Press release

PensionsEurope welcomes the European Parliament’s approval of PEPP

Today the European Parliament adopted the text of the trilogue agreement on the EU Regulation on a Pan-European Personal Pension Product (PEPP). PensionsEurope welcomes the result as we consider it well-balanced and meaningful.

In our opinion, PEPPs will be a valuable addition to already existing public and occupational pensions. PEPPs will increase overall pension savings and long-term investments.

The trilogue negotiations have considerably improved the original proposal. For instance, the role of IORPs as PEPP providers has been legislated in a much better way that accommodates the different needs of the member states, the default investment option now explicitly includes life-cycle investment strategies, and the PEPP information requirements have been clearly specified. Moreover, the EU legislator introduced strong consumer protection rules, e.g. full transparency of costs and ESG policy and mandatory advice.

Matti Leppälä, Secretary General/CEO of PensionsEurope, said:

“Saving for a pension in a good quality product leads to good outcomes and PEPPs can be a valuable tool to complement the pension income of many EU citizens. The EU-label on PEPPs will benefit both consumers, guaranteeing strong protection, and providers, introducing a framework for personal pensions that allows them to provide PEPPs across the EU.

PEPP is an important step on the road to addressing pension gaps and demographic challenges, and a relevant milestone in completing the Capital Markets Union. Further technical measures complementing the PEPP Regulation have to be appropriately designed to allow all different PEPP providers to build on the own strengths and business models. Only then will PEPP support pension savings and long-term investments across the EU.”
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 3 other European countries.1

PensionsEurope member organisations cover different types of workplace pensions for over **110 million people**. Through its Member Associations PensionsEurope represents more than **€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 **28 Corporate and Supporter Members** which are various 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 on pension issues to PensionsEurope. It 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 will 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.

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1 EU Member States: Austria, Belgium, Bulgaria, Croatia, Estonia, Finland, France, Germany, Hungary, Ireland, Italy, Luxembourg, Netherlands, Portugal, Romania, Spain, Sweden, UK. Non-EU Member States: Iceland, Norway, Switzerland.