Supplementary pensions in the Single Market. Green Paper

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The committee adopted unopposed, with one abstention, the motion for a resolution on the Commission Green Paper on supplementary pensions within the European Union. While stressing that the main problem in this field lay in the lack of a Community regulatory framework for pension funds for associations of people with the same occupational background or equivalent, the rapporteur, Mr Ferri (PPE, I) said that he would like to see a preliminary definition of the terms 'supplementary pension' and 'fund' in the Green Paper, since they were not identical. Having analysed the widely differing Community rules which applied in the four sectors where instruments were available for the establishment of voluntary pension schemes (life assurance, undertakings for collective investment in transferable securities, investment services and banks), the draft report adopted raised the problem of distortion of competition betwen certain products in the four regulated sectors and those in the pension fund sector; in this respect, there was an urgent need to act to prevent the products on offer from giving rise to identical hopes, as regards their reliability, on the part of citizens investing in them. Accordingly, in one of the amendments, the rapporteur called on the Commission to analyse carefully the relationship between the rules governing pension funds and life assurance in order to avoid any discrimination between products with similar objectives and of similar substance. Noting that supplementary pensions constituted deferred salary, which should be placed on the same footing as salary itself, the resolution adopted stressed the application to the field in question of the 'prudent man' principle, and outlined various elements which ought to be included in the concept of management with all reasonable and usual care, skill, and forethought. It recommended the introduction of a 'European passport' for pension funds governed by standard prudential supervision rules, and indicated a series of rules (concerning actuarial principles, accounting, participation by employees, employers, government and consumers in investment policies, etc.) for the basic harmonisation of pension funds. The tax treatment of supplementary pensions was also touched upon, particularly to instruct the Commission's Working Party on Fiscal Policy to indicate ways of coordinating and harmonising the Member States' tax systems better and thereby ensure that they present as few disincentives as possible to freedom to provide services in the field of pension funds.