Supplementary pension rights: safeguard for employed and self-employed persons moving within the Union

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This report from the Commission concerns the application of Council Directive 98/49/EC on safeguarding the supplementary pension rights of employed and self-employed persons moving within the Community in Bulgaria and Romania, which acceded to the European Union on 1 January 2007.

On 29 June 1998, the Council adopted the aforementioned Directive. This Directive was to be implemented on 25 July 2001 in the 15 old Member States, 1 May 2004 in the 10 States acceding to the European Union on that date and 1 January 2007 in Bulgaria and Romania.

The Commission recalls that Directive 98/49/EC is part of the acquis communautaire that must be transposed into the legal systems of prospective Member States before they join the EU. The answers given by Bulgaria and Romania to the European Commission show that these two States ensured the application of the aforementioned Directive before their accession. For example, the Act amending the Social Insurance Code adopted by Bulgaria on 11 July 2006 and Act 204 adopted by Romania on 22 May 2006 ensure the elimination of any barriers that might have been encountered by migrant workers attempting to safeguard their supplementary pension rights.

Other factors have also made it easier to exercise the right of free movement of workers. For example, Regulation (EC) No 2560/2001 on cross-border payments in euro helps to lower any transaction charges that may apply. Likewise, in the area of cross-border membership, the adoption of Directive 2003/41/EC on the activities and supervision of institutions for occupational retirement provision (IORP Directive) constitutes a substantial measure at EU level. The mutual recognition of supervision of institutions for occupational retirement provision (IORPs), which has been established by the Directive, is a basic condition permitting cross-border activity by these institutions and therefore creating opportunities for cross-border membership.

Furthermore, the Proposal for a Directive on the portability of supplementary pension rights is an additional stage intended to improve the situation of mobile workers by guaranteeing their rights under supplementary schemes.

Note that this proposal has not yet received the unanimous approval necessary for its adoption by the Council and European Parliament.