Improving the acquisition and preservation of supplementary pension rights in order to enhance worker mobility

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Pending the European Parliament opinion at first reading, the Council took note of a progress report and held a policy debate on a draft Directive on improving the portability of supplementary pension rights.

The debate covered, inter alia, the following issues:

Transferability

- As an important further step in facilitating the mobility of workers in the European Union, should the Directive focus on vesting criteria as well as on the preservation of pension rights through a fair treatment of dormant rights.

- Should these Directives include provisions for transferability.

Supplementary pension schemes to be covered by the Directive

- Taking into account the combination of a long transitional period and the suggested exclusion of certain schemes, how long should the transitional period be to let supplementary pension schemes adjust to the new rules.

In view of the increasing importance of supplementary pension schemes to cover the risk associated with old age in Member States, the Commission proposal aims to facilitate workers' freedom of movement both across Member States and within a Member State by eliminating restrictive provisions linked to supplementary pension schemes which may limit the opportunities for mobile workers to build up sufficient pension rights throughout their working lives.

Furthermore, the proposal seeks to ensure that workers receive appropriate information on their supplementary pension rights in the event of occupational mobility.

At the end of the debate, the Presidency concluded that:

- all delegations can support the draft Directive's overall aim of facilitating mobility of workers;

- the majority of the Council considered that the Directive should focus on vesting criteria as well as on the preservation of pension rights through a fair treatment of dormant rights;

- that a balance should be found between as broad as possible scope of the Directive and a sufficiently long transitional period to allow pension schemes to adjust their rules;

- some delegations, however, regretted the deletion of transferability of pension rights from the text;

- however, instead of including the transfers in the Directive, other means of improving transferability could be considered, including on a voluntary basis.