Question for written answer E-007852/2017
to the Commission
Rule 130
Pirkko Ruohonen-Lerner (ECR)

Subject: Pan-European Personal Pension Product (PEPP)

The success of the adoption of the Pan-European Personal Pension Product depends largely on whether it receives preferential tax treatment in the Member States. In practice, preferential tax treatment means funding the PEPP by transferring revenue from the budget or between generations. This has been justified by launching saving increases, but in the current economic climate, the objective of economic policy is not to increase savings, but to increase investments and economic growth. The new pension scheme may take precedence over pension accumulation in the current systems and increase pension deficits.

Considering the problems that several Member States are currently having in covering pension costs, as well as ensuring inter-generational fairness, how would the proposed pension product improve the situation?

Many Member States seem to have a pay-as-you-go type of pension system, a system with insufficient funds, with the majority of pension payments spent on the pensions of the current retirees. If a competing pension scheme is created, will it not cause further damage to the current systems?

Is it possible that the new product will further increase the risks of pension systems?