

# Feedback statement

on comments received on the draft technical  
advice on the development of pension  
dashboards and the collection of pensions data

EIOPA-BoS-21/543  
01 December 2021



**eiopa**

European Insurance and  
Occupational Pensions Authority

## FEEDBACK STATEMENT

### Introduction

EIOPA conducted a public consultation on the draft Advice on the development of pension dashboards and the collection of pensions data, which ran from 13 July 2021 until 8 September 2021. EIOPA received 14 stakeholder responses to the public consultation, all of which were public, including a response from EIOPA's Occupational Pensions Stakeholder Group (OPSG). Besides OPSG, the public responses were from pension associations (1 European, 2 national), insurance associations (1 European, 4 national), actuarial associations (1 European, 1 national) and association representing employers/employees (1 European, 1 national) and one private citizen, with all national responses coming from Austria, Croatia, Germany, France and the Netherlands.

EIOPA would like to thank all stakeholders for their responses to the public consultation. The input received provided important guidance for EIOPA to finalise the technical advice. All comments submitted were given careful consideration by EIOPA.

This feedback statement summarises the main responses received and how EIOPA addressed them in the Advice. The individual responses received and EIOPA's feedback on these responses are published in a separate document.

### Objective of the technical advice

In December 2020, the European Commission sent a Call for Advice (CfA) to EIOPA, requesting technical advice on the development of best practices on (1) pension tracking systems and (2) a pension dashboard. The impact assessment refers to the policy proposals on the referred topics developed by EIOPA in its technical advice to the European Commission on the gathering of data for the formation of a European wide pension's dashboard and other considerations of dashboard design.

The technical advice serves as an input to the pension policy of Member States. The intention is not to provide recommendations on political choices or public policy, whether at national or at EU level. It will contribute to measuring and monitoring the contribution of occupational and personal pensions to the adequacy and sustainability of national pension systems and to getting a comprehensive picture of future pension developments. To enable long-term projections of supplementary pensions and to inform the dashboard indicators, additional data is needed from a wide range of private pension providers. As such, the costs, and indeed the benefits, accrue beyond

EIOPA's immediate stakeholders of IORPs and insurance undertakings, their members and policyholders and supervisors.

## Main responses received and how EIOPA addressed them

### DATA, SOURCES OF DATA AND GATHERING OF DATA

Respondents expressed split views with regards to the objective of collecting further data on pensions products in order to build a comprehensive dashboard. When asked for suggestions of other sources of pensions data (other than set out on the consultation draft) seven stakeholders stated they had none, while four had. All comments on this question mentioned exploiting the current data sources first before seeking more data.

The OPSG noted that making available an EU Dashboard based on “an agreed and accepted transparent methodology and based on the most reliable and preferably recent data available, will change the quality of policy discussions not only between the EU institutions and Member States, but also within Member States”. Therefore, they agreed that the Advice is a good step in providing more clarity and the extended data collection is necessary. OPSG also noted that the paper sets out a good “analysis of available data and a description of data needed to create a Dashboard, EIOPA comes to the conclusion that there are gaps in existing reporting requirements that should be filled. We support this conclusion.”

When asked if stakeholders agree that data on long-term savings instruments is not available as there is no commonly agreed definition, eight agreed, while three disagreed. On the question asking for suggestions for more or less additional data to be collected for the purpose of the dashboard indicators and the preparation of long-term projections of supplementary pensions, eight stakeholders had suggestions, while three did not. The suggestions were split between support for using existing data sources and opposition to any new data requests.

From the stakeholders opposing the objective, the main reasons for opposing any new data collection was down to costs to pension providers (particularly from the insurance industry) and the complexity of national systems. One stakeholder noted “EIOPA claims that data is often not available, where in fact it is, but at a national level. A major challenge will therefore be the comparability of national data, not the availability of proper sources”.

## EIOPA FEEDBACK

To answer the call for advice from the Commission the advice aims to provide the most comprehensive options for the Commission to build a dashboard, however, EIOPA acknowledges in the Advice that data collection is not a straightforward exercise.

In the Advice EIOPA sets out the issues of aims, powers and costs of gathering extra data and states the primary aim of collecting the data on dashboards is to facilitate economic and social policy, rather than conduct/prudential supervision of pension providers. Some data may therefore not be directly relevant for national authorities to fulfil their supervisory objectives, or indeed not be within their powers to collect.

On the other hand there are advantages in having private pension providers report the data to the national competent authorities designated by Member States to supervise them and some of it will also be relevant for supervisory purposes and may already be collected.

## THE COSTS AND BENEFITS OF A EUROPEAN PENSIONS DASHBOARD

Respondents expressed mixed views with regard to the costs and benefits of a pensions dashboard.

One stakeholder commented that “much of the desired data is already available at the company level. But, in particular, a breakdown by age and gender seems to be expensive. In our opinion, looking at individual ages is unnecessarily costly in terms of gaining knowledge”. Many stakeholders commented on the complexity of gathering data based on gender and age breakdowns.

When asked about the costs of collecting particular data points generally stakeholders felt IORPs would face less cost than insurance companies (see table below). Likewise the benefit was felt to be higher for IORPs than for insurance.

The below charts give an overview of how stakeholders, who responded to the question “*Could you give an indication of the costs/benefits (high, medium, low, none, don't know) of collecting the following data directly from private pension providers (IORPs, insurers, other), distinguishing DB, hybrid and DC as well as occupational and personal pensions*”, answered.

CHART 1: COSTS OF COLLECTING DATA, NUMBER OF RESPONDING STAKEHOLDERS

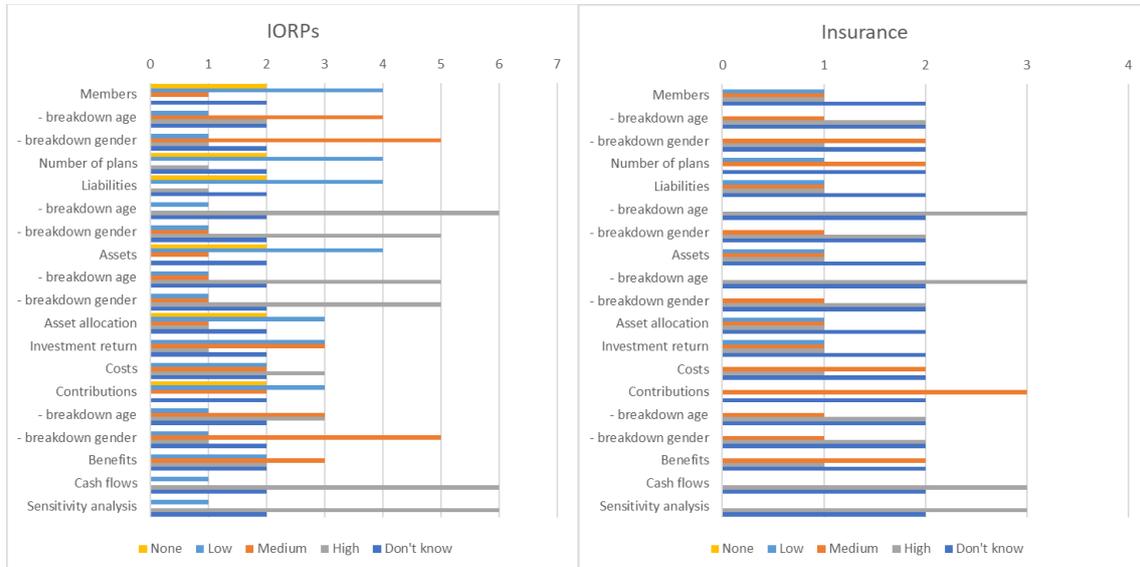
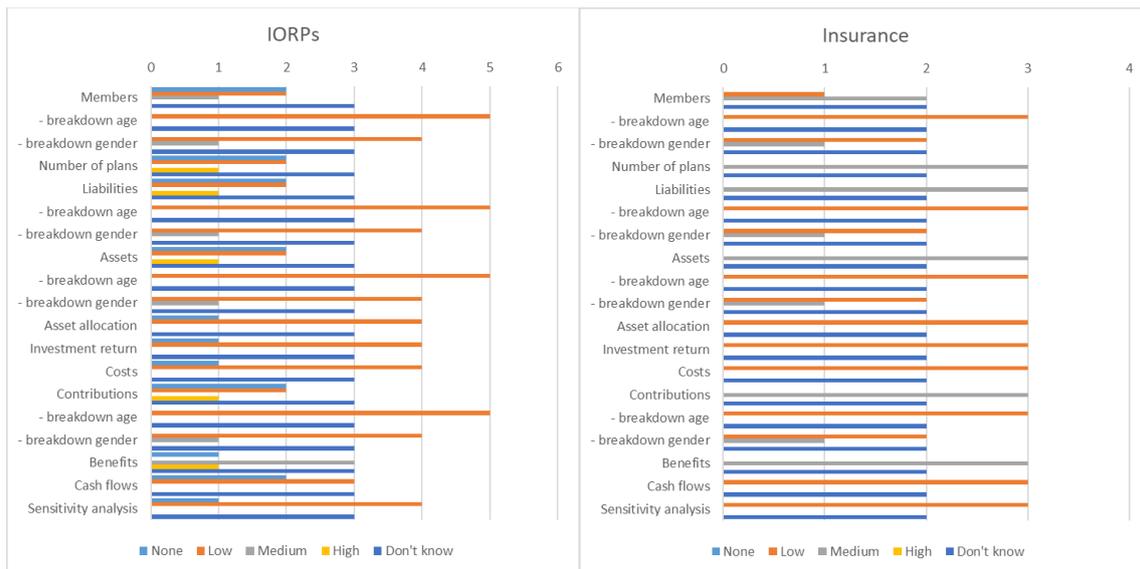


CHART 2: BENEFITS OF COLLECTING DATA, NUMBER OF RESPONDING STAKEHOLDERS



**EIOPA FEEDBACK**

EIOPA takes note of the concerns around the impact on both NCAs and the industry of extra

data requirements.

The Advice advocates a gradual approach to the development of a pension dashboards due to the complexity, not only because of the availability of data, but also their comparability as well as the substantial differences in the underlying national pension, social security and tax systems.

Existing pensions data should be used to commence with pension dashboards in the short term, considering that the resolution of data gaps will take time. Pension projections and dashboards can subsequently be enhanced in the medium term using newly collected data. The additional data reporting by pension providers should be proportionate to the aim of fostering transparency of the contribution of supplementary pensions to the adequacy and sustainability of pension systems in the Member States.

## LONG TERM PROJECTIONS

When asked if the identified minimum set of quantitative data and more qualitative information are necessary to enable the preparation of long-term pension projections, eight stakeholders disagreed while three agreed. For some stakeholders the extra data was unnecessary to make projections as they felt it was overly granular. The other main concern identified was the specificities at national level that would affect how projections are made.

Seven stakeholders indicated that they have experience with making long-term pension projections, four did not. As with the above question the issue of complexity was raised due to the heterogeneousness of national systems. It was also noted that projections are often made at portfolio level and then aggregated.

## EIOPA FEEDBACK

EIOPA acknowledges the complexity of making projections considering the diverse nature of the European system for pension provision. The final Advice on pension projections is based on the perspective that calculations will be performed by the Member States (e.g. by government agencies / departments and / or NCAs), with the aim of complementing the public ageing expenditures in the Ageing report projections.

Given the heterogeneity of occupational and personal pensions across the EU, it is not the aim of EIOPA to set a one size fits all type of model. In fact, flexibility and proportionality are considered key elements for this exercise.

## DASHBOARDS

When asked if the creation of a pension dashboards should be carried out, regardless that comprehensive data is not available for all indicators, stakeholders were quite positive with nine thinking the dashboard should be developed regardless and one who did not. Again the theme of an incremental approach was advocated and many stakeholders were positive about the global idea of a dashboard and its benefits.

Most stakeholders were concerned with the cost and ambition of a live dashboard over a report dashboard (four agreed with a live dashboard, seven did not). OPSG's comment summarises the stakeholder's feelings on the whole, they noted that "It seems rather obvious that a live Dashboard is superior, but the real question here is, whether this is really sufficiently better to justify the probable higher costs".

## EIOPA FEEDBACK

Due to the complexity of the systems across Europe viewing the data on these in one place, in a meaningful way, can be challenging and so there is a need to present the data in a way that can reflect this diversity. The Advice advocates for a live dashboard in order to be able to give the dynamism the data requires to present the information in a meaningful way while being fair to each Member State's system on an individual level.

A live dashboard would be an up-to-date resource that would make transparency on sustainability and adequacy higher than a report such as the Ageing Report which is triannual. On weighing up the initial costs and the benefits, the added cost of a live dashboard is not so considerable in terms of building the dashboard in comparison to an annual or multiannual report that would also need resources to produce, while the value would be higher.

## INDICATORS

On the question whether stakeholders agree that all relevant adequacy and sustainability indicators employed by the European Commission are reflected in the draft advice, seven respondents answered yes and one answered no. Some concerns were raised about how relevant some indicators are.

Seven stakeholders did not agree with the indicators proposed by EIOPA to complement the existing indicators of the European Commission, e.g. coverage, financial variables relating to private pension providers, diversification between pay-as-you-go and funded pensions. Four did agree, the concerns raised were about the costs to the industry and the complexity of national systems.

Many comments were made about the Commission's desire for a single indicator and how this might be overly simplistic. OPSG's comment sums this up succinctly: "The ambition of the Commission to come to one final indicator to present the quality level of the pension system of a Member State, may however be too unnuanced".

### EIOPA FEEDBACK

To allow long-term projections of supplementary pensions and to inform the dashboard indicators, additional data is needed from a wide range of private pension providers. EIOPA has met the mandate from the Commission "to report on the completeness and reliability of the existing data and when it considers there are material shortcomings in existing data sets, make proposals for how completeness and reliability can be improved" as well as "When relevant data gaps are identified, EIOPA should advise on how to obtain the necessary missing data." The advice does however draw the Commission's attention to the issues of aims, powers and costs for stakeholders.

EIOPA acknowledges in the Advice the advantages of having a single indicator per Member State. Here, the main strength lies in the capacity to directly compare countries based on their pension system situation. A single number is easy to understand and clear but can result in various unintended consequences. However, the Advice does also set out the challenges of a single indicator, which would be limited in its usefulness as it does not give a comprehensive view about pensions.

**EIOPA**

Westhafen Tower, Westhafenplatz 1

60327 Frankfurt – Germany

Tel. + 49 69-951119-20

[info@eiopa.europa.eu](mailto:info@eiopa.europa.eu)

<https://www.eiopa.europa.eu>