3 March 2020

**Press release**

## PensionsEurope answer to EIOPA’s consultation on PEPP level-2 measures

PensionsEurope has answered to EIOPA’s consultation concerning technical advice, implementing and regulatory technical standards for the Pan-European Personal Pension Product (PEPP).

PensionsEurope suggests to EIOPA not to add unnecessary complexities in regulating the technical details of PEPPs and not to exceed the mandate provided by the PEPP Regulation.

PensionsEurope notes that several technical specifications are not sufficiently detailed in the consultation document and highlights that this has hampered the possibility to provide EIOPA with adequate feedback. In particular, PensionsEurope regrets that the consultation document does not include detailed information on the stochastic methodology and on the standardised parameters that will be used for the holistic approach to risk, reward, performance and risk mitigation techniques.

PensionsEurope believes that a key factor in determining the attractiveness of the PEPP for savers and providers will be the rules specifying the scope of the 1% fee cap for the Basic PEPP. While highlighting our full support to total transparency in the disclosure of all direct and indirect costs, we are concerned that the all-inclusive approach suggested by EIOPA will act as a barrier to the development and market uptake of PEPP across the EU, and we do see concrete risks of rendering PEPP not economically viable for providers and of hindering the quality of the product. At this state in the development of the PEPP, we recommend that the costs related to the mandatory personal advice are separately disclosed in the breakdown of costs and not included in the fee cap.

PensionsEurope is also suggesting several improvements to the illustrative mock-ups of the information documents – PEPP KID and PEPP BS. It is key that the information included in these documents is the one needed by savers and we underline that it should be simple and easy to understand. In this regard, we praise the suggested use of layers and other visuals that could be used to draw savers’ attention.

You can read PensionsEurope’s full submission to EIOPA's consultation here.

## 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 17 EU Member States and 4 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 **26 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, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Luxembourg, Netherlands, Portugal, Romania, Spain, Sweden. Non-EU Member States: Iceland, Norway, Switzerland, UK.