Institutions for occupational retirement, pension funds: laws, regulations and administrative provisions

2000/0260(COD) - 14/11/2002 - Commission communication on Council's position

The Commission takes the view that the common position adopted unanimously by the Council preserves the main thrust of its proposal as well as the substance of the amendments proposed by the European Parliament and accepted by the Commission. Despite the large number of amendments made to its initial proposal, the Commission is convinced that the common position strikes a satisfactory balance between, on the one hand, upholding a high standard of prudential control and security of pensions and, on the other, maintaining the efficiency of existing schemes and a high level of financial accessibility of pensions. The Commission approves the common position and accordingly recommend that the European Parliament approve the common position. It hopes that the Directive will be adopted by the end of the year. In addition, the Commission made a statement on the occasion of the adoption of the common position: the Commission considers that the directive aims at providing a high level of protection for members and beneficiaries. A prudent calculation of technical provisions is an essential condition to achieve this objective. This would imply that the interest rate and other economic and demographic factors should be chosen prudently. The Commission considers that the report provided for in Article 15(6) is an important element to improve transparency and mutual confidence. It undertakes to assess carefully and regularly, in close consultation with Member States whether the situation prevailing in Member States leads to any forum-shopping, and to prudential standards which are not sufficiently prudent. It will also pay particular attention to any information drawn to its attention by Member States regarding the possibilities of such forum-shopping. After consultation with Member States the Commission will propose any measure necessary to prevent possible distortions and to protect the interests of beneficiaries and members of any scheme.