

EIOPA's role in PEPP

Foster consistent implementation of PEPP

The PEPP Regulation empowers EIOPA to:

- Develop technical standards around reporting to the supervisors about PEPP providers and products to enable consistency and transparency
- Register new PEPPs in a central register. EIOPA will provide for a central database to get information on all PEPPs in Europe. Once registered, the providers can distribute their products in all European Union countries.
- Monitor the evolution of the market with strong monitoring powers to enable an efficient PEPP market.
- Issue a temporary ban or restriction of the marketing, distribution or sale of specific PEPPs within the whole EU, under certain conditions.

EIOPA will be able to support the development of an internal market for personal pensions, while implementing the Regulation at European level. The focus will be on establishing an efficient market for PEPP in the consumer's interest.

Background

Aiming to deliver adequate, safe and sustainable pensions to its citizens, in 2013 the European Commission asked EIOPA to draw out the potential of an EU single market for personal pension schemes outside the occupational pension framework. This work resulted in the publication of a preliminary report in 2014 *Towards an EU single market for personal pensions*.

Subsequently, the European Commission called EIOPA technical advice on the framework necessary to develop an EU single market for personal pension products (PPP) in 2014. In 2016, EIOPA submitted its advice recommending the creation of a standardised Pan-European Personal Pension Product (PEPP) [Advice on the development of an EU Single Market for personal pension products \(PPP\)](#), in the form of a complementary regime alongside national regimes. EIOPA proposed the PEPP as being the most potent option to promote the Single Market and to strengthen the regulatory framework for the benefit of protection of consumers.

Following EIOPA's advice, the European Commission published in 2017 a [proposal](#)

for a regulation on a PEPP. The proposal was accompanied by a recommendation to the Member States on the tax treatment of personal pension products including the PEPP. The legislative proposal was discussed and further developed by the co-legislators.

The PEPP Regulation was published on 25 July 2019, with entry into force on 14 August 2019.

In August 2020, EIOPA delivered to the European Commission the draft Regulatory and Implementing Technical Standards and advice on Delegated Acts for the design and delivery of the PEPP:

EIOPA's proposal

PEPP proposed legal instruments and technical advice:

Regulatory Technical Standards

Technical advice on supervisory reporting

Technical advice on criteria for EIOPA's product intervention powers

Implementing Technical Standards

PEPP other documents of the proposal:

- PEPP Impact assessment
- Report on consumer testing of PEPP information documents
- Description of EIOPA's stochastic model used for PEPP
- Letter from EIOPA to EC

The Regulation on the PEPP establishes the legal foundation for a pan-European personal pension market.

EIOPA's proposal in a nutshell

IMPLEMENTATION OF PAN-EUROPEAN PERSONAL PENSION PRODUCT



In August 2020, EIOPA delivered to the European Commission the draft Regulatory and Implementing Technical Standards and advice on Delegated Acts for the design and delivery of the Pan-European Personal Pension Product (PEPP).

The objective is to ensure high-quality, safe, transparent and simple personal pension products will be offered to the European consumers.

EIOPA PROPOSED

Draft Regulatory Technical Standards:

Consumer information documents (Key Information Document (KID) and Benefit Statement)
Cost cap of the Basic PEPP
Risk-mitigation techniques

Draft advice on Delegated Act:

Supervisory reporting for PEPP providers
EIOPA's product intervention powers

Draft Implementing Technical Standards setting out the procedures, processes and templates for:

Annual supervisory reporting requirements for PEPP providers
Cooperation and exchange of information between national competent authorities and EIOPA

FEATURES AND OBJECTIVES OF EIOPA'S PROPOSAL

Pre-contractual and annual information documents for consumers

Templates that are standardised and mandatory:

- Key Information Document
- annual Benefit Statement
- Information requirements tailored to the individual pension objective
- Illustrative content, digital format
- Projections of future retirement benefits
- Clear presentation of costs

Help consumers to know more about PEPP, identify risks/rewards before signing up and to know how much money is in their pension pot.

Makes it easier for consumers to understand the PEPP

Engages the interest of consumers and facilitates the access to information
Lets consumers to decide if the PEPP meets – or continues to meet their objectives
Provide easy to understand information allowing the comparison with the Basic PEPP.

Cost cap of the Basic PEPP

All costs and fees to be included in the cost cap
Costs of the capital guarantee separated
Costs incurred by providers for the initial advice can be amortised in the cost cap

Ensures cost-efficiency

Ensures a level playing field amongst providers offering different features

Ensures providers can start offering Basic PEPPs in a viable way

Risk-mitigation techniques

Investment strategies are coupled with risk-mitigation techniques
Life cycling techniques and building reserves for a group of savers
Holistic assessment of the pension-specific risks and rewards of a PEPP

To reach good returns and to stabilise the future retirement income

To mitigate the investment risks and the effects of market volatility

To reach high quality, enforceable criteria and coherent designs of the PEPP's investment strategies and risk-mitigation techniques

Supervisory reporting and cooperation between national competent authorities and EIOPA

Effective monitoring of the PEPP markets and product supervision both from a home and host perspective
Supervisory reporting to focus on product specific information: key information on distribution channels, product oversight governance and conduct

For an efficient functioning of the PEPP market



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PEPP

Closing the pensions savings gap with simple, scalable products like PEPP

Estimates put close to 20% of EU citizens at risk of poverty or social exclusion in older age. This makes pensions adequacy and coverage becomes a priority for governments. Yet, for many people pensions are a complex and confusing, and this makes people reluctant to invest in long-term savings...

CONTRIBUTION | 19 APR 2021 |

FAUSTO PARENTE | PEPP

Capital Markets Union: Pan-European Personal Pension Product (PEPP)

Speaking points by Fausto Parente, Executive Director of EIOPA, at the European Parliamentary Financial Services Forum (EPFSF) Lunch event in Brussels.

SPEECH | 21 JUN 2017 |

PEPP

Description of EIOPA's stochastic model used for PEPP

Please provide any comments and contributions on the stochastic model to:
eiopa.PEPP.stochastic-model@eiopa.europa.eu

OTHER DOCUMENTS| 14 AUG 2020|

PEPP

EIOPA calls for candidates to join Expert Panel on Pan-European Personal Pension Product Regulation

The European Insurance and Occupational Pensions Authority (EIOPA) today issued a call for candidates to join an Expert Panel on the Pan-European Personal Pension Product (PEPP) Regulation. Based on the forthcoming Regulation on PEPP, EIOPA is required to develop substantial policy and regulatory...

NEWS| 02 MAY 2019|

PEPP

EIOPA establishes Expert Practitioner Panel on the Pan-European Personal Pension Product (PEPP)

The European Insurance and Occupational Pensions Authority (EIOPA) kicks-off its policy work on Level 2 measures for the PEPP Regulation Challenging and diverse scope of deliverables - and tight timeframes - call for innovative and efficient solutions Today, the European Insurance and Occupational...

NEWS| 05 JUL 2019|

PEPP

EIOPA finalises the regulation of the pan-European Personal Pension Product

Today the European Insurance and Occupational Pensions Authority (EIOPA) delivered to the European Commission a set of draft Regulatory and Implementing Technical Standards and its advice on Delegated Acts to implement the framework for the design and delivery of the Pan-European Personal Pension...

NEWS| 14 AUG 2020|

PEPP

EIOPA publicly consults on implementing technical standards for supervisory reporting and cooperation for the Pan-European Personal Pension Product (PEPP)

Today, the European Insurance and Occupational Pensions Authority (EIOPA) launched the public consultation on implementing technical standards for supervisory reporting and cooperation as mandated by the Pan-European Personal Pension Product (PEPP) Regulation. The proposals specify the annual...

NEWS| 20 FEB 2020|

PEPP

EIOPA publicly consults on its approaches for regulating key aspects of the Pan-European Personal Pension Product (PEPP)

Frankfurt, 2 December 2019 – Today, the European Insurance and Occupational Pensions Authority (EIOPA) launched the public consultation of its approach to the regulatory and implementing standards, and technical advice to the European Commission on delegated acts, as mandated by the Pan-European...

NEWS | 02 DEC 2019 |

GABRIEL BERNARDINO | PEPP

EIOPA Q&A: A paradigm shift

EIOPA delivered a set of draft regulatory and implementing technical standards to the European Commission back in August. What were your key considerations while drawing up these standards? I think this was a very important step for us towards the finalisation of the framework of the PEPP, and our...

INTERVIEW | 17 NOV 2020 |

CONSUMER PROTECTION | PEPP

EIOPA welcomes agreement on a Pan-European Personal Pension Product

Page Content The European Insurance and Occupational Pensions Authority (EIOPA) welcomes the agreement reached by the European Parliament and the Member States on the proposal for a Pan-European Personal Pension Product, the PEPP. Gabriel Bernardino, Chairman of EIOPA, said: " Today's agreement is...

NEWS | 13 FEB 2019 |

GABRIEL BERNARDINO | PEPP

EIOPA welcomes the adoption of the Regulation introducing a Pan-European Personal Pension Product

The European Insurance and Occupational Pensions Authority (EIOPA) welcomed today's adoption by the European Parliament of the Regulation introducing a Pan-European Pension Product, the PEPP. Gabriel Bernardino, Chairman of EIOPA said: " This Regulation is an important first step towards giving...

NEWS | 04 APR 2019 |

PEPP

EIOPA's proposed level 2 regulations for the PEPP

OTHER DOCUMENTS | 14 AUG 2020 |

PEPP

EIOPA's role in PEPP

The PEPP Regulation empowers EIOPA to: Develop technical standards around reporting to the supervisors about PEPP providers and products to enable consistency and transparency Register new PEPPs in a central register. EIOPA will provide for a central database to get information on all PEPPs in...

HYBRID PAGE| 26 OCT 2018|

CONSUMER PROTECTION | IDD | PEPP | REGULATION | SUPERVISORY FRAMEWORK

Exploring new horizons for the benefit of the citizens in the European Union

Speech by Gabriel Bernardino, Chairman of EIOPA, at the 6th Annual Conference of EIOPA in Frankfurt.

SPEECH| 18 OCT 2016|

FAUSTO PARENTE | PEPP

How can Pan-European Personal Pensions (PEPP) work best for the European citizens?

Presentation by Fausto Parente, Executive Director of EIOPA, at the Pan-European Pension Forum in Prague.

SPEECH| 17 MAY 2018|

PEPP

Interview with Gabriel Bernardino, Chairman of the EIOPA, conducted by Margarida Pinto for Funds People magazine

Page Content

NEWS| 25 SEP 2017|

JUSTIN WRAY | PEPP | SOLVENCY II | SUSTAINABILITY

Interview with Justin Wray

Interview with Justin Wray, Deputy Head of the Policy Department of EIOPA, conducted by Evgenia Tzortzi for Kathimerini.

INTERVIEW| 17 NOV 2017|

PEPP

Joint IRSG/OPSG advice on the format of supervisory reporting and the cooperation and exchange of information between competent authorities for the Pan-European Personal Pension Product

SHG ADVICE| 18 JUN 2020|

PEPP

Joint IRSG/OPSG on PEPP - implementing technical standards for supervisory reporting and cooperation for the Pan-European Personal Pension Product

SHG ADVICE| 28 FEB 2020|

IORP | ORGANISATION | PEPP | RISK ASSESSMENT

Keynote Address by Gabriel Bernardino at the 18th Handelsblatt

Annual Conference on “Occupational Pensions”

Page Content

NEWS | 28 MAR 2017 |