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WORKING DOCUMENT

From:	Presidency
To:	Working Party on Financial Services and the Banking Union (PEPP) Financial Services Attachés
Subject:	PEPP Regulation Review - WP meeting on 23 March 2026 - PCY questionnaire on on amendments to PEPP Regulation after WP 23 March. DDL 30 March

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Guidelines to be followed

Please kindly provide your contributions in the table below.

Drafting suggestions: you may use '**track changes**'* or formatting (for example **bold-underline** for additions and ~~strike-through~~ for deletions, **where necessary, in a different colour**). *Track changes can only be connected once the cursor is placed in editable areas (Drafting or Comments columns).

To make it feasible to consolidate all contributions, the structure of the table must not be changed, so **no rows can be added or deleted.**

New provisions may only be added in any of the **'existing cells'.**

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Thank you for your cooperation!

PCY questionnaire	Comments
Presidency discussion paper on amendments to PEPP Regulation on 23 March 2026 – WK 4107/26	
1. Basic and tailored PEPP features	
1.1 Advice	
Option 1: Maintain the COM proposal.	
Option 2: Keep the COM proposal which removes the mandatory requirement for advice for the Basic PEPP but delete the definition of advice on an independent basis. Additional clarification stressing the link with the concept as per other FS legislation would be introduced in the Recital in order to avoid confusion and ensure consistency.	
Option 3: The objective of this option is to ensure that the distribution framework for Basic PEPP remains simple, proportionate and accessible, while maintaining an appropriate level of consumer protection.	
Q1: Which of the above options do the MS prefer?	
1.2. Life-cycle investment strategy	

PCY questionnaire	Comments
Option 1: Clarify in a Recital the meaning behind the concept of "large losses" and introduce more flexibility by allowing the life cycle to be based either on individual or cohort basis.	
Option 2: Adjust the definition by deleting the requirement "to minimise the risk of large losses", introduce the saver's risk appetite of the saver as criterion and specify as a safeguard that the aim is the protection of the value of accumulated savings. Similar to Option 1, it also allows for both individual and cohort-based glide paths.	
Q2: Which of the above options do MS prefer?	
1.3. Risk mitigation-Qualitative criteria for risk-mitigation techniques by EIOPA	
Option 1: Keep the RTS mandate as it is in Article 46(3) but highlight, in a Recital, that the mandate is strictly limited to qualitative criteria;	
Option 2: Delete RTS mandate	
Option 3: Maintain the RTS mandate but refine it and introduce more guidance for the delineation of the criteria in Article 46(3) by specifying in Level 1 the core protection objectives and performance outcomes that any technique must target (to provide appropriate level of protection to PEPP savers), thereby narrowing EIOPA's technical discretion to the enforcement of those pre-defined principles.	
Question 3: Which of the above options do MS prefer?	
1.4. PEPP investment rules and prudent person principle	
Option 1: Maintain the COM proposal.	
Option 2: Increase the cap of non-simple assets to a maximum of 15% of the total portfolio value for the Basic PEPP;	

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PCY questionnaire	Comments
Option 3: Remove the 5% cap – ie. No constraint in the initial phase of accumulation but mandate an automatic reallocation from illiquid/complex assets into liquid, low-risk UCITS or government bonds. An additional safety buffer rule could be envisaged: for the final 10 years before retirement, the allocation to non-complex ("MiFID II simple" as per Article 25(4)(a) points (i) to (iv)) instruments must reach 100% to ensure liquidity during the decumulation phase.	
Q4: Which of the above options do MS prefer?	
1.5. Removal of the fee cap for the Basic PEPP	
Option 1: Maintain the COM proposal	
Option 2: Adjust the fee cap during a transitional period until the introduction of the VfM	
Option 3: Removal of the fee cap and introduction of a simpler cost-related safeguard within the PEPP framework.	
Q5: Which of the above options do MS prefer?	
2. Employer Contribution in PEPP	
Option 1: Maintain the COM proposal.	
Option 2: Maintain the COM proposal in Article 47 and clarify the interaction with Pillar II in Recital 22.	
Option 3: MS are invited to outline other options to the PCY. In particular, the PCY would be open to consider MS ideas on ways to facilitate PEPP participation through employer contributions, specifically for employees without access to occupational pension schemes or whose employers do not provide occupational pension schemes.	
Q6: Which of the above options do MS prefer?	
3. Central public register	
Option 1: Maintain the COM proposal.	
Option 2: Maintain the COM proposal that reflects the current structure of the EIOPA central register and extend its scope, while clarifying in a Recital	

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PCY questionnaire	Comments
that this extension should not entail any additional administrative burden neither for PEPP providers nor for the NCA's compared to the current situation. The only minimal additional burden would be for EIOPA that will need to extract the relevant performance information from the PEPP KID and present it in the register in the form of average past performance over the previous one, three, five and ten years.	
Q7: Which of the above options do MS prefer?	
4. Collaboration platforms	
Option 1: Maintain the COM proposal.	
Option 2: Modify Article 65a (1) in order to align it with Solvency II provisions in order to frame the specific reasons that may trigger the setting up of a collaboration platform and remove para 6 (EIOPA onsite inspections).	
Option 3: Further to Option 2 also delete the right of EIOPA to step in on its own initiative in case of disagreement as per para 5. EIOPA would be involved only when invited by at least one competent authority.	
Q8: Which of the above options do MS prefer?	

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