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

1997/0265(CNS) - 29/06/1998 - Final act

OBJECTIVE: to eliminate certain obstacles to the cross-border mobility of workers in the field of supplementary pension schemes. COMMUNITY MEASURE: Council Directive 98/49/EC on safeguarding the supplementary pension rights of employed and self-employed persons moving within the European Union. CONTENTS: the objective of the Directive is to safeguard the rights of members of both voluntary and compulsory supplementary pension schemes moving from one Member State to another within the European Union, with the exception of schemes already covered by Regulation (EEC) no. 1408 /71. The personal aspect of the Directive includes all members of supplementary pension schemes who have acquired or are in the course of acquiring rights in one or more Member States. The Directive defines the term supplementary pension scheme as any occupational scheme under national legislation, such as a group insurance contract, pay-as-you-go scheme, funded scheme or pension promise backed by book reserves or any other collective or comparable device intended to provide a supplementary pension for employed or self-employed persons. The main points introduced by the Directive are as follows: 1) retention of vested pension rights: Member States shall take the necessary measures to ensure that vested pension rights are preserved by members of supplementary pension schemes in respect of whom contributions are no longer being made as a consequence of their moving from one Member State to another; 2) guaranteed cross-border payments: Member States shall ensure that agencies, enterprises etc. in charge of supplementary pension schemes make full payment to members of the schemes and other beneficiaries of all benefits due under such schemes; 3) posted workers: workers posted to another country will be able to continue making contributions to a supplementary pension scheme established in the Member State of origin under similar conditions to those which apply to social security schemes for employed workers (Regulation (EEC) 1408/71). These provisions may only be applied to postings commencing on or after 25 July 2001; 4) information: managers of supplementary pension schemes shall provide information to scheme members on pension rights and the choices available to them when they move abroad. A report on the application of this Directive shall be sent to the Council and to the European Parliament within 6 years of its entry into force, together with any proposed amendments. ENTRY INTO FORCE: the Directive will enter into force on 25 July 1998. DATE OF TRANSPOSITION: 25 July 2001.