

ORAL QUESTION WITH DEBATE O-0094/05

pursuant to Rule 108 of the Rules of Procedure

by Ieke van den Burg and Othmar Karas, on behalf of the Committee on Economic and Monetary Affairs

to the Commission

Subject: Reasons for the poor implementation of the Occupational Pensions Directive by EU Member States

On 23 September 2005¹, the deadline expired for Member States' notification of implementing measures relating to the Directive on Occupational Pensions. Only 9 out of 25 Member States complied with this requirement, according to remarks made by Commissioner McCreevy in his speech on 22 September in Dublin.² The Committee on Economic and Monetary Affairs is concerned and wants to know the reasons for such a poor record of implementation.

Mr McCreevy indicated that most Member States are expected to implement the Directive by the end of this year. What action is the Commission going to take in the case of any Member States that might fail to comply in the next few months?

What are the role and mandate of CEIOPS in advising the Commission and the Member States on implementing measures? Should these be extended or restricted?

What is the Commission's analysis of the problems that the Member States have encountered in integrating the Directive into their pension systems? Are there problems in the formulation of the legislative proposal as adopted by the European Parliament and the Council, and/or has the framework nature of the Directive led to different interpretations in the various Member States?

Can the Commission indicate to what extent Member States have decided to adopt additional, more detailed prudential rules, notably quantitative rules, and could these create obstacles to the implementation of cross-border provisions? Which other elements might jeopardise the attainment of the full potential of the Directive?

What is the Commission's assessment of developments in the second pillar pension schemes resulting from the serious deterioration of long-term savings revenues in financial markets in recent years and a necessary shift towards contributions rather than benefits-based schemes? In addition, did a different treatment in IAS 19 of defined benefit schemes as opposed to defined contribution schemes in favour of the latter contribute to that shift? Does this not lead to the blurring of borders between the second pillar occupational pension schemes and individual third pillar arrangements, which consist of private-sector based supplementary investment, life insurance and savings plans?

Finally, bearing in mind that the main objective of this Directive has been to release European social systems from some of the burden of financing an ageing society, to provide the institutions for occupational retirement provisions (IORPs) with the efficiency and liquidity of an integrated internal market for cross-border business, and, above all, to ensure that European citizens enjoy financial security and a decent standard of living in old age, what other steps does the Commission intend to take in order to improve European pensions provision, such as in the field of the announced, but still not presented, Directive on the portability of supplementary pension rights, as well as in the field of

¹ Directive 2003/41/EC of the European Parliament and of the Council of 3 June 2003 on the activities and supervision of institutions for occupational retirement provision, OJ, L 235 of 23.9.2003, p. 10.

² Charlie McCreevy, 'Pension funds and asset management: A European perspective', Speech/05/539, 23.09.2005.

equal tax treatment of pension contributions?

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Deadline for reply: 21.10.2005