

Commenting on the European Insurance and Occupational Pensions Authority's (EIOPA) advice to the European Commission on the development of an EU single market for personal pension products, Nicolas Jeanmart, head of personal insurance, general insurance & macroeconomics at Insurance Europe, said:

"Insurance Europe supports the overall project to create a pan-European pension product (PEPP) and welcomes EIOPA's acknowledgement that it should be a true pension product. However, a number of questions arise from the proposed treatment of the main characteristics of a pension product — ie, minimum investment periods and a decumulation phase.

"In Insurance Europe's view, it is key that the product envisaged by EIOPA features minimum investment periods, allowing consumers to access the benefits of long-term investments. Of equal importance is that the decumulation phase is given appropriate consideration in the product design, with the aim of guaranteeing the best outcome for consumers. Otherwise, the PEPP could end up being more like a short-term investment, rather than a long-term pension product.

"Of concern is the link that EIOPA's advice makes between packaged retail and insurance-based investment products and the proposed PEPP, given that the two are not easily compatible. Insurance Europe maintains that the overarching priority should be to ensure that the information provided to future pensioners helps them to make appropriate decisions for their retirement. This requires focussed and targeted pension information.

"Insurance Europe will respond to the consultation launched with the advice and will remain closely engaged with the PEPP project to contribute towards a solution that is suitable for the retirement needs of European citizens."

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Notes for editors

1. For further information, or to be added to our mailing list, please contact Richard Mackillican, policy advisor communications & PR (tel: +32 2 894 30 69, mackillican@insuranceeurope.eu).
2. You can also receive updates from Insurance Europe, sign-up here <http://www.insuranceeurope.eu/sign-up> or by following us on Twitter @InsuranceEurope.
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