



EUROPEAN COMMISSION

*Brussels, 25.1.2018  
C(2018) 469 final*

*Dear President,*

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

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

*The proposal complements existing national pension systems with a voluntary personal pension product. The proposal aims to offer the European Union's citizens a simple, transparent, more cost-efficient and portable product accompanied with strong consumer protection rules. It will help citizens to ensure an adequate income for their retirement. The proposal will also create market opportunities for a wide range of providers that will be able to offer a pan-European Personal Pension Product on a domestic or cross-border basis.*

*The Commission welcomes the support of the Camera Deputaților for the aims of the proposal and notes its recommendations regarding, in particular, the necessity to ensure access of all savers (wherever located) to information regarding a pan-European Personal Pension Product during the whole duration of the contract, its quality label, the analysis of the impact of a pan-European Personal Pension Product on capital markets at local level and practical possibilities to transfer funds from and to similar products at Member State level, the risks related to the use of derivatives, and the impact of demographic changes.*

*The Commission also takes note of the recommendations of the Camera Deputaților regarding the identification of necessary measures to harmonise authorisation procedures, tax treatment and interconnectivity of digital mechanisms within the analysis of administrative conditions specific to Member States, the inclusion of information regarding the global risks in the obligations of product presentation, the compliance of*

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*pan-European Personal Pension Product providers with the United Nations principles for sustainable investment, the setting-up of a monitoring procedure harmonised at Union level, in order to ensure compliance with the obligation on pan-European Personal Pension Product suppliers to follow an investment policy consistent with the prudent person rule, and the default investment option.*

*As regards the recommendation of the Camera Deputaţilor to ensure the market neutrality of the pan-European Personal Pension Product with respect to similar products offered at Member State level, the Commission would like to highlight that the pan-European Personal Pension Product is a voluntary personal pension product and it would not interfere with existing pension plans, whether state-based, occupational or personal pensions.*

*As regards the views of the Camera Deputaţilor regarding the option to switch providers, the Commission would like to clarify that the provisions of the proposal aim to strike the right balance between the need to facilitate long-term investment strategies as well as to avoid that savers are locked-in with a low-performing provider.*

*The Opinion of the Camera Deputaţilor has been made available to the Commission's representatives in the ongoing negotiations with the co-legislators and will inform these discussions.*

*The Commission hopes that these clarifications address the issues raised by the Camera Deputaţilor and looks forward to continuing the political dialogue in the future.*

*Yours faithfully,*

*Frans Timmermans  
First Vice-President*

*Valdis Dombrovskis  
Vice-President*