

28 JUNE 2002

PRESS STATEMENT

PENSION FUND DIRECTIVE COMPROMISE

A SIGNIFICANT STEP FORWARD SAYS EFRP BOARD

At its meeting on 26 June 2002 the EFRP Board expressed satisfaction that the compromise reached during the Spanish Presidency is a significant step forward towards the establishment of a European passport for pensions. Such a passport is essential if the objectives of the Financial Services Action Plan are to be fulfilled.

The Board expressed the sincere hope that the Danish Presidency will be able to build on the hard work of their Spanish predecessors in order that the legislative process can be completed by December 2002.

While not wishing to undermine the compromise in any way, the Board did express the hope that the remaining concerns on the ability of employers to operate pan-European pension schemes cost-effectively would be tackled as quickly as possible. In due course, it should be as easy for an employer to provide cost-effective pensions across European borders as it is within those borders. The EFRP will continue to play its part in bringing this desirable goal to speedy fruition.

CONTACT :

*Chris VERHAEGEN
Secretary General
EFRP
Hertogsstraat 85 rue Ducale
B - 1000 Brussels
Tel : +32-2-289.14.14; Fax : +32-2-289.14.15
chris.verhaegen@efrp.org*

About the EFRP

The European Federation for Retirement Provision represents the various national associations of pension funds and similar institutions for pension provision. The EFRP has members in all EU Member States, except for Greece.

Its membership at large consists of institutions for occupational (2nd pillar) retirement some of them also operating purely individual pension schemes. In some Member States up to 90-95 % of the work force have their occupational pension funded through EFRP membership (e.g., Denmark, Netherlands, Sweden). Whereas in Germany, Spain, Ireland, the United Kingdom 80 % of the occupational pension provision is funded by EFRP members.

EFRP members are non-profit making associations.

Members and beneficiaries are usually represented in their governance structures; many of them are managed on a paritarian basis between unions/employees and employers.

83 million of EU citizens are covered for their occupational pension plan by EFRP Member Associations.

The EFRP's aim is to provide Europe with a financing vehicle (pension fund or similar) – not precluding any others catered for by commercial undertakings – that is affordable for large sections of the population and that provides a degree of intra- and inter-generational solidarity. This is feasible if the conditions for investments and the proper prudential framework facilitate this type of collectively organised occupational pension provision.

Through its Member Associations EFRP represents € 2.819 billion of assets managed for future occupational pension payments.