EUROPE NEEDS TO SHIFT GEARs IN PENSIONS

About PensionsEurope

PensionsEurope represents national associations of pension funds and similar institutions for workplace and other funded pensions. Some members operate purely individual pension schemes.

PensionsEurope has 24 member associations in 18 EU Member States and 5 other European countries.

PensionsEurope member organisations cover different types of workplace pension for over 100 million people.

As the European Member Association, PensionsEurope represents members with over €4 trillion of assets managed for future pension payments. In addition, many members of PensionsEurope also cover personal pensions which are connected with an employment relation.

PensionsEurope also has 23 Corporate and Supporter Members which are service providers and stakeholders that work with IORPs.

PensionsEurope has established a Central & Eastern European Countries Forum (CEEC Forum) to discuss issues common to pension systems in that region.

PensionsEurope has established a Multinational Advisory Group (MAG) which delivers advice to pension systems in Europe. PensionsEurope also provides a collective voice and information sharing for the expertise and opinions of multinationals.

What PensionsEurope stands for

- A regulatory environment encouraging workplace pension membership;
- Ensure that more and more Europeans can benefit from an adequate income in retirement;
- Policies which enable sufficient contributions and good returns.

Our members offer

- Economies of scale in governance, administration and asset management;
- Risk pooling and often intergenerational risk-sharing;
- Often “not-for-profit” and some/all of the costs are borne by the employer;
- Members of workplace pension schemes often benefit from a contribution paid by the employer;
- Wide-scale coverage due to mandatory participation, sector-wide participation based on collective agreements and soft-compulsion elements such as auto-enrolment;
- Good governance and alignment of interest due to participation of the main stakeholders.

Contact:

PensionsEurope
Koonsingehal 172, Rue Royale
1000 Bruxelles - Belgique
Tel: +32 (0) 2 289 14 14 – Fax: +32 (0) 2 289 14 15

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www.pensionseurope.eu
Supplementary pensions: a key issue for Europe

1. Why supplementary pensions matter

Supplementary pension schemes have a societal purpose and are widely available. Member states benefit from economies of scale and government savings. Administration and investment management are externalised. For the individual, supplementary pensions offer the opportunity to save for retirement. They are embedded in national social and labour law and aim to deliver adequate pensions within the specific domestic context.

Supplementary pensions play an important role in financing the public revenue system. With more than €4 trillion assets under management, they provide capital to SMEs, companies and infrastructure projects to grow and create jobs. Pension funds can play an important role in building a good Capital Markets Union where we see investors in the real economy and pensioners enjoying their retirement. It is important that EU policies co-contribute to this.

Supplementary pensions are an important long-term instrument in the European economy, which are notice for the future interest of their members and beneficiaries.

Legislation should continue to allow supplementary pensions to abide financial market regulations. 在 long-term investment, supplementary pension schemes are able to carry the long-term dimension and provide the necessary stability for the financial system. It is important that key legislation continues to allow pension funds to remain diversified and be subject to risk-based supervision.

Supplementary pensions' needs, and completing the long-term needs, and completing the financial market legislation by first exploring its consistency with various current legislation and tax rules and it continues to allow cross-border investments.

The EU should pre-figure pension provisions from the negative impact of taxes on financial transactions: such taxes, in their current forms, end up being a burden on savings or pension income. Increasing the use of life annuities or pension income. Increasing the use of annuities or pension funds, firms and individuals that continue to be the policies of choice.

2. EU policy needs to support supplementary pensions

The EU should support the development and strengthening of supplementary pensions. One model system design is a market-based approach with a set of competences for the EU to act as a facilitator to exchange information and best practices. EU rules on pensions can be more coherent and simplify the rules to implement the model in the specific Member States' context.

The EU should continue tackling the barriers to private pension arrangements. The EU needs to act on a much wider range of issues than just pensions to address the issues of competitiveness and work-life balance. It is important that EU policies contribute to this.

The EU should recognize the social character of workplace pensions – distinct from consumer products. Supplementary pensions provide for the long-term sustainability of pension systems, and are mostly not-for-profit. Member States’ social dialogue at all levels would be supported as guiding principles.

EU policy should support supplementary pensions schemes to abide financial market regulations. In this challenging and uncertain environment, it is of utmost importance that EU policies co-support the macroeconomic stability in the financial sector, so it is important that legislation continues to allow cross-border investments.

The EU should actively support the social character of workplace pension schemes. They are employed in the specific contexts of workplace pension schemes.

The group was established to advise the European Commission on matters relevant to building the CMU and they should be supported as guiding principles.

The EU should carefully consider the policy objectives for sustainable investments. Any new forms of work and the societal trend of pension accumulations, personal pensions will play an important role in further developing the EU as a pension gap in the years to come.

PensionEurope supports the creation of the Pan-European Personal Pension Prod -uct (PEPP). Further work should be carried forward before the PEPP becomes law. It is important that EU policy makers consider the needs of Member States. Otherwise people will lose their current mortgage pension and the EU.

Supplementary pensions are essential for the adequacy and sustainability of our pension systems. The demographic challenges of an aging society imply that a shrinking working population will need to support every person over the age of 65 in Europe. Pay-as-you-go systems alone cannot meet this challenge. The demographic challenges of an aging society imply that a shrinking working population will need to support every person over the age of 65 in Europe, and the associated costs will have significant economic, budgetary and fiscal impacts throughout the European Union.

Workplace pension schemes have a social purpose and are widely available. Member states benefit from economies of scale and government savings. Administration and investment management are externalised. For the individual, workplace pension schemes offer the opportunity to save for retirement. They are embedded in national social and labour law and aim to deliver adequate pensions within the specific domestic context.

Supplementary pensions play an important role in financing the EU’s real economy. With more than €4 trillion assets under management, they provide capital to SMEs, companies and infrastructure projects to grow and create jobs. Pension funds can play an important role in building a good Capital Markets Union where we see investors in the real economy and pensioners enjoying their retirement. It is important that EU policies co-contribute to this.

Supplementary pensions are an important long-term instrument in the European economy, which are notice for the future interest of their members and beneficiaries. Long-term sustainability is an important parameter for member states and their management decisions for decades.

Pension funds support sustainable finances and they are important interest rates in the European economy. Sustainable finances and delivering benefits to pension funds and to work in the right direction and for their members and beneficiaries.

Legislation should continue to allow supplementary pensions to abide financial market regulations. In long-term investment, supplementary pension schemes are able to carry the long-term dimension and provide the necessary stability for the financial system. It is important that key legislation continues to allow pension funds to remain diversified and be subject to risk-based supervision.

The EU legislation for 2008 should be re-determined. Based on the outcome of the European Commission pleas, Close-up on the supervisory reporting we expect stronger rules on pension funds’ market conduct.

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