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# Portability, I ORPs and the PEPP

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Prof.dr. Hans van Meerten

Chair EU Pension Law

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## 3 false statements about the PEPP

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- 1) IORPs are not financial undertakings
- 2) PEPP is contrary to prohibition of secondary business activities
- 3) PEPP will not work without harmonized tax regime



# 1) IORPs are not financial undertakings and should not be treated as such

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Not true: many IORPs are financial undertakings: Dutch PPI for example

Why exclude IORPs?

Second best: exclude IORPs that are not cross border AND are financial undertakings?

See amendments Paul Tang on IORP II



## 2) PEPP is contrary to prohibition of secondary business activities

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PEPP is NO 3th pillar pensionscheme but sui generis product

Article 7 IORP: Pension funds should confine themselves to providing retirement benefits and related activities.

PEPP fits perfectly in this definition



### 3) PEPP will not work without harmonized tax regime



First time Portability is properly addressed

National obstacles which make it impossible to transfer

Contrary to free movement of workers?

Compartment approach will minimize effects of different tax regimes

Portability without Portability



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# We need PEPP to overcome EU pension gap

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This will also hit well developed pension sectors like the Netherlands

More on the PEPP:

Van Meerten/Hooghiemstra

[https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2993991](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2993991)