

Response to EC proposal for a Pan-European Personal Pension Product

Following today's publication of the European Commission's proposal for a Regulation on a Pan-European Personal Pension Product (PEPP), Michaela Koller, director general of Insurance Europe, commented:

"Europe faces an unprecedented challenge, as fewer workers and more retirees put a significant and growing strain on state pension systems. One way to make pension systems more sustainable is to boost retirement saving by individuals, and the PEPP proposal complements existing national initiatives that encourage people to do this. In an ideal scenario, it could also incentivise member states without a private pension sector to address this gap.

"At first sight, Insurance Europe welcomes some of the PEPP's features, such as the default investment option that would ensure capital protection for PEPP savers. Insurance Europe also welcomes efforts made by the Commission to make the PEPP a truly long-term pension product. This long-term nature is key to allow the allocation of funds to long-term investments that can deliver good pensions to savers and help fund growth, in line with the Capital Markets Union's objectives. Insurance Europe also supports moves by the Commission towards a more digital-friendly approach to the provision of information.

"This is an important, but also very complex legislative initiative. Therefore, more time is needed for Europe's insurers — who are the main providers of personal pensions in Europe — to carefully study the Commission's proposal, in particular to assess whether the PEPP will be attractive to savers and providers, as a complement to the personal pension solutions already on offer."

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Notes for editors

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