

MEMO# 30159

August 23, 2016

European Commission Consults on Personal Pensions Framework; Member Call Scheduled for 1 September, 10 A.M. (EST)

URGENT/ACTION REQUESTED

[30159]

August 23, 2016

TO: ICI GLOBAL CAPITAL MARKETS UNION TASK FORCE
ICI GLOBAL REGULATED FUNDS COMMITTEE No. 52-16
ICI GLOBAL RETIREMENT SAVINGS COMMITTEE
INTERNATIONAL COMMITTEE No. 42-16 RE: EUROPEAN COMMISSION CONSULTS ON PERSONAL PENSIONS FRAMEWORK; MEMBER CALL SCHEDULED FOR 1 SEPTEMBER, 10 A.M. (EST)

On 27 July, the Directorate-General for Financial Stability, Financial Services and Capital Markets Union of the European Commission published a consultation titled Capital Markets Union: Action on a Potential EU Personal Pension Framework, requesting comments by 31 October. [\[1\]](#) We plan to submit a response to the consultation.

MEMBER CALL - 1 SEPTEMBER, 10 A.M. EST

To prepare a response, we will hold a member call on 1 September, at 10 a.m. E.S.T. If you plan to participate, please register by emailing the undersigned at adriggs@ici.org.

Dial-numbers:

USA - 866-692-3158

International - 1-203-418-3123

Participants Pass code: 9235175

DETAILS ABOUT THE CONSULTATION

The Commission launched this consultation within the context of the Capital Markets Union initiative ("CMU") [\[2\]](#), recognising that pension savings can contribute to the growth of

capital markets. The ultimate goal of the consultation, however, is to help EU individuals “to save more to achieve appropriate levels of retirement income.” The Commission’s consultation builds and expands on the technical advice provided by the European Insurance and Occupational Pensions Authority (EIOPA), to which ICI Global contributed through several comment letters. [3] The consultation also builds on other recent CMU initiatives, such as the Call for Evidence on the EU Regulatory Framework for Financial Services [4] and the Green Paper on Retail Financial Services. [5]

The Commission’s consultation has three parts, addressing specific sets of questions to individuals (16 questions), consumer organisations (36 questions), and other stakeholders (24 questions). ICI Global will respond to the questions for “other stakeholders.” Those questions cover the following areas:

- Challenges to personal pension development in the EU
- Key features for an EU personal pension framework, including—
 - Investment rules
 - Portability of personal pensions
 - Information to investors
 - Distribution
 - Switching between products or providers, and
 - Payout/decumulation options.
- Effect of key features on the tax regime of personal pensions
- Benefits of potential EU action on personal pensions, and
- Type of potential EU action.

Anna Driggs
Associate Chief Counsel - Retirement Policy

endnotes

[1] The consultation is available at http://ec.europa.eu/finance/consultations/2016/personal-pension-framework/docs/consultation-document_en.pdf. Prior to publishing the consultation, the Commission also issued a call for tender for a study on the feasibility of a European personal pension framework. The study seeks to map the tax regimes applicable to personal pension products (PPPs) within the 28 Member States and also identify the most successful PPPs, including descriptions of their investment strategy, return, payouts, fees, and time horizon. It also will include a feasibility analysis. The tender description is available at <https://etendering.ted.europa.eu/cft/cft-documents.html?cftId=1429>.

[2] See [Memorandum](#) to Equity Markets Advisory Committee No. 17-16, Fixed-Income Advisory Committee No. 14-16, ICI Global Capital Markets Union Task Force, ICI Global Regulated Funds Committee No. 32-16, ICI Global Retirement Savings Committee, ICI Global Tax Committee No. 9-16, ICI Global Steering Committee No. 11-16, ICI Global Trading & Markets Committee No. 19-16, International Committee No. 27-16, International Operations Advisory Committee No. 14-16 [29909], dated 13 May 2016 (European Commission’s First Status Report on the Capital Markets Union).

[3] Our responses to the EIOPA’s 2016 and 2015 consultations on the creation of a pan-European personal pension product (PEPP) and to the survey on the PEPP’s attractiveness

are available at https://www.iciglobal.org/pdf/16_icig_eiopa_pepp_consultation_ltr.pdf, https://www.iciglobal.org/pdf/15_icig_eiopa_pepp_consultation_ltr.pdf, and https://www.iciglobal.org/pdf/15_icig_eiopa_pepp_survey.pdf. For corresponding memos, see [Memorandum](#) to ICI Global Capital Markets Union Task Force, ICI Global Regulated Funds Committee No. 30-16, ICI Global Retirement Savings Committee, and International Committee No. 26-16 [29890], dated 5 May 2016; [Memorandum](#) to ICI Global Regulated Funds Committee No. 9-16, ICI Global Retirement Savings Committee, International Committee No. 9-16, and ICI Global Capital Markets Union Task Force [29674], dated 28 January 2016; and [Memorandum](#) to ICI Global Regulated Funds Committee No. 63-15, ICI Global Retirement Savings Committee, and ICI Global Capital Markets Union Task Force [29411], dated 7 October 2015.

[4] See [Memorandum](#) to ICI Global Capital Markets Union Task Force, ICI Global Regulated Funds Committee No. 11-16, ICI Global Retirement Savings Committee, ICI Global Steering Committee No. 3-16, ICI Global Tax Committee No. 3-16, ICI Global Trading & Markets Committee No. 4-16, International Committee No. 11-16, International Operations Advisory Committee No. 3-16 [29677], dated 29 January 2016.

[5] See [Memorandum](#) to Equity Markets Advisory Committee No. 8-16, Fixed-Income Advisory Committee No. 9-16, ICI Global Capital Markets Union Task Force, ICI Global Regulated Funds Committee No. 19-16, ICI Global Retirement Savings Committee, ICI Global Steering Committee No. 8-16, ICI Global Tax Committee No. 7-16, ICI Global Trading & Markets Committee No. 8-16, International Committee No. 17-16, International Operations Advisory Committee No. 7-16 [29774], dated 18 March 2016.