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## **AEIP welcomes the new rules on the institutions for occupational retirement provisions (IORPs)**

After trilogue negotiations, on 30 June the EU Member States, the European Parliament, and the European Commission found an [agreement](#) on the new rules for Institutions for Occupational Retirement Provision (IORPs).

The revision of Directive 2003/41/EC is aimed at facilitating the development of IORPs and better protecting pension scheme members and beneficiaries. The directive will improve the governance and transparency of IORPs and facilitate their cross-border activity.

AEIP welcomes the adoption of the text published by the Dutch Presidency and thanks the EU Institutions for taking on board many concerns raised by the occupational pension funds jointly set up and managed by the social partners.

AEIP welcomes that the new rules do not contain new solvency capital requirements for IORPs. Additional harmonised capital requirements come with high costs and would finally disincentivize employers from providing workplace pensions. With this regard, new recital 60a states that no quantitative capital requirements – such as Solvency II or Holistic Balance Sheet (HBS) models derived therefrom – should be developed at the Union level for IORPs, and that the further development of solvency models is not realistic in practical terms and not cost-effective.

IORPs are institutions strongly embedded within national social systems and primarily governed by social and labour law. We welcome that the new legislation recognizes the social purpose of IORPs, which is reflected in their triangular relationship with employees and employers. The new rules also properly recognize the role of social partners in the overall management of the IORPs and support their cooperation with Member States.

Considering that the way in which IORPs are organized and regulated varies significantly between Member States and the central role played by national social and labour laws, we strongly support the “no-one-size-fits-all” approach adopted and the flexibility allowed to Member States in implementing the new rules.



The text agreed between the three institutions takes into consideration the proportionality principle to a greater extent compared to the initial proposal of the European Commission. This particularly refers to the rules on the own risk assessment and on the principle-based approach undertaken for the Pension Benefit Statement. Moreover, we welcome the fact that delegated acts have been deleted.

The new rules also aim at facilitating the cross-border activity of IORPs. Even maintaining the fully funded requirement at all times for cross-border IORPs, they introduce the possibility to go underfunded for a limited period of time. AEIP welcomes the new rules on cross-border transfers, which clearly define the roles of the transferring and receiving authorities. We also support the choice of not providing EIOPA with a binding mediation role in case of disagreement between authorities.

Finally, we welcome that, in order to improve occupational retirement savings, the European Commission will establish a High Level Group of experts to enhance private retirement savings in the Member States.

We look forward to cooperate in further promoting occupational retirement saving throughout Europe.



Association Européenne des Institutions Paritaires  
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Association Internationale de droit belge - aisbl - 1919

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