ☐ Saint Helena
Ascension and
Tristan da Cunha
- ☐ Zambia
- ☐ Democratic
Republic of the
Congo
- ☐ Lesotho
- ☐ Saint Kitts and
Nevis
- ☐ Zimbabwe
- ☐ Denmark
- ☐ Liberia
- ☐ Saint Lucia

* Field of activity or sector (if applicable)

- ☐ Accounting
- ☐ Auditing
- ☐ Banking
- ☐ Credit rating agencies
- ☐ Insurance
- ☐ Pension provision
- ☐ Investment management (e.g. hedge funds, private equity funds, venture capital funds, money market funds, securities)
- ☐ Market infrastructure operation (e.g. CCPs, CSDs, Stock exchanges)
- ☐ Social entrepreneurship
- ☐ Other
- ☒ Not applicable

The Commission will publish all contributions to this targeted consultation. You can choose whether you would prefer to have your details published or to remain anonymous when your contribution is published. **For the purpose of transparency, the type of respondent (for example, 'business association', 'consumer association', 'EU citizen') is always published. Your e-mail address will never be published.** Opt in to select the privacy option that best suits you. Privacy options default based on the type of respondent selected

* **Contribution publication privacy settings**

The Commission will publish the responses to this public consultation. You can choose whether you would like your details to be made public or to remain anonymous.

☐ **Anonymous**

Only the organisation type is published: The type of respondent that you responded to this consultation as, your field of activity and your contribution will be published as received. The name of the organisation on whose behalf you reply as well as its transparency number, its size, its country of origin and your name will not be published. Please do not include any personal data in the contribution itself if you want to remain anonymous.

☒ **Public**

Organisation details and respondent details are published: The type of respondent that you responded to this consultation as, the name of the organisation on whose behalf you reply as well as its transparency number, its size, its country of origin and your contribution will be published. Your name will also be published.

☒ I agree with the [personal data protection provisions](#)

1. Pension tracking systems

Pension tracking systems are digital platforms that allow citizens to obtain an overview of pension entitlements held in different schemes in one place. In addition, they may provide an estimate of the future pension benefits. By providing a complete picture of their entitlements from the various types of pension schemes, they enable citizens to take informed decisions about their career, retirement planning and saving needs.

Currently, pension tracking systems in some form exist in several Member States, however, most of them do not cover all pillars of the pension system. EIOPA ([Technical advice on the development of pension tracking systems - 2021](#)) and OECD ([OECD Pensions Outlook 2024: Improving Asset-backed Pensions for Better Retirement Outcomes and More Resilient Pension Systems](#)) have analysed pension tracking systems with a view to identifying good practices. The Commission seeks views on the coverage and design features of pension tracking systems.

Question 1. Do you consider that the pension tracking system in your Member State functions well?

- ☐ Yes
- ☒ No, it should be extended/improved
- ☐ No, my country doesn't have a tracking system
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 1 and indicate which features should be improved or added:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The answer to this question depends on the Member State (MS) in question. From a European perspective, while progress has been made in developing Pension Tracking Systems (PTS), EIOPA's Technical advice on the development of PTS (2021) shows that still 7 MSs do not have a PTS in place nor are planning to introduce one, and in most MSs with a PTS in place, they remain limited in both scope and functionality. Many systems focus primarily on the public (statutory) pension pillar and fail to incorporate occupational and personal pension schemes, which are becoming increasingly important due to the diversification of retirement income sources. Moreover, some of the existing systems lack integration and consistency, meaning individuals may need to consult multiple sources to get a complete view of their pension entitlements or some contributions are missing. This fragmentation reduces transparency and makes it difficult for users to accurately assess their retirement readiness. To be fully effective, PTS should: - Be updated regularly to reflect current and accrued entitlements. - Integrate all pension pillars into a single digital platform. - Use clear and accessible language - Be accessible across digital devices and with secure digital ID verification. - Be inter-operable/connected to the European Tracking Service on pensions (ETS), to help mobile workers to have a consolidated overview of their pensions across countries - Avoid double reporting: pension providers should not be burdened with additional reporting beyond those currently required for similar purposes (e.g. IORP's Pension Benefit Statement) Once a PTS has been established that fulfils the core task of providing a comprehensive overview of pension accruals, additional functionality can be added, for example to support decision-making (early retirement, additional saving, decumulation options). This, however, depends on the nature of the pension system and the degree to which pension providers already provide such functionality, or are may be even required to do so. A citizen-centric design approach, focused on inclusiveness, transparency, and usability, is essential to increase adoption and trust.

Question 2. What do you consider will make a pension tracking system a useful tool to increase citizens' awareness of their future pension entitlements and to enable them to plan for retirement?

Please rank options according to their importance, 1 being the most important, and 5 being the less important:

	1	2	3	4	5
Access to the system and the information provided is simple and secure	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Users can be sure that the information is objective, i.e. not influenced by the interest of those that provide the information	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The system covers all pillars of the pension system	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
The system is cost-effective	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Other	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

Please specify to what other option(s) you refer in your answer to question 2:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Harmonizing data standards: unlike objectivity, accessibility, and comprehensive coverage, which directly affect the end user's trust, understanding, and ability to act, data harmonization primarily concerns technical consistency between systems and providers. It facilitates interoperability and data integration, but the user does not experience it directly. A citizen doesn't see "harmonized data"; they see accurate or inaccurate information, which is shaped more by coverage and governance than by technical standards alone. Harmonization is a long-term technical process that can be progressively improved. Its evolving nature and complexity across jurisdictions mean that perfect harmonization is not a prerequisite for launching or operating a useful and trustworthy PTS, especially in its early phases.

Please elaborate your answer to question 2:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

All options above are important, some are not comparable and therefore difficult to rank. R1: Access to the system and the information provided is simple and secure: citizens should log in or access the system easily, through secure and intuitive means, and navigate without expert knowledge. A seamless, user-friendly experience fosters higher engagement and repeated use. PTS can raise awareness of retirement entitlements only if easily accessible and providing simple and comprehensible information. MSs must balance accessibility and simplicity of information provided by PTS, as a digital tools could exclude individuals with low digital literacy. The European Tracking Service on pensions (ETS) helps individuals keep track of their pension entitlements across different EU MSs, particularly for mobile workers. As for digital accessibility, eIDAS 2.0 introduces the European Digital Identity Wallet (EUDI Wallet), reworking the Europe-wide framework for trust services introduced in the previous eIDAS regulation and allowing EU citizens to authenticate themselves digitally and securely across all MSs. This means a person working in multiple EU countries could use the same trusted digital eID wallet to have access to their entitlements in the PTS in each country, without needing to authenticate separately. In addition to the improvement of the authentication, to have a means to identify users via an attribute provided by the wallet would be a considerable benefit in terms of simplification for the citizen. The wallet's attributes could also simplify identification, improve interoperability, enhance security, and support ETS development. R2: information must be objective, not influenced by the interest of those that provide the information. Standardization enables aggregation, which is essential in providing a single pension overview. We agree with EIOPA's advice that a PTS should fulfil the characteristics of a public good. This has implications on the choice of the governance structure and the funding models of the PTS. A well-governed PTS will foster citizens' trust and should therefore be underpinned by principles of good governance: non-profit, independence, credibility, and transparency. The main goal of a PTS consists of providing a clear and comprehensive overview of pension entitlements for their citizens. A single, independent non-profit operator ensures figures are not filtered by vested interests. R3: In principle, comprehensive coverage is a cornerstone of any effective PTS: only with all pension entitlements included can users see their full retirement outlook. Without it, individuals may make poor financial decisions. Still, challenges exist: • Variability across MSs: The relevance of including all pillars depends on the national context. In some MSs, supplementary pensions play a significant role, while in others, they are less prominent. Therefore, the relative importance of cross-pillar coverage should be assessed accordingly. A ETS would particularly benefit mobile EU citizens with accrued rights in multiple MSs and across different schemes. • Practical implementation challenges: including pillar III can be challenging in certain MSs. Retail pension products can be very different in design making it difficult to add the pillar III pension benefits to the pillar I and II entitlements. Thus, while full coverage is desirable, it must be carefully implemented to avoid confusion, and its importance should reflect national contexts. R4: Cost-effectiveness. While ensuring that a PTS remains free for citizens is key, high operational costs could still indirectly affect participants through higher fees or reduced benefits. Therefore, cost-effectiveness is not just a matter for policymakers and providers, but also relevant for citizens. The nature of public good should be considered also in defining the funding model of the PTS to avoid unintended consequences on future pension benefits. In MSs with a well-established PTS, the platform is often the primary source of information for individuals seeking to understand their pension entitlements. Only after consulting PTS do participants typically turn to individual pension providers. Given this, MSs could explore streamlining regulatory requirements—e.g., pre-contractual disclosures and annual Pension Benefit Statements—, if not already aligned. Reducing duplication would enhance clarity for users and lower compliance costs for providers. This supports the development of more efficient and scalable PTS solutions and the EC goal of reducing unnecessary administrative burdens. However, simplification must not come at the expense of transparency: the goal is to improve the delivery and accessibility of information, not to reduce the amount of information available to participants.

Question 3. Which of the following elements should a pension tracking system cover?

Please rank options according to their importance, 1 being the most important, and 5 being the less important:

(Please see also the questions on transparency in sections 4. and 5.)

	1	2	3	4	5
Information from all schemes about past contributions and accrued entitlements	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Projected pension benefits at a set retirement age based on standard career assumptions	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Possibility to simulate pension entitlements under different scenarios of individual contributions, retirement age, investment allocations, and financial market developments (where relevant)	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Information about the options and the pay-out (net of taxes) a citizen can expect in case of early withdrawal	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Other	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please elaborate your answer to question 3:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The ranking of the answers to this question depends on the MS considered. Rank 1: Projected pension benefits at a set retirement age based on standard career assumptions: Projected pension benefits of different schemes should be presented in such a way that they can be aggregated. While projections rely on assumptions, they are useful for retirement planning and allow users to gauge whether their current trajectory will provide sufficient retirement income. Ideally, PTSs could present projections under three economic scenarios: • Best estimate (base case, e.g. with average returns and inflation), • Good weather (optimistic assumptions, e.g., higher returns or wage growth), and • Bad weather (pessimistic scenario, e.g. with lower returns or interrupted contributions). This approach helps users understand the range of possible outcomes and enhances financial preparedness, especially in uncertain economic conditions. It can also promote more informed decision-making, encouraging users to adjust saving behaviour if projections under the pessimistic scenario show a risk of shortfall. Rank 2: Information from all schemes about accrued entitlements and, where relevant, past contributions: a fundamental component of any PTS is the provision of accurate and comprehensive data on accrued entitlements, as this gives users a clear and consolidated view of the pension rights they have earned across different schemes (Pillar I, II, and III). However, the PTS should not focus on contributions paid in, but only on entitlements accrued. Communicating contributions would lead to additional complexity by adding non-actionable information, which may not be understood by all users. Importantly, the presentation of accrued entitlements should allow for easy aggregation across schemes, enabling users to understand their total pension position in a coherent and meaningful way. (See also our comments on comprehensive coverage in Q2.) Rank 3: more advanced users will benefit from simulation tools that allow them to explore different retirement scenarios—such as adjusting the retirement age, changing contribution rates, or selecting different investment strategies (where applicable). These tools empower users to make informed decisions and improve financial literacy. At the same time, we highlight that introducing complex simulations on pension entitlements under several scenarios can significantly increase the costs of establishing and managing a PTS. Offering simulations should be done in such a manner that it does not come at the expense of the understandability of the core information in the PTS. Rank 4: Information about the options and the pay-out a citizen can expect in case of early withdrawal: this information is relevant only for those MSs that allows different pay-out options or early withdrawals. Where possible, information on early withdrawal options and net pay-out estimates should in principle be included to inform citizens of the financial trade-offs of accessing pensions early, but this should be framed carefully to avoid encouraging premature pension drawdowns unless necessary. Other: Additional guidance and contact points To enhance user understanding—particularly during life transitions—the PTS could clearly indicate where more detailed or personalized information can be obtained. This includes linking directly to the relevant pension institutions or providers, or enabling users to ask questions, access up-to-date data, or verify assumptions. Including contact links or even integrated messaging portals would allow users to take immediate action based on what they see in the PTS, and would also promote trust in the accuracy of the data.

Question 4. What do you consider are the most difficult challenges in setting up a pension tracking system?

Please rank options according to their importance, 1 being the most important, and 6 being the less important:

	1	2	3	4	5	6
Data protection	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Accuracy and impartiality of data	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Access to the platform and presentation of the information	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Maintenance and governance of the platform	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Inter-operability with pension tracking systems across Member States	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Other	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please elaborate your answer to question 4:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The ranking of the answers to this question depends on the MS considered. Rank 1: The greatest challenge in setting up a PTS is ensuring that all pension data—across statutory, occupational, and personal schemes—is accurate, complete, and impartial. Rank 2: Even with perfect data, a PTS will fail if users cannot easily access it or understand the information. Digital tools must be intuitive and accessible to users with different digital skills. The platform must also strike the right balance between clarity and completeness, avoiding information overload while conveying essential entitlements. Accessibility and usability are enablers of user trust and engagement, but they depend on the successful resolution of deeper data and integration issues. Rank 3: While critical, data protection challenges are more solvable today thanks to advances in encryption, identity verification (e.g. eIDAS, EUDI Wallet), and consent-based data access frameworks. That said, strong data governance is still needed to ensure compliance with GDPR, protect against misuse, and build public trust. Security should be designed into the architecture from the beginning, especially given the sensitivity of personal financial and employment data. Rank 4: Clear governance and sustainable funding models are essential to ensure the long-term success of a PTS. While often seen as an administrative issue, poor governance can derail even technically sound platforms. Successful PTS implementations (e.g. in the Netherlands, Belgium, France, or Sweden) show that once the governance and operational model is set, the system can run reliably and cost-effectively. This challenge includes assigning roles, ensuring independence from commercial interests, and deciding whether to pursue public, private, or hybrid funding models. It is critical—but once established, relatively stable. Rank 5: cross-border interoperability is the next major challenge—especially important in the context of the European Union, where labour mobility is encouraged. Citizens who have worked in multiple MSs often face significant difficulties tracking their entitlements across different pension regimes. Without integration or coordination among national PTS, these users are left with a disjointed and incomplete view of their retirement benefits. The ETS aims to solve this through a federated approach, connecting national PTSs rather than replacing them. However, technical integration remains limited: only a few countries are connected. In the long term, ETS could be a crucial tool for EU workers with cross-border careers, but delivering this vision requires legal, technical, and political coordination at the EU level. The European Commission is playing a crucial role to support its development and must continue to do so. An important but often underappreciated challenge lies in the legal foundations for cross-border data exchange. In some cases, national legislation does not yet provide a clear legal basis for PTS to share personal data across borders—even where robust technical solutions and individual consent mechanisms are in place. This gap stems largely from the fact that existing legal frameworks were designed in a context where cross-border data exchange for pension tracking was not anticipated. As a result, even where there is political will and technical readiness to connect across borders, the absence of an explicit legal provision authorizing such data exchange can delay or block participation. Overcoming this typically requires amendments to national law, a process that involves legal, administrative, and sometimes political complexity. Therefore, the EC could include in its recommendations to MSs to provide in their national legislation a legal basis for data exchanges between PTSs in the context of the ETS when a PTS is established.

2. Pension dashboards

Pension dashboards show country-wide information on pensions with the objective to highlight gaps in sustainability and their adequacy at aggregate level, and to enable Member States to deploy necessary policy intervention. These can be a tool to create a political setting that allows for appropriate peer pressure to be exercised, so that Member States identify and address shortcomings at their level and are incentivised to learn from best practices.

The Commission and Member States are jointly producing and publishing data on pensions adequacy and their sustainability in the [Pension adequacy report](#) and in the [Ageing report](#). EIOPA analysed data gaps and advised on steps to set up pension dashboards.

Question 5. Which elements do you consider useful to make pension dashboards an effective tool to monitor the performance of a Member States' pension system?

Please rank options according to their importance, 1 being the most important, and 5 being the less important:

	1	2	3	4	5
Detailed data about occupational and personal pensions, in addition to statutory pension	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Breakdown of pension data by different cohorts of the population (e.g. by gender, age, type of employment, economic sector, income, etc.)	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A forward-looking projection of pension adequacy and sustainability, based on transparent and robust assumptions.	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Consistent data and methodology across Member States to allow for comparisons	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Other elements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

Please specify to what other element(s) you refer in your answer to question 5:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Other elements (Rank 4) Beyond content, the presentation, reliability, and governance of the dashboard are critical to its effectiveness. We recommend the following: • The dashboard should be attractive and intuitive, suitable for use by policymakers, researchers, journalists, and the wider public; • Consideration should be given to a visual format, e.g., colour-coded signals (red/orange/green), similar to the Macroeconomic Imbalance Procedure scoreboard; • Stability over time is essential to allow users to track trends, rather than facing shifting indicators or formats each year; • National granularity should be allowed to reflect local contexts; • Procedural guarantees should ensure data reliability—potentially through oversight by EU Independent Fiscal Institutions, as established under Council Directive 2011/85 and Regulation 473/2013. These features would improve both transparency and public trust in the dashboard as a policy tool.

Please elaborate your answer to question 5:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

We would like to stress from the outset that it is difficult to provide a definitive answer to the question posed, as the precise structure, purpose and intended use of the pension dashboard remain unclear. Without clarity, there is a risk of misuse, for example, through the creation of cross-country rankings or benchmarks that ignore the diversity and complexity of MS' pension systems. We believe pension dashboards can be valuable national policy support tools if grounded in subsidiarity, built on existing data, and designed to enhance transparency and informed debate, not to harmonise or compare. We propose the following guiding principles:

- Purpose clarity: dashboards must be designed with a clearly defined and limited purpose—supporting national reform dialogue, not EU-wide ranking.
- Respect for diversity: the variety of pension systems reflects different policy goals and legitimate national choices. This diversity must be preserved.
- Use of existing data: dashboards should be based on data already collected, including from the Pension Adequacy Report, Ageing Report, and national Pension Tracking Systems (PTS).
- No additional reporting burden: new obligations on pension providers or institutions should be avoided.
- Transparency and reliability: data should be verifiable, assumptions clearly stated, and procedural safeguards ensured.

Ranking:

Rank 1. Detailed data about occupational and personal pensions, in addition to statutory pensions To provide a meaningful and complete picture of pension adequacy and sustainability, all three pillars of the pension system should be reflected—particularly in countries with well-developed occupational and personal pensions. However, this should be pursued in a phased and pragmatic manner, using data that is already available from national and EU-level sources. We oppose new reporting obligations introduced for the sole goal of feeding the dashboard. Dashboards should be built on existing statistical outputs and administrative data from already available sources.

Rank 2. A forward-looking projection of pension adequacy and sustainability, based on transparent and robust assumptions Projections are valuable tools for anticipating future challenges such as demographic change, labour market transformation, or fiscal pressures. However, they must:

- Be based on realistic, transparent, and context-sensitive assumptions;
- Be anchored in existing EU tools, such as the Ageing Report and Pension Adequacy Report, which already provide long-term, peer-reviewed projections;
- Be clearly presented as internal policy planning tools—not instruments for cross-country comparison or policy convergence.

Forward-looking elements should inform national debate, not impose uniform standards.

Rank 3: Breakdown of pension data by different cohorts of the population (e.g. gender, age, employment type, sector, income) Aggregate figures often conceal significant disparities. Disaggregated data is essential to identify inequalities and support targeted policy interventions, particularly for groups structurally disadvantaged in pension outcomes. We support:

- Gender-specific data to monitor pension gender gaps;
- Age-based breakdowns to assess intergenerational equity;
- Employment and sector-based data to inform occupational pension development and social dialogue.

This data should be derived from existing sources, without imposing new administrative burdens.

Rank 5. Consistent data and methodology across MSs to allow for comparisons While consistency in definitions can be helpful, we oppose the use of dashboards for cross-country performance comparison, ranking, or harmonised scoring. Pension systems differ substantially due to legitimate national choices, histories, priorities, and have different goals within the social protection systems they operate.

Question 6. Which dimensions of a pension system's performance do you find most meaningful?

Please rank options according to their importance, 1 being the most important, and 5 being the less important:

	1	2	3	4	5
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Income replacement, i.e. the level of retirement income relative to work income now or in the future	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Pension sustainability, i.e. measured by its capacity to deliver a decent level of retirement income in the next decades in face of a declining working age population	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Contribution to poverty reduction and equality	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Fiscal costs now and in the future	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

Please specify to what other dimension(s) you refer in your answer to question 6:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Other dimensions (Rank 5) Several other factors influence the effectiveness and public legitimacy of pension systems. These include: • Coverage rates across all pillars, as a precondition for future adequacy; • Gender pension gaps and efforts to reduce them; • Inclusion of younger and atypical workers; • Role of social partners in governance and design; • System stability, transparency, and long-term public confidence. These qualitative elements should complement core metrics and be part of dashboard visualisation and interpretation. Transparency also requires accessible formats and procedural reliability. A well-designed pension dashboard should: • Offer clear infographics, e.g., using colour codes like red/orange/green; • Be stable in format to track trends over time; • Include data verification mechanisms, potentially involving independent fiscal institutions, as outlined in EU fiscal governance regulations.

Please elaborate your answer to question 6:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

A Pension Policy for a more Social and Competitive Europe must be grounded in Principle 15 of the European Pillar of Social Rights: “Workers and the self-employed in retirement have the right to a pension commensurate to their contributions and ensuring an adequate income. Everyone in old age has the right to resources that ensure living in dignity.” Pension systems should therefore be assessed against their ability to maintain income, reduce poverty, and remain financially sustainable—not in isolation, but in transparent balance. The EU’s competences in pensions are limited, but there is clear value in improving data transparency, citizens understanding, and policy coordination, especially as pension failures in one Member State may contribute to broader macroeconomic and fiscal instability, affecting others.

Rank 1: Income replacement Maintaining individuals’ living standards in retirement relative to their working income is a central function of pension systems. Income replacement rates are thus a core adequacy indicator and a key driver of public trust. Supplementary pensions, particularly occupational pensions, play an essential role in enhancing replacement levels, especially where public schemes are limited. Dashboards must reflect the full pension picture, including second and third pillars, to capture this function accurately.

Rank 2: Pension sustainability We support the goal of long-term financial sustainability, but only in conjunction with adequacy. A system that is fiscally balanced but delivers inadequate benefits cannot be considered successful. We encourage a multi-pillar approach and regular reviews of retirement ages, contribution levels, and financing structures. Transparency on projected liabilities and long-term demographic trends is critical, but sustainability assessments must avoid promoting benefit retrenchment without social consideration.

Rank 3: Fiscal costs Improving pension adequacy almost always comes with fiscal implications. Higher benefits, lower contribution thresholds, or inclusive rules all increase public expenditure. As life expectancy rises, fiscal pressures intensify, prompting many MSs to raise the retirement age or adjust indexation. It is therefore crucial to evaluate pension systems in terms of short- and long-term budgetary impact, while also considering:

- Intergenerational fairness;
- Macroeconomic multipliers from secure old-age incomes;
- The trade-offs between adequacy, coverage, and fiscal effort.

Transparency on fiscal cost projections, alongside clear governance, is essential to support public debate and policy credibility. Failure to address fiscal sustainability may lead to budgetary risks that spill over across the EU.

Rank 4: Contribution to poverty reduction and equality Pension systems are not only income replacement tools but also pillars of social protection. Ensuring that no one faces old-age poverty is a fundamental duty of welfare states. This includes reducing inequalities based on gender, income, and employment type. We stress the importance of:

- Gender-sensitive design, to reduce lifetime inequalities;
- Inclusion of part-time, self-employed, and non-standard workers;
- Recognition of unpaid care work, particularly for women.

At the same time, we highlight that pensions alone cannot ensure fairness. For instance, adequate minimum income guarantees, healthcare, and social services are also essential. However, pension indicators must reflect these broader social roles and impacts.

3. Auto-enrolment

The consultation explores the role of auto-enrolment in the Union’s strategy on supplementary pensions. The Commission commissioned a [study on best practices and performance of auto-enrolment mechanisms for pension savings](#).

In particular, a question arises on whether Member States should encourage the use of auto-enrolment to nudge future pensioners in allocating part of their income (or savings) into a supplementary pension scheme.

The consultation also enquires about the approach that Member States could adopt to incentivise enrolment into supplementary pensions, to possibly identify best practices about factors that determine the effectiveness of auto-enrolment. This may involve examining various factors that can influence the success of auto-enrolment, such as the availability of default options, the cost-effectiveness of starting at earlier ages, the design of pay-in or pay-out phases,

incentives for employers to facilitate the enrolment of their employees and the type of pension schemes used for auto-enrolment, including existing occupational pension schemes and other pension products used in the workplace context.

The initiative may also consider best practices as regards practical aspects such as the eligibility of schemes for auto-enrolment, the eligibility of workers/employees, the duties of employers or professional workers, the enrolment process, the opt-out, transparency, portability and safeguards for beneficiaries. The role of taxation could also be explored.

Question 7. What are in your views the key features for an auto-enrolment mechanism to be successful?

Please rank options according to their importance, 1 being the most important, and 8 being the less important:

	1	2	3	4	5	6	7	8
Provision of auto-enrolment administration facilities by the State	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Starting with low contribution rates for participants with their gradual escalation over time	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Duration and recurrence of opt-out windows and options for re-enrolment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
State incentives (e.g. tax or subsidies), with calibration based on income categories	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Preservation of statutory pension benefits and sustainability	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Full or partial early withdrawal of pension benefits (subject to penalty, where relevant)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Involvement of social partners in its design	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

Please specify to what other key feature(s) you refer in your answer to question 7:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please elaborate your answer to question 7:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

A well-designed auto-enrolment (AE) mechanism can be a powerful tool to increase participation in occupational pension schemes, particularly among younger, lower-income, or non-standard workers. Key design elements should include a gradual contribution escalation—a “save more tomorrow” approach—which has proven to be behaviorally effective by easing the initial financial burden and encouraging long-term saving. To promote fairness and participation, the mechanism should incorporate income-sensitive incentives such as tax breaks or subsidies, especially for low- and middle-income earners, as demonstrated by reforms in Lithuania and Ireland. Equally important is the development of a state-facilitated administrative infrastructure—such as the UK’s National Employment Savings Trust (NEST)—which can support standardisation, cost-efficiency, and reduce the operational burden on employers, particularly SMEs. Auto-enrolment must be designed in harmony with the national statutory pension system. It should complement—not replace or undermine—public pensions, which remain a cornerstone of adequacy, trust, and political legitimacy. To ensure alignment with labour market structures and gain legitimacy, social partners should play an active role in the design and governance of the system, as seen in Austria and the Netherlands. While opt-out provisions are necessary to respect individual freedom, they should be carefully framed—e.g., by limiting the opt-out window and enabling automatic re-enrolment at regular intervals—to maintain the effectiveness of the system. Flexibility through early or partial withdrawals may be considered, but should be strictly limited to hardship cases in order to preserve retirement adequacy. A successful auto-enrolment mechanism must also ensure inclusiveness and portability, covering various forms of employment including employees, self-employed individuals, and platform workers. Administrative simplicity, cost-effectiveness, and digital accessibility are critical. Moreover, it is essential that employers select pension providers—particularly for defined contribution (DC) schemes—with a proven track record of consistent, good outcomes for members. However, while these features can support the effectiveness of auto-enrolment, a one-size-fits-all model would be inappropriate. The success of auto-enrolment depends heavily on the characteristics of the national pension landscape. In Member States where occupational pensions are already mandatory or quasi-mandatory—often governed through successful paritarian models—introducing AE may not provide added value and could risk disrupting existing systems. Therefore, the upcoming EU recommendation should acknowledge the value of AE as a tool to increase participation, while allowing Member States full flexibility to decide whether, and how, to implement it. In countries where AE is already in place, any efforts to improve its effectiveness should be tailored to national conditions, rather than relying on solutions drawn from non-comparable frameworks. Ultimately, any auto-enrolment system must aim for broad participation and adequate contribution levels to ensure that supplementary pensions genuinely support retirement income adequacy.

Question 8. In your opinion, what should be the features that the default pension plan(s) should have to be successful?

Please rank options according to their importance, 1 being the most important, and 6 being the less important:

	1	2	3	4	5	6
Life-cycle asset allocation (more prudent as the retirement date approaches)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Option to shift pension plan and risk profile at a later stage (in addition to opt out)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Minimum contribution, with the option to increase it at later stage	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Capital guarantee, despite expected lower return compared to solutions without that guarantee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Sufficient scope of target population, to ensure cost effectiveness and investment diversification capability of the default fund(s)	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

Please specify to what other feature(s) you refer in your answer to question 8:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please elaborate your answer to question 8:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

To be effective, default pension plans should follow a life-cycle asset allocation strategy, gradually shifting from growth-oriented investments in the early accumulation phase to more conservative allocations as retirement approaches. Widely regarded as a gold standard in default design, this approach is successfully applied in countries such as Sweden, the Netherlands, and the UK through the use of target-date funds. It helps balance long-term capital appreciation with capital preservation, especially safeguarding less financially literate participants from undue exposure to investment risk as they age. A reasonable minimum contribution should be required to ensure basic pension adequacy, with mechanisms in place to encourage gradual increases—ideally through automatic escalation. The default fund should be inclusive, covering a wide range of working arrangements such as gig workers, part-time employees, and the self-employed. This broad participation base enhances cost-efficiency, enables investment diversification, and improves scalability, which is particularly beneficial in smaller Member States or centrally managed systems. While capital guarantees can support trust-building—especially in regions with low financial literacy or where funded pensions are newly introduced, such as parts of Southern and Eastern Europe—they also come with trade-offs. Capital guarantees tend to reduce expected returns and increase product costs, thereby undermining the long-term objective of wealth accumulation. They are often selected by financially less experienced participants who view them as a form of security. However, in the context of long-term retirement savings, such guarantees may prove misleading and counterproductive. Flexibility should be embedded in the system by allowing participants to adjust their pension plan or risk profile over time, accommodating changes in financial circumstances or understanding—though in practice, most will remain in the default scheme. Additional key features include a transparent and low-cost fee structure, and alignment with sustainability and ESG objectives, provided that fund performance remains the overriding criterion. In conclusion, default pension plans should be designed to be risk-managed across the life course, inclusive, cost-efficient, and trust-building, while remaining simple for the participant and consistent with EU values, particularly in relation to environmental and social responsibility when it does not compromise investment performance.

Question 9. In your opinion, who should have the responsibility to establish the default pension plan that eligible participants should enroll in?

- ☒ The legislator
- ☐ The social partners, where applicable
- ☐ The employer
- ☐ Other
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 9:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The responsibility for establishing the default pension plan should lie primarily with the national legislator, as this ensures consistency, transparency, and legal certainty. Centralising this role enables broad and inclusive coverage of the eligible population, including mobile workers, platform workers, and the self-employed, while embedding safeguards for adequacy, fairness, and cost-efficiency. National legislation can determine the plan's structure and designate authorised providers—whether public or regulated private entities—along with the overarching governance framework, including fiduciary duties, supervisory arrangements, and fee caps. It can also impose requirements for transparency, portability, and consumer protection, ensuring that the system remains robust and aligned with national labour market conditions. The legislator's role in providing the legal framework, defining tax incentives, and setting the minimum criteria for plan approval is a prerequisite for implementing an auto-enrolment mechanism. However, employers and social partners—where applicable—should retain the ability to establish their own pension plans, provided these comply with the general rules and safeguards established at the national level.

Question 10. In your opinion, what measures shall be adopted to ensure equal opportunities for self-employed and employees not covered by auto-enrolment?

- ☒ Granting of equivalent tax incentives or other subsidies to participate in private pension plans
- ☐ Granting of equivalent tax incentives or other subsidies to participate in in general default occupational pension plans only
- ☐ Other
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 10:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

To ensure equal opportunities for self-employed individuals and employees not covered by occupational pension schemes, Member States should offer equivalent financial incentives—such as tax deductions, matching contributions, or state subsidies—comparable to those granted under auto-enrolment arrangements. This is essential, as self-employed and atypical workers, including gig workers and freelancers, are often excluded from occupational pension coverage, leading to structural disparities in retirement outcomes. Bridging this incentive gap is vital for promoting pension adequacy, strengthening social inclusion and solidarity, and advancing the EU's broader goals of reducing old-age poverty and closing gender pension gaps. These incentives should support participation in regulated private pension products—such as third pillar schemes, the Pan-European Personal Pension Product (PEPP), or other state-approved plans—which can serve as default options for non-salaried workers or individuals opting out of employer-sponsored arrangements. Additionally, granting uniform tax incentives to all savers, regardless of their enrolment pathway—automatic or voluntary—could further level the playing field and enhance participation across diverse employment types.

Question 11. What is in your view the task of the public authorities in enabling the use of auto-enrolment?

Please rank options according to their importance, 1 being the most important, and 7 being the less important:

(Please see also the question on PEPP in a workplace context below)

	1	2	3	4	5	6	7
To set the relevant legal framework	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
To provide detailed guidance to employers and other bodies	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
To provide tax incentives or public subsidies to the target population	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
To provide tax incentives or compensation for employers or other bodies that administer enrolment, contributions and pay-outs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
To provide administrative support	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
To provide comprehensive and impartial information to the target population	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Others	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

Please specify to what other task(s) you refer in your answer to question 11:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please elaborate your answer to question 11:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Public authorities play a multi-dimensional role in enabling the effective implementation of auto-enrolment, with their primary responsibility being the establishment of a robust legal framework. This provides the foundation for legitimacy, consistency, and alignment with national pension systems, labour regulations, and consumer protection standards. Equally critical is the delivery of comprehensive and impartial information to the target population in accessible and multilingual formats—particularly important in countries with low financial literacy or large migrant worker communities. Public authorities should also provide financial incentives or subsidies to enhance participation and equity, especially among low- and middle-income earners and non-standard workers. Supporting employers is another key function. Detailed guidance—particularly for SMEs and sectors with limited pension expertise—is essential. To reduce administrative burdens and promote inclusivity, authorities should offer compensation or tax relief and invest in centralised digital platforms to streamline enrolment and contribution processes. In parallel, public authorities must ensure compliance through proportional monitoring and enforcement, facilitate the portability of pension entitlements across sectors and borders, and conduct ongoing evaluations through transparent data collection. While the exact allocation of responsibilities may differ across Member States, coordinated action across these domains is vital to foster trust, increase participation, and ensure the long-term sustainability of auto-enrolment schemes.

4. Review of the PEPP Regulation

Since its launch, the PEPP has not experienced material uptake across the EU. According to an [EIOPA staff paper published in 2024](#), several issues were identified to justify the poor uptake: the level and structure of the fee cap on PEPP distribution, as well as Member States inaction on implementing national provisions, and the less advantageous tax regimes of PEPP vis-à-vis other national personal pension products. EIOPA also made suggestions on ways to improve PEPP uptake, including combining occupational and personal PEPP in a single pension product, reducing administrative burdens, and introducing auto-enrolment in the PEPP.

This consultation aims to collect information on whether the PEPP Regulation shall be reviewed to introduce a streamlined and accessible default option (the “Basic PEPP”) to complement existing Member States’ pay-as-you-go and occupational pension systems. In particular, it explores whether the appeal and usability of the PEPP could be improved by simplifying product features, facilitating digital onboarding, ensuring cost-effectiveness, and removing barriers to participation across the European Union. Views are also sought on whether additional investment options shall continue to be offered in addition to the Basic PEPP.

The current PEPP requires distribution to be subject to an individual suitability test. While the Basic PEPP can include life-cycling strategies - which entail a dynamic asset allocation for different age cohorts of pension members as a function of the distance to the retirement date (i.e. becoming more prudent as the retirement age approaches) –, these strategies are not necessarily required by the Regulation, which allows for alternative risk mitigation techniques. The consultation explores whether the Basic PEPP can be designed as a non-complex lifecycle product that incorporates suitability factors, such as risk appetite and investment horizon, directly into its structure, easy to understand and therefore to be offered also without investment advice, enabling distribution on an execution-only basis with lower costs.

The consultation also explores PEPP’s potential role as a default option for workplace auto-enrolment schemes. The aim will be to ensure that the Basic PEPP could be distributed through any channel, including auto-enrolment and digital channels.

This consultation also invites views on the adequacy of information and comparability requirements and the impact of the [2017 Commission recommendations on the tax treatment of personal pension products](#), including the PEPP.

Stakeholders are also encouraged to raise any additional issues that could contribute to the successful scale-up of the PEPP.

Basic PEPP

Under the PEPP Regulation, advice should be given to prospective PEPP savers by PEPP providers or PEPP distributors prior to the conclusion of the PEPP contract, including for the Basic PEPP. This requirement aims to ensure consumer protection but also adds to the costs of the product. In addition, according to the [OECD recommendation for the good design of defined contribution pension plans](#), “life cycle investment strategies can be well suited to encourage members to take on some investment risk when young, and to mitigate the impact of extreme negative outcomes when close to retirement”.

Question 12. In your view, does the current structure of the Basic PEPP allow for wide uptake by savers across the European Union, helping to ensure adequate income in retirement while also contributing meaningfully to the objectives of the savings and investments union?

- ☐ Yes
- ☒ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 12, specifying what changes, if any, would be necessary to enhance the attractiveness of the Basic PEPP for both providers and savers:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The current design of the Basic PEPP has not led to broad adoption, mainly due to the following factors, which are summarized below and further explained in response to more specific questions:

- **Level playing Field:** The Basic PEPP – as analysed and confirmed in the 2024 OPSG position paper – unfortunately has still not been placed on an equal footing with national personal pension products (PPPs) to ensure its success.
- **The requirement for mandatory advice:** The requirement to provide advice in the form of a personal recommendation for the Basic PEPP significantly adds to the costs of the Basic PEPP and is not necessary for savers choosing to save in the Basic PEPP.
- **Cross-border portability:** The requirement that PEPP providers should offer national sub-accounts for a given PEPP in at least two Member States implies that providers should build the administrative infrastructure required to manage national compartments in multiple Member States. This creates a hurdle to enter the PEPP market. However, portability lies at the heart of the PEPP. Without the requirement to provide sub-accounts in at least two member states, its added value over national personal pension products would diminish, reducing its attractiveness to savers.
- **The 1% fee cap:** A majority of OPSG members view the 1% cap for the Basic PEPP as a major deterrent for providers. They argue that the cap makes it impossible to rely on traditional distribution channels to offer the PEPP, and therefore believe that reforming the fee structure is essential to encourage more providers to enter the market. However, beneficiary representatives and a few other members disagree, warning that lifting the cap could simply lead providers to replicate the high fee structures already prevalent in national personal pension markets.
- **The rules around life-cycle strategies:** Life-cycle investment strategies are currently regulated with mandating stochastic modelling

and the probability of recouping the capital by at least 92.5 % for the Basic PEPP. According to the majority of OPSG members, the requirement to rely on a stochastic model increases the cost to providers and the stochastic model, imposed by regulation, is a serious restriction to work permanently in optimal market conditions placing significant constraints on investing in long-term growth assets.

Question 13. Do you consider that the Basic PEPP should necessarily be designed with a built-in lifecycle investment strategy, as a standard feature of the product?

- ☒ Yes
- ☐ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 13, considering whether other risk mitigation techniques should also be considered as a standard feature of the Basic PEPP and why:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

In the OPSG view, the Basic PEPP should be designed by PEPP providers on the basis of a guarantee on the capital, or a lifecycle investment strategy, which changes its asset allocation and associated risk levels over time with the objective of decreasing risk of losses with increasing age. Lifecycle investment strategies have long been used as default options in pension systems worldwide. They are widely recognised for their effectiveness, including in the OECD's 2022 Recommendation for the Good Design of Defined-Contribution Pension Plans, which describes them as "well suited to encourage members to take on some investment risk when young, and to mitigate the impact of extreme negative outcomes when close to retirement." Following this approach, savers would be able to choose between two well-recognised types of default investment options, and the PEPP Regulation could be streamlined by removing the concept of risk-mitigation techniques, which is not commonly applied in pension systems and adds unnecessary complexity to the Level 2 rules that define the criteria such techniques must meet. Indeed, these Level 2 rules require that the probability of recouping the capital at the start of the decumulation phase and during the decumulation phase should be at least 92.5 % for the Basic PEPP and be calculated using stochastic modelling. This probability essentially imposes that the Basic PEPP offers a quasi-capital guarantee and therefore places significant constraints on investing in long-term growth assets. Savers seeking higher long-term retirement income through investment in equities and private assets should have the flexibility to choose a Basic PEPP with a life-cycle strategy—without being constrained by unnecessary probability requirements. Conversely, those who prioritise capital preservation can opt for a Basic PEPP that offers a capital guarantee. However, the beneficiary representatives of the OPSG do not support this view, as savers have the possibility to opt for alternative investment options and the Basic PEPP should be safe and simple offering the probability of recouping the capital at 92.5%. Another argument of the majority of OPSG members for allowing the Basic PEPP to adopt life-cycle strategies without requiring a minimum probability of capital preservation is that stochastic modelling is both costly and subject to significant limitations, making it an unreliable basis for regulatory requirements. Contrary to the Level 2 approach, many jurisdictions have adopted life-cycle strategies in default pension products without imposing the use of stochastic modelling and no minimum probability of guaranteeing capital. In conclusion, reforming the PEPP framework to give savers access to lifecycle strategies—and making it practical for providers by removing the

obligation to apply costly and uncertain stochastic modelling—would offer a meaningful step toward strengthening individuals' long-term financial security. At the same time, it would contribute to building a more robust European Savings and Investments Union. Too much household wealth remains locked in low-yield, unproductive assets. With a design focused on long-term value creation, the PEPP has the potential to become a powerful catalyst for change.

Question 14. Do you consider that the Basic PEPP should be designed in a way that it can be offered also on an execution-only basis (i.e. without requiring investment advice)?

- ☒ Yes
- ☐ No
- ☐ Don't know / no opinion / not applicable

Question 14.1 What additional design features could support or facilitate the distribution of the Basic PEPP on an execution-only basis

Please elaborate your answer:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Yes, we believe that the Basic PEPP should be designed in a way that it can be offered on an execution-only basis. Since the Basic PEPP is specifically designed to be a simple and safe pension product, and must be assessed by both the manufacturer and the relevant regulator before entering the market, the requirement for mandatory advice adds to the cost of PEPP products and limits providers' ability to cover distribution expenses. In this context, as expressed in the OPSG's own-initiative paper on the PEPP, we propose to remove the requirement for mandatory advice when offering a Basic PEPP. We also propose to simplify the obligations under Article 34 of the PEPP Regulation to allow the use of affordable online tools and calculators based on pre-approved documentation from the product registration phase. Leveraging digital distribution channels and scalable technology would reduce costs for both providers and consumers, making PEPP products more accessible.

Question 14.2 Do you consider that there would be value in linking such distribution to a condition that contributions remain within the nationally applicable tax-deductible limits?

- ☐ Yes
- ☐ No
- ☒ Don't know / no opinion / not applicable

Please elaborate your answer to question 14.2:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 15. Do you consider it is useful to maintain the availability of alternative investment options, in addition to the Basic PEPP?

- ☒ Yes
- ☐ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 15:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Yes, retaining alternative investment options would allow savers who are willing to compare the pros and cons of different investment strategies to decide whether or not the Basic PEPP is best for them, given their risk appetite, financial situation, and personal preferences.

Question 15.1 Should such options be defined?

- ☐ Yes
- ☐ No
- ☒ Don't know / no opinion / not applicable

Sub-accounts

Under the PEPP Regulation, PEPP providers should offer national sub-accounts, each of them accommodating personal pension product features allowing that contributions to the PEPP or out-payments qualify for incentives if available in the Member States in relation to which a sub-account is made available by the PEPP provider. Importantly, PEPP providers are required to offer sub-accounts for at least two Member States upon request.

Question 16. In your view, does the sub-account structure align effectively with the specificities inherent in a cross-border product, including how Member States grant tax or other relevant incentives for personal pension

products?

- ☒ Yes
- ☐ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 16:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

We agree that the sub-account structure aligns with the specificities of a cross-border product.

Question 17. Do you consider the requirement for PEPP providers to offer sub-accounts for at least two Member States is necessary to foster cross-border provision of PEPPs?

- ☐ Yes
- ☐ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 17:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

On this question, the OPSG is divided, reflecting contrasting perspectives among its members. A large group of members consider that the requirement to offer sub-accounts in at least two Member States significantly increases the cost and complexity of offering the PEPP. This is one of the reasons why only two providers have chosen to enter the market. These members also believe that the objective of increasing funded pensions for EU citizens is more important than the cross-border nature of pension products. For these reasons, these members believe that PEPP providers should be free to decide whether to offer the product locally or on a cross-border basis. Allowing such flexibility, would help create the right conditions for the PEPP to contribute meaningfully to the development of a genuine EU market for personal pensions. In their view, allowing providers to offer the PEPP without being obliged to include sub-accounts in at least two Member States would not render the product indistinguishable from existing national personal pension products. Indeed, unlike traditional PPPs, the PEPP benefits from an EU passport, allowing providers to offer it across borders. As with UCITS, providers

may choose to market their products locally or on a cross-border basis. On the other hand, another large group of OPSG consider that portability is a fundamental objective of the PEPP and that the PEPP would lose a significant part of its potential added value if the requirement to offer sub-accounts in at least two Member States is abandoned, as it would considerably reduce the chance that mobile workers would be able to save in portable pension product.

Question 17.1 Should the Regulation ensure that savers have access to a PEPP from any PEPP provider, regardless of their Member State of residence and without requiring a sub-account to be available in that Member State?

- ☐ Yes
- ☒ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 17.1:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Not all OPSG members consider that savers should be granted access to a PEPP from any provider regardless of their Member State of residence and without the requirement of an available sub-account in that Member State. While these members fully support cross-border portability and consumer choice, they consider that such access must remain consistent with national frameworks, particularly in terms of taxation, social protection policies, and regulatory oversight. Therefore, a PEPP provider should only be allowed to offer the product in a given Member State if a corresponding sub-account is available, ensuring: • Proper tax alignment, • Regulatory compliance, • Consumer protection, • And operational feasibility. Any attempt to allow universal access without these safeguards would undermine the practical functioning and credibility of the PEPP as a pension solution in the EU. These members also consider that the provision of art. 20(5)(b) of the PEPP Regulation that allows savers to continue contributing to the last sub-account opened in case the PEPP provider is not able to ensure the opening of a new sub-account corresponding to the PEPP's saver's new Member State of residence, create uncertainty for providers regarding the fiscal treatment of contributions paid by the savers in such cases. A solution should therefore be found to legal clarity for providers and savers.

Fee cap

Under the PEPP Regulation, the Basic PEPP is subject to a fee cap set at 1% of the accumulated capital per year, covering most of the costs and fees. This cap is intended to ensure affordability and comparability across the EU market while safeguarding consumer interests. However, it also raises questions about the ability of PEPP providers to deliver long-term value and innovate within this constraint, particularly in light of differing cost structures and market conditions across Member States.

Question 18. Do you consider that the Basic PEPP should continue to be subject to a 1% fee cap?

- ☐ Yes

- ☒ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 18:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

According to the majority of OPSG members – but not the representatives of beneficiaries and a few other members – the 1% fee cap severely limits the ability of potential providers to offer the PEPP. Developing a viable business model that covers the costs of creating and distributing a PEPP is particularly challenging under the current regulatory constraints, especially since the product can only be offered on an individual basis. Attracting individual savers requires substantial marketing and distribution efforts, made more difficult by competition from established personal pension products supported by traditional distribution networks. Representatives of beneficiaries disagree, arguing that the 1% fee cap is workable, as demonstrated by Finax's experience. They stress that other measures – such as those identified by EIOPA in its 2024 paper, should be prioritised to boost PEPP adoption, including removing the requirement for mandatory advice for the Basic PEPP. Other OPSG members counter that Finax's case shows that the only realistic way to operate the PEPP under the cap is via digital channels. While efficient, this approach greatly restricts the potential market. This situation stands in stark contrast to occupational pension products, which benefit from economies of scale by targeting large groups of employees and spreading fixed costs across broader asset bases. Even in the Finax's model, it takes almost seven years to recover client acquisition costs, assuming average monthly contributions of €150 and a 0.6% annual management fee; with retention costs included, breakeven is reached only after about ten years. For this reason, the majority of the OPSG members, again with the exception of beneficiary representatives and a few other members, believe that reforming the fee structure is essential. Without change, the PEPP will struggle to compete with existing personal pension products, which are often high-cost and poor value for consumers, undermining its core purpose of creating a level playing field. As a result, savers risk missing out on the very benefits the PEPP was designed to deliver. Lifting the fee cap would also encourage cross-border provision of the PEPP by making it more feasible to absorb diverse national regulatory and compliance costs. Over time, this could also help drive costs down across the wider personal pension market. Given the importance of keeping the PEPP affordable, a more effective alternative to a rigid cap would be to strengthen cost transparency and disclosure requirements, including clear "reduction in wealth/yield" information. This would ensure that fees are explained, comparable, and justified by the value delivered—protecting consumers while fostering a sustainable and competitive market environment. However, beneficiary representatives remain concerned that, in practice, if the 1% fee cap is removed, providers may simply replicate the relatively high fee structures already common in national personal pension markets.

Question 18.1 What alternative measures would you propose to keep the cost of the Basic PEPP at affordable levels?

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 19. If the fee cap for the Basic PEPP were to be maintained, do you think certain cost components (e.g. taxes, specific distribution costs) should be excluded from the cap, or that other adjustments to the cap should be considered?

- ☐ Yes
- ☒ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 19:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Without a thorough analysis of how excluding certain cost components would affect the overall costs of producing, distributing, and advising on PEPPs, it remains difficult to determine whether such exclusions would meaningfully broaden provider participation. As a result, there is a real risk that this approach may fail to enable the PEPP to gain traction in the personal pension market. For the vast majority of people—especially those who may not fully understand the importance of retirement savings, the investment principles behind the Basic PEPP, or the tax advantages it offers—it is essential to rely on banking and insurance networks to explain and promote the product at the point of sale. To make this possible, these traditional distribution channels must be adequately compensated for the services they deliver. Yet, because most savers are likely to contribute modest amounts annually, the potential for financial remuneration is limited. For example, if an individual saves €1,000 per year, the 1% fee cap allows only €10 per year to cover the full value chain—product development, administration, distribution, and advice. Over five years, this adds up to just €50, a figure clearly insufficient given the effort required to acquire and serve new customers, who are not used or willing to rely on online platforms to subscribe to a pension product. This does not mean that all PEPPs will necessarily exceed the 1% threshold. However, introducing flexibility in how distribution is remunerated would substantially increase access to the product. In the longer term, growing competition—particularly from digital platforms—would naturally put downward pressure on costs, benefiting consumers while ensuring the viability of the PEPP ecosystem. As outlined above, beneficiary representatives and a few other members support maintaining the fee cap and emphasize that other measures—such as eliminating the requirement for mandatory advice for the Basic PEPP—should take precedence in promoting adoption.

Risk-mitigation techniques

Under the PEPP Regulation, all investment options shall be designed by PEPP providers on the basis of a guarantee or risk-mitigation technique which shall ensure sufficient protection for PEPP savers. Risk-mitigation techniques are techniques for a systematic reduction in the extent of exposure to a risk and/or the likelihood of its occurrence. These risk-mitigation techniques have been specified by [Commission Delegated Regulation \(EU\) 2021/473](#).

Question 20. In your view, do the existing risk-mitigation requirements strike an appropriate balance between ensuring consumer protection and maintaining sufficient flexibility and incentive for PEPP providers to offer the PEPP?

- ☐ Yes
- ☒ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 20:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The risk mitigation techniques outlined in the PEPP RTS, which mandates a 92.5% probability of capital preservation and at the start and throughout the decumulation phase, assessed using stochastic modelling, is inappropriate according to some OPSG members. This modelling requirement places a significant burden on providers and severely limits their ability to implement effective lifecycle investment strategies. We believe that the current approach does not create the right conditions for providers to offer the PEPP and stands in contrast to the more flexible, nationally established frameworks for lifecycle strategies. The framework should be reconsidered to allow greater flexibility to enable providers to design lifecycle strategies that are simpler to implement and better positioned to deliver long-term returns in real terms by giving more flexibility to invest in high-growth assets such as equities and private assets, while ensuring a high level of capital protection. Ultimately, these rigid standards undermine consumer protection by preventing returns that are adequate to ensure financial security for PEPP savers.

Question 20.1 Which aspects do you find problematic, and how might they be improved?

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The jurisdictions that accept the use of life-cycle strategies as a default investment strategies rely on much less prescription around outcomes than in the PEPP regulation, i.e., no requirements on the use of stochastic modelling and no minimum probability of guaranteeing capital.

Use in a workplace context

The [EIOPA staff paper on the future of the PEPP](#) suggests considering a PEPP that would combine occupational and personal pensions, noting that a single product may ensure scale and attract more providers, thus increasing offer for consumers. [Stakeholders have also discussed this option](#). As a different option, stakeholders have also highlighted the possibility of adjusting specific requirements in the PEPP Regulation to allow its use as an employment benefit, while preserving its nature as a personal pension product.

Question 21. Do you consider that the Basic PEPP should be explicitly open to use in a workplace context?

- ☐ Yes
- ☐ No
- ☐

Don't know / no opinion / not applicable

Please elaborate your answer to question 21:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The OPSG remains split on this question. A large group of members, especially IORP representatives, consider that the PEPP is not suited to serve as a second-pillar product because the second pillar has a distinct legal framework (social and labour law), objectives, obligations and oversight mechanisms. They also consider that introducing the PEPP in the second pillar could endanger the pension arrangements of the social partners and therefore weakens the current second pillar pensions. In those member states where there is a well-functioning second pillar, introducing the PEPP in this pillar could deteriorate the pensions of many employees. Another large group of members, including most beneficiary representatives, consider that allowing the PEPP to be offered as an occupational pension product by IORPs and other authorised providers could boost demand and scale, leading to lower costs through economies of scale. This would help extend second-pillar pension coverage, particularly among SMEs, where participation remains low in many EU Member States. Larger companies would also benefit by being able to offer a single PEPP — or a selection of PEPPs — to employees across multiple jurisdictions. In this context, PEPPs could still be an individual contract that might serve as a complement to existing occupational pension schemes, not a replacement. Employees and social partners could, where appropriate, be involved in discussions on key aspects of the PEPP — including the choice of investment options, contribution levels, and information requirements, especially regarding cost transparency. For this approach to be effective, the Regulation should be revised to include a series of new provisions, possibly in a dedicated section of the Regulation entitled “Occupational PEPP”, to clarify the extent to which the “occupational PEPP” would have to comply with the rules applying to the PEPP offered as a personal pension product. Member States would also need to clarify the specific features that the “occupational PEPP” would need to comply with to benefit from the same tax advantages and other incentives that are granted to national occupational pensions. Without these specific features, the occupational PEPP would not be able to operate effectively as a company-based product, as it would be automatically excluded from these tax benefits. Moreover, Member States could also clarify that the occupational PEPP would not be entitled to compete with occupational pensions established by sectoral collective agreements where participation is mandatory. In other words, the occupational PEPP would only be allowed to operate in those market segments of the EU member states where competition among different pension funds is open. Against this background, this large group of members invites the European Commission to thoroughly study the possible effects of allowing the use of the PEPP in a workplace context and assess whether the intended goals would outweigh the possible disadvantages. In such process the Commission could also explore how it could give individual member states the option to allow PEPPs to be offered in a workplace context, so that it will not interfere with social and labour law of a Member State.

Registration and supervision

The PEPP Regulation establishes uniform rules governing the registration and supervision of PEPPs.

Question 22. In your view, should the current rules on the registration of PEPP be revised?

- ☐ Yes
- ☒ No
- ☐

Don't know / no opinion / not applicable

Please elaborate your answer to question 22:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

It is crucial that the following rules remain in place: PEPP providers must submit the application for registration of a PEPP to their competent authorities, in accordance to article 6 of the PEPP Regulation; PEPP providers may provide and PEPP distributors may distribute PEPPs within the territory of a host Member State under the freedom to provide services or the freedom of establishment, in accordance with article 14 of the PEPP Regulation; PEPP providers, which intend to provide PEPPs to PEPP savers within the territory of a host Member State for the first time under the freedom to provide services notify their intention to open a sub-account for this host Member State in accordance with article 15 of the PEPP Regulation; Where the competent authorities of the host Member State have reason to consider that a PEPP is distributed within its territory or a sub-account for that Member State has been opened in infringement of any obligations resulting from the applicable rules, as referred to in Article 3, they shall refer their findings to the competent authorities of the home Member State of the PEPP provider or the PEPP distributor, in accordance with article 16 of the PEPP Regulation. These rules are consistent with the subsidiarity principle as NCAs can make the most appropriate decisions given their thorough expertise and knowledge of national pension systems as well as social and labour laws.

Question 23. Do you consider that the current rules for the supervision of PEPP should be revised?

- ☐ Yes
- ☒ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 23:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The competent authorities of the PEPP provider should remain responsible for the supervision of the PEPP as on an ongoing basis and in accordance with the relevant sectorial supervisory regime and standards. They shall also be responsible for supervising compliance with the obligations set out in the rules or instruments of incorporation of the PEPP provider, and the adequacy of its arrangements and organisation with regard to the tasks to be fulfilled when providing a PEPP.

Investment rules and diversification

Article 41 of the PEPP Regulation sets the investment rules that apply to PEPP providers, including the prudent person rule, as a minimum to the extent that there is no more stringent provision in the relevant sectorial law applicable to the PEPP provider.

Question 24. Do you consider the investment rules in the PEPP Regulation appropriate to support the achievement of adequate long-term returns?

- ☒ Yes
- ☐ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 24:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

There is no specific need to change investments rules but the use of the prudent person principle should be reviewed according with the aim of EC SIU to review the Prudent Person Principle and Solvency II requirements of capital, favoring an environment more attractive for long term investment products.

Level playing field across personal pension providers and rules on distribution

The lack of uptake of the PEPP is often explained by reference to existing national products that benefit from incentives. The EIOPA Staff Paper on the future of the PEPP has stressed the importance of considering the interaction of the PEPP with other competing pension products in order to address the underlying reasons for the low uptake of the PEPP. In addition, [stakeholders have also raised specific concerns](#) regarding the distribution rules applicable to PEPP, particularly with respect to misalignment with distribution rules applicable to insurance intermediaries.

Question 25. Do you consider that PEPP's limited uptake is due to the existence of competing personal pension products across the Member States?

- ☒ Yes
- ☐ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 25:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Overall, OPSG members strongly believe that the PEPP must be placed on an equal footing with national personal pension products (PPPs) to ensure its success. The OPSG is concerned about the high charges of existing national products and does not wish to see the PEPP going this way as this defeats the purpose of the PEPP to be a low-cost supplementary pension product. Value for money should apply to all available pension products to avoid this happening. In this context, competition can be seen as a positive element as it would

increase the chance that savers would receive higher value for money when they save in a personal pension product, be it the PEPP or an existing PPP. Equally important is ensuring that the tax treatment of the PEPP is aligned with that of existing national PPPs, so that providers and savers are not penalised for choosing a pan-European solution. The OPSG considers it essential to ensure a fair tax regime for PEPP products and non-discriminatory tax treatment of the PEPP, and to apply the same conditions for PEPPs compared to the local PPPs.

Question 25.1 What key features do you think give existing national products a competitive advantage over the PEPP?

Please provide examples:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Their tax incentives The lighter regulatory burden, in particular in the area of advice provision, cross-border obligations, and investment outcome (no stochastic modeling obligation) The fact that they can be distributed by banks and insurance companies

Question 25.2 Should the European Commission adjust the PEPP to allow it to be more competitive with national products?

- ☒ Yes
- ☐ No
- ☐ Don't know / no opinion / not applicable

Question 25.3 What kind of adjustments should be considered and how could the framework be improved?

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

No mandatory advice for the Basic PEPP No stochastic modeling obligation

Question 26. To your knowledge, does the existing framework create any obstacles or barriers to the distribution of PEPP, including across providers and Member States?

Please see also the questions on transparency and tax treatment below.

- ☒ Yes
- ☐ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 26:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

As expressed in OPSG advice on the PEPP, the OPSG recommends aligning the distribution requirements for the basic PEPP with the IDD requirements that would allow more efficient distribution of the basic PEPP products using offline distribution channels using PEPP distributors. Otherwise, it is likely that PEPPs could only be distributed online. See EIOPA OPSG (2024), Own-Initiative Discussion Paper on the pan-European Pension Product, p. 24-26.

Individual transfers

Greater competition in the private pension products market could enhance the development of the third pension pillar and help citizens build trust therein. The [EIOPA staff paper on the future of the PEPP](#) notes that allowing the individual transfer of accumulated amounts from other personal pension products into the PEPP could contribute to broader uptake.

Question 27. Should the PEPP Regulation ensure that savers can make individual transfers between existing personal pension products and the PEPP?

- ☒ Yes
- ☐ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 27:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Yes, because the framework should enable a gradual shift from national personal pension products that offer less value for money to PEPPs, which provide greater potential benefits. When national laws limit the ability to transfer savings from lower-value products to more advantageous PEPPs, consumers are effectively prevented from accessing these benefits. These transfers should apply not only between products of the same provider

but also between products of different providers. This would incentivize providers to provide both the PPPs and the PEPP. This being said, for an individual transfer to be effective, savers should have at their disposal all the necessary information to be able to compare products in terms of risk profile, goals, costs, past performance to allow them for making an informed decision. Indeed, allowing individual transfer without comparability risk widening the pension gap for citizens and undermining trust in the supplementary pension system. In case of some existing occupational pension products, where transfers so far have not been possible and hence investments are done by the respective IORPs relying on this circumstance, such individual transfers should be also in the future not possible, since the opposite could have detrimental effects on the whole population of beneficiaries of such a product, especially when less liquid assets would have to be unwound at unfavorable conditions to make the transfer happen.

Transparency, information and pension tracking systems

Transparency, clear disclosure and effective pension tracking are key to building trust and helping savers make informed decisions.

Question 28.1 Are the transparency requirements envisaged by the PEPP Regulation adequate?

- ☒ Yes
- ☐ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 28:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

In our view, there is no special need to change the transparency requirements for the PEPPs, which tend to be subject to stricter obligations compared to PPPs in most Member States, in particular because they must apply the "reduction in wealth" approach in the PEPP Benefit Statement and inform savers about the underlying costs.

Question 28.2 Are the transparency requirements envisaged by the PEPP Regulation comparable to those applicable to other personal pension products under national law (e.g. in terms of cost disclosure, performance information, risk indicators and benefit projections)?

- ☐ Yes
- ☒ No
- ☐ Don't know / no opinion / not applicable

Question 28.2.1 Please clarify where the PEPP Regulation and national frameworks governing competing personal pension products differ:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Disclosure requirements depend on the type of personal pension products being offered at national level and on the structure of the national markets for supplementary pension products. From this perspective, the comparison between the PEPP and existing PPPs may be made difficult by the fact that the disclosure requirements vary across Member States and products. As there is some evidence that savers attach great importance to costs, avoiding mixed fee structures can contribute the quality of disclosure by making it easier for participants to compare offers. To address this concern, by way of illustration, the national supervisory authority in Italy has introduced the Indicatore Sintetico di Costo (Synthetic Cost Index – ISC). The methodology used to calculate the index is uniform across all supplementary pension schemes and measures the impact of all costs during the accumulation phase on the pension pot over four different time horizons: 2 years, 5 years, 10 years, and 35 years. The ISC is calculated for each investment option and is presented in both a table and a chart. The chart helps prospective members compare the ISC of the chosen option with the average ISC of similar investment options (in terms of risk and return) available on the market. Online tools provided on the website of the national supervisory authority allow citizens to compare ISCs (through the so-called Comparatore dei costi) and to access and download the Scheda Costi of all supplementary pension schemes.

Question 28.3 Please explain how the EU regulatory framework could be improved:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

In our view, there is no special need to change the transparency requirements for the PEPPs.

Question 28.4 Are you aware of any best practices at Member State level that could be reflected in the PEPP Regulation?

- ☐ Yes
- ☐ No
- ☐ Don't know / no opinion / not applicable

Question 29. In your view, could the inclusion of the PEPP along with other personal pension products in national pension tracking systems improve transparency for savers?

- ☒ Yes

- ☐ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 29:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Yes, we fully support the inclusion of PEPPs alongside other PPPs in PTS to enhance the information provided to savers. Only a comprehensive and integrated approach can meaningfully improve savers' understanding and engagement with their retirement planning.

Question 29.1 Do you believe the PEPP Regulation should require Member States to ensure such inclusion?

- ☐ Yes
- ☒ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 29.1:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

We believe that the decision to include the PEPP along with other PPPs in national tracking pension systems should be taken by Member States taking into account the additional cost and the availability of PEPPs.

Question 30. In your view, could pension tracking systems be considered a suitable means to fulfil certain disclosure requirements under the PEPP Regulation for members and beneficiaries who interact via digital tools?

- ☐ Yes
- ☒ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 30:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

We believe that the primary purpose of a Pension Tracking System (PTS) is to provide savers with clear, simple, and easily understandable information about their estimated retirement income. In this context, the PTS should reflect both the amount saved in the PEPP and the projected benefits at retirement. At the same time, it is important to maintain the PEPP Benefit Statement in its current form, as it offers valuable information specific to the PEPP, helping savers assess its advantages compared to other pension products.

Tax treatment

[Commission Recommendation of 29 June 2017 on the tax treatment of personal pension products, including the pan-European Personal Pension Product](#), encouraged Member States to grant PEPPs the same tax relief as the one granted to national personal pension products. Where Member States have more than one type of personal pension product, they were encouraged to give PEPPs the most favourable tax treatment available to their personal pension products.

Question 31. To your knowledge, has the Commission Recommendation of 29 June 2017 led to the PEPP and other personal pension products being placed on a level playing field in terms of tax treatment?

- ☐ Yes
- ☒ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 31, providing relevant examples where possible:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The diversity of tax regimes across the EU has prevented the establishment of a level playing field between PEPPs and national personal pension products (PPPs). In many Member States, PEPPs are not granted the same tax advantages as domestic products, putting them at a clear competitive disadvantage. On the other side, it has to be ensured that existing occupational products are not tax-wise discriminated or treated in a less favorable way than the PEPP. The OPSG paper explores whether PEPPs are subject to comparable legal and fiscal conditions as national PPPs. The analysis confirms that tax treatment remains a significant obstacle to the uptake of PEPPs, with several Member States applying less favourable regimes than those offered to national products. It would be useful if the European Commission could gather and publish the list of EU countries that have followed the Recommendation and how.

Question 32. Would further action at the level of the European Union be necessary to ensure a level playing field in terms of tax treatment between the pan-European Personal Pension Product and other competing personal pension products?

- ☒ Yes

- ☐ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 32:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

We recognize the limited ability of the European Commission and EIOPA to influence the tax treatment of PEPPs directly.

Question 32.1 What type of action would you consider most appropriate?

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

We recommend that EIOPA monitors and publishes the tax regimes applicable to PEPPs in each Member State. Establishing a centralised and regularly updated source of information would support providers in navigating national compartments more effectively and, in turn, promote broader market participation and enhance the cross-border portability of PEPPs across the EU.

Other aspects

Question 33. Are there any additional issues that you believe should be considered in the review of the PEPP Regulation?

- ☒ Yes
- ☐ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 33:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

- Anti-money laundering perspective: PEPP is a long-term savings product with strict limits on withdrawals and, in many cases, on contributions. Most savers make small, regular deposits and have limited access to early withdrawals. This makes PEPP low-risk from an anti-money laundering (AML) perspective. Therefore, AML and Know Your Customer (KYC) rules for PEPP should be simplified accordingly.
- Central registry: The creation of central registry clarifying the specific rules adopted in each Member State would make it easier for providers to operate across borders and help retail clients compare national differences more easily.
- Limited number of sub-accounts: Current rules do not clarify what happens when a new provider cannot support all the sub-accounts held with the former provider. A more flexible approach should allow for partial transfers, or the option for savers to keep some sub-accounts with their original provider.
- Notification: Currently, providers must notify

savers twice—14 months and 2 months before the payout phase. One clear notification should be enough, especially since savers are already informed of the earliest payout date in the benefit statement. • Article 60: Under this article, providers must offer personal retirement planning advice at the start of the payout phase—but only for the basic PEPP. Since the Basic PEPP is meant to be advice-free, this requirement should be removed. Alternatively, it should apply equally to all types of PEPPs. • Financial education for individuals making investment decisions can support and encourage long-term savings and investment and perhaps also the PEPP and help individuals to feel more confident when investing their pension contributions. Investor education can also prepare individuals to understand financial advice and to better interact with financial advisors. • Easy access to financial advice: We need to provide easy access to financial advice. Many Europeans are not confident that the investment advice they receive from financial intermediaries is in their best interest. New challenges are being posed by online actors such as “finfluencers”, presenting misleading marketing communications and harmful decisions for customers due to lack of knowledge. On the other hand, these influencers could be the key to disseminating PEPP awareness and provide access to independent financial advice. Hence, the importance of establishing a robust and competitive framework for digital financial services, and implementing ongoing oversight of new services and business models to guarantee suitability for clients (e.g. robo advisors) and fair consumer access to simple products. • Guidance and advice play an essential role in ensuring that participants make informed decisions based on their unique circumstances. Governments can strengthen these efforts by exploring ways to make advice more accessible, especially for individuals with smaller pensions, where the cost of advice may be prohibitive. In countries where the distinction between guidance and advice is unclear and where liability risks exist, clarifying the definitions and responsibilities of each can help ensure that individuals receive accurate and appropriate support. Digital solutions also offer a promising opportunity to deliver personalised guidance in a scalable and cost-effective manner. • Simple comparison websites set up by NCAs: Introducing a platform where people can directly compare offers from all providers of PEPPs and PPPs presented in a standardized way would facilitate the comparison for individuals and reduce search costs. This system lowers the risk that, because of inertia, future pensioners remain with their current pension administrator even though better offers may be available from other providers, and increases competition, leading to better outcomes for individuals.

Question 33.1 Please describe these issues and explain why they should be addressed:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

5. Review of the IORP II Directive

The main aim of this consultation is to explore how streamlining the framework for supplementary pension provision can increase trust, advance better investor returns (including by way of gaining exposure to a broader range of asset classes) while increasing the risk management capacity for doing so, and create more transparency on cost and returns.

On 28 September 2023 [EIOPA presented its technical advice to the European Commission](#) on possible changes to the IORP II Directive which will also be taken into consideration in the context of the review of that Directive.

This consultation also invites reflection on whether some or all the rules of the Directive, including its envisaged improvements, might be relevant for supplementary pension providers beyond those falling within the current scope of the Directive and not covered by any other piece of secondary legislation at the level of the European Union. Expanding the scope of the Directive could help ensure greater consistency in the level of protection afforded to members and beneficiaries, in particular for employment-related schemes, across different types of providers.

The prudent person rule, set out in Article 19 of the IORP II Directive, is a cornerstone of supplementary pensions' investment policies. It requires pension providers to invest their assets in the best long-term interests of members and beneficiaries as a whole. Investments must be diversified to avoid excessive dependence on any single asset or class. The IORP II Directive uses the prudent person principle as a framework for ensuring that IORPs invest their assets in a responsible and well-managed manner, with the ultimate goal of providing secure and adequate retirement benefits to their members.

In light of the limited cross-border provision, the consultation also explores whether the current framework allows IORPs to operate smoothly across borders. It looks at the functioning of cross-border notification procedures and the adequacy of cooperation between home and host supervisors, as well as whether supervisory powers are sufficiently clear and aligned.

Additional questions focus on the level playing field across providers, the adequacy of information requirements for members and beneficiaries, and the potential inclusion of institutions for retirement provision in national pension tracking systems to improve transparency. Finally, the consultation invites feedback on whether tax obstacles continue to hinder cross-border provision of occupational pensions and whether further EU action is needed to address these barriers.

Stakeholders are also encouraged to raise any other issues relevant to the review.

Investment rules and diversification

A recent stocktake indicates that, over the past decade, the median performance of second pillar pensions was approximately 0.9% when adjusted for inflation.

Under appropriate risk management frameworks, exposure to a diversified portfolio, including certain alternative asset classes, can help enhance long-term returns for scheme members and beneficiaries.

The IORP II Directive requires diversification of investments under the prudent person rule enshrined in Article 19 of the Directive. The rule aims at making sure pension providers invest their assets in the best long-term interests of members and beneficiaries as a whole. However, the IORP II Directive also allows Member States to introduce concentration limits or other rules limiting investments by IORPs, provided that they are prudentially justified, which in certain cases may prevent IORPs from having access to certain asset classes.

To further strengthen the protection of members and beneficiaries and ensure that every IORP acts fairly and in accordance with the best interests of members and beneficiaries, and supports prospective members, members and beneficiaries to properly assess the choices or options, EIOPA, in its advice, has recommended introducing a new provision in the IORP II Directive establishing a duty of care principle.

Question 34. Do you consider that a diversified portfolio of assets, including also investments in unlisted securities or alternative assets classes (with proper management and adequate risk safeguards) could enhance long-term returns for scheme members and beneficiaries?

☒ Yes

☐

No

☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 34.

Please justify your answer based on data, if available.

Furthermore, please elaborate what are in your view the risks and benefits associated with a share of IORPs assets being allocated to alternative assets, and which alternative asset classes would be more suitable and how would hereto related risks be best managed:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The OPSG supports the prudent person rule as enshrined in Article 19 of the IORP II Directive and highlights its effectiveness in promoting long-term investment strategies tailored to scheme-specific needs. Unlisted securities and alternative assets are a very broad in their definition. Since these instruments are illiquid it is up to the discretion of the governance bodies of the pension fund to decide given their investment horizon, risk appetite and ALM profile. We agree that diversified portfolios, including unlisted and alternative assets, can enhance risk-adjusted returns if supported by sound risk management and governance frameworks. Such diversification strategies can contribute positively to long-term retirement income security. OPSG acknowledges that certain national quantitative rules might limit investment flexibility, but in most Member States, the prudent person rule or existing quantitative rules allow for sufficient discretion. Even in cases where regulatory quantitative limitations for certain asset classes exist (this is the case e.g. in Germany), the individual allocation of IORP's investments to the respective asset classes often do not reach the respective thresholds, i. e. these thresholds are not fully "used up" by IORPs. Where restrictions exist, they should be reviewed to ensure consistency with a risk-based supervisory approach. The IORP II Directive should continue to emphasise principles-based governance and avoid introducing prescriptive asset class limitations. While smaller IORPs may face challenges related to capacity and expertise in alternative asset classes, fiduciary management, collective investment vehicles, and outsourced CIO arrangements offer effective solutions. OPSG supports initiatives to increase fee transparency and reduce complexity in regulatory capital requirements, especially in risk-based regimes. However, an IORP Board cannot delegate responsibility to a fiduciary manager, and will have to have a certain level of expertise itself and has to understand investments that are made. OPSG emphasizes that the IORP II Directive should not prescribe detailed rules or limits on asset allocation. Investment decisions must remain the responsibility of the IORP's governing body, acting under the prudent person rule as already set out in the Directive. This approach ensures that IORPs can tailor their investment strategies to their characteristics and objectives, considering their liabilities. Strict or universal requirements on the composition of a portfolio could hinder creativity, reduce flexibility, and possibly hurt long-term returns. Therefore, any revisions to the IORP II framework should continue to uphold the principles-based, flexible investment environment that respects the diversity of IORPs across the EU and their fiduciary duty to beneficiaries.

Question 35. Are there in your knowledge any national quantitative or other type of investment rules imposing overly restrictive limits on investments in alternative assets?

- ☐ Yes
- ☒ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 35:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

OPSG is aware of quantitative restrictions imposed by the regulators or supervisors on alternative assets, but they do not pose a major obstacle for asset allocation. Quantitative or too restrictive limits should not be imposed. We can see that solvency II has limited investments into real assets, and there should be no minimum or maximum national or EU limits. In some countries, the prudent person principle is treated as an "open norm" in national law, including the rule that investments in non-regulated markets are to be kept at prudent levels. Extensive ALM studies work as a basis for IORP investment strategies, which are overseen by internal or external risk-management and control departments. In Germany there are fixed percentage numbers defining the maximum percentage shares a certain type of assets may have within the total investment portfolio. So, this is the alternative kind of regulation compared to any prudent person principle. This does also not apply to Italy as while the general framework is principle based, quantitative limits are in place for AIFs and real estate. Principle based approach to investments should be the basis but it is also important to maintain the flexibility for Member States to impose constraints, provided they are prudentially justified. Considering that the IORP 2 is a minimum harmonisation directive, no changes should be proposed that would remove the flexibility currently granted to Member States to decide on such a constraint, also considering that they do not hinder diversification. The open norm stipulates that the risk-management system of the IORP should be proportionate to the complexity of the portfolio, even though there are no quantitative restrictions on specific assets. This process is supervised by the NCAs. The review of the IORP directive should not impose new restrictions and leave the management of the IORP the flexibility to invest in different types of assets, in the best interest of the members and beneficiaries. Even in cases where regulatory quantitative limitations for certain asset classes exist (this is the case e.g. in Germany), the individual allocation of IORP's investments to the respective asset classes often do not reach the respective thresholds, i.e. these thresholds are not fully "used up" by IORPs.

Question 36. Do you consider that other factors, such as limited IORPs' expertise with unlisted asset classes, may contribute to the low level of diffusion of these investments among IORPs?

- ☐ Yes
- ☒ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 36:

Lack of expertise is not a problem for IORPs of a significant size in the majority of countries because they either have this expertise in-house or can acquire it through a fiduciary manager. This might be a problem for smaller IORPs. However, smaller IORPs can invest in unlisted assets because they usually rely on the experience of outside investment managers to handle their investments daily. The risk profile of IORPs and related costs of several asset types are the main causes of their limited use. The German supervisory authority publishes statistics (e.g. within their annual reports) showing the asset allocation of German IORPs. In addition, there is also a study "Absolute Report 01/2015 and every German IORP ("Pensionskasse") publishes information regarding its asset allocation. These figures show that the maximum quotas for asset classes defined by law ("Anlageverordnung", AnlV) are comfortably above the percentage shares of the single asset classes within the portfolios. Hence, regulatory issues are not the reason for the limited use of certain asset classes in the case of German IORPs. Due to experience, the reason is to be seen in the German regulatory funding regime and – resulting therefrom – the ability of the single institutions to take risk. In Italy data on alternative investments are published at scheme level in the annual report and in the SIP. The NCA presents aggregated data in the Annual Report. At an aggregate level, investments in unlisted assets are well below the legal ceiling. In Italy based on the NCA's data on average fees of fiduciary managers, they remained broadly unchanged over the last 10 years. Considering that investments in alternatives by Italian pension funds began to scale up from 2020 on, alternatives have not affected significantly fee levels so far. The annual surveys have confirmed that in Italy fees are at the bottom of the reasons limiting investments in alternatives, while scale and diversification ensured by liquid assets are cited as the main factors. Although it is not a problem for most IORPs, in certain countries, as part of the open norm on the prudent person rule, the board of trustees must be able to demonstrate to the supervisor that the board is in charge and must always provide a clear mandate and control framework to its (fiduciary) external manager(s). One additional issue with alternative assets is that, despite our experience showing that the net returns (after costs) are attractive over the long term (due to e.g. their illiquidity premia), the public may view them as costly because of their high fees (such as management fees and carried interest). This perception of the costs can create pressure not to invest in these asset classes. For alternatives, the EU might encourage fee transparency and reporting standardisation. Another challenge is that in some countries, IORPs subjected to a risk-based solvency regime (such as the Solvency II like framework in Sweden) have capital requirements for infrastructure investments which differ depending on whether the investment is deemed qualified or not. The criteria to constitute a qualified investment may, in practice, lead to restrictions for these types of investments. Risk based solvency regimes have proven to allocate less into the real economy as well as into alternative assets. On the other hand, there is a lack on the supply side in alternative assets, a lack of good quality products and transparent risk/cost profile given the long-term lock in periods and the huge fragmentation in the market; here can service providers do a better job. Most of the problems are in fact on the supply side and availability of good projects/investment products. This market is enormously fragmented and sometimes with little visibility. Asset managers can here play a bigger role to bring more standardization and more transparency in the supply.

Question 37. Do you consider that the current provisions on risk management in the IORP II Directive and the intervention capacity of supervisory authorities could be further enhanced to strengthen trust in institutions under the scope of the Directive?

- ☐ Yes
- ☒ No

- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 37:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The Directive is minimum harmonization and current rules on risk management have proven to be sufficient. The current framework, including Own Risk Assessment requirements, provides robust supervisory tools and transparency. OPSG believes the introduction of an explicit duty of care is not necessary, as existing governance, including paritarian structures, ensures member protection and accountability. Additional legal obligations risk creating confusion and redundancy. Due to heterogeneity, supervisory convergence in the risk management approach for IORPs across the EU is in fact limited to a certain extent and hence would not be an effective way forward. Additionally, NCAs must have enough flexibility to implement supervisory strategies while taking national labour and social regulations into account. Stricter supervision or further regulation would mostly result in increased expenses and, hence, reduced pension benefits without enhancing risk management.

Question 38. Do you consider that the introduction of an explicit duty of care provision could further strengthen the level of protection of members and beneficiaries?

- ☐ Yes
- ☒ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 38:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The protection of members and beneficiaries is currently assured by existing governance structures and legal frameworks; therefore, the addition of an explicit duty of care provision is not required and would not materially improve that protection. Additionally, the paritarian governance model guarantees that all decision-making procedures prioritise the interests of members and beneficiaries. The mutual oversight and balanced representation offer a built-in fiduciary duty and social responsibility that already go beyond what a formal "duty of care" clause could impose. IORPs across the EU operate under the IORP II Directive and well-established national laws, including additional prudential supervision, which already require sound governance, risk management, and the prudent person requirement. These frameworks are robust and are actively implemented and enforced at the national level. The introduction of an "explicit duty of care" clause at the EU level has the danger of causing legal uncertainty or duplication with national governance frameworks and fiduciary responsibility rules. For IORPs, particularly those that operate in member states with developed and efficient pension systems, this could make compliance more difficult. In some countries, there are duties of care only in matters where the IORP is in charge, on topics such as pension information, choice guidance, investment choices and risk preference research. In these instances, the duty of care acts as an open norm, under which pension providers should explain how chosen approaches are effective rather than require a compulsory approach. OPSG believes that only this approach is effective and would strictly oppose an alternative approach at the European level.

Question 39. Do you consider that national competent authorities are adequately equipped under the Directive to oversee that assets are invested in the best long-term interests of members and beneficiaries as a whole?

- ☒ Yes
- ☐ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 39:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

National competent authorities (NCAs) are generally well-equipped to oversee investment practices and safeguard member interests. OPSG does not support the extension of supervisory powers to second-guess investment strategies that are compliant with national and EU law. Oversight should focus on prudential soundness, not performance benchmarking. German supervisory practice looks primarily on the risk exposition of IORPs and assesses, if an IORP can afford the risks which they take in order to finance the guaranteed benefits with sufficient safety – and less on performance. Under the IORP II Directive and relevant national laws, national competent authorities already have sufficient mandates and resources to guarantee that IORPs make investments in the members' and beneficiaries' best long-term interests.

Question 39.1 Do you believe that national competent authorities should have an explicit mandate to oversee and, where appropriate, intervene in order to help ensure that supplementary pension schemes deliver adequate investment returns for members and beneficiaries?

- ☐ Yes
- ☐ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 39.1:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Scale

In the European Union, supplementary pension funds operate at a smaller scale compared to their global peers. This may limit their ability to diversify portfolios, invest in long-term assets, and achieve better risk-adjusted returns, as well as offer competitive costs.

Question 40. Do you consider that the scale of many IORPs may affect their overall investment capacity, for example by reducing their ability to build a diversified portfolio, hindering the performance of the schemes due to cost inefficiencies, or by creating other inefficiencies?

- ☐ Yes
- ☒ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 40:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Size does not always matter and there are very well performing small IORPs. In some countries with smaller IORPS invest even more in the real economy than big IORPs. OPSG acknowledges that smaller IORPs may face cost inefficiencies, but notes that consolidation trends, fiduciary models, and pooling arrangements have already helped address these challenges. The Directive should not prescribe scale but allow flexibility for Member States and social partners to determine appropriate governance and cost structures. The consolidation of pension funds in European countries has already been happening for many years. This trend is mainly driven by increasing governance requirements, regulatory costs, and the complexity of running a pension scheme. Very small IORPs have higher administration costs but not necessarily higher asset management costs. IORPs in the EU have a well-diversified asset allocation. Eventually, the board of the pension fund determines the strategic asset allocation. In most IORPs, this board has both employee and employer representatives who act in the best interest of members and beneficiaries. There is no proven correlation between size/scale and performance. Additionally, a landscape with many medium size (and also smaller) IORPs should be seen as a strength and not as a weakness, because instead of a landscape consisting out of few very big-sized IORPs, who all have a systemic relevance for their respective national economy, a stronger fragmented landscape with many smaller and medium size IORPs has the advantage, that difficulties in one specific IORP can not create any danger for the whole landscape or national economy. Hence, the OPSG does not support any forced concentration of IORPs.

Collective transfers

Article 12 of the Directive regulates cross-border collective transfers of a pension scheme's liabilities, technical provisions, and other obligations and rights, along with the corresponding assets or their cash equivalents, between IORPs. Furthermore, simple and clear rules on domestic transfers are also necessary to enable scale at the level of the Member States.

Question 41. Do you consider that the current framework for cross-border collective transfers between IORPs has managed to achieve the objectives that justified its introduction, namely facilitate the organisation of occupational retirement provision on a Union scale?

- ☐ Yes
- ☒ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 41:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

It's not about a "yes" or a "no" but the OPSG agrees on providing clarity. In this context, several OPSG members consider that the fact that some Member States require lower majorities for domestic transfers than for cross-border transfers is a source of inconsistency between national frameworks, which creates a barrier to cross-border operations. OPSG recommends that any changes to the rules, such as a uniform EU definition of member approval thresholds, should not impose undue barriers. Requirements for full funding at the point of transfer remain a challenge and should be reviewed to allow flexibility such as the use of recovery plans or sponsor guarantees. Increasing adequate and sustainable pension provisions for EU citizens should be the primary objective of the European Commission's pension policies, not the growth of cross-border activities. However, the OPSG is well aware that the promotion and development of cross-border activity has been one of the objectives of the IORP Directive(s) itself, dating back to the preparatory work for the first IORP Directive 41 of 2003. Therefore, even if the majority of IORPs are run by social partners, whose goal is to offer pensions to those involved in their industry rather than to expand into cross-border activities, multinational corporations may find cross-border activities helpful in streamlining their processes. There are several other factors and situations besides the directive's structure that contribute to the comparatively low frequency of collective transfers. Most significantly, social and labour laws and taxes are still national in nature, necessitating national expertise for pension administration. Moreover, while prudential regulation is home state competence, elements of prudential regulation may still be linked to social and labour law, as well as taxation, and vice versa. For example many German IORPs have a supervisory board consisting of 50% employer's representatives and 50% worker's representatives (which has been motivated indirectly by the German labour law; "Mitbestimmungsgesetz"). The same regulation applies also e.g. in Italy and board memberships are equally shared between employer's representatives and employees' representatives. A uniform EU definition of the majority for cross-border transfers can be helpful in addressing this issue of collective transfers, provided that this definition does not alter existing rules and regulations for domestic transfers and does not introduce majorities that are difficult to reach, thereby introducing new hurdles for cross-border transfers. OPSG believes that the approval should be related to the majority of votes cast. A majority of votes cast higher than 50% may de facto be easier to meet than a majority of 50% of all members. However, in cases where a huge number of beneficiaries just do not properly understand the issue and the consequences, they might prefer not to vote at all and it may be that the majority of votes does not represent what the collective of beneficiaries really want, if they understood the point correctly. Furthermore, the need to always be fully funded is one of the key obstacles to cross-border activity and transfers. The fully funding requirement also puts an additional burden on the development of cross-border IORPs. Specifically in volatile markets, the fully funding requirement can be challenging. Cross-border plans should also be able to use recovery plans, sponsor guarantees, or support funds in order to comply with the fully funded requirements.

Question 41.1 Should the current framework for cross-border collective transfers between IORPs be simplified?

- ☐ Yes
- ☐ No
- ☐ Don't know / no opinion / not applicable

Question 41.2 In addition, have you experienced or are you aware of any difficulties with domestic collective transfers?

- ☐ Yes
- ☐ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 41.2:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 41.3 In particular, are you aware of any Member State not having in place clear and simple rules for such transfers?

- ☐ Yes
- ☐ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 41.3:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The IORP II Directive intended to reduce regulatory divergences, overlapping requirements and excessively burdensome cross-border procedures.

Question 42. In your view, does the current EU legislative framework effectively ensure that cross-border activities of IORPs can be carried out in practice, in a proper and timely manner?

- ☒ Yes
- ☐ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 42:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

This question is not about a “yes” or a “no” but the OPSG agrees that framework should facilitate a proper, clear and timely way to proceed for cross border activities for those who want to consider. The OPSG is of the opinion that a major barrier to develop an internal market is the heavy “red tape” to go through in the agreement process by all relevant NCAs. OPSG stresses the importance of simplifying administrative procedures and improving proportionality. The current IORP II framework ensures that IORPs can conduct cross-border operations effectively. The limited cross-border activity is largely due to the significant differences between national tax laws and social and labour legislation, as well as the cultural characteristics of the Member State. However, in some cases, pension providers seeking to operate cross-border have faced obstacles due to limited cooperation and delays from host NCAs. In such instances, approval requirements have often seemed more like stalling tactics or deterrents. On this, beyond the need for real simplification, the European institutions — including EIOPA — could play a more active role . OPSG believes that the process needs to be less complicated for the notification file. Today, a cross-border IORP has to submit a new notice file every time there is a new sponsoring company, even if it concerns the same Host Member State, the same pension plan, etc. This makes it administratively very burdensome for cross-border multi-employer pension funds, but also for cross -border company’s pension funds that want to add a new company to the existing pension plan.

Question 43. In your view, are the current supervisory powers for cross-border activities under the IORP II Directive adequate to ensure trust and prevent regulatory arbitrage?

- ☒ Yes
- ☐ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 43:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

There is little evidence that regulatory arbitrage is a concern in the IORP space. Existing supervisory powers are sufficient. OPSG opposes changes that would create new burdens or undermine the home-host supervisory balance. Cooperation between authorities should be supported through best practices and peer exchanges, not through prescriptive harmonisation. Therefore, there is no need to amend the rules on the registration or authorisation process.

Question 43.1 Is there room for improvement in the current rules governing the cooperation and division of responsibilities between home and host Member States in the supervision of institutions for occupational retirement provision?

- ☒ Yes
- ☐ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 43.1:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The OPSG considers that the Directive would benefit from clearer guidance—especially regarding the application of Article 33(1) on the appointment of depositaries at the request of the host Member State. In cases where both the home and host Member States impose depositary requirements for schemes where members or beneficiaries bear the full investment risk, it would be important to clarify which authority has supervisory oversight of the depositary. In our view, this responsibility should rest with the home supervisor. We also note that an IORP which does not offer a pension scheme in its home state, is an anomaly that should be discouraged

Scope

The scope of the IORP Directive was defined in 2003 and has remained unchanged since. In several Member States, especially those that have joined the European Union in 2004 or later, IORPs are much less common or even absent. Instead, supplementary pensions are often provided through other institutions that also operate on a funded basis and at their own risk. These institutions serve similar purposes and typically offer schemes whose membership is often linked to employment. However, they usually fall outside the scope of any EU prudential legislation.

In 2016, the [OECD replaced its previous Recommendation on Core Principles of Occupational Pension Regulation](#) with the [recommendation on core principles of Private Pension Regulation](#), which expanded the scope of the principles. Additionally, [Regulation \(EU\) 2018/231 of the European Central Bank of 26 January 2018 on statistical reporting requirements for pension funds](#), defines a scope which is not always aligned with that of the IORP II Directive.

Question 44. In your view, could the current scope of the IORP II Directive be adjusted to better capture the diversity of the supplementary pension

landscape and the organisation of the different pension systems across all Member States, to ensure a minimum level of protection for all supplementary pension savers across the European Union?

- ☐ Yes
- ☒ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 44:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

OPSG advises against expanding the scope of the IORP Directive. The diversity of institutions and national frameworks makes it difficult to apply uniform prudential standards. A broadening of the scope could create regulatory misalignment and impose disproportionate compliance costs. OPSG cautions that any extension to institutions operating outside the present IORP framework should be carefully assessed to ensure coherence with national systems and avoid unintended regulatory burdens. OPSG believes that the scope of the IORP directive should remain unchanged and hence limited to those IORPs, which are defined in Article 6 (1) of the current IORP Directive. Expansion of the scope could fundamentally alter the IORP Directive's content and structure and make it difficult to consider their specific characteristics and risks. OPSG does not believe that expanding the scope would increase investments and make occupational pensions more accessible in European countries. We should be very careful to impose more regulation on IORPS while some other pension funds fall outside of the scope of IORP II as this could lead to less protection, as well as unwelcome regulatory arbitrage. In general, the heterogeneity of IORPs requires proportionality, and together with the minimum harmonisation principle of the IORP II directive, the proportionality principle should allow NSAs and national legislation to judge to what extent certain regulatory provisions within a given Member State apply to a particular type of IORP. Adopting the IORP II regulation came with a substantial cost and needed much effort for small and mid-sized IORPs. EIOPA's role in promoting supervisory convergence through opinions and/or additional national requirements further increased this cost. Furthermore, several IORPs—especially small and medium-sized ones—have frequently been subjected to onerous EU horizontal regulations, and NCAs have failed to adequately account for the variety of the size, type, scale, and complexity of their operations. Given these factors, OPSG does not think that the discussion on scope will be beneficial.

Please elaborate your answer to question 44.2:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 44.1 Please describe how the current scope of the Directive ensures adequate prudential protection for supplementary pension savers across all Member States:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Minimum standards

[Special report 14/2025 of the European Court of Auditors](#) recommends that, when revising the IORP II Directive, the Commission should address the need to strengthen the supervisory framework, in particular by increasing the minimum standards, as well as introducing explicit safeguards against the risk of regulatory arbitrage.

Question 45. In your view, does the existing framework ensure a level playing field for all providers under the scope of the Directive across the European Union?

- ☒ Yes
- ☐ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 45:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The current minimum harmonisation approach is appropriate. OPSG believes that convergence for its own sake risks eroding subsidiarity and national diversity. Additional safeguards against regulatory arbitrage are unnecessary. Additional rules and regulations risk harming this balance. In the specific context of IORPs, supervisory convergence is neither necessary nor desirable. The pension sector, particularly occupational pension schemes, operates under unique national social, labour, and tax laws that are deeply embedded in each country's socio-economic framework. Given their familiarity with the national legal and social environment in which IORPs function, we believe national competent authorities (NCAs) are in the best position to supervise these institutions. IORPs typically do not engage in cross-border product distribution or commercial competition, and their members are affiliated through employment contracts, not consumer choice. The focus should not be on increasing supervisory convergence, but rather on respecting subsidiarity, reinforcing the proportionality principle, consistent implementation by the Member States and ensuring that NCAs have sufficient discretion to apply the IORP II framework in a manner tailored to their national contexts. This is very important due to the increasing costs imposed on IORPs by horizontal legislation in recent years. The focus

should be on developing supplementary pensions by increasing coverage ratios and to increase the depth of those who have access. This includes in case of occupational pensions making it more attractive for employers to offer occupational pensions to their employees and not making it more burdensome by unnecessary additional rules and obstacles. In a DC market IORPS should be competitive with unit linked products in the insurance sector.

Supervision

[Special report 14/2025 of the European Court of Auditors](#) recommends that, when revising the IORP II Directive, the Commission should address the need to strengthen the supervisory framework, in particular by increasing the quality of supervision.

Question 46. In your view, has a satisfactory degree of supervisory convergence been achieved among national competent authorities in the implementation and application of the IORP II Directive?

- ☒ Yes
- ☐ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 46:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Supervisory convergence should be promoted through voluntary cooperation rather than additional EU-level rules. IORP II already provides adequate powers to NCAs, and OPSG is not aware of any critical shortcomings. Any future changes to supervisory mandates should be based on clear evidence of deficiencies. OPSG stresses the need for supervision that is risk-based, proportionate, and responsive to the operational realities of IORPs. While a minimum harmonisation approach remains suitable, improving supervisory convergence through peer reviews and best practice exchanges can support consistency and effectiveness. IORP II has achieved a reasonable level of convergence. On the one hand, IORP II provides for a sufficient degree of harmonisation, and on the other hand, IORP II - as being a minimum harmonisation directive - provides the Member States with sufficient flexibility to accommodate the specificities in their diverging national pension systems.

Question 47. In your view, does the IORP II Directive sufficiently guarantee that national competent authorities in all Member States are equipped with all the necessary powers to effectively carry out their supervisory responsibilities?

See also the specific questions in relation to investment policies and cross-border operations.

- ☒ Yes
- ☐ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 47:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

If additional supervisory powers would be deemed necessary in a revised IORP II directive, these should only be proposed if they can be based on an adequate analysis of shortcomings in the current supervisory powers as regulated in IORP II. It is essential to maintain the necessary flexibility in supervision to accommodate the specific nature of the pension landscape.

Transparency, information and pension tracking systems

Transparency, clear disclosure, and effective pension tracking are essential to building trust and supporting informed choices. Disclosure requirements currently vary depending on the type of provider, which can lead to inconsistencies in the information savers receive and impact the overall quality of communication across the supplementary pension sector.

Question 48. In your view, are the current rules in the IORP II Directive sufficient to ensure that all members and beneficiaries receive clear and effective information (e.g. on cost disclosure, performance, risk indicators and benefit projections)?

- ☒ Yes
- ☐ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 48:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

OPSG supports principle-based communication and favours open norms rather than rigid templates. Pension Benefit Statements (PBSs) and Pension Tracking Systems (PTSs) should be developed in a way that reflects national contexts and existing infrastructure. Dual reporting should be avoided, and PTSs should be recognised as valid channels for benefit communication. Transparency on costs and performance is important, but it should be targeted and proportionate. OPSG recommends that detailed disclosures be made available online or upon request, rather than systematically sent to all members. In general, the PBS is a best practice in pension communication. By bringing coherence to definitions, retirement savings could be aggregated, and by bringing uniformity in how those data were presented, it brought a degree of comparability between pension schemes. As a result, it provides the opportunity to get an overview of retirement income, enhancing pension adequacy and simplifying retirement planning. The goal of the PBS is to provide an overview of retirement income provided by IORPs in order to improve the adequacy of savings. OPSG believes that the PBS is already unnecessarily extended in many countries, and its content is, in some cases, not easily understandable. Pension Tracking Services have been developed in some Member States, and they fulfil a similar function. Moreover, PTSs aggregate pension benefits from different IORPs and pension pillars. They, therefore, promote comparability between pension benefits and they are designed with the aim of comprehensibility, presenting only key information as a first layer. OPSG believes that enough flexibility should be given to the MS to choose between PBSs and PTSs. We note that Recital 63 already states that Member States can choose the information to be provided through pension tracking services. The state of play with regard to the PBS is very different in Member States. In some cases, the PTS fulfils the goals of the PBS better than the PBS, effectively making the PBS redundant. In others, IORPs are considering making the PBSs available exclusively through the PTS. In general, OPSG believes that many differences in terms of structure and layout between the pension benefit statements from different providers do not necessarily hinder an adequate understanding of the mandatory contents of these documents. It should be recognised that the most expensive change to implement is one that changes the format and content of the Pension Benefit Statement (PBS). Furthermore, a pension benefit statement's characteristic that might affect its design and layout goes beyond the distinction between DB and DC. Depending on whether they are covered or not, coverage of biometric risks such as disability or death also affects the contents and layout of a pension benefit statement. OPSG promotes an approach to the PBS that reflects the diversity between Member States. According to the principles of minimum harmonisation and subsidiarity, Member States should be able to determine their own pace and direction of change. That is especially important considering the high operational costs of change, which are often borne by members and beneficiaries. Overall, we support the idea that there should be more freedom for IORPs to layer and target information. IORPs should be able to decide how to share information, as they know best what information needs to be shared and communicated to their members and beneficiaries. Whatever the supplementary pension regime is, independent of the vehicle, it is preferable that members should have the same or similar level of information in a transparent, clear accessible and effective way. In some countries this is already the case, independent of the vehicle. However, certain pieces of information, which are not contained in the PBS and which is to be provided to members and beneficiaries – especially regarding a detailed breakdown of costs – should not be requested in cases of IORPs with mandatory memberships and where the beneficiaries do not have any choice regarding investments. In general, only such kind of information should be provided to members, which is useful for them e.g. regarding planning their retirement and/or regarding decisions/choices a member can take.

Question 49. Do you consider that all supplementary pension savers should have the right to receive certain general information about their supplementary pension scheme, regardless of the institution providing it?

- ☐ Yes
- ☐ No
- ☒ Don't know / no opinion / not applicable

Please elaborate your answer to question 49:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

EU supplementary pension legislation should respect the diversity of pension schemes and providers within and between EU Member States. Given the variety of pension systems in the EU, supplementary pensions play a different role in each Member State. OPSG believes that it is positive for citizens to have comprehensive and uniform key information about their supplementary pensions through a PTS. That should, however, not necessarily include general information as currently defined in Article 37 of the IORP II Directive. OPSG believes that a bottom-up approach concerning information led by the IORPs is preferable to EU top-down information standards set by the EU institutions.

Question 50. In your view, could the inclusion of institutions under the scope of the Directive in national pension tracking systems improve transparency for savers?

- ☐ Yes
- ☐ No
- ☒ Don't know / no opinion / not applicable

Please elaborate your answer to question 50:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

OPSG believes that PTSs can play an essential and beneficial role in pension communication. The role of PTSs varies from country to country. If the national PTSs are established, they can provide a more comprehensive benefit communication because they may include information about all the different pillars. However, in general, the core task of the PTSs is to provide transparency on pension benefits. PTSs' information should not focus on transparency of, for example, cost disclosure, performance information or risk indicators.

Question 51. In your view, could pension tracking systems be considered a suitable means to fulfil certain disclosure requirements under the IORP II Directive for members and beneficiaries who interact via digital tools?

- ☐ Yes
- ☐ No
- ☒ Don't know / no opinion / not applicable

Please elaborate your answer to question 51:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

In general, the PBS is a best practice in pension communication. Pension trackers can provide comprehensibility, aggregation and comparability of information to members. OPSG believes that any regulation targeting the PTS should be principle-based to provide the necessary flexibility to member states. Considering the principles of minimum harmonisation and subsidiarity, Member States should have the freedom to determine whether and how to use synergies between the PTS and the PBS. OPSG thinks IORPs should be allowed to provide benefit communication through the PTS and, as such, replace other communication requirements.

Tax treatment

The [2001 Communication on the elimination of tax obstacles to the cross-border provision of occupational pensions](#) identified the elimination of such obstacles as a means of enabling pension institutions to operate with greater efficiency in meeting the needs of workers and employers, while also enhancing their role as more efficient suppliers of capital to business in their capacity as investors in the economy.

Question 52. To your knowledge, do tax obstacles continue to hinder the cross-border provision of occupational pensions?

- ☒ Yes
- ☐ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 52:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

OPSG recognises that tax obstacles remain a key barrier to cross-border provision. While harmonisation is not feasible, the EU could facilitate transparency by maintaining an up-to-date central information source on national tax regimes affecting pensions. There are major differences between the national tax systems of the Member States, and the necessity to follow the national tax regulations can be considered an obstacle for the cross-border provision of pensions. Tax obstacles regarding the transferability of pension capital and the taxation of cross-border pension payments/benefits are barriers that can have negative effects on the cross-

border activities of IORPs. Therefore, removing the barriers and achieving some degree of harmonisation might be advantageous and a necessary step. OPSG recognizes that European harmonisation of national tax systems would not be feasible because taxes are a national competence of the Member States or require unanimity in the Council. However, a central data point at the EU level with information about national tax systems concerning pensions could perhaps help to a certain degree. Member States can have a legitimate concern in restricting possibilities for tax avoidance. This is for instance the case if saving for pensions is encouraged by an EET system. If then crossing borders will eliminate taxation of the pension payments, this may lead Member States to repeal the tax incentives.

Question 52.1 Please indicate which specific tax-related barriers you consider most relevant today, as well as whether, in your view, should further action be taken at the level of the European Union to address these barriers:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Scope of prudential regulation

The IORP II Directive intended to clarify areas that are considered to be part of prudential regulation, in order to ensure legal certainty for the cross-border activities of IORPs.

Question 53. In your view, has the IORP II Directive achieved a sufficiently clear and workable definition of prudential regulation?

- ☐ Yes
- ☒ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 53:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The distinction between prudential regulation and social/labour law remains complex. OPSG proposes clarifying the Directive to better reflect the role of social partners in certain Member States, possibly through an additional article acknowledging also four-party governance structures, such as the one in Sweden.

Question 53.1 Please indicate which aspects of the distinction between prudential regulation and social and labour law continue to give rise to uncertainty or diverging interpretations, and how should these be addressed:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Other aspects

Question 54. Are there any additional issues that you believe should be considered in the review of the IORP II Directive?

- ☒ Yes
- ☐ No
- ☐ Don't know / no opinion / not applicable

Please elaborate your answer to question 54:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

OPSG stresses the importance of applying the proportionality principle across the Directive. Any new reporting or governance requirements should consider the operational scale and complexity of IORPs. In any review, the EU Commission should stay focused on its target to reinforce supplementary pensions as long-term investors by avoiding to cumbersome implementation. In any case, it utmost important to simplify where-ever possible and to take away any unnecessary burdens to increase accessibility of the 2nd pillar as well to minimize costs and optimize long term performance Risk of a two tier system of legislation should be avoided. The legitimacy of EU legislation would be eroded if in practice substantial parts of the directive would only apply in a very small number of Member States. We should not forget that IORP is minimum harmonisation. Home States can introduce extra requirements when needed. Further, clarification is needed on the treatment of biometric risks in relation to own funds. The borrowing rules under Article 19(3) should be clarified, including allowances for subordinated loans and guarantees related to indirect investments via subsidiaries. We consider that the rules on borrowing are inconsistent in the IORP II Directive, an issue that has been recognised by EIOPA. On the one hand, according to Article 16(3), Member States may provide that the available solvency marginal may comprise of subordinated loan capital under certain conditions including a long maturity requirement. On the other hand, according to Article 19.3, borrowing is forbidden except for liquidity purposes on a temporary basis. The relationship between the provisions is unclear, which has led to restrictions on IORPs' ability to raise subordinated loans to strengthen their solvency marginal and create an additional buffer to protect members and beneficiaries. Therefore, for example, an exception for subordinated loans could be introduced in Article 19 (3). Furthermore, as regards Article 19(3), IORPs should be allowed to act as a guarantor on behalf of subsidiaries and for clearing purposes. It can be to the benefit of the IORP if it can guarantee e.g., a subsidiary'

s real estate investments. This is necessary for IORPs to be able to own investments indirectly through wholly owned subsidiaries or other entities such as partly owned companies acquired in connection with e.g., joint venture investments. For example, if an IORP enters into a joint venture with other investors to purchase a real estate or infrastructure asset, a more and more important asset class for larger IORPs, it is customary that the seller of such asset or a financing bank will require the IORP and the other investors to guarantee certain obligations of the joint venture since the joint venture would often be a newly formed vehicle fully dependent on receiving future funding by its owners. Another example is where an IORP owns a real estate asset through a subsidiary and the IORP is required to provide a guarantee for the subsidiary to be able to engage a construction company for a construction project on the real estate.

Question 54.1 Please describe these issues and explain why and how they should be addressed:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Additional information

Should you wish to provide additional information (e.g. a position paper, report) or raise specific points not covered by the questionnaire, you can upload your additional document(s) below. **Please make sure you do not include any personal data in the file you upload if you want to remain anonymous.**

The maximum file size is 1 MB.

You can upload several files.

Only files of the type pdf,txt,doc,docx,odt,rtf are allowed

Useful links

More on this consultation (https://finance.ec.europa.eu/regulation-and-supervision/consultations-0/targeted-consultation-supplementary-pensions-2025_en)

Consultation document (https://finance.ec.europa.eu/document/download/27b3d8e4-9a02-4e93-859c-80944e1fa359_en?filename=2025-supplementary-pensions-consultation-document_en.pdf)

More on the savings and investments union (https://finance.ec.europa.eu/regulation-and-supervision/savings-and-investments-union_en)

More on pension funds (https://finance.ec.europa.eu/banking/pension-funds_en)

Specific privacy statement (https://finance.ec.europa.eu/document/download/deeeeb5b-5c6f-434b-b7c3-1815330952f8_en?filename=2025-supplementary-pensions-specific-privacy-statement_en.pdf)

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