



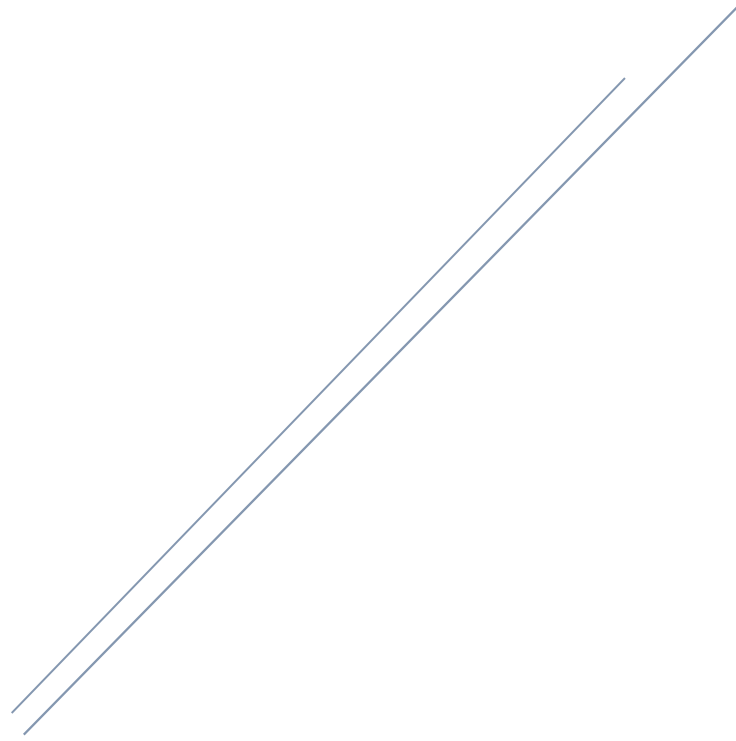
*Association Européenne des Institutions Paritaires*  
European Association of Paritarian Institutions

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Reprioritization of policy measures to support paritarian funds of social protection in the context of Covid-19

**AEIP Position Paper**

22<sup>nd</sup> June 2020



European Association of Paritarian Institutions - AEIP

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### ***Who we are***

**The European Association of Paritarian Institutions – AEIP**, founded in 1996, is a Brussels-based advocacy organization, representing social protection institutions established and managed by employers and trade unions on a joint basis within the framework of collective agreements.

In the context of social protection, paritarism is a type of self-organization of social relationships which on the basis of equal negotiations, results in agreements which are equally binding for both employers and employees. This kind of self-organization goes from the paritarism of negotiation to the paritarism of management and results in various types of agreements, from adhesion to a particular form of cover to the creation of a paritarian institution.

The Association has 20 Associate and Affiliate members - all leading large and medium-sized social protection institutions, from 12 European countries, as well as 13 Task Force Members from 3 European countries. All AEIP members are not-for-profit organizations.

In particular, AEIP deals – through dedicated working groups – with EU coordinated pension schemes, pension funds, healthcare, unemployment and provident schemes, paid holiday and health & safety at work schemes. With regard to pensions, the paritarian institutions represented by AEIP operate within both the first and the second pillar, managed on pay-as-you-go (PAYG), mixed and funded basis, as well as defined contributions (DC), defined benefits (DB), and hybrid schemes in accordance with the structure of the European pension systems. Complementary to their role as non-for-profit social protection providers, AEIP members are also long-term institutional investors.

AEIP represents its members' values and interests at the level of both European and international institutions.

For more information: [www.aeip.net](http://www.aeip.net)

## *Introduction*

The principle of solidarity, at the basis of paritarian social protection schemes, ensures that the interests of all stakeholders are reflected in collective agreements in a transparent and inclusive manner. These schemes, put into practice by the AEIP members in 12 European Member States (MSs), guarantee economic efficiency and at the same time promote social justice and the general welfare. By guaranteeing the participation of workers and employers in special schemes of social equity and compensation, paritarian funds realize the principles of subsidiarity and proportionality.

Complementary to their role as non-for-profit social protection providers, AEIP's members are also long-term institutional investors: they manage assets in the financial markets with a time horizon that in many cases extends decades ahead. They are an important source of institutional investments and can play a stabilizing role in sharp economic downturn. Since the financial crisis, occupational pension funds and paritarian insurers operate in a challenging environment, characterized by extraordinary low interest rates, which has already negatively impacted their balance sheet, and strictly modified their asset and liability management.

The purpose of this paper is twofold. Firstly, it illustrates the contribution that paritarian social protection schemes are providing to employers, employees and to the national social protection systems. Secondly, it gives recommendations to decision-makers on how to support this model and further promote its development within the European Member States.

## *Paritarian social protection schemes in the current environment*

Although it is still early to draw conclusions on the full economic impact of Covid-19, it is possible to establish some general trends. While the impact of the virus is symmetric for all EU MSs, its economic effects significantly differ at national level. Overall, in the EU, the estimations of the crisis' impact vary between 2% to 5% of GDP loss per month of lockdown at national level and this number would disproportionately rise if lockdown measures were extended. The estimations also indicate substantially higher negative growth rates if the global level is considered<sup>1</sup>.

In their economic analysis, Standard & Poor's Global expects that the GDP loss in the Eurozone and the UK will reach around 2% (representing a €420 billion loss in real GDP in 2020), a number that would rise up to -10% if measures in place lasted for 4 months in total<sup>2</sup>. According to the IMF, the EU GDP loss will reach -5.3% for 2020, with recovery not starting before 2021<sup>3</sup>. These estimations suggest that levels of income are expected to remain consistently lower at least over the short term.

In addition, unemployment rates and part-time work are expected to increase. This trend could further intensify in the second half of 2020, according to the International Labor Organization (ILO)<sup>4</sup> and the

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<sup>1</sup> Centre for Economic Policy Research (CERR), Economics in the Time of COVID-19, 6th March 2020 (page 38). Reference: <https://voxeu.org/content/economics-time-covid-19>

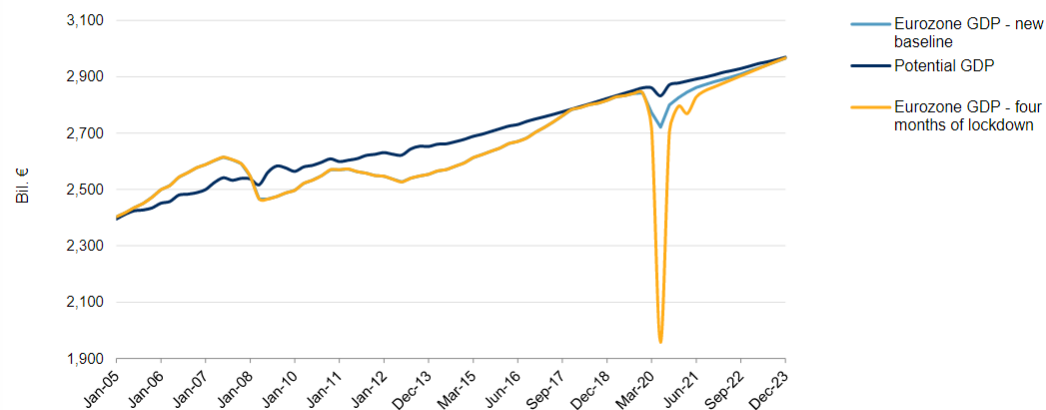
<sup>2</sup> S&P Global Economic Forecast, 26<sup>th</sup> March: <https://www.spglobal.com/ratings/en/research/articles/200326-economic-research-covid-19-the-steepening-cost-to-the-eurozone-and-u-k-economies-11402420>

<sup>3</sup> World economic outlook, april 2020, the great lockdown: <https://www.imf.org/en/Publications/WEO/Issues/2020/04/14/weo-april-2020>

<sup>4</sup> ILO predicts that almost 25 million jobs could be lost worldwide as a result of COVID-19, 18<sup>th</sup> March. Reference: [https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/briefingnote/wcms\\_738753.pdf](https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/briefingnote/wcms_738753.pdf)

German Ifo Institute<sup>5</sup>, depending on recovery and fiscal and monetary mechanisms in place in each MSs. In an official statement from 7<sup>th</sup> April, the International Monetary Fund (IMF) warns that, according to preliminary estimations, 170 countries will experience negative per capita income growth this year<sup>6</sup>. Massive loss of employment and working hours will naturally result in a heavy burden for public budgets over the long-term as a result of fiscal response measures<sup>7</sup>. The expected sharp increases in budgetary deficits could reach in some countries up to -10% as a result of the pandemic-related drivers of budgetary deficit and the expression of the recession<sup>8</sup>.

**Downside Risks To Growth Persist: Four Months Lockdown Would Shave 10% Of GDP This Year**



Graph from [S&P Global](#) (26<sup>th</sup> March), based on Oxford Economics, OECD data

Indeed, the pandemic has already caused an economic recession<sup>9</sup>.

In this context, inequalities among individuals will also likely deepen, with potential negative consequences on the social and political dimensions. In this highly uncertain environment, we would like to underline the capacity of paritarian institutions to ensure economic efficiency but also social justice and solidarity.

Paritarian institutions of social protection operate on the basis of solidarity and are long term institutional investors: they serve a social purpose and at the same time act in a counter-cyclical way in times of sharp economic decline. For these reasons, in the current environment, supporting measures that empower occupational paritarian institutions would serve a twofold purpose: **they would guarantee more**

<sup>5</sup> Ifo Institute, 8<sup>th</sup> April. Reference: <https://www.ifo.de/en/node/54372>

<sup>6</sup> IMF Statement, 7<sup>th</sup> April. Reference: <https://www.imf.org/en/News/Articles/2020/04/07/sp040920-SMs2020-Curtain-Raiser>

<sup>7</sup> ILO predicts that almost 25 million jobs could be lost worldwide as a result of COVID-19, 18<sup>th</sup> March. Reference: [https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/briefingnote/wcms\\_738753.pdf](https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/briefingnote/wcms_738753.pdf)

<sup>8</sup> S&P Global, 26<sup>th</sup> March. Reference: <https://www.spglobal.com/ratings/en/research/articles/200326-economic-research-covid-19-the-steepening-cost-to-the-eurozone-and-u-k-economies-11402420>

<sup>9</sup> S&P Global, 26<sup>th</sup> March. Reference: <https://www.spglobal.com/ratings/en/research/articles/200326-economic-research-covid-19-the-steepening-cost-to-the-eurozone-and-u-k-economies-11402420>

**adequate social protection** to the European workforce and **would channel higher level of resources to long-term investment**.

Moreover, **paritarian institutions enable individuals to save in complex products** (such as exposure to private equity, alternatives, risk-sharing and risk-management) **at very low costs**. In the low yield environment this difference in cost has a big impact on real returns.

As a concrete example, paritarian institutions that operate in the construction sector (e.g. health & safety at work, paid holiday schemes) are playing a crucial role in supporting those employers and employees who, because of interruption of building sites, are now facing high income losses.

In fact, by anticipating the payment of benefits (seniority bonus, paid holidays, etc.) that they normally provide in specific periods of the year, these institutions could provide immediate liquidity to the sector and therefore a relieve for families in these hard circumstances. In Italy, for example, this allowed, our Italian member – the Joint National Committee for Building Workers' Welfare Funds (Commissione Nazionale Paritetica per le Casse Edili - CNCE) to put €370 million for over 450 000 workers of the construction sector (for more information, see [here](#)). A strong support to the sector was provided also in France, where our member PRO BTP made a contribution of €250 million for over 1 million workers (for more information, see [here](#)).

In addition to the economic benefits, many paritarian institutions of the construction sector also continued their activities on health and safety at work (OSH). In fact, in countries like Italy, Spain and Germany, AEIP members have a long-standing experience in providing OSH guidance to workers. This effort persisted also during the Covid-19 emergency. For example, our Italian partners Formedil launched a series of webinars on safety standards to workers, companies and technicians (for more information, [here](#)), while others helped in the dissemination of governmental measures, by ensuring consistency in their implementation.

Other concrete examples of the supportive role of paritarian institutions came from the pension funds, which delayed the payment of contributions for the sectors more heavily hit by the crisis. This was the case, for example, in the Netherlands, where such payment was postponed to the extent that was legally possible in the sectors of gastronomy, travel and tourism. *'The postponement of these contributions was certainly a temporarily relief for the providers operating in these areas, who experience no income for weeks or months.'* – Dutch Federation of Pension Funds ([PensioenFederatie](#), AEIP member, the Netherlands).

It is important to highlight that this support allows the state to save important resources, that would otherwise need to be devoted to temporary lay-off schemes in support of workers. Finally, as paritarian institutions are the result of a long trust-building process and equal negotiations between social partners, such measures create a joint incentive and a sense of ownership and equality both on the side of employers and employees. This is particularly important in times of crisis, where economic inequalities can trigger social unrest and pursuing objectives beneficial to the general interest is often hard to achieve.

### *Policy measures taken so far*

The spread of COVID-19 has huge implications on national budgets and the overall economic and social environment. While healthcare systems in some EU countries were more impacted than in others, the pandemic has had substantial negative repercussions on all European economies. To support Member States, European institutions have undertaken several initiatives, including financial measures for reinforcing national public health sectors and mitigating the socio-economic impacts of the crisis<sup>10</sup>.

One of the measures we consider of high importance is the temporary *Support to Mitigate Unemployment Risks in an Emergency* (SURE)<sup>11</sup>. This instrument will allow Member States to request a loan to support their short-time work schemes directed to employees and self-employed. Overall, **we welcome this initiative as it will help Member States to take actions against the risk of unemployment and loss of income, while temporarily alleviating the pressure from their national welfare spending.**

This instrument will therefore be helpful, yet the duration of the loan, its cost and overall size might limit its impact over the long term, depending on the country that will activate it<sup>12</sup>. **More importantly, this support will be important to cope with the current crisis but will leave unsolved the problem of how to guarantee adequate social protection to workers and the self-employed in the long run.** Workers in non-standard forms of employment, fixed-term workers or platform workers must be at the centre of this discussion as their number has considerably increased in recent years.

In the context of the new initiatives proposed as part of the European monetary policy's approach to Covid-19 economic effects, we see their role as complementary to fiscal measures and instrumental to creating the right conditions for national fiscal policies to be able to provide immediate and over the long-term support to households and businesses. We agree with the European Commission's assessment that the conditions for the activation of the 'general escape clause' of the Stability and Growth Pact (SGP), as part of the EU fiscal framework, are now fulfilled. Such clause allows for deviation from parts of the SGP's preventive or corrective arms in the case where the Euro area or the EU face a severe economic downturn<sup>13</sup>. AEIP sees the need for a more comprehensive evaluation of SGP rules (revised during last crisis).. Overall, AEIP supports the Commission's work on "Economic Governance Framework Review", which is a widely discussed initiative as part of the EC Work Programme 2020 that could ensure rules-based cooperation within EU-19. **We expect further fiscal guidance that would allow MSs to act in a coordinated manner**<sup>14</sup>.

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<sup>10</sup> EC, 'Coronavirus response'. Reference: [https://ec.europa.eu/info/live-work-travel-eu/health/coronavirus-response\\_en](https://ec.europa.eu/info/live-work-travel-eu/health/coronavirus-response_en)

<sup>11</sup> EC Proposal for a Council Regulation on COUNCIL REGULATION on the establishment of a European instrument for temporary support to mitigate unemployment risks in an emergency (SURE) following the COVID-19 outbreak. Reference: [https://ec.europa.eu/info/sites/info/files/economy-finance/sure\\_regulation.pdf](https://ec.europa.eu/info/sites/info/files/economy-finance/sure_regulation.pdf)

<sup>12</sup> CEPS, 'Will sure shield EU workers from the corona crisis?', 6<sup>th</sup> April. Reference: [https://www.ceps.eu/will-sure-shield-eu-workers-from-the-corona-crisis/#\\_ftn1](https://www.ceps.eu/will-sure-shield-eu-workers-from-the-corona-crisis/#_ftn1)

<sup>13</sup> European Parliament Think Tank, 'The 'general escape clause' within the Stability and Growth Pact: Fiscal flexibility for severe economic shocks', 27 March 2020. Reference: [https://www.europarl.europa.eu/RegData/etudes/BRIE/2020/649351/EPRS\\_BRI\(2020\)649351\\_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2020/649351/EPRS_BRI(2020)649351_EN.pdf)

<sup>14</sup> EU Council, 9<sup>th</sup> April. Reference: <https://www.consilium.europa.eu/en/press/press-releases/2020/04/09/report-on-the-comprehensive-economic-policy-response-to-the-covid-19-pandemic/>

**We welcome also EIOPA's recommendations on supervisory flexibility in allowing for delays in the reporting provisions of Solvency II.** We also appreciate its timely statements, which provide broad guidelines on business continuity and capital position for insurers as well as on consumer-oriented mitigation actions. There it is mentioned the possibility of supervisory intervention in extreme situations when the Solvency Capital Requirement of an insurer is particularly low, which can take the form of extension of the recovery period. In this context, it is encouraging that several National Competent Authorities have taken measures to give funds regulatory flexibility, so EIOPA could take into consideration these developments. AEIP underlines that a priority for the time being is the paritarian organizations' ability to serve their obligations. **It is therefore important that regulatory supervisors both at the national and EU level assist them proactively and establish appropriate channels for close consultation with the affected stakeholders about possible supportive measures.**

**Finally, we support the Commission's decision to allow EU budget flexibility and transfers between EU funds and policy objectives,** as this provides an additional and much needed support to help MSs addressing the effects of the Covid-19 pandemic. We also welcome the Emergency Support Instrument for the healthcare sector, providing grants for reinforcing the national healthcare systems<sup>15</sup>. We see the next EU Multiannual Financial Framework as a key instrument in supporting MSs towards economic recovery and support the intention of the EC to adapt it, according to the needs that will progressively emerge.

#### *Long-term policy recommendations*

**In the current circumstances, AEIP stresses on the need to ensuring the long-term sustainability and at the same time adequacy of social protection systems.** All future policy responses should take into consideration that social protection systems have the capacity to effectively support citizens and the economy during severe crises to the extent they are based on a sound and prudent management, wide coverage and solidarity. Such characteristics are even more prominent in paritarian systems of social protection, which thanks to the social partners' joint decision-making process and management, ensure transparency, inclusiveness and democratic legitimacy, in close relation with public decision-makers, in order to coordinate efficiently statutory and complementary social protection provision.

It will be important to ensure a sufficient level of **alignment and complementarity between the EU institutions in the provision of supportive measures and formulation of policy responses, especially those relevant to social protection schemes** (healthcare, pensions, unemployment benefits, etc.).

This **cooperation must engage stakeholders from all levels of governance, including paritarian social protections schemes in the design and implementation of policy measures that concern social protection systems.** We highlight the recommendation from the International Labour Organization (ILO) which recently stated that: "Tripartite social dialogue between Governments and Workers' and Employers' organizations is a key tool for developing and implementing sustainable solutions, from the community level to the global level"<sup>16</sup>.

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<sup>15</sup> European Commission, Statement, 2<sup>nd</sup> April. Reference:

[https://ec.europa.eu/commission/presscorner/detail/en/QANDA\\_20\\_577](https://ec.europa.eu/commission/presscorner/detail/en/QANDA_20_577)

<sup>16</sup> ILO Monitor, 1st Edition COVID-19 and the world of work: Impact and policy responses, (Page 3). Reference :

[https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/briefingnote/wcms\\_738753.pdf](https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/briefingnote/wcms_738753.pdf)

Importantly, any future EU policy responses should take into consideration the diversity and historical particularities of each social security system, thus recognizing the primary role that EU member states play on the definition of national social and labour law.

Policy-makers need to identify the right approach to stabilize the economy and reduce the effects of the upcoming recession. Beyond the development of new policy response mechanisms, we urge the European institutions to also **consider the use of existing funding instruments (e.g. EU Structural Funds, direct grants, etc.) and how to adapt and expand their coordination and complementarity at the national and the European level.**

With this regard, we call for an EU joint economic recovery plan (linked to projections of budgetary deficits and debt ratios) in the form of an EC-managed programme, with earmarked funding from the EU budget, available to all EU MSs. We see such a mechanism as appropriate over a restricted timeframe, linked to the duration of the effects of the crisis but taking into account that these effects will evolve over the long-term. **As the European economies are highly interlinked, there is a strong common interest in ensuring financial stability and opportunities for horizontal recovery within the EU.**

Given their importance, the role of paritarian occupational schemes can be enhanced through a number of national and EU-wide policy measures, including:

**1. The creation of regulatory framework in all EU Member States to extend formal coverage to workers and the self-employed.**

Social protection has traditionally been designed with a specific profile of worker in mind which, in most cases, excludes the self-employed and non-standard workers. While we welcome temporarily measures to support these categories during the crisis, we call on Member States to ensure permanent effective coverage for all workers. Paritarian institutions of social protection must be included in the process of considering policy options as they can provide the mechanisms to guarantee such a coverage.

**2. The creation of tax and financial incentives for both employees and employers to opt for supplementary benefits schemes.**

Decisive policy measures at the EU and national level are needed in order to back up and enhance capital-based and collective systems of social protection managed by social partners in countries where the impact of I-pillar is limited. These measures will promote second pillar savings and ensure that individuals start saving collectively from early on in their career. This would enable households to allocate savings towards financial market instruments with decent returns and protection against inflation, rather than bank deposits with real negative returns, which will also deepen the European Capital Markets Union.

**3. The enhancement of coverage for collective schemes and the introduction of quasi-mandatory or nudge mechanisms, such as automatic enrolment.**

Over the last decades the financial burden of welfare services has gradually shifted to the individual. It is therefore important to support occupational funds with appropriate policy instruments for strengthening their long-established model of collective risk-sharing, since this latter is a structural characteristic deeply embedded in European economies and societies. The wide adoption of complementary schemes will also positively impact the sustainability and adequacy of welfare systems, already under heavy pressure due to the pandemic's effects.



**4. An appropriate prudential regulation for IORPs and Health insurance occupational schemes that recognize the long-term commitment of these institutions**

We stress on the need to keep an appropriate cost of capital for 2<sup>nd</sup> pillar social protection schemes in the prudential framework of Solvency II and IORP II. Ageing of European population is an issue for the sustainability of state social protection systems. Hence, it is of utmost interest for the EU to promote occupational paritarian funds by avoiding heavy costs of prudential framework for European workforce.

**5. The development and implementation of a proper framework for sustainable finance to restart economic growth and recovery.**

Considering the long-term effects of the Covid-19 pandemic, we stress on the need to keep the focus of policy makers on sustainability and green growth<sup>17</sup>. The established European standards on sustainable finance should be the driver behind the efforts to restart economic growth and recovery. The European framework on sustainable finance should presuppose the availability of comparable and reliable data for the purposes of sustainable finance disclosures and non-financial reporting.

**6. A proper regulatory framework that would alleviate barriers to cross-border investments and find a balanced risk-based approach for investors such as the paritarian institutions of social protection.**

The economic recovery at the aftermath of the Covid-19 shock will be supported and accelerated by increased EU cross-border investment, as part of deepening the CMU. However, participation in the CMU – as also in green finance and sustainable growth - requires a certain risk tolerance. Paritarian schemes fully support a risk-based approach under the condition that this keeps a right balance between sustainability and adequacy of provided benefits.

**7. An EU tax policy which does not create any additional burden to the functioning of occupational funds and I-pillar pensions/social security funds<sup>18</sup> as investors in the EU economy.**

Certain initiatives of the EU tax policy, such as the Financial Transaction Tax (FTT), represent a burden against strengthening the role of occupational paritarian institutions as investors in the EU economy<sup>19</sup>. Therefore, they should be exempted from its the scope, since they are not pure financial institutions and play an important role in ensuring adequate social benefits to their members. In regard to pension funds in particular, EU policies should lift off unnecessary VAT burdens, regardless the character of the schemes and the Member State in which the services are being received.

**8. The promotion and support for financial literacy programmes to strengthen the trust of the general public in collective social protection schemes.**

Financial literacy programmes are fundamental to empower citizens to make better life decisions and can contribute to the consolidation of solidarity within the existing collective systems. The economic pressure created by the Covid-19 lockdown measures revealed the necessity for individuals to have robust savings mechanisms which could allow them to go through during economic downturns. EU and national institutions should promote long-term planning and informed decisions about one's long-term benefits.

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<sup>17</sup> For further reference, please see AEIP's Position Paper on Sustainable Finance [here](#).

<sup>18</sup> Falling under EU Regulation 883/2004

<sup>19</sup> For further reference, please see AEIP comments on the FTT [here](#).

### **9. Strong support for Social Dialogue and balanced industrial relations.**

The future of paritarism is strongly linked to that of social dialogue. Collective bargaining can occur only if employers and employees recognize themselves in their representatives. Today the paritarian model is challenged by the declining union membership but also by the increasing number of workers in non-standard forms of employment, who are not represented at all and often lack adequate social security benefits. Governments should promote conditions and regulatory frameworks that foster social dialogue of social partners, which is crucial to the development of paritarian social model<sup>20</sup>.

### **10. The advancement of the Social Europe Agenda.**

In January 2020, the European Commission presented the ‘Strong Social Europe for just transition’<sup>21</sup>, which contained the EU level initiatives to support the implementation of the European Pillar of Social Rights. AEIP welcomed that plan as it addresses many challenges that also paritarian institutions of social protection face in their work. In particular, we support the idea of launching a debate on the long-term impacts of ageing, notably on care and pensions and on how to foster active ageing. Such debate is important as it can allow to exchange best practices as well formulate proposals on how to best deal with this challenge. Therefore, while we are aware that the pandemic outbreak will impose a review of the EU priorities, we encourage the European Commission to maintain the implementation of European Pillar of Social rights high in its agenda and continue a dialogue with interested stakeholders.

### *Conclusions*

Strong social partnership ensures an inclusive and transparent process in social protection schemes design and implementation for the benefit of all stakeholders. This has a decisive role for the realization of the European social model, whose support is crucial in the current situation. In this transitional phase, we expect that all long-term measures will be developed with full consideration of the European Social model standards.

Today, solidarity-based systems are demonstrating their full value. In the next years, the European growth prospects will depend to a great extent on how well the European labour force will adapt to the global trends. The participation of workers in social protection schemes will be crucial for the sustainability and resilience of future EU social protection systems. Such participation will be possible only with strong political support for a wide scope engagement.

Paritarian institutions have a major role to play in this process. They can boost the participation in social protection schemes and, in turn, help Member States ensure coverage for all European citizens. Against this background, a constructive dialogue between decision-makers and social partners at national as well as at European level remains crucial.

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<sup>20</sup> For further reference, please see AEIP’s White Paper – A Roadmap on Social Protection [here](#)

<sup>21</sup> European Commission, Statement, 14<sup>th</sup> January. Reference [https://ec.europa.eu/commission/presscorner/detail/en/qanda\\_20\\_20](https://ec.europa.eu/commission/presscorner/detail/en/qanda_20_20)

### *Further References*

**AEIP Statement on the need to support paritarian funds of social protection in light of the Covid-19 challenges**, published 16<sup>th</sup> April 2020. Available [here](#).

**AEIP Position Paper on the role of paritarian institutions of social protection in the creation of the Capital Markets Union**, published on 22<sup>nd</sup> April 2020. Available [here](#).



#### **AEIP Disclaimer**

AEIP represents its members' values and interests at the level of both European and International Institutions. In particular, AEIP - through its working groups - deal with EU coordinated pension schemes, pension funds, healthcare schemes, unemployment schemes, provident schemes and paid holiday schemes.

Owing to the quality of its members and to the delegation of powers conferred to its Board, AEIP aims at becoming the leading body for the promotion of balanced paritarian social protection systems in Europe. AEIP promotes and develops programs and orientations aiming at the sustainability of paritarian social protection systems at local level taking into account the national specificities aiming at ensuring social cohesion in Europe.

Based thereon, AEIP prepares recommendations, proposes local programs and influences European decisions to safeguard and promote the interests of its members. AEIP thinks ahead and anticipate modern paritarian social protection systems that take into account changing economic and societal pattern. It furthermore seeks to find a new balance between and across generations.