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EU: Draft standards for personal pension product published

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The European Union's (EU) Insurance and Occupational Pensions Authority (EIOPA) has published draft regulatory and technical standards as part of implementing the framework for the design and delivery of the EU Pan-European Personal Pension product (PEPP). PEPPs are intended to be "portable, simple and cost-efficient products" that will complement public and occupational pensions and increase retirement savings choices for all individuals, especially mobile workers.

EIOPA says its proposals set out "clear criteria" to support investment strategies and risk mitigation techniques, "include clear and enforceable quality criteria for PEPP to be followed by providers," and leave "sufficient room for innovation and competition to reach good pension outcomes." They include two mandatory consumer information documents — the PEPP Key Information Document and the PEPP Benefit Statement — to provide consumers with relevant information before they enter into a binding contract and to enable them to monitor savings performance.

EIOPA says the use of digital technology is expected to bring important cost efficiencies in the distribution process. The annual cost of the basic PEPP (the core or default investment option) will be capped at 1% of the PEPP saver's accumulated capital at the end of each year.

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- [EIOPA finalises the regulation of the pan-European Personal Pension Product \(EIOPA, 14 Aug 2020\)](#)

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- [EU Pan-European personal pension regulation published \(Mercer, 6 Sep 2019\)](#)

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