



EUROPEAN COMMISSION

*Brussels, 23.1.2018
C(2018) 271 final*

Dear President,

The Commission would like to thank the Senato della Repubblica for its Opinion on the proposal for a Regulation of the European Parliament and of the Council on a pan-European Personal Pension Product (PEPP) {COM (2017) 343 final}.

This proposal is a key element of the Capital Markets Union project and will contribute to the latter's goals by mobilising savings towards capital markets, increasing in particular investments in long-term projects.

The pan-European Personal Pension Product would complement existing national pension systems with a simple and cost efficient cross-border product. It would offer EU citizens a simple and transparent product accompanied with strong consumer protection rules. It would help citizens ensure an adequate income for retirement, thus reducing the strain on the public pension systems. The proposal would also create market opportunities for a wide range of providers that will be able to offer pan-European Personal Pension Products on a cross-border basis.

The Commission welcomes the support of the Senato della Repubblica for the aims of the proposal and notes its views regarding Member States' tax treatment of pan-European Personal Pension Products and its recommendations relating to the relationships between the European Insurance and Occupational Pensions Authority and the national competent authorities, the switching service and the minimum time period of stay with a provider of pan-European Personal Pension Products, the information obligations, the investment rules, the term "competent authorities", the distribution of competences between the competent authorities of the home Member State of the provider and those of the host Member State, and the content of investment criteria.

*Mr Pietro GRASSO
President of the
Senato della Repubblica
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The legislative process involving both the European Parliament and the Council is currently ongoing. The Opinion of the Senato della Repubblica has been made available to the Commission's representatives in the negotiations with the co-legislators and will inform these discussions.

The Commission hopes that these clarifications address the issues raised by the Senato della Repubblica and looks forward to continuing the political dialogue in the future.

Yours faithfully,

*Frans Timmermans
First Vice-President*

*Valdis Dombrovskis
Vice-President*