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MEETING DOCUMENT

From:	General Secretariat of the Council
To:	Working Party on Financial Services and the Banking Union (PEPP) Financial Services Attachés
Subject:	Consolidated replies by 23 MS on Presidency discussion paper on amendments to PEPP Regulation - WP 29 April 2026 - ddl 06.05.26

Presidency discussion paper on amendments to PEPP Regulation WP 29 April 2026 Deadline: ***6 May 2026***
From: AT, BE, BG, CZ, DE, DK, EE, EL, ES, FI, FR, HR, HU, IT, LU, LV, MT, NL, PL, PT, SE, SI, SK **Updated: 18/05/2026 11:02**

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Thank you for your cooperation!

Presidency Questions	Comments
1. Value for Money Provisions 1.1 POG requirements and VfM assessment	DE (Comments): - DK (Comments): As a general remark: A national election has recently been held in Denmark. At present, a new government has not yet been formed. Due to this, Denmark maintains a political scrutiny reservation, and our comments made today should be considered preliminary. NL

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	(Comments): The Netherlands appreciates the comprehensive work done by the Cypriot Presidency in structuring the discussions documents and advancing discussions on this complex and important file. The questions address the key points of the proposal in a clear way. As a general remark, we note that these main points are treated as largely separate components. In our view, it is important to assess the proposal more holistically, as changes to individual elements may have implications for the overall balance and coherence of the framework. We would therefore welcome the opportunity to engage in a more holistic discussion at an upcoming CWG, building on the exchanges in the previous meeting as well as the written comments submitted. SK (Comments): **All comments on amendments to the PEPP regulation and answers to the questions should be considered as preliminary and subject to possible changes as the proposal is still under scrutiny reservation.**
Q1: Which of the above options do MS prefer?	AT (Comments): We advocate for a strong and robust VfM regime. Therefore, we are not satisfied with the direction of travel reflected in the three options. Option 1, contrary to its name, does not establish coherence with the RIS but de facto departs from a VfM approach. Option 2 (cost efficiency ratio: gross annualized return/annual costs) does not take into account the costs incurred for the provider (e.g. there is a risk of high costs for passive ETFs if the return

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	is expected to be or was high). Departing from the general duty of fair treatment, it allows high charges in case of high returns without requiring a fair distribution of profits. Furthermore, it ignores the fact that, in case of new PEPPs, returns are expected while costs are – often – fixed. Option 3 (based in SRI) ignores the fact that the SRIs are based on stochastic modelling, with the methodology being chosen by the provider. Hence, the provider is induced to resort to "window dressing" by using over-optimistic projections to pass the test. Possible safeguards (NCI verifications of projections) would not be sufficient to cope with this inherent design flaw. BE (Comments): For us, it is important that, should the cost cap be abolished, a credible alternative is put in place to ensure that PEPP remains a cost-effective product. For this reason, we do not support option 1, as it essentially adds nothing to the current situation. However, we believe it is essential that, even in a minimal scenario (option 1), it should be made clear that supervisors can take action under the POG rules against products that do not offer sufficient value to savers. We therefore propose the following recital: "***Under the POG rules, a product must be tailored to the needs, objectives, and characteristics of the target market. In its supervisory statement on Value for Money, EIOPA states that: "Considering that no target market has as its objective receiving poor value, it is clear that unit-linked products which offer poor value are not aligned with the objectives of any target market and should therefore not be marketed to consumers."***

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	<u>It is essential that regulators are sufficiently equipped to intervene within the framework of their POG supervision when products do not offer sufficient value for money. In the context of a pension product, given their long-term nature, this is the case, for example, when pension products, due to their cost structure and/or investment policy, would not offer sufficient returns to outperform inflation.</u>" As regards options 2 and 3, we can agree with the idea of taking into account the fact that there are still very few PEPPs in place. However, we believe it is not a good idea to introduce totally new concepts, such as CEPR or NWM. This only increases the complexity. We believe it would be better to make as much use as possible of concepts that already exist in existing legislation, such as the IDD. Where necessary to take account of the specificities of the PEPP market, simplifications or transitional measures may be used. BG (Comments): BG: We support Option 1. Option 2 and 3 are not acceptable. We have serious concerns regarding the introduction of the concept of value for money (VfM) at this stage when there is an absence of PEPPs and lack of similar personal pension products. In order to be clear how value for money (VfM) for PEPPs can be assessed before introducing the VfM concept for PEPP it is necessary to have in place more PEPPs and then to assess which supervisory benchmarks are better suited to be applied to PEPPs. In that respect we support an inclusion of a review clause enabling EC to assess the effectiveness of the proposed POG approach and consider the potential introduction of a VfM framework at a later stage. We are in favour of deleting the fee cap. CZ (Comments):

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	CZ: Option 1: We oppose the introduction of benchmarking until the rules under the RIS package have been clarified. DE (Comments): We prefer Option 1 (Enhanced Product Oversight and Governance (POG) Approach Aligned with Retail Investment Strategy (RIS)), since it would acknowledge the (practical) uncertainties around the introduction of a full-fledged VfM-framework for the PEPP at this stage. Moreover, once the RIS becomes fully operational, this approach would allow for a strong alignment with it. DK (Comments): DK prefers Option 1. We believe it strikes the right balance between effective product governance and avoiding unnecessary administrative burdens for providers EE (Comments): Option 1 is a step to the right direction providing further simplicity. However, the provisions in the Annex seem to relay heavily on IDD stressing different risks that could be covered. While the core of insurance business is indeed providing coverage against different insurance risks, for pensions there are not that many risks concerned. Thus, we would suggest simplifying the POG concept further. Suggested drafting for Art 25: *'Article 25* *Product oversight and governance requirements*

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	1. PEPP providers shall establish, maintain, operate and review a process for the approval of each PEPP, or significant adaptations of an existing PEPP, before that PEPP is marketed or distributed to PEPP customers. *The product approval process shall contain an assessment if the costs and charges of the PEPP are justified and proportionate, the PEPP meets the objectives and needs of the target market [and serves the best interests of the PEPP savers and beneficiaries]~~specify an identified target market for each PEPP, ensure that all relevant risks to such identified target market are assessed and that the intended distribution strategy is consistent with the identified target market, and take reasonable steps to ensure that the PEPP is distributed to the identified target market~~.* The product approval process shall be proportionate and appropriate to the nature of the PEPP, ~~and shall contain a value for money assessment which at the initial stage of the product design~~ and ~~approval process is~~ based on reasonable projections and assumptions reflecting plausible expectations~~.~~ ~~Article 25 of Directive (EU) 2016/97 of the European Parliament and of the Council*, together with any delegated acts adopted pursuant to that Article, shall apply mutatis mutandis.~~ ~~*2. The product approval process shall contain all of the following:*~~ ~~*(a) a specification of an identified target market for each PEPP and of the intended distribution strategy associated to the identified target market;*~~ ~~*(b) a clear identification of the target market's objectives and needs;*~~ ~~*(c) an assessment of whether the PEPP is designed appropriately to meet the target market's objectives and needs;*~~ ~~*(d) an assessment of all risks relevant to the identified target market or arising from the distribution strategy and an assessment of whether the intended distribution strategy is consistent with the identified target market;*~~ ~~*(e) reasonable steps to ensure that the PEPP is distributed to the identified target market;*~~

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	~~*(ea) in relation to the tailored PEPP, an identification of the level of knowledge and experience needed to understand the product and the ability to bear losses;*~~ ~~*(eb) an assessment of the risk of misunderstanding of the main features, costs and risks of the product by the savers belonging to the target market;*~~ ~~*(ec) a clear identification and quantification of all costs and charges related to the PEPP, of its performance and of its benefits for the PEPP customer and an assessment of whether the identified costs and charges are justified and proportionate, having regard to the performance and other benefits for the identified target market, including the guarantees and insurance coverage of biometric and other risks, characteristics, objectives, the identified target market, distribution strategy and strategy of the PEPP.*~~ *3. A PEPP provider shall understand and regularly review the PEPP it offers or markets, taking into account any event or risk that could materially affect the identified target market and their performance, to assess whether the PEPP remain consistent with the objectives and needs of the identified target market, whether the intended distribution strategy remains appropriate. In the event it emerges from the review that a PEPP is no longer consistent with the objectives and needs of the identified target market, or the intended distribution strategy is no longer appropriate, the PEPP provider shall take appropriate action to mitigate the situation and prevent future detriment to existing and prospective PEPP savers. Any potential claim from a saver shall be subject to relevant national rules.* *4. PEPP provider shall make available to PEPP distributors all information on the PEPP and its product approval process that is needed to fully understand that PEPP and the elements taken into consideration during the product approval process, including complete and accurate details on the identified target market and any costs and charges, features and objectives of the PEPP.* *5. PEPP distributors, shall have in place adequate arrangements to obtain the information referred to in paragraph 4, to understand the characteristics*

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	and identified target market of PEPP, and the PEPP provider's product approval process. *A PEPP distributor shall regularly review PEPPs it distributes, during the whole duration of their distribution, taking into account any event or risk that could materially affect the identified target market and their performance, to assess at least whether the PEPP and pricing process remain consistent with the objectives and needs of the identified target market, whether the intended distribution strategy remains appropriate.* ~~*PEPP distributor shall:*~~ ~~*(a) identify and quantify any further costs and charges, in particular additional distribution costs, that are not already taken into account in the calculation of total costs and charges by the provider;*~~ ~~*(b) assess whether the product meets the target market's objectives and needs;*~~ ~~*(ca) provide the PEPP provider regularly with all relevant information about the results of its assessments under points (a) and (c) of this subparagraph.*~~ 6. Competent authorities shall supervise the PEPP offered on their market *on a risk-based basis.* ~~monitor the PEPPs offered on their market and evaluate them against relevant supervisory benchmarks used for the value for money assessment. Competent authorities that identify PEPPs that deviate from the applicable benchmark or where they decide to carry out a control for any other reason, they shall require the PEPP provider concerned to provide evidence that, as a result of the value for money assessment carried out in accordance with paragraph 1, the costs and charges of the PEPP are justified and proportionate and the PEPP meets the objectives and needs of the target market.~~ Competent authorities that conclude that the evidence has not been provided or that the costs and charges of the PEPP are not justified and proportionate or that the PEPP does not meet the objectives of the target market, shall require the PEPP provider to take measures to ensure compliance with the product oversight and governance requirements. In the absence of such measures, the competent authorities shall use their powers under Articles 8, 62 and 63.

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	~~3. The Commission shall be empowered to supplement this Regulation by adopting delegated acts in accordance with Article 72 to further specify the principles set out in this Article, including,~~ ~~(a)the adjustments to the methodology applicable to value for money benchmarks for insurance-based investment products under Article 25 of Directive (EU) 2016/97, that are necessary for the development of relevant supervisory benchmarks referred to in paragraph 2, first subparagraph, of this Article. The adjustments shall reflect the longer-term nature of the PEPP with limited redeemability, and shall ensure that PEPPs are compared with groups of comparable personal pension products manufactured and distributed in one or more Member States.~~ ~~(b)the criteria to determine whether the costs and charges of a PEPP are justified and proportionate within the meaning of paragraph 2, first subparagraph.~~ ~~Those delegated acts shall take into account in a proportionate way the activities performed, the nature of the PEPPs sold and the nature of the distributor.~~ EL (Comments): EL: We support Option 1. It is aligned with RIS and does not create ambiguities. On the other side, Options 2 and 3 only consider quantitative criteria and no qualitative. Additionally, they introduce a different VfM framework and in parallel with the existing VfM framework introduced under RIS, which causes additional and unnecessary administrative burdens and costs for the PEPP providers ES (Comments): We support option 1 FR

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	(Comments): France supports option 1 which we see as the most simple and straightforward option. The RIS framework is still being discussed and we therefore support a transitional period as is being proposed. Option 1 would simplify the framework and NCAs would still be allowed to intervene on "best interest principles". If a VFM framework was favored by Member States – France would prefer option 3 and would oppose option 2. It is important to allow for the clustering of products. RIS negotiations have recognized the specificities of MOPs which are susceptible to include Tailored PEPPs. The proposed clustering in Option 3 is appropriate in that regard. However, the reporting should not be too frequent. **We also believe option 1 to be coherent with the solution on advice proposed in our non-paper.** HR (Comments): HR: HR prefers Option 2, provided that the CEPR is not applied as a strict binary pass/fail threshold, but rather as a supervisory indicator supporting the assessment of value for money. Its application should allow for sufficient flexibility to reflect differences across product types (including Basic and tailored PEPPs, as well as market-based and guarantee-based approaches) and investment horizons, in particular given the long-term nature of pension products. A single uniform threshold applied across all PEPPs may not be appropriate, and the framework should allow for differentiated assessments where justified. HU (Comments): We prefer Option 1

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	IT (Comments): In light of the PCY proposal on Value for Money, which includes the removal of any provisions on fee caps, we support Option 2, as it offers a simple VfM framework and with some flexibility at national level for regulators and supervisors to determine thresholds, clusters and related parameters. However, we note that there are several technical aspects still need to be addressed, in particular the appropriate time horizon for calculating returns—bearing also in mind that PEPPs are new products—and the functioning of the indicator in the event of negative performance. As there are several these technical aspects to be defined, we can be open at this stage to Option 1. LU (Comments): LU clearly supports **option 1**, as at this stage it represents the least intrusive approach and, from a practical perspective, the easiest way forward for the different eligible PEPP providers. The RIS value-for-money methodology is still untested and will require time before it is fully implemented. It is therefore important to test its effectiveness first before considering whether it should be transposed to the PEPP context. In this respect, inserting a **review clause** that allows for a future assessment of whether convergence towards the RIS value-for-money methodology would be appropriate appears to us to be a prudent and balanced way forward. Such an approach would help ensure coherence, both in terms of consumer protection and legal certainty for PEPP providers. If this avenue is pursued, it is however essential that the drafting of the review clause is properly framed and clearly scoped.

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	We also reiterate our message from previous working parties, that we do not want to create parallel product oversight and governance regimes. Maintaining clarity, simplicity and consistency across frameworks remains a key priority for us. Finally, we also support the conclusion with regards to the removal of the fee cap LV (Comments): We support option 2 with adjustments. Notably the commission fees presented in the annex of PRES discussion paper are too high especially for basic PEPPs commission fees should not exceed 1% given the current offer on the market and the additional reductions of requirements for basic PEPP providers. MT (Comments): Malta prefers Option 2. NL (Comments): In principle, we are not opposed to the removal of an explicit VfM framework nor the removal of the fee cap, if consumer protection by clear cost transparency and comparability is strongly ensured. Robust POG requirements could be an appropriate and proportionate safeguard in the PEPP context. Therefore, we currently see most merit in option 1; POG requirements

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	supported by cost transparency, allowing the possible introduction of VfM at a later stage once the RIS is fully operational. PL (Comments): Option 1: In principle, we agree with the introduction of the VfM concept, provided that the methods are clearly defined before it is incorporated into the PEPP Regulation. PT (Comments): PT would favour going forward with Option 1. Unlike other broadly disseminated products that will be subject to VfM pursuant to RIS, PEPP is characterised by an almost non-existent market, a reality that will not immediately be altered after the entry into force of the revised regulation. This circumstance heavily constrains the implementation of Option 3, with no anticipated guarantee that clusters will be fully populated for both versions of the PEPP. Even if a minimum of 9 products is reached, the identification of outliers in small samples lacks statistical significance, which may result in the recurring flagging of certain products that were recently released and are still gaining scale to optimise their costs. This methodology may end up being a barrier to entry, driving such products out of the market. Regarding Option 2, we hold strong concerns regarding the binary nature of the CEPR, which ultimately will depend on predefined reference levels estimated in the absence of verified market experience. There may be that no PEPP product provides VfM or all do. Moreover, on a general remark, all metrics that depend on expected returns, such as the CEPR and the NWM are subject to being tweaked through adjustments to the underlying assumptions considered by providers to boost the VfM indicators.

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	With all of this in mind, and to avoid multiplying VfM frameworks at a stage where the RIS has not even been adopted, we believe a wait and see approach, with reinforced qualitative POG requirements, is indeed the most viable option. In our view, this will also facilitate the main objective of the revision of this regulation which is to stimulate the uptake of PEPP products in the market. Regarding the fee cap, PT supports the PRES CY option to entirely remove it from the Regulation. If Option 1 in VfM is pursued, we see as extremely valuable this removal during the transitional period until the enactment of the review clause, again to improve the commercial viability of the PEPP. SE (Comments): In order to keep the product as simple as possible and to limit administrative burdens, Sweden considers Option 1 to be the most appropriate approach. SI (Comments): Option 1, because there is not enough products to be set in clusters. Another problem is also forcasting the future returns. Option 2 could be acceptable, but we would than need to refer to the past returns of different indices that already exist on the market for several decades (years). For now, for the beginning we suggest simple VfM principles. SK (Comments): **Option 1** Preferred option would be the option 1, although we do not consider the submitted concept of VfM to be sufficiently mature and would suggest its

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	introduction only at a later stage. Overall, in our opinion, the scope of the requirements for POG is disproportionately extensive and we think introducing new concept without thorough discussion is too ambitious. There are still several methodological and technical issues that are not fully resolved or sufficiently explained. **We believe that further discussion at the expert level is needed to reach consensus and remove doubts, especially if option 2 or 3 will be selected and the drafting suggestions for this options will be presented only at a later stage.** We think solutions should be simple, practical and not creating too much burden (both on providers and competent authorities), to provide for uptake of the PEPP and not to undermine its commercial viability.
1.3. Registration, Deregistration, Switching and Transferring – Art. 6, 8 56a and 56b	DE (Comments): -
Q2: Which option would the MS support and would MS agree with PCY's suggestion regarding the Article 8 and 56a above?	AT (Comments): The very idea of the PEPP label was to introduce some kind of product-approval process. Therefore, the COM proposal requiring verification of VfM at the registration should be kept. BE (Comments): We would like to emphasize that the POG rules are, first and foremost, obligations for the PEPP provider. They must carry out a POG test before placing the product on the market. This is already the case today. It seems logical to us, and not unduly burdensome, that providers wishing to register their PEPP should certify that they have completed the POG procedure and thus declare that their product offers value for money. According to EIOPA, the VFM assessment forms an integral part of the POG assessment, even under

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	current legislation (Methodology to assess value for money in the unit-linked market - European Insurance and Occupational Pensions Authority). However, this does not mean that the home NCA must itself carry out a check on VFM at the time of registration. It must only verify whether the provider has actually carried out a VFM test. Substantive checks on VFM may take place later on a risk-based basis. In conclusion, should VFM have a place in the registration process? Yes. But on a marginal basis, solely to verify that the provider has done its job, and without any substantive judgement. BG (Comments): BG: We support Option 2. We agree with the PCY's suggestion no changes to be proposed to Articles 8 and 56a. CZ (Comments): CZ: Option 2. The Czech Republic has long maintained the view that, as part of the registration process, the provider should only demonstrate its readiness and the existence of internal product governance (PG) systems, rather than undergo a substantive review of its value-for-money (VfM) calculations. DE (Comments): We prefer Option 2, which would ensure consistency as regards Option 1 for Q1, and reduce the administrative burden for both PEPP providers and NCAs. DK

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	(Comments): DK supports Option 2, as it provides greater flexibility in the registration process and avoids unnecessary administrative burdens related to value for money assessments. EE (Comments): We support option 2 and do agree with PCY's suggestion regarding the Article 8 and 56a. However, for Art 56a it should be clear that switching free of charge only applies to the PEPP which provider has been deregistered. EL (Comments): EL: We support option 2, based on concerns about the practical implications that may arise during the registration of PEPP products at the current phase, since PEPP market is still underdeveloped and no comparable data currently exists, making the clustering of the products problematic. Regarding Articles 8 and 56a, we generally agree. ES (Comments): We support option 2. We agree with PCY's suggestion regarding the article 8 and 56a. FR (Comments): France supports option 2 and agrees with the Presidency's suggestion regarding Article 8 and 56a.

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	HR (Comments): HR: HR supports Option 2. However, it is important that, once a PEPP is registered, the application of any VfM assessment is clearly defined, predictable and proportionate, avoiding legal uncertainty for providers and ensuring that any supervisory action follows a transparent and risk-based approach. HU (Comments): We are open to both Options, with a perefrence to Option 2. IT (Comments): We support Option 2, as requiring a demonstration of value for money already at the product registration stage could create potentially unnecessary burden both for providers and supervisory authorities. LU (Comments): In line with our preferred way forward on VfM, we support option 2. We agree to keep Art.8 and Art.56a as suggested in the initial proposal. LV (Comments): We would welcome a combination of options – combining point 1 from option 1 with point b from option 2. MT

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	(Comments): Malta is of the view that a combination of Option 1(a) and Option 2(b) and (c) should be proposed. With regards to Article 8 and 56a, Malta is in agreement with Presidency suggestion (to retain Commission proposal text of Articles 8 and 56a). NL (Comments): Option 2, we agree with the PCY's proposal to delete the VfM-requirement from the registration process and to retain flexibility for competent authorities regarding deadlines. PL (Comments): Since Option 1 was selected in Question 1, we will not comment on this matter. PT (Comments): PT supports Option 2 in line with the objective to remove the requirement to demonstrate VfM at registration phase, as this may be premature, disproportionate and create barriers to entry. Long-term pension value may be complex to assess before product launch, while leaving room to be subjectively drawn up by the provider. In our view, VfM assessments should not condition product release, being applied only when the product is already in the market, with outcomes reported and analysed through ongoing supervision. Regarding Article 8 and 56a, we support maintaining the draft as is. SE

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	(Comments): Sweden can support Option 2. SI (Comments): Option 1 / this means questioning the VfM at the registration. SK (Comments): **Option 2** We agree with PCY's suggestion regarding the Article 8 and 56a. However, as previously stated, our concern remains in relation to article 56a that this provision cannot be implemented if there is no other PEPP provider or any other provider of personal pension product on the market. Drafting suggestion: Article 56a Switching and transfer rights in case of deregistration Without prejudice to any additional remedies that may be available under national law, where a PEPP is deregistered in accordance with Article 8, paragraphs 1, the PEPP savers and beneficiaries shall have the right to switch to another PEPP provider or to transfer the accumulated capital to another ~~personal~~ **corresponding (or equivalent)** pension product without delay and free of charge.
Q3: Would MS agree with PCY's suggestion above?	AT (Comments):

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	Yes (transfers between PEPPs and national PPPs and vice versa), as long as transfers are in line with national rules (eg. tax effects). BE (Comments): Yes. BG (Comments): BG: We support the proposal in Article 56b par. 1. We are still assessing par. 2 CZ (Comments): CZ: The Czech Republic agrees with the proposed wording. However, it draws attention to the need to maintain tax neutrality. In the Czech Republic, it is not possible to transfer funds between products while retaining tax benefits; if the regulation were to require this for PEPPs, PEPPs would gain an unfair advantage over national products. DE (Comments): We are open to support the PCY's suggestion. DK (Comments): Denmark supports the proposed adjustments. However, it is important for us to state that PEPPs should not receive preferential treatment, and actual costs must be covered. EE

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	(Comments): Yes. EL (Comments): EL: We don't have objections regarding presidency's proposal on article 56b. ES (Comments): We agree FI (Comments): Yes, we agree. FR (Comments): France supports the PCY suggestion in allowing transfers from PEPPs to other personal pension products. HR (Comments): HR: Yes, HR agrees with PCY's suggestion. We support allowing transfers both from other personal pension products to a PEPP and from a PEPP to other personal pension products, provided that such transfers are not subject to penalties, fees or additional administrative barriers. This approach enhances consumer choice, portability and fairness, while supporting the broader objective of increasing the attractiveness and usability of PEPPs. HU

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	(Comments): Yes, we agree. IT (Comments): We would prefer not to introduce any obligation for Member States to provide for transfers between PEPPs and other national personal pension products which could have different characteristics (distribution, cost, fiscal regulation). We would therefore propose deleting art. 56b. LU (Comments): Yes we agree LV (Comments): Yes. MT (Comments): Malta agrees with the Presidency's suggestion to Article 56b.. NL (Comments): The Netherlands supports the drafting suggestions to clarify transfers between different products PL (Comments):

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	Yes. It should be possible to transfer funds not only into a PEPP, but also from a PEPP to personal pension products. PT (Comments): PT is not supportive of introducing a framework enabling the transfer of capital accumulated across different types of personal pension products. In our view, facilitating such transfers beyond very specific circumstances, such as cases of PEPP deregistration, would be overly complex, given the differences between the regimes applicable to existing pension products. These differences may include taxation, redemption conditions, and other specific requirements. We are also concerned that increased flexibility in this area may incentivise regulatory arbitrage, potentially leading to the crowding out of products subject to more restrictive redemption regimes, for example. Furthermore, the proposed broad transferability of accumulated capital, with related added value and expected demand remaining unclear, does not appear to be a feature that would materially enhance the uptake of PEPP. Savers would continue to be able to transfer accumulated savings within the same product framework, whether the PEPP or others, in a more straightforward manner, as these are respectively governed by a single, consistent regime. SE (Comments): Sweden can support the proposed amendments allowing transfers both into and out of PEPPs. However, Sweden considers the use of the term “other personal pension products” to be problematic, as PEPPs are not classified as personal pension product for tax purposes in Sweden, but rather as capital insurance. Consequently, transfers between PEPPs and private pension products would,

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	under the current Swedish tax framework, give rise to tax consequences. Sweden therefore reiterates its previously expressed view that transfers should instead be allowed to and from "other corresponding saving products" SI (Comments): SI agrees with proposed changes. However, we would like to clarify the implications of the proposed text for the costs of transfers. Our understanding is that there can be no charge for any transfer. SK (Comments): **Yes,** we agree with PCY's suggestions with minor formulation change. Drafting suggestion: Article 56 b Transfers ~~from~~ between PEPPs and other ~~personal~~ **corresponding (or equivalent)** pension products Member States shall allow transfers from other personal pension products to a PEPP, as well as transfers from a PEPP to other **corresponding (or equivalent)** pension products. Member States shall ensure that the transfers referred to in paragraph 1 are not subject to penalties, fees, or any other administrative requirement by either provider ~~of the personal pension product~~ that would make the transfer more costly than transfers between two ~~personal~~ **equivalent** pension products that are not PEPPs.
1.4. Product intervention powers of competent authorities - (Art 63(1))	DE (Comments): -

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Q4: Would MS agree with PCY's suggestion above?	AT (Comments): Yes (NCA product intervention powers must be consistent with VfM regime). However, since we support a strong value for money regime, it should be ensured in any case that the NCA can intervene when a PEPP does not offer value for money to the target market. BE (Comments): We refer to our comments on Q1 and the proposed recital. BG (Comments): BG: We agree that the issue is linked with VfM requirements. We support VfM requirements to be deleted. CZ (Comments): CZ: We oppose the introduction of benchmarking until the rules under the RIS package have been clarified. DE (Comments): In our view, an amendment in Art. 63 (1) would not be necessary. The legal basis for product intervention is comprehensively defined and would already cover potential violations of the Value for Money principle, if introduced. It is important to ensure legal consistency with respective legislation such as MiFIR/PRIIPs. DK (Comments):

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	DK supports the Presidency's suggestion. EE (Comments): Yes. EL (Comments): EL: In light of the fact that we support option 1 in relation to article 25 in Section 1.1, we support the deletion of the COM Proposal. ES (Comments): We agree FI (Comments): Yes, we agree. FR (Comments): France would support deleting the provision in Article 63(1) in coherence with option 1 for Q1 and agrees with the PCY's suggestion. HR (Comments): HR: HR can agree with the PCY's suggestion, provided that the link between identified shortcomings in value for money and potential supervisory responses is further clarified, ensuring a proportionate and risk-based approach while maintaining legal certainty for providers.

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	HU (Comments): Yes, we agree. IT (Comments): We would prefer to maintain product intervention powers to NCA for all options set in question 1, as the principle that costs should be justified and proportionate to the performance and other benefits of the product for the target market should not be set aside even if, in the VFM section, option 1 (i.e. enhanced POG principle but without explicit references to VFM) will be chosen. We believe that the explicit reference to the failure to offer value for money in Article 63 (1) regulating product intervention powers is essential to give effect to the above-mentioned principle introduced by the enhanced POG. This is also consistent with NCAs product intervention powers as amended by the RIS in connection with the new VFM requirements. LU (Comments): Yes we agree LV (Comments): Yes. MT (Comments): Whilst Malta understands that these powers might be similar, Malta is of the view that both powers of intervention – a dual-track supervisory mechanism requiring competent authorities to monitor the PEPP market against VfM benchmarks and, in cases of identified deviations or at their own discretion,

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	mandates that providers formally justify that their product's costs, design, and target market alignment remain proportionate and consumer-centric – should remain. NL (Comments): We can support the PCY's suggestion, but we could also see merit in only eliminating the VfM references. It is essential that national competent authorities retain strong, risk-based supervisory and have intervention powers. Authorities must be able to intervene where a PEPP does not sufficiently serve consumers' interests, including where issues are identified through POG assessments. Therefore, please consider below drafting solutions: *63(1) a* *the competent authorities are satisfied that there are reasonable grounds to believe that the PEPP gives rise to significant or reiterated saver's protection concerns, ~~consistently fails to offer value for money or~~ poses a risk to the orderly functioning and integrity of financial markets or the stability of whole or part of the financial system within at least one Member State;* PL (Comments): We agree with PCY: In light of the position stated in question 1, we believe there is no need to amend Article 63(1). PT (Comments): PT supports leaving the adoption of revised Article 63(1) contingent on the outcome of the VfM discussion. If Option 1 is chosen, it should be clear the

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Presidency Questions	Comments
	Article is not deleted but rather maintains the current version foreseen in the Regulation in place. SE (Comments): Sweden can support the proposal. SI (Comments): Yes. SK (Comments): **Yes**, we agree with PCY's suggestions.
1.5. EIOPA's product intervention powers - (Art 65(3))	DE (Comments): -
Q5: Would MS agree with PCY's suggestion?	AT (Comments): No. EIOPA product intervention powers in case of consistent failure to provide VfM as a last resort measure should not be deleted. BE (Comments): No preference. BG (Comments): BG; We agree with the proposed deletion of the amended provision.

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Presidency Questions	Comments
	CZ (Comments): CZ: Yes, we support the Presidency's proposal to delete this amendment and maintain the current consumer protection framework. DE (Comments): We agree with the PCY's suggestion to delete the amended provision in Art. 65(3). DK (Comments): DK supports the Presidency's suggestion. EE (Comments): Yes. EL (Comments): EL: We support the Presidency's proposal—to delete the proposed amendments of Articles art. 63 par 1 and art. 65 par. 3. ES (Comments): We agree FI (Comments): Yes, we agree.

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Presidency Questions	Comments
	FR (Comments): France agrees with the deletion of the amended provision in Article 65 (3) (a). HR (Comments): HR: HR can agree with the PCY's suggestion to delete the proposed amendment to Article 65(3). We consider that the existing provision already provides adequate safeguards for PEPP savers and allows for intervention where necessary, while ensuring a proportionate, risk-based and subsidiary role for EIOPA. Given the current lack of clarity around the definition and assessment of consistent failure to deliver VfM, we support the deletion of the amended provision. HU (Comments): Yes, we agree. IT (Comments): We agree with PCY' suggestion. LU (Comments): Yes we agree LV (Comments): Yes MT

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Presidency Questions	Comments
	(Comments): Malta agrees with Presidency' suggested deletion of the amended provision. NL (Comments): We agree with PCY's suggestion to delete this amended provision. PL (Comments): We agree with PCY: We support PCY's proposal to remove the proposed change. The proposed change is redundant. PT (Comments): PT does not oppose the suggested way forward. SE (Comments): Sweden can support the proposal. SI (Comments): Yes SK (Comments): **Yes**, we agree with PCY's suggestions.
2. Revised Provisions on Disclosure, Pre-Retirement Planning and Decumulation Phase Information - Art 38, 60, 18 and Recital 13)	DE (Comments):

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Presidency Questions	Comments
	-
Q6: Which option do MS prefer?	AT (Comments): Option 1 (COM proposal: provision of additional information not only on request). BE (Comments): In general, we are not in favor of introducing new information or advisory requirements. The sector's analysis concluded that it was not possible to offer a PEPP at a cost of 1%. In that regard, we do not believe it would be prudent to introduce new requirements and, consequently, additional costs. Although we would prefer to see this provision removed altogether, our preference among the proposed options is for option 2. BG (Comments): BG: We could support option 2. As the explanatory guide appears to be a complementary document and not a personalised one we agree that this guide could be available on the PEPP provider's website and to be given only at the request of the PEPP saver. CZ (Comments): CZ: We support increasing public awareness, but we prefer Option 2, as sending information upon request reduces administrative costs, unlike blanket distribution. We emphasize that the information should be clear and concise and should not require providers to predict tax implications beyond the scope of current legislation.

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Presidency Questions	Comments
	DE (Comments): We prefer Option 2, which would help to reduce administrative burden for PEPP providers while sufficiently addressing the PEPP saver's (potential) interest in further information regarding the decumulation phase. DK (Comments): DK supports Option 1 – maintaining the COM proposal. It is important that the explanatory guide is provided directly to all PEPP savers, as making it available only online with the option of requesting it, makes it likely that many customers will not read it. Direct delivery ensures that all savers have easy access to essential information. EE (Comments): We would prefer option 2. EL (Comments): EL: We have no specific views. However, we suggest that the savers' rights provided thereof are included in the PEPP contract. ES (Comments):

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Presidency Questions	Comments
	We support option 2 FI (Comments): We prefer option 2. FR (Comments): France could support option 1 or 2 depending on the final balance on consumer protection. HR (Comments): HR: HR prefers Option 2. While we support enhanced transparency and comprehensive information for PEPP savers at the start of the decumulation phase, we consider that making the explanatory guide available on the provider's website and delivering it upon request strikes an appropriate balance between consumer protection, proportionality and cost-efficiency. This approach avoids unnecessary burdens while ensuring that relevant information is accessible to savers who need it. HU (Comments): We prefer Option 2. IT (Comments): We support option 1, so maintaining the Commission proposal related to Article 38. LU

Presidency Questions	Comments
	(Comments): Having the simplification agenda in mind, LU supports Option 2A as our preferred way forward. LV (Comments): We can support option 2 MT (Comments): Malta supports Option 1. NL (Comments): We can support both option 1 or option 2, as long as PEPP savers receive timely, structured information needed to make informed and effective retirement decumulation decisions. PL (Comments): Option 2: We support the supplementary amendment proposed by the PCY regarding the requirement for PEPP providers to publish information on the products available during the payout phase. PT (Comments): PT supports Option 1, in alignment with the COM's intention to improve active bilateral information disclosure in anticipation of the decumulation phase, ensuring informed decision-making and strengthening consumer protection. As the contents of the explanatory guide appear not to be

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Presidency Questions	Comments
	personalised, we deem its offering would not carry disproportionate administrative burdens. Nevertheless, we see as relevant that presented projections regarding variable annuities, which are not defined under this Regulation, also include a clear insight on the expected duration of out-payments, considering that such timeline may be limited by the financial capacity of the PEPP's saver's accumulated assets. Please consider the following suggestions: *"Article 38* *1. (...)* *Where one of the forms of out-payment offered by the PEPP provider is a variable annuity, the PEPP provider shall provide each PEPP saver two months before the dates referred to in Article 59(1), points (a) and (b), with projections to illustrate the potential variation in the amount of the out-payment over time* ***and, where applicable, the potential duration of such payments****."* SE (Comments): Sweden can be flexible, but prefers Option 2. SI (Comments): Option 2. Regardles of the option selected, we would like to point out, that current proposal refers mostly to the accumulation phase. This means that decumulation phase and unreasonable costs in decumulation part should be covered sometime in the future. SK

Presidency Questions	Comments
	(Comments): **Option 2** with minor drafting proposal. Drafting suggestion: Article 38 1. ... "Where one of the forms of out-payment offered by the PEPP provider is a variable annuity, the PEPP provider shall provide each PEPP saver ~~two months~~ **in due time** before the dates referred to in Article 59(1), points (a) and (b), with projections to illustrate the potential variation in the amount of the out-payment over time."
Q7: Would MS agree with PCY's suggestion?	AT (Comments): Yes (COM proposal to extend pre-retirement planning to all PEPPs). BE (Comments): As mentioned under Q6, we are not in favor of introducing new information or advice requirements, given the need to reduce administrative burdens and cut costs. In Belgium, for example, almost 100% of supplementary pensions are paid out as a lump sum. In that context, it does not seem particularly useful to us to make people pay for advice on the payout options. We are in favour of deleting this additional advisory obligation, in line with the deletion of the advisory obligation for the basic PEPP. An alternative could be to make this a national option, as is also the case in the IDD. This would be in line with the discussion in the CWP on 29 April regarding the non-paper on advice. Several Member States could agree to the possibility of a mandatory advice requirement on an opt-in basis. It would then make sense to adopt the same approach for advice at the start of the decumulation phase and to make this a national option as well.

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	Drafting suggestion: ***Member states may require PEPP providers, ~~A~~at the start of the decumulation phase, ~~the PEPP provider shall~~ to*** offer the PEPP saver personal retirement planning on the sustainable use of the capital accumulated in the PEPP sub-accounts, taking into account at least**;** BG (Comments): BG: Yes, we agree with the PCY's suggestion no changes to be proposed to Article 60. CZ (Comments): CZ: We agree with the expansion, but we suggest considering an option where planning is offered to participants rather than automatically imposed on them. DE (Comments): We suggest to remove Art. 60 (1) (b), which refers to „the total amount of other accrued retirement entitlements". We believe that this provision would lead to overly excessive administrative burden for PEPP providers, since this type of information is challenging to collect from PEPP savers. Moreover, this provision goes beyond the requirements for other personal pension products. DK (Comments):

Presidency Questions	Comments
	DK agrees with the PCY suggestion to keep the amendments to Article 60. Alternatively, we could be flexible and accept their deletion, as most relevant information will likely be provided under Article 38. EE (Comments): Yes. EL (Comments): EL: We support COM proposal on article 60. ES (Comments): We agree FI (Comments): Yes, we agree. FR (Comments): France agrees with the PCY's suggestion. HR (Comments): HR: Yes, HR agrees with PCY's suggestion. We support maintaining the Commission's proposal to extend pre-retirement planning and advice to all PEPP savers, as it contributes to better understanding of retirement options and supports informed decision-making.

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Presidency Questions	Comments
	HU (Comments): We agree with PCY's suggestion. IT (Comments): We consider that article 38, as amended, requires PEPP providers to provide members with adequate information and guidance related to the payout phase. Therefore, we do not see the need for additional "advice" as set out in art. 60 and we support its deletion. LU (Comments): Yes we agree LV (Comments): Yes. MT (Comments): Malta agrees with the Presidency's suggestion of no changes to Article 60. NL (Comments): We agree with PCY's suggestion PL (Comments):

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Presidency Questions	Comments
	We agree with PCY: Efforts should be made to ensure that all savers—not just those with a Basic PEPP—are provided with information about products that pay out retirement benefits. PT (Comments): PT supports leaving Article 60(1) as originally proposed by the COM. The transition from saver to beneficiary is a critical decision point deserving of enhanced guidance and there is no reason to distinguish between Basic PEPP savers and ones invested in tailored versions. SE (Comments): Sweden can support the proposal. SI (Comments): Yes SK (Comments): **Yes**, we agree with PCY's suggestion.
Q8: Would MS agree with PCY's suggestion?	AT (Comments): Yes (COM proposal to delete requirement to offer at least 2 sub-accounts). BE (Comments): Yes. BG

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Presidency Questions	Comments
	(Comments): BG: Yes, we agree with the PCY's suggestion. CZ (Comments): CZ: The Czech Republic fully supports the elimination of the requirement for two sub-accounts, as we view this requirement as one of the main barriers to market entry for providers. DE (Comments): We support the PCY's suggestion to delete the obligation for PEPP providers to offer at least two national sub-accounts. DK (Comments): DK agrees with the PCY suggestion to maintain the COM proposal. Removing the obligation to offer national sub-accounts can simplify the PEPP regime and reduce administrative burdens, making it more appealing to providers. EE (Comments): Yes. EL (Comments): EL: We support COM proposal on article 18. ES (Comments):

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Presidency Questions	Comments
	We agree FI (Comments): Yes, we agree. FR (Comments): France stresses the link between this provision and the Council's position on advice. Deleting the two mandatory national sub-accounts would effectively make the PEPP comparable to a national pension product. Therefore, a level playing field should be maintained between PEPPs and other pension products. We have proposed in a non-paper on advice to mirror IDD provisions and allow MS to maintain mandatory advice in the distribution of Basic PEPPs which is consistent with previous EU legislation. HR (Comments): HR: Yes, HR agrees with PCY's suggestion. We support the removal of the obligation to offer national sub-accounts for at least two Member States, as this reduces operational complexity and supports wider uptake and development of PEPPs, while maintaining transparency on portability options. HU (Comments): We agree with PCY's suggestion IT (Comments): Yes, we support the PCY proposal LU

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Presidency Questions	Comments
	(Comments): LU fully agrees LV (Comments): Yes. MT (Comments): Malta agrees with Presidency's suggestion of no changes to Article 18. NL (Comments): We support the PCY's suggestion of no changes to article 18 PL (Comments): We agree with PCY: We support the removal of the requirement to offer PEPPs in at least two EU Member States. PT (Comments): PT supports leaving Article 18 as originally proposed by the COM. The removal of the national subaccounts offering obligation simplifies product design, while reducing burdens and costs. SE (Comments): Sweden can support the proposal. SI

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Presidency Questions	Comments
	(Comments): Yes SK (Comments): **Yes**, we agree with PCY's suggestion.
3. Revised provisions on the PEPP Key Information Document (KID) - Art. 28	DE (Comments): -
Q9: Would MS agree with PCY's suggestions above?	AT (Comments): Yes (no change to COM proposal on KID: Basis PEPP versus tailored PEPPs, indication to EIOPA central public register). However, AT still advocates for allowing PEPPs with guarantees to be eligible as Basic PEPP. BE (Comments): Yes. BG (Comments): BG: Regarding the information in paragraph 3, point (c)(iii), first dash we consider that in the PEPP KID for the Basic PEPP the PEPP provider should provide a brief description of the lifecycle investment strategy that will be used and not only an indication that such strategy will be applied. In addition, we would like to draw your attention to the fact that with the proposal the notion of "tailored PEPP" has been introduced but Articles 4(2)(b), 26 (4) and 44(1) are not amended and still refer to alternative investment options.

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	CZ (Comments): CZ: We agree with the Presidency's proposal. We believe it is appropriate for the KID to reflect the differences between basic and tailored PEPP and to include a reference to the EIOPA central register. However, we insist that these amendments be fully consistent with the revision of the PRIIPs Regulation and that the document remain concise and readable for the average participant. DE (Comments): We see great merit in aligning the PEPP regulation with the provisions of the PRIPPs regulation concerning performance scenarios and the cost indicator (reduction in yield). This would materially raise the level of transparency regarding the costs of a PEPP, and thereby help to increase its attractiveness. In particular: • Both savers and providers of financial products already have significant experience with the well-established reduction in yield cost indicator by the PRIIPs regulation. This will reduce administrative burden materially. • Using the reduction in yield cost indicator will raise the regulatory coherence with cost information of other financial products (e.g. funds) and allow for thorough comparison of different types of products (e.g., comparison of insurance-based PEPPs and security-based PEPPs) and for products with different durations. • In addition, practice has shown that the reduction in wealth cost indicator suffers from technical shortcomings, in particular in the context of pension products: Costs are rising with the duration of the product, which impairs an appropriate comparison of products across durations.

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	• The reduction in wealth cost indicator implies new administrative burden for future PEPP providers that are predominantly used to work with the well-established reduction in yield cost indicator PRIIPs-terminology, which can hinder market competition. DK (Comments): DK agrees with the PCY's suggestion to maintain the COM proposal, as it strikes a reasonable balance between providing relevant consumer information and avoiding information overload. EE (Comments): Yes. EL (Comments): EL: With regard to points (a) through (d) in article 28, we support the Presidency's proposal to maintain Commission's proposal. We also suggest that information to prospective PEPP savers about their rights in the event of deregistration according to article 56a should also be included in the information provided. ES (Comments): We agree FI (Comments):

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	Yes, we agree. FR (Comments): France agrees with the Presidency's suggestions HR (Comments): HR: HR can agree with the PCY proposal to maintain the Commission's amendments under points 1 and 4 of Article 28. We support aligning the KID with the revised features of the Basic and tailored PEPP and the inclusion of information on the central public register, provided that the KID remains clear, concise and accessible for savers. IT (Comments): We agree to maintain the Commission proposal related to Art. 28. LU (Comments): Yes we agree LV (Comments): Yes. MT (Comments): Malta agrees with the Presidency's suggestions to maintain the Commission proposed text with respect to the different Article 28 elements referred.

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	NL (Comments): We support the PCY suggestion to maintain the Commission proposal. Cost disclosures are essential, as they directly affect savers' final pension outcomes and support realistic expectations. Harmonized and transparent reporting enables fair comparison across PEPPs and incentivises cost efficiency among providers. PL (Comments): We support the PCY's proposal: The proposal aims to adapt the KID regulations to the specific nature of the PEPP. PT (Comments): PT supports leaving Articles 28(3)(c)(iii) and (xvi) to (xviii) as originally proposed by the COM. SE (Comments): Sweden can support the proposal. SI (Comments): Yes SK (Comments): **Yes**, we agree with PCY's suggestions.
Q10: Which option do MS prefer?	AT

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	(Comments): In order to avoid confusion of PEPP saves by in information item which is left blank, it should be ensured that the item on workplace PEPPs is only part of the KID where the MS exercises the option. BE (Comments): As regards workplace arrangements, we still prefer to remove the reference to them from the regulation. This is addressed in question 21. In any case – also if the reference to workplace arrangements would stay - we believe that the reference to 'vesting periods' in the text or in the recital should be deleted. Vesting periods imply that employees may lose their pension rights when they leave their employer. This is completely incompatible with the idea of a personal pension product and therefore is in contradiction with the proposed recital 22, which states that also a workplace PEPP remains a third-pillar product. During the previous working group, the commission referred to 401k plans in the US to demonstrate that vesting periods are possible within the third pillar. However, the OECD regards 401k plans as occupational pensions and not as personal pensions. BG (Comments): BG: In our view COM proposal should be deleted. In our opinion voluntary contributions from employers are currently allowed. Article 36, para 1, letter "e" refers to "any third-party contributions". Auto-enrolment is a concept applicable to occupational pension schemes where the contract is between the employer and the pension scheme/the entity managing the pension scheme. PEPP is a personal product and the contract is between the PEPP saver and the PEPP provider. Therefore, we do not object to

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	be clarified that employers could make contributions to PEPP contracts for their employees, however all references to auto-enrollment and collective bargaining agreements should be deleted as PEPP is an individual contract and a clear delineation between occupational and personal contracts should be maintained. In our opinion it would be sufficient to keep the proposed provision in Article 47, par. 3 and the corresponding recital 22. Please find below our drafting suggestions related to employer contributions: "(22) Employers' contributions, ~~including through auto-enrolment arrangements,~~ have proven effective in overcoming behavioural barriers to savings, including inertia or lack of financial literacy, while fostering trust, engagement, and participation in supplementary pensions. Explicitly recognising that employers are allowed to make voluntary contributions to a PEPP could significantly enhance the visibility, relevance, and uptake of PEPPs, particularly among underserved groups, including low-income and part-time workers and young workers early in their careers. ~~Similarly, allowing employers to select the PEPP in the context of a workplace arrangement using auto-enrolment could further strengthen the uptake of the PEPP and offer employees, especially in Member States with less developed occupational pension systems, the possibility to invest their savings for retirement in well-regulated and cost-effective products.~~ Member States should therefore not prevent employers from contributing to PEPPs and should ensure that such contributions are supported by clear rules on the provision of information to employees. Without prejudice to the personal nature of the PEPP, Member Stats should also be able to allow PEPPs to be provided as part of a workplace arrangement ~~using auto-enrolment~~, where this is in line with national social and labour laws, compatible with the organisation of pension systems and with collective agreements, and does not interfere with the existing occupational pension schemes. To facilitate the use of the PEPP in a workplace context, several amendments to Regulation (EU) 2019/1238 are necessary to ensure that no undue obstacles hinder employers'

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	contributions and to adapt the relevant framework to the specificities of workplace arrangements. Article 28(3) is amended as follows: (a) ~~(ii) the following points (xv) to (xviii) are added:~~ ~~'(xv) where the PEPP is provided to an employee as part of a workplace arrangement using auto-enrolment , the following information:~~ ~~– the opt out rights agreed at the time of enrolment;~~ ~~– applicable vesting rules;~~ ~~– where applicable, the default decumulation pathways or the other different decumulation options;~~ ~~in Article 33, the following paragraph 2a is inserted:~~ ~~'2a. Where the PEPP is provided to an employee as part of a workplace arrangement using auto-enrolment, the information referred to in paragraph 1 shall be provided to the employee promptly after the enrolment in the arrangement concerned.'~~; in Article 47, the following paragraphs 3, 4 and 5 are added: '3. Without prejudice to national social and labour law on the organisation of pension systems and the autonomy of social partners, including compulsory membership and the outcomes of collective bargaining agreements, and insofar as it does not interfere with the existing occupational pension schemes, Member States shall not prevent employers from voluntarily contributing to a PEPP for their employees that are PEPP savers and who agree to this. ~~4. Without prejudice to national social and labour law regarding the organisation of pension systems and the autonomy of social partners, including compulsory membership and the outcomes of collective~~

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	~~bargaining agreements, and insofar as it does not interfere with the existing occupational pension schemes, Member States may allow the PEPP to be provided to an employee as part of a workplace arrangement using auto-enrolment.~~ ~~In the case the PEPP is provided to an employee as part of a workplace arrangement using auto-enrolment, the PEPP saver shall have the right to opt out and rejoin in accordance with the national framework governing auto-enrolment, including relevant social and labour law on the organisation of pension systems, compulsory membership and the outcomes of collective bargaining agreements.~~ CZ (Comments): CZ: Option 2. We believe that a separate requirement to disclose the employer's contributions in the KID is redundant, as this information is already covered in the description of the accumulation phase. DE (Comments): We prefer Option 2, i.e. clarifying in a recital which information in relation to potential auto-enrolment needs to be presented to PEPP savers. DK (Comments): DK prefers Option 1 as this will provide the greatest clarity. EE (Comments):

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	No preferences. We remain open for compromise. EL (Comments): EL: Regarding point (b), we fully support Option 2. ES (Comments): As we have noted in previous meetings, maintaining a clear distinction between the second and third pillars is important for us. In our jurisdiction, these measures provide no added value and could disincentivize the negotiation of occupational plans in future collective agreements. In this sense, we strongly support the removal of employment-related references from the Regulation, as suggested by many others Member States. However, should these provisions remain in the text, we believe it is essential that they are drafted as a 'may' clause instead of a mandate and they should be optional for Member State FR (Comments): France is concerned about the practicality of auto-enrolment for an individual pension product. In France, occupational pension products allow auto-enrolment through collective bargaining. We could support other MS' suggestions of deleting the reference to auto-enrolment in the proposal. HR (Comments): HR: HR prefers Option 2. We consider that the existing disclosure requirements under Article 28 already cover the essential information related to workplace

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	arrangements and voluntary employer contributions. Clarifying this in a recital avoids unnecessary duplication and helps preserve the conciseness of the KID, while ensuring that relevant information is disclosed to savers where applicable. IT (Comments): We can support option 2. LU (Comments): We do not hold a particularly strong position on this point. However, should option 2 be retained, then the recital could benefit from further simplification by avoiding any explicit linkage between information disclosure of the auto-enrolment scheme. Instead, it should focus exclusively on the pre-contractual information of the PEPP itself, in line with the original intention, in order to avoid any potential misunderstanding. In this context, the reference to “essential information on the rights linked to the auto-enrolment arrangement” should not be included in the recital, as it goes beyond the scope of the initial text. LV (Comments): No strong preference. MT (Comments): Malta prefers Option 2, however, Malta is still concerned that the clarification still provides a leeway that the PEPP can be used as an auto-enrolment

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	occupational product. Malta suggests further clarification to ensure that the PEPP cannot be used as an occupational retirement product. NL (Comments): We support option 1. PL (Comments): We are leaning toward Option 1. We propose retaining the proposal submitted by COM. PT (Comments): PT favours going forward with Option 2, to avoid multiplying overlapping obligations. SE (Comments): Sweden can support Option 2. SI (Comments): Option 1. We believe that all essential legal requirements should be in the core legal text and recitals should be used only for explanatory purposes. SK (Comments): **Scrutiny reservation.**
Q11: Which option do MS prefer?	AT

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	(Comments): We support enhancement of cost disclosure. BE (Comments): We support the aim of simplification. However, we believe that option 2 does not bring real simplification, as it merely replaces 'compound effect' with 'impact'. We believe it is necessary to simplify cost transparency in such a way that consumers can understand the impact of costs at a glance and compare products. As suggested by various Member States, it seems useful to align as closely as possible with other regulations such as PRIIPS (Reduction in Yield). BG (Comments): BG: We prefer option 2. CZ (Comments): CZ: Option 2. Our primary goal is for the KID to provide consumers with clear and understandable information. We believe it is prudent to focus on a single, clear illustration of the impact of costs on the final capital amount and to omit technically complex disclosures of such impacts. DE (Comments): We do not support any option. Current provisions will lead to numerous cost figures that could be overwhelming to the savers and are not easy to compare. In particular, the cost disclosure of the PEPP regulation goes beyond that of

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	the PRIPPs regulation, e.g. using a reduction in wealth cost indicator instead of the reduction in yield, disclosing the compound cost effects or the cost of guarantees. Hence, we suggest a strong alignment of the provisions for cost disclosure of the PEPP with those of the PRIPPs regulation which savers and providers are used to. This will help to increase the transparency and comparability of costs, reduce administrative burden and thereby help to raise the attractiveness of the PEPP. DK (Comments): DK prefers Option 2, as it is more appropriate and provides a simplified approach to cost disclosures. EE (Comments): We prefer option 1 but remain open for simplifications. EL (Comments): EL: Regarding point (c), we support Option 2. ES (Comments): We support option 2 FR (Comments): France would support option 2 (the simplified approach) HR

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	(Comments): HR: HR prefers Option 2 (Simplified approach). While recognizing the importance of cost transparency and comparability, we believe that cost information in the KID should be presented in a clear and proportionate manner. A simplified illustration focusing on the impact of costs on the final accumulated capital, without excessive technical detail, would better support informed decision-making by savers. HU (Comments): We prefer Option 1, however keeping the compound effect approach and supplement the article with an indication that it does not constitute a prediction of future performance. IT (Comments): We suggest simplifying the text on costs to streamline the application since it is not clear the value of computing the impact of total costs on the investment over 12 months. Furthermore, the estimation of the impact of the costs on the final capital accumulated implies the computation of projections and puts too much emphasis on costs: The revised proposal is to make reference only to total aggregate costs expressed in monetary and percentage ~~terms, to show *the impact* the compound effects of the total costs on the investment~~ over the previous 12 months **on the accumulated capital** ~~and an estimation of the impact of the costs on the final capital accumulated~~ LU (Comments):

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	In principle, LU can be supportive of option 2. However, we are not convinced of the added value of deleting and replacing the term "the compound effects" with "the impact". The latter is less precise and may give rise to differing interpretations, in particular as regards the time horizon to which the impact of total costs is meant to refer. LV (Comments): It is not clear to us how the impact of total costs would be measured in option 2, therefore support option 1 as cumulative cost effects are important information to disclose. MT (Comments): Malta prefers Option 2. NL (Comments): We are strongly in favour of the Commission proposal. The compound effect of recurring costs is essential for consumers to adequately grasp the long-term impact of yearly charges. Expressing costs solely in annual basis points is insufficient for most savers to understand their cumulative effect on returns. This applies not only to direct product costs, but also to indirect and distribution-related costs, which should be equally visible to consumers. Therefore, in addition, we would suggest introducing a clear and separate disclosure of advisory costs, where applicable. This could be presented as an explicit option within the cost breakdown, allowing consumers to distinguish between product-related costs and costs stemming from advice or distribution

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	services. Such a distinction would further enhance transparency and comparability, and support more informed decision-making by PEPP savers. Please see below for a potential drafting suggestion *…Where applicable, the costs charged for the capital guarantee,* ***advisory and distribution*** *shall be explicitly and separately disclosed.* PL (Comments): Option 2. We propose simplifying the provision regarding cost disclosure in accordance with the PCY's proposal. PT (Comments): PT would be inclined to favour Option 1. In line with previously made comments, and in addition to the reference of not constituting future performance, we would suggest any estimations of costs on the final capital accumulated be accompanied by a description of the assumptions made to produce such metrics. In our view, this is key to ensure minimum baseline transparency to facilitate meaningful comparability across PEPP products. It should also be noted this obligation is also foreseen in both the PRIPPs Regulation, when performance scenarios are presented in the KID (Article 8(3)(d)(iii)), as well as in the revised IORP II Directive proposal, to sustain pension benefit projections (Article 40(1)(c)). Moreover, we also believe it should be specified in Article 28(3)(f) the basis to used for presenting costs in percentage terms. Please consider the following suggestions: *"Article 28*

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	(…) *3. (…)* *(f) 'under a section titled 'What are the costs?', the costs associated with an investment in the PEPP, comprising both direct and indirect costs to be borne by the PEPP saver, including one-off and recurring costs, presented by means of summary indicators of those costs and, to ensure comparability, total aggregate costs expressed in monetary and percentage* ~~*terms*~~***of total contributions invested in the PEPP****, to show the compound effects of the total costs on the investment over the previous 12 months and an estimation of the impact of the costs on the final capital accumulated****, accompanied by a description of the assumptions made to produce such estimation****. Where applicable, the costs charged for the capital guarantee shall be explicitly and separately disclosed."* SE (Comments): Sweden can support Option 2 but would also be open to further simplifications and streamlining. SI (Comments): Option 2. SK (Comments): **Option 2.**
4. PEPP Benefit Statement (PBS) – Art 36	DE (Comments): -
Q12: Would MS agree with PCY's suggestions above?	AT

Presidency Questions	Comments
	(Comments): Yes (no change to COM proposal on PBS: favorable scenario, indication to EIOPA central public register). BE (Comments): Yes. BG (Comments): BG: We agree. CZ (Comments): CZ: Q12-Q13: The Czech Republic advocates simplifying cost reporting. Our goal is for the presentation of information to be simple, standardized, and easily comparable. We reject detailed technical calculations that do not provide understandable information to the average participant, and we urge that the PBS remain a clear document for the customer. For these reasons, we do not agree with the Presidency's proposals. DE (Comments): We do not support the PCY's suggestion. We see merit in aligning the scope of performance scenarios with the provisions of the PRIIPs regulation, which would reduce administrative burden and raise transparency as well as comparability across different product types. DK (Comments):

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Presidency Questions	Comments
	DK agrees that points 1 and 3 in PCY discussion paper is basic information that should be included in the Benefit Statement. EE (Comments): Yes. EL (Comments): EL: We support the Presidency's proposal to maintain Commission's proposal in points 1 and 3 and we would like to suggest that Art. 36 para 1 is further enhanced, with the addition of a new point (da) about the information on the savers' rights to switch in case of deregistration according to art. 56a. ES (Comments): We agree FR (Comments): France would favour deleting the "favourable scenario" from the PBS as well as from the KID as it represents an administrative burden through stochastic modelling while having limited predictive value. HR (Comments): HR: HR can agree with the PCY's proposal to maintain the Commission's amendments to Article 36(1), points (d) and (m). We support the objective of enhanced transparency and consumer protection through the PBS, provided that

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Presidency Questions	Comments
	the information remains clear, concise and easily understandable for PEPP savers. HU (Comments): We agree with PCY's suggestion. IT (Comments): We can support the COM amendments to paragraph 36(1) point (d) and 36(1) (m). LU (Comments): Yes we agree LV (Comments): Yes. MT (Comments): Malta agrees with the Presidency's suggestions. NL (Comments): We agree with the PCY to maintain the COM proposal PL (Comments):

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Presidency Questions	Comments
	We agree with the PCY's proposal: We support retaining the COM's proposal regarding the PBS. PT (Comments): PT supports leaving Articles 36(1)(d) and (1)(m) as originally proposed by the COM. SE (Comments): Sweden can support the proposal. SI (Comments): Yes SK (Comments): **Yes**, we agree with PCY's suggestions.
Q13: Would MS agree with PCY's suggestions above?	AT (Comments): Yes (no change to COM proposal on PBS: enhanced cost disclosure). BE (Comments): We refer to our position on the disclosure of costs in the KID. We believe that the rules on cost transparency need to be simplified and streamlined. It would be a missed opportunity not to undertake this exercise. CZ

Presidency Questions	Comments
	(Comments): CZ: We unequivocally support the deletion of this article. We insist that no binding EU elements be introduced into the PTS sector, as this falls under national jurisdiction and Member States have very different legislative frameworks and technical infrastructures. DE (Comments): We do not support the PCY's suggestion, since the requirement to disclose compounded cost effects goes beyond the provisions in the PRIIPs regulation or the IDD. Hence, we see the potential to reduce administrative burden by a stronger consistency with the PRIIPs regulation, meaning to disclose costs based on the reduction in yield indicator and not on a compounded basis. DK (Comments): DK sees merit in further examining how cost disclosures can be simplified, as the current proposal risks information overload for savers. For example, a detailed breakdown of compound costs since the start of the contract term appears to be less useful, as this will require the customer to compare the compound amount to the length of the contract and any variation of services provided during this time. It would in our view be sufficient to estimate the impact of the costs on the final benefits, as under the current rules. EE

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Presidency Questions	Comments
	(Comments): Yes. EL (Comments): EL: We agree with the Presidency's suggestion to maintain the COM's proposal regarding point 2 ES (Comments): We agree FR (Comments): France would support removing compounded costs from the KID (Q11) and from the PBS (Q13) and disagrees with the PCY's suggestion. The two questions are linked and should be addressed together in order to maintain coherency of the proposal HR (Comments): HR: HR can also agree with the PCY's proposal regarding enhanced cost disclosures under Article 36(1)(f). While recognizing the importance of cost transparency and comparability, we stress that the presentation of costs should remain proportionate and clear for savers, with appropriate guidance to ensure consistent and comparable allocation of costs by category. HU (Comments): We agree with PCY's suggestion. IT

Presidency Questions	Comments
	(Comments): We do not agree with the COM proposal to include the computation of the totals costs and in particular the breakdowns of the cost item "on a compounded basis since the start of the contract term, expressed both in monetary terms and as a percentage of contributions on a compounded basis over the previous 12 months and since the start of the contract term" This information is too burdensome to be provided and it is misleading for members (in particular if other information since the start of the contract – e.g. performance - is not provided). We underline the importance of having the same approach for the communication of costs for PEPP and for IORP. LU (Comments): LU can agree with this way forward LV (Comments): Yes. MT (Comments): Malta agrees with the Presidency's suggestions. NL (Comments): We agree with the PCY to maintain the COM proposal. We strongly support enhanced cost transparency, including the disclosure of costs on a cumulative and compound basis in the PEPP Benefit Statement. Presenting costs both over the past year and since the start of the contract, in monetary and percentage

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Presidency Questions	Comments
	terms, helps improve consumer understanding, supports comparability between products and strengthens trust. We therefore consider these disclosures important element of effective consumer protection PL (Comments): We agree with the PCY's proposal: We propose retaining the COM's proposal regarding the disclosure of cost-saving measures. PT (Comments): PT supports leaving Article 36(1)(f) as originally proposed by the COM. Recognising its distinct role compared to the KID, we see merit in including in the PBS more detailed information with enhanced granularity, providing savers with a complete picture of the costs actually incurred, which favours transparency. In line with our suggestion for the PEPP KID, we also believe any estimations of the impact of costs on the final PEPP benefits presented in the PBS should be conveyed with a description of the assumptions made to produce such metrics. Please consider the following suggestions: *"Article 36* *(...)* *1. (...)* *(f). (...)* *(...)* *(v) an estimation of the impact of the costs on the final PEPP benefits,* ***accompanied by a description of the assumptions made to produce such estimation****."* SE

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Presidency Questions	Comments
	(Comments): Sweden can support the proposal. SI (Comments): Compound effect of the costs in PEPP PBS should be in line with KID document. Currently the wording is not same although it refers costs for pension scheme members. SK (Comments): **No** Intended enhancement of the cost disclosures showing the compound effects of the total costs on the investment over the previous 12 months are too burdensome and overwhelming for savers. We suggest to align with the provisions for PBS in the revision of the IORP directive.
5. Pension Tracking Systems (PTS) (Art. 51a)	DE (Comments): -
Q14: Which option do MS prefer?	AT (Comments): We strongly prefer Option 2 (deletion of Article 51 on PTS and no Recital). BE (Comments): No preference. BG

Presidency Questions	Comments
	(Comments): BG: We strongly support Option 2. CZ (Comments): CZ: Option 2. We support the deletion of the article. We insist that PTS is a national competence and should not be implemented on European level. DE (Comments): We prefer Option 2, i.e. to delete Art. 51a. DK (Comments): DK has a preference for option 2, as we believe pension tracking systems should remain a national matter and be addressed through the Commission's recommendation rather than regulation. EE (Comments): We welcome the deletion of Art 51a and prefer option 2. We do not oppose adding the recital either. However, while stressing the importance of including PEPPs to the PTSs the gradual introduction of the PTS should also be recognized (including only some of the Pillars first and extending the coverage of PTS step by step). Step-by-step approach is also accepted according to the COM Recommendations. EL (Comments):

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Presidency Questions	Comments
	EL: We have no specific preference. ES (Comments): We support option 2 FI (Comments): We prefer option 2. FR (Comments): France would support option 2. HR (Comments): HR: HR supports the objective of pension tracking systems (PTS) as a tool to provide savers with comprehensive and reliable information, while recalling that their design and implementation should remain a national competence and respect well-functioning national models. In light of the discussions and concerns expressed by a majority of Member States, HR can support Option 1, namely the deletion of Article 51a combined with a recital underlining the importance of PTS and the potential benefits of including PEPPs therein, while preserving the non-binding nature of the Commission recommendation and Member States' discretion. HU (Comments): We prefer Option 2. IT

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Presidency Questions	Comments
	(Comments): We support Option 2 LU (Comments): LU strongly supports option 2. We reiterate our position that the recommendation in itself deals with the PTS and is an integral part of the whole Pension Package. Therefore, we do not see any need to insert a recital referring to the recommendation. LV (Comments): No strong opinion. MT (Comments): Malta prefers Option 1. NL (Comments): We recognize the value of PEPP in the pension tracking systems, but see the many caveats mentioned by other member states as well. We are not opposed of adding a recital to encourage member states to add PEPP to their pension tracking systems so we can support both options going forward. PL (Comments): Option 2: We maintain our position that there is no need to regulate Pension Tracking Systems in the revised PEPP Regulation. That said, we do not preclude the need to introduce such solutions. However, given that this is an

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Presidency Questions	Comments
	area of social security, this matter should be subject to national legislation in EU Member States. PT (Comments): PT would support Option 2 seeking the removal of references to the COM's recommendations that may condition MS discretion in the way they opt to pursue such suggestions. As previously stated, considerations of this kind go beyond the regulatory regime governing the provision of the PEPP. SE (Comments): Sweden has opposed regulating pension tracking systems in the Regulation, as this is considered a national competence. Therefore, Sweden strongly prefers Option 2. Option 1 risks creating legal uncertainty regarding the implications of the recital for Member States SI (Comments): Option 2 SK (Comments): **Option 2**
6. Central Public Registry - (Art 13 (1) and Recital 11)	DE (Comments): -
Q15: Would MS agree with PCY's suggestion?	AT

Presidency Questions	Comments
	(Comments): Yes (Recital indicating that additional information for EIOPA central public register is extracted from the KID by EIOPA). BE (Comments): Yes. BG (Comments): BG: We would like to note that it is not clear how EIOPA would provide information in the register regarding the total annual costs and the average past performance over the previous 1, 3, 5 and 10 years taking into account that in our view this information is not disclosed in the KID. In addition, we are of the view that the PEPP KID as a document and only extracts should be provided in the central register. CZ (Comments): CZ: Yes, the Czech Republic supports the proposed wording, which clarifies that the expansion of obligations will not lead to an increase in the administrative burden. DE (Comments): We are open to support the PCY's suggestion. DK (Comments):

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Presidency Questions	Comments
	Denmark supports improving the central register to make it easier for savers to compare PEPP products. It is important to us that any changes do not create additional administrative burdens for providers or national authorities. We therefore welcome the proposed solution, as it aims to enhance transparency without imposing extra obligations on NCAs or PEPP providers. EE (Comments): Yes. EL (Comments): EL: We agree with the Presidency's suggestion to maintain the COM's proposal, subject to alignment with the wording of art. 42(1) and 42(2). ES (Comments): We agree FR (Comments): France calls for further simplifications of the central public register which should not duplicate KIDs. Simplicity is a consumer protection tool in this case. We do not believe that the modified recital has consequences on the actual administrative burden for providers and NCAs. As proposed in past written comments, we could streamline EIOPA's register by deleting the following information from the central public register :

Presidency Questions	Comments
	- The "PEPP at a glance" section which presents lump sum amounts in unfavourable and favourable scenarios without detailing those scenarios. - The following categories: "*If you die before you retire" / "if you are unable to continue to pay into the PEPP" / "If you choose to receive monthly payments after retirement, but live longer than assumed in your PEPP contract scenario"* - Details of "*pay-out options*" should be merged into one short description - The section "*What are the risks and what could I get in return*?" could only include "*Pension product risk classification*" and a "*Narrative explanation of the summary risk indicator*". HR (Comments): HR: HR agrees with the PCY proposal regarding the extension of EIOPA's central public register. We consider that extending the register to include standardized information on past costs and performance, based on data already contained in the KID, can help strengthen competition and support informed decision-making by savers, without creating additional administrative burden for PEPP providers or national competent authorities. HU (Comments): We agree with PCY's suggestion. IT (Comments): We can support drafting suggestion to Recital 11. LU

Presidency Questions	Comments
	(Comments): We suggest a minor adaptation in bold black underline: *To ensure that the most cost-efficient products attract a growing share of savings, thereby contributing to the consolidation and development of the personal pension sector, competition in the PEPP market should be fostered. To support that objective and help prospective savers make informed choices, the central public register maintained by EIOPA should be extended to include information on the past costs and performance of PEPP products. That extension should be done without creating undue reporting burdens neither for PEPP providers nor for the NCA's, compared to the current situation, as the relevant information* ~~***will should already be available reflected through***~~ **in** **is** **available in** the Key Information Document. To ensure accuracy and comparability, the information in the register should be updated at least annually. LV (Comments): Yes. It is important that already existing information in KID documents is used and information updates are coordinated with KID updating cycles. We support standardised approach to ensure comparability and avoiding situations where information might be interpreted in a misleading manner. MT (Comments): Malta agrees with the Presidency's suggestion. NL

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Presidency Questions	Comments
	(Comments): We support the proposed amendments PL (Comments): We agree with PCY: The introduction of the Central Public Registry should not place an undue burden on PEPP providers and supervisors. PT (Comments): PT can support the adjustments suggested for Recital 11. Nevertheless, we would still like to address the average past performance disclosure obligation in Article 13(1). As previously remarked, this notion is inherently ambiguous and may lead to inconsistent and non-comparable presentations across different products and providers, undermining the usefulness of such information and the primary objective of the EIOPA register. Therefore, we will attempt to propose a harmonised approach to calculate past performance that is generally based on the criteria established under the UCITS Directive (Articles 15 and 16 of Commission Regulation (EU) No 583/2010). Said framework to be depicted in Article 13(1) of the PEPP Regulation, rather than being dependent on a default PEPP investor or on solidarity mechanisms, will predetermine past performance as an annualised time-weighted rate of return, calculated net of all costs and charges, and based on a single notional investment held throughout the relevant period (1, 3, 5 and 10 years). Our amendment will ensure that the disclosed performance reflects the actual realised performance of the underlying assets of the PEPP as a whole, eliminating methodological discretion, and guaranteeing reliable comparability. We are still working on our concrete drafting and will endeavour to share it as soon as possible.

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Presidency Questions	Comments
	SE (Comments): Sweden can support the proposal, but suggests amending the wording to better reflect the underlying rationale, namely to avoid additional burdens. Sweden proposes the following wording: "That extension should be done without creating ~~undue~~ additional reporting burdens neither for PEPP providers nor for the NCA's, compared to the current situation" SI (Comments): Yes SK (Comments): **Yes**, we agree with PCY's suggestion.
7. Collaboration platforms - (Art 65a and Recital 12)	
Q16: Would MS agree with PCY's suggestion?	AT (Comments): In principle, we support alignment and coherence with other legal acts but we are open to compromise (limitation of EIOPA competences in collaboration platforms and deletion of EIOPA power to initiate on-site inspections). BE (Comments): No preference. BG (Comments):

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Presidency Questions	Comments
	BG: We agree. CZ (Comments): CZ: We support the effective exchange of information but warn against excessive administrative burdens and the duplication of supervisory structures. We favor a balanced solution that will strengthen communication without undermining the authority of national supervisors. DE (Comments): We agree with the PCY's suggestion. DK (Comments): DK welcomes the presidency's suggestions. EE (Comments): Yes. EL (Comments): EL: we agree with the Presidency's suggestion; however, we would like to stress that art. 65a should be fully aligned with art. 152b of Solvency II, taking into consideration Solvency II review (Directive (EU) 2025/2), which is applicable from the 1st of January 2027 and not the current version of SII. ES (Comments): We do not oppose

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Presidency Questions	Comments
	FR (Comments): France agrees with the PCY's suggestion. HR (Comments): HR: HR could support PCY's suggestion. HU (Comments): We agree with PCY's suggestion. IT (Comments): We would not agree, as we do not see any reason to depart from a full alignment with Solvency II provisions and with the same amendments introduced by the RIS, especially taking into account the nature of pan-european product of the PEPP. In particular, we support the proposed alignment with Solvency II with respect to the conditions set out in paragraph 1 for the establishment of collaboration platforms; moreover, we cannot support the removal of the possibility for EIOPA to set up and coordinate collaboration platforms on its own initiative (as proposed in paragraph 1), nor the removal of the possibility for EIOPA to assist on its own initiative the competent authorities in the event of disagreement in cross border cases (as proposed in paragraph 5). Likewise, we are not in favour of deleting paragraph 6 (EIOPA power to call for the Home NCA to carry out an on-site inspection). LU (Comments):

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Presidency Questions	Comments
	We reiterate our comments from previous working parties that we support removing EIOPA's own-initiative powers. However, the streamlining should go even further by limiting the establishment of collaboration platforms to cases where at least two competent authorities have requested such action. This would help to avoid early escalation and ensure that greater emphasis is placed on bilateral cooperation as a first step. LV (Comments): Yes. MT (Comments): Malta agrees with the Presidency's suggestions, however, a clarification is required as to what it means by justified concerns about potential harm. NL (Comments): We support the proposed amendments PL (Comments): We agree with PCY: EIOPA should not interfere in cooperation between individual NCAs without being invited to do so (EIOPA's role should be a supporting one, complementing and assisting - in accordance with the principles of subsidiarity and proportionality—rather than taking over the responsibilities of national supervisory authorities). PT (Comments): Despite not strongly calling for the removal of the EIOPA's initiative to facilitate agreements within collaboration platforms, recollecting the COM's

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Presidency Questions	Comments
	observation that going forward this way may be a missed opportunity, PT will not oppose the PRES CY intended way forward. SE (Comments): Sweden can support the proposal. SI (Comments): Yes SK (Comments): **Yes**, we agree with PCY's suggestion on proceeding with option 3, though with small drafting suggestion in Recital 12 to better reflect the changes proposed by PCY in Article 65a. Drafting suggestion: (12) Effective supervision of cross-border PEPPs is essential to maintain trust in PEPPs and to protect savers. To ensure consistent application of Union rules and address cases where the competent authority of the home Member State fails to take appropriate measures, it is necessary to grant EIOPA powers to ~~directly~~ intervene in problematic cross-border cases **if requested by the competent authorities**. Such powers should include the possibility to settle disagreements in accordance with Article 19 of Regulation (EU) No 1094/2010 of the European Parliament and of the Council, thereby ensuring coherent and effective supervision across the Union, ~~or to require the home authority to organise a joint onsite inspection with host authorities and EIOPA, to swiftly address risks to PEPP savers.~~
8. Basic and tailored PEPP **8.1 Advice**	DE

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Presidency Questions	Comments
	(Comments): -
Q17: Would MS agree with PCY's suggestion?	AT (Comments): We refer to the NP of AT, FR, GR and SI. BE (Comments): We can agree to the Presidency's proposal. However, we are also willing to consider the possibility of a mandatory advisory requirement based on a national opt-in, provided that the same logic is applied to the advisory requirement at the start of the decumulation phase (Article 60). Please refer to our drafting proposal under Q7. BG (Comments): BG: We support the proposal. In general, we support the proposal the mandatory advice to be deleted as it has been pointed out as an obstacle to the provision of PEPP and taking into account that the prospective PEPP saver could request the advice. CZ (Comments): CZ: The Czech Republic has long insisted on the provision of advice on pension products, including the basic PEPP. We agree with the arguments set forth in the working document of the four Member States. We support the proposed wording of Article 34, but we do not oppose the proposals of other states to

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Presidency Questions	Comments
	implement an opt-in compromise. We agree with the removal of the term "independent advice" and the reference to EU legislation. DE (Comments): We fully support the removal of the obligation for mandatory advice for a Basic PEPP. It would help to reduce the administrative burden and costs, which is particularly important since the Basic PEPP is supposed to be a simple and non-complex product. We therefore consider the execution-only distribution a key feature to raise the attractiveness of the Basic PEPP, also in light of its competition with other products such as ETF-based savings plans. We also support deleting the definition of independent advice. We are skeptical about the new amendment "after disclosing the cost of the advice". In our view, it would create new administrative burden, since it would require PEPP providers to calculate a gross and net tariff of the Basic PEPP with regards the costs of advice. DK (Comments): DK agrees with the PCY proposal to remove the mandatory advice requirement for Basic PEPP, as this supports simplification and consumer value. However, if there is broad support for another compromise, Denmark is open to being flexible and would be willing to accept it in the interest of reaching consensus.

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Presidency Questions	Comments
	EE (Comments): We have supported the amendments which remove the mandatory requirement for advice for the Basic-PEPP and deletion of the definition of advice on an independent basis. We also have sympathies towards AT, FR, EL, SI and for a sake of compromise we prefer the proposal on MS's option regarding mandatory advice as presented at the CWP meeting of 29th of April. Keeping the execution only approach for the Basic-PEPP as a default option and providing flexibility for MSs where mandatory advice has been applied for other pension, insurance or investment products, the approach presented at last CWP seems well balanced. Please see also our answer to Q23. EL (Comments): EL: We could accept Presidency's proposal to delete the definition of "independent advice". Furthermore, we consider that MSs should be allowed to opt in and make advice for Basic PEPP mandatory in their national frameworks, if they so wish. ES (Comments): We welcome the removal of the definition of independent advice from the Regulation. At the same time, we support the proposal set out in the non-paper by France, Austria, Greece, and Slovenia. We agree that applying the same national rules as for comparable products is the most appropriate approach, whether on an opt-out or opt-in basis FR (Comments):

Presidency Questions	Comments
	France has proposed a non-paper (with Austria, Greece and Slovenia) that aims to allow MS to choose whether or not to mandate advice in the distribution of Basic PEPPs in following the IDD directive. 12 Member States (including France) have voiced their support for this proposal or their openness to that solution in order to reach a compromise. **We therefore believe that this proposed solution is the best way forward**. To answer the comments made by some MS, we adjust our drafting proposal to change the "opt-out" to an "opt-in". Drafting suggestions are provided for Articles 12 and 34, as below : Article 12 1. The texts of the national laws, regulations and administrative provisions governing the conditions related to advice as referred in article 34 ; the accumulation phase referred to in Article 47 and the conditions related to the decumulation phase referred to in Article 57, including information about additional national procedures put in place for applying for advantages and incentives set at national level, where applicable, shall be made public and kept up to date by the relevant national authority. Article 34 3. The requirement to provide advice to a prospective PEPP saver in accordance with paragraph 2, first subparagraph, shall not apply in relation to the distribution of the Basic PEPP, without prejudice to the derogation mentioned in paragraph 4. In case advice is provided in relation to the distribution of the Basic PEPP, advice shall be provided only upon request of the PEPP saver, without prejudice to the derogation mentioned in paragraph 4. ~~The PEPP provider or the PEPP distributor shall provide advice on an independent basis.~~ 4. By way of derogation from paragraph 3, Member States may make the provision of advice referred to in paragraph 2, first subparagraph mandatory in the distribution of

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Presidency Questions	Comments
	the Basic PEPP. In such a case, all PEPP providers and distributors, including those operating under the freedom to provide services or the freedom of establishment, shall comply with the provisions defined in paragraph 2, first subparagraph of this article, when distributing a Basic PEPP to customers having their habitual residence or establishment in that Member State. 5. ~~4.~~ When providing advice the PEPP provider or PEPP distributor referred to in point (c) of Article 23(1) of this Regulation shall ask the prospective PEPP saver to provide information regarding that person's knowledge and experience in the investment field relevant to the PEPP offered or demanded and that person's financial situation including his or her a bility to bear losses, and his or her investment objectives including his or her risk tolerance so as to enable the PEPP provider or PEPP distributor to recommend to the prospective PEPP saver one or more PEPPs that are suitable for that person and, in particular, are in accordance with his or her risk tolerance and ability to bear losses. ~~4a. By way of derogation from paragraph 4, where advice is provided in relation to distribution of the Basic PEPP, the PEPP provider or PEPP distributor shall be under no obligation to obtain information on the prospective PEPP saver's knowledge and experience.~~ 6. ~~5.~~ The responsibilities of the PEPP provider or PEPP distributor shall not be reduced due to the fact that advice is provided in whole or in part through an automated or semi-automated system. 7.~~6.~~ Without prejudice to stricter applicable sectorial law, PEPP providers and PEPP distributors shall ensure and demonstrate to competent authorities on request th at natural persons giving advice on PEPPs possess the necessary knowledge and com petence to fulfil their obligations under this Regulation. Member States shall publish t he criteria to be used for assessing such knowledge and competence.

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Presidency Questions	Comments
	On the PCY's proposal : we strongly oppose the added mention "after disclosing the cost of advice" which could discourage savers from requesting advice and more broadly disagree with the deletion of advice for Basic PEPPs. HR (Comments): HR: HR can accept the proposal put forward by the PCY. We consider that removing the mandatory requirement for advice for the Basic PEPP, while clarifying the concept through a recital and ensuring consistency with other Union financial services legislation, preserves a simple, proportionate and accessible distribution framework, without compromising an appropriate level of consumer protection. HU (Comments): We agree with PCY's suggestion. IT (Comments): We express our support for the Presidency proposal. LU (Comments): LU welcomes the drafting suggestions to delete the definition of independent advice. Regarding the mandatory nature of advice in the distribution of the Basic PEPP, we can see merit in advice for the Basic PEPP as it remains a long-term product where capital is locked until retirement. Advice could help to raise awareness on this aspect, but on the other side no mandatory advice on the basic version would not preclude the PEPP saver from seeking advice

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Presidency Questions	Comments
	nevertheless, if wished so. We remain balanced towards the outcome of this particular topic. LV (Comments): Yes. MT (Comments): Malta agrees with the Presidency's suggestions, however, a clarification is required as to what it means by the applicable obligations under Union Law. NL (Comments): Yes, the Netherlands remains supportive of removing the mandatory advice requirement for Basic PEPP. Basic PEPP should remain simple and accessible for savers. NL believes advice should only be provided if requested by the saver. However, we still would really opt for mandatory, but non-binding knowledge and experience test for consumer protection without adding complexity, costs or barriers. This becomes even more important if certain safeguards and costs transparency are reduced. PL (Comments): We agree: Advice should be voluntary for both the Basic PEPP and the alternative options. PT (Comments): PT strongly supports the approach envisioned by the PRES CY, namely keeping the optionality on the provision of advice for the Basic PEPP and the removal of the independent nature of such advice when requested by the saver.

Presidency Questions	Comments
	As previously stated, besides not being evident why such independence principle would apply for the Basic PEPP's optional advice but not for the mandatory advice offered under the tailored versions, mandating such independence has the potential, in our view, to hamper the availability of advice altogether in certain markets, that usually rely on distributors to disseminate financial products within an agreement with manufacturers, while being remunerated for their respective services. Regarding Article 34(4a), we will not oppose its deletion as proposed with the aim of promoting a personalised and detailed provision of advice for the Basic PEPP when indeed asked for by the saver. SE (Comments): We have taken note of the perspectives expressed during the CWP meeting on 29 April. However, we maintain our position that, in order for Basic PEPP products to remain low-cost and simple, it is important that no advisory requirement is imposed. Introducing an opt-out or opt-in possibility would risk creating a fragmented market. Sweden can therefore support the proposal to remove the requirement for advice. SI (Comments): Member state option concerning the requirement of advice for basic PEPP in the AT/FR/EL/SI non-paper at this stage seems a more acceptable compromise solution. SK (Comments): **Yes**, we agree with PCY's suggestion and we also welcome deletion of the definition of advice on an independent basis in the PEPP Regulation.
8.2. Life-cycle investment strategy	DE

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Presidency Questions	Comments
	(Comments): -
Q18: Would MS agree with PCY's suggestion?	AT (Comments): We do not see how the risk appetite of individual savers can be taken into account in a single life-cycle strategy. Different glide paths within the Basic PEPP would add a lot of complexity. BE (Comments): Yes. BG (Comments): BG: We should be cautious with the introduction of detailed definition of life-cycle investment strategy. We would prefer this part of the definition to be deleted "where relevant, the pay-out profile of the product, to minimize the risk of large losses". CZ (Comments): CZ: The draft text takes into account the position of the Czech Republic as expressed during previous negotiations; therefore, we agree. DE (Comments): We welcome the PCY's suggestion. For the sake of clarification and in line with the proposed wording of the Recital 19, we suggest to adjust the definition to "glide path" instead of "pre-determined glide path", as saver's risk appetite may not be constant over time.

Presidency Questions	Comments
	Moreover, we suggest to provide more flexibility regarding the risk objective of the life cycling strategy in Recital 19, which currently focuses on minimizing the likelihood for large losses. The term "minimization" may lead to an overly excessive allocation of assets to less risky assets (like government bonds) already at the beginning of the life cycle. DK (Comments): Denmark appreciates the efforts to make the definition of the life-cycle investment strategy more flexible. However, we would still prefer maximum flexibility and not a fixed definition. It is important for us that the definition allows for interpretation and adaptation to national and individual circumstances. EE (Comments): Yes. EL (Comments): EL: We support the Presidency's proposal. ES (Comments): We agree HR (Comments): HR: We can support the compromise text proposed by the PCY, as it appropriately refines the definition of the life-cycle investment strategy by

Presidency Questions	Comments
	enhancing personalization, strengthening consumer protection, and increasing flexibility, while maintaining the life-cycle strategy as the mandatory default for the Basic PEPP. We consider that this balanced approach adequately addresses Member States' concerns, contributes to legal certainty, and supports supervisory convergence. At the same time, we would like to reiterate our view that, alongside the life-cycle investment strategy, an approach based on guarantees should also be considered as an alternative option within the regulatory framework. Such an approach could further enhance consumer trust, respond to the preferences of more risk-averse savers, and increase the overall attractiveness of the PEPP, particularly in Member States where guaranteed products play an important role in retirement savings. Allowing for a guarantees-based alternative, where appropriately designed and regulated, could therefore complement the life-cycle strategy and support broader participation in the PEPP without undermining the core objectives of simplicity, cost-efficiency, and consumer protection. HU (Comments): We agree with PCY's suggestion. IT (Comments): With regard to the proposed amendments to Article 2 and recital 19, we do not support the reference to the saver's risk appetite and "large losses" for the life-cycle investment strategy. For art. 2 we suggest keeping COM proposal, with a minor amendment: 'life-cycle investment strategy' means an investment strategy that adjusts the level of risk attached to investments according to a predetermined glide path directed at mitigating investment risk and providing a reasonable degree of long-term appreciation, taking into account the individual's age or retirement

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	date, and where relevant, the pay-out profile of the product, ~~to minimise the risk of large losses toa~~ ***and the safeguarding the accumulated capital in the final stages of the accumulation phase***. For Recital 19, similarly, we suggest revising the text more in line with the definition of the life cycle in art. 1 and art. 46: To preserve consumer protection and ensure that the Basic PEPP remains a simple product suitable for retirement purposes, it should be designed with an embedded life-cycle investment strategy, **that adjusts the level of risk attached to investments according to a predetermined glide path directed at mitigating investment risk and providing a reasonable degree of long-term appreciation, taking into account the individual's age or retirement date, and where relevant, the pay-out profile of the product, and safeguarding the accumulated capital in the final stages of the accumulation phase.** **(optional this part) [While the glide path should remain flexible enough to accommodate different market models, approaches, saver's age or retirement date, it should ensure that the asset allocation shifts gradually and prudently toward high-quality, low-risk assets in the final stages of the accumulation phase to safeguard the value of accumulated savings, or during the decumulation phase in the case of annuity.]** LU (Comments): We have doubts as to whether savers' risk appetite should explicitly form part of the Life cycle investment strategy definition. It would be preferable to delete the savers' individual risk appetite, as the life cycle investment strategy adapts to risk exposure in line with the saver's age and the final objective of creating e sustainable retirement income at retirement age . We also remain

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	cautious about expanding recital 19, as the introduction of additional wording gives rise to further questions, for example regarding the meaning of "retirement income goals". There are, in practice, at least as many interpretations of individual retirement income goals as there are of "large losses". Nevertheless, we understand the need for clarification. LV (Comments): Yes. MT (Comments): Malta agrees with the Presidency's suggestions. NL (Comments): The Netherlands could support the proposed compromise for the life-cycle investment strategy, which aligns consumer protection with market flexibility. But only as long the individual risk appetite does not lead to excessive personalisation or complexity that could undermine its accessibility and suitability for execution-only distribution. Any flexibility for risk appetite should remain within clear boundaries, and we would consider it appropriate to include at least a (light) assessment of knowledge and experience, to ensure that savers understand the implications of differing risk levels. However, NL would like to emphasize the importance of maintaining the Basic PEPP as a simple and comparable product. More sophisticated features should be reserved for tailored PEPPs accompanied by advice. PL (Comments):

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	In general, we agree with PCY: Life-cycle investment strategies should align as closely as possible with the saver's profile. PT (Comments): PT strongly supports the amended definition drafted by the PRES CY, which preserves providers' design leeway, while depicting enhanced clarity on the consideration of cohort-based approaches and on the savers' risk appetite. By moving beyond a more restrictive age or retirement date consideration, we believe having in mind such appetite facilitates better alignment between the product and the saver's own objectives. On the amendments to Recital 19 surrounding the concept of "large losses", we believe those go into the right direction. SE (Comments): Sweden can support the proposal. SI (Comments): In principle we could agree. SK (Comments): **Yes**, we agree with the concept and the way PCY wants to move the proposal of COM on this topic. However, we must point out that we see the requirement to assess the savers' risk appetite individually as potentially problematic to impement in practice for providers with thousands to hundreds of thousands of clients. Therefore flexible definition is important to adapt to different types of providers or possible national circumstances.

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	Drafting suggestion on PCY´s proposal: (35) 'life-cycle investment strategy' means an investment strategy that adjusts the level of risk attached to investments according to a predetermined glide path directed at mitigating investment risk and providing a reasonable degree of long-term appreciation, taking into account the individual's age or retirement date ~~on an individual or cohort basis,~~ as well as the saver's risk appetite**, on an individual or cohort basis**, and where relevant, the pay-out profile of the product, to minimize the risk of large losses. Such strategy assumes a higher level of risk when the saver's remaining investment horizon is long, while reducing that level gradually and prudently as the saver advances through the accumulation phase and, where applicable, the decumulation phase.
8.3 Risk mitigation techniques	DE (Comments): -
Q19: Would MS agree with PCY's suggestion?	AT (Comments): RMT should be sound and robust. Prohibiting the imposition of maximum probabilities of losses in an RTS could violate PEPP savers´ interests. CZ (Comments): CZ: The draft text takes into account the position of the Czech Republic as expressed during previous negotiations; therefore, we agree. DE (Comments): We generally support the PCY's suggestion. However, the new amendment "designed to pursue capital preservation and the maintenance of the

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	purchasing power of the accumulated capital." should not be applied to a Basic PEPP and its life cycling strategy. Pursuing capital preservation may lead to an overly excessive asset allocation to safe assets already in the beginning of the life cycle. DK (Comments): As an overall position, Denmark believes key regulatory provisions should remain at Level 1 and detailed requirements should be avoided. We see the proposed adjustments as a step in the right direction and suggest considering whether more could be addressed directly at Level 1. EE (Comments): Yes. EL (Comments): EL: We support the Presidency's proposal. ES (Comments): We agree FR (Comments):

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	France agrees with the PCY's suggestion. HR (Comments): HR: HR can support the compromise solution proposed by the PCY regarding risk-mitigation techniques. We agree with entrusting EIOPA with the task of developing regulatory technical standards specifying minimum qualitative criteria under Article 46(3), as this will provide additional clarity, guidance and a harmonized approach across Member States. In this respect, we welcome the clarification in the Recital that the mandate is strictly limited to qualitative criteria and does not introduce rigid quantitative thresholds or mandatory stochastic modelling. We also consider that the refinement of Article 46(3), by further specifying the core protection objectives and performance outcomes that risk-mitigation techniques must pursue, is useful to ensure legal certainty, supervisory convergence and an appropriate level of protection for PEPP savers, while preserving sufficient flexibility for providers. HU (Comments): We agree with PCY's suggestion. IT (Comments): Regarding the risk mitigation techniques, we would underline the need to clarify both in the Recital and in the Article 46 that they refer to risk mitigation techniques for tailored PEPPs. In general, we support the Presidency proposal for the recital; however, we are not in favour of the amendments to paragraph 3 of art. 46 as the criteria

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	mentioned are not fully applicable to different risk mitigation techniques, especially to life cycle. If retained, we suggest to following revisions: *Those criteria shall ensure that risk-mitigation techniques of tailored PEPP are effectively designed to* ***~~pursue capital preservation~~*** ***~~and the~~*** *maint****ainenance*** ***~~of~~*** *the purchasing power of the accumulated capital. The criteria shall specify requirements regarding:* *(a) the effectiveness of the risk-mitigation technique in addressing the PEPP saver's or group of PEPP savers specific retirement objectives and risk profile, ensuring that the risk exposure remains appropriate for the remaining duration of the accumulation phase and the intended decumulation form;* *(b) the use of broad diversification and asset quality standards to mitigate the risk of significant capital shortfalls;* *(c) the implementation of safeguards to protect the capital accrued* ***~~, particularly~~*** *in the years leading up to the decumulation phase;* *(d) general principles for a robust governance framework and monitoring process, particularly in response to adverse economic developments, and* *(e) safeguards for transparency and non-discrimination, aiming to ensure equitable treatment of PEPP savers having selected the same investment option.* LU (Comments): LU accepts this way forward LV (Comments): Yes, RTS should remain principle based. MT (Comments):

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	Malta agrees with the Presidency's suggestions. NL (Comments): The Netherlands supports the overall direction of the proposed compromise for risk mitigation techniques in tailored PEPPs, combining Recital clarification with a strictly qualitative RTS mandate for EIOPA. We consider these points to bring valuable clarification and greater certainty at this stage PL (Comments): We maintain our previous position: There is no need for EIOPA to develop regulatory technical standards setting out qualitative criteria for risk mitigation techniques; these should remain within the purview of the NCAs. PT (Comments): PT can support the proposed amendments to Article 46(3) and the drafting of the new Recital. SE (Comments): Sweden can support the proposal. SI (Comments): Yes SK (Comments): **Yes**, we agree with PCY's suggestion.

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8.4 Investment rules – Art 45	DE (Comments): -
Q20: Would MS agree with PCY's suggestion?	AT (Comments): For the sake of compromise we could agree and stick to COM proposal of maximum of 5% non-complex assets in Basic PEPP. However, we are also open to only allow non-complex assets. BE (Comments): Yes. BG (Comments): BG: PEPP providers should have sufficient flexibility how to structure the life-cycle strategy and in the first years the strategy should allow for riskier investments, which could include long term assets such as ELTIFs, other AIFs and other investments, including investments in infrastructure projects. In case that Commission's proposal to have an investment limit for other instruments remains it should at least be set at 10 % as in UCITS. CZ (Comments): CZ: The Czech Republic does not support the Presidency's proposal. Given our national legislation and the goal of making the PEPP more attractive through higher returns, we prefer to raise the limits or remove them altogether. DE (Comments):

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	We do not support the PCY's suggestion to implement the Commission's proposal of allowing up to 5% of alternative assets for the Basic PEPP. Instead, we suggest to remove this particular asset bucket, such that 100% of the assets for a Basic PEPP would need to be invested in line with the list of non-complex assets guided by the MiFID regulation. By doing so, it can be ensured that the Basic PEPP remains a simple and non-complex product, and thereby eligible for an execution-only distribution. We believe that a non-complex asset allocation joined by an execution-only distribution are key to increase the Basic PEPP's attractiveness for savers, also in light of other market products available to savers, e.g. simple and non-complex ETF-based savings plans. DK (Comments): Denmark supports the prudent person principle and believes it should be applied consistently across similar products to ensure clarity. Denmark does not have specific national restrictions in this area and therefore does not wish to take a firm position on the options presented. We see value in allowing flexibility for Member States and national authorities to set appropriate limits based on their own circumstances. EE (Comments): No, we do not agree. Considering the aim to achieve good value and the long-term nature of pension funds' investments, which means that other, possibly more illiquid assets would normally be suitable for pension funds, we do support the increase of the cap of non-simple assets to at least 15% of the total

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	portfolio value for the Basic PEPP. PEPP is a pension product; there is also no need for such extreme liquidity. EL (Comments): EL: We support the Presidency's proposal. ES (Comments): We agree FR (Comments): **France disagrees with the PCY's suggestion** and supports deleting any quantitative limit or increasing the maximum percentage of unlisted assets to 15%. Unlisted assets have a real interest for savers. They generate a higher net yield on average and are particularly appropriate for long-term products with locked-capital. **They allow to diversify the risks** from the variations of listed markets, namely through infrastructure projects. **Unlisted assets are also essential to SIU objectives as they disproportionately finance European companies**. Increasing the share of unlisted assets in Basic PEPPs is essential to foster the European ecosystem of private equity and maintain ownership of Europe's most innovative companies. **In practice, a 5% threshold would not allow to include any unlisted assets in PEPPs**. PEPP's uptake remains very low. On the contrary, entry tickets on unlisted assets tend to be high. Therefore, in order to include unlisted assets in

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	a Basic PEPP, providers would have to wait for a widespread distribution of their product. This creates uncertainty. **We could accept further delineating unlisted assets** (for example, to exclude structured products but maintain infrastructures, private debt and private equity) which could lead to acceptance of a higher percentage of unlisted assets by MS. [Side note] : The 10% ratio in UCITS does not constitute an alternative. In practice, private debt or unlisted infrastructures can't be included in that ratio. Private equity funds are excluded as well. Only direct investments in unlisted securities would be allowed (which is not how the PE market is structured). HR (Comments): HR: HR considers that a more flexible approach to investment limits should be explored in order to enhance diversification and long-term returns. This should be accompanied by a VfM framework that appropriately reflects the long-term and potentially more volatile nature of such investments, avoiding short-term metrics that could discourage their use. HU (Comments): We agree with PCY's suggestion. IT (Comments): We support PCY's suggestion to stick with Commission original proposal and leave the threshold to 5%. LU (Comments):

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	LU is supportive of the way forward as suggested, but remains flexible towards an adaptation of the threshold to allow for more alternative investments, bearing in mind the basic nature of the Basic PEPP, as well as the more complex solutions that could be offered by tailored PEPPs . LV (Comments): No, we would want to see more possibilities to invest in alternative assets. MT (Comments): Malta does not agree with the Presidency's suggestions, and feels that in view of the fact that the PEPP is a packaged product and also in view of the life-cycle investment strategy, other complex assets should also be allowed in order to maximise returns on investments, especially in the early years of the accumulation period, where the PEPP saver is still in the early years. NL (Comments): The Netherlands' position remains clear, the priority is to keep the Basic PEPP a very simple and accessible product, distributed on an execution-only basis and without mandatory advice. NL supports strict investment rules for Basic PEPP. The Dutch delegation opposes more flexible options, such as increasing the cap to 15% or removing it altogether, as these would undermine simplicity, transparency, and robust consumer protection. For this kind of investments, the tailored PEPP could be used where broader asset mixes and risk profiles are possible, and which will likely attract uptake for more sophisticated savers. In light of this, the tailored PEPP requirements have been significantly relaxed. PL (Comments):

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	We stand by our position. The Basic PEPP should invest only in non-complex financial instruments. PT (Comments): Recognizing the lack of appetite of expanding the 5% threshold, while also understanding the pertinence in restraining product complexity in a context of optional provision of advice for the Basic PEPP, PT favours maintaining the COM's original proposal. SE (Comments): Sweden can support the proposal. SI (Comments): Yes SK (Comments): **Yes**, we agree with PCY's suggestion.
9. Employers Contributions – Art 47 and Recital 22	DE (Comments): -
Q21: Would MS agree with PCY's suggestion?	AT (Comments): Yes (clarification in a Recital that the PEPP remains a third pillar product even if the employer makes contributions; workplace arrangements only as a MS option). But we ask for more clarity on how Auto Enrolment could lead to a contract only between the PEPP saver and the PEPP provider.

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	BE (Comments): As regards workplace arrangements, we still prefer to remove the reference to them from the regulation. PEPP is a personal product. A clear distinction must be maintained between the second and third pillars. In any case, as mentioned above under Q10, any references that point towards a second-pillar regime, such as 'vesting periods', must be deleted. BG (Comments): BG: We would propose Option 3 - we support the proposed clarifications aiming to ensure the personal character of PEPP. We also support to be clarified that employers could make contributions to PEPP contracts for their employees and facilitate access to a PEPP. However, all references to auto-enrolment and collective bargaining agreements should be deleted from the legal text and the corresponding recital as PEPP is an individual contract and a clear delineation between occupational and personal contracts should be maintained. Please refer to our drafting suggestions regarding employer contributions in Q9. CZ (Comments): CZ: The Czech Republic supports the Presidency's proposal. DE (Comments): We basically support the PCY's suggestion. However, we argue to change the wording in Art. 47 (3): It should read "MS **may allow** employer to contribute to a PEPP" instead of „MS shall not prevent employers from voluntarily contributing to a PEPP". A corresponding change would need to be made in Recital 22, too. This change in wording is important to raise legal clarity by

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	reflecting the MS competence regarding occupational pensions. Moreover, it would also reflect the proposed wording in Art. 47 (4) as regards auto-enrolment, which says "Member States may allow the PEPP....]. DK (Comments): Denmark considers the question of whether a PEPP can be used as an occupational pension to be closely linked to national pension system arrangements This should remain a national decision and not be regulated at European level within the PEPP framework. We believe it is important to respect Member States' discretion in organising their pension systems. Therefore, we propose that this issue is not addressed in the Regulation and that the provision is deleted entirely. EE (Comments): Yes, we do agree. However, there is a question of how auto-enrolment could be applied in practice? As the conclusion of a PEPP contract remains subject to the consent of the PEPP saver, and the contractual relation between the PEPP saver and PEPP provider, it seems rather to be an opt-in system (an employee must take an action before employer could start contributing), while auto-enrolment is deemed to be opt-out system. EL (Comments): EL: In principle, we support the Presidency's proposal; however, the relationship between the two pillars must be incorporated into the main text of

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	the Regulation and not only in a recital, due to the importance of the regulatory content. Furthermore, we reiterate our concerns regarding the practical functioning of i). auto-enrolment, given that the employee contributes as a PEPP saver to the PEPP contract, as well as ii). the opt-out in this specific context, specifically how this right coexists and interacts with the existing contractual terms regarding termination/cancellation of the contract, as provided for in the PEPP contract. ES (Comments): As we have noted in previous meetings, maintaining a clear distinction between the second and third pillars is important for us. In our jurisdiction, these measures provide no added value and could disincentivize the negotiation of occupational plans in future collective agreements. In this sense, we strongly support the removal of employment-related references from the Regulation, as suggested by many others Member States. However, should these provisions remain in the text, we believe it is essential that they are drafted as a 'may' clause instead of a mandate and they should be optional for Member State FR (Comments): France is concerned about the practicality of auto-enrolment in the context of an individual pension product and could therefore support other MS' suggestion of **deleting Article 47 and Recital 22**. HR (Comments): HR: HR could support the compromise text proposed by the PCY on Article 47 and Recital 22.

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	We recognize the potential benefits of voluntary employer contributions to a PEPP, particularly in Member States with limited occupational pension coverage. At the same time, we welcome the clarifications in Recital 22 confirming that the PEPP remains a third-pillar personal pension product, that employer involvement is voluntary, and that any workplace arrangements, including auto-enrolment, are fully subject to national social and labor law and must not interfere with existing occupational pension schemes. The proposed approach appropriately respects Member States' discretion and avoids a one-size-fits-all solution. HU (Comments): We agree with PCY's suggestion. IT (Comments): We support Option 2 and the clarifications provided by the PCY to Recital 22. At the same time, we consider it important to preserve Member States' discretion to allow third-pillar products within the second pillar. LU (Comments): LU agrees with the suggested wording but proposes some minor changes in bold black underline in the recital: 22) Employers' contributions, including through auto-enrolment arrangements, have proven effective in overcoming behavioural barriers to savings, including inertia or lack of financial literacy, while fostering trust, engagement, and participation in supplementary pensions. *It is appropriate to clarify that the PEPP remains a personal pension product within the third pillar, intended to*

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	complement existing pension arrangements. Explicitly recognising that employers are allowed to make voluntary contributions to a PEPP could significantly enhance the visibility, relevance, and uptake of PEPPs, particularly among underserved groups, including low-income and part-time workers and young workers early in their careers. Similarly, allowing employers *to facilitate access to a PEPP in a workplace context, including through arrangements using autoenrollment,* ~~select the PEPP in the context of a workplace arrangement using autoenrolment~~ could further strengthen the uptake of the PEPP and offer employees, especially in Member States with less developed occupational pension systems, the possibility to invest their savings for retirement in well-regulated and cost-effective products. *Without prejudice to the personal, third pillar, nature of PEPP,* Member States should ~~therefore~~ not prevent employers from contributing to PEPPs and should ensure that such contributions are supported by clear rules on the provision of information to employees. Without prejudice to the personal nature of the PEPP, Member Stats should also be able to allow PEPPs to be provided *in a workplace context, including through* ~~as part of a workplace~~ arrangement*s* using auto-enrolment, where this is in line with national social and labour laws, compatible with the organisation of pension systems and with collective agreements, and does not interfere with the existing occupational pension schemes. *Workplace arrangements facilitating access to a PEPP should* ~~***not replace or interfere with existing occupational pension schemes***~~*, not affect Member States' competences in organising their pension systems. In cases that a PEPP is used in a workplace context the conclusion of a PEPP contract should remain subject to the consent of the PEPP saver, and the contractual relation between the PEPP saver and PEPP provider.* ~~***PEPP savers should be able to opt out or discontinue contributions in accordance with national law***~~*.* To facilitate the use of the PEPP in a workplace context, several amendments to Regulation (EU) 2019/1238 are necessary to ensure that no undue obstacles hinder employers' contributions and to adapt the relevant framework to the specificities of workplace arrangements.

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	LV (Comments): Yes. MT (Comments): Malta agrees with the amendments proposed, apart from the following: "Without prejudice to the personal nature of the PEPP, Member States should also be able to allow PEPPs to be provided *in a workplace context, including through* ~~as part of a workplace~~ arrangement*s* using auto-enrolment, where this is in line with national social and labour laws, compatible with the organisation of pension systems and with collective agreements, and does not interfere with the existing occupational pension schemes. *Workplace arrangements facilitating access to a PEPP should not replace or interfere with existing occupational pension schemes, not affect Member States' competences in organising their pension systems. In cases that a PEPP is used in a workplace context the conclusion of a PEPP contract should remain subject to the consent of the PEPP saver, and the contractual relation between the PEPP saver and PEPP provider. PEPP savers should be able to opt out or discontinue contributions in accordance with national law.* To facilitate the use of the PEPP in a workplace context, several amendments to Regulation (EU) 2019/1238 are necessary to ensure that no undue obstacles hinder employers' contributions and to adapt the relevant framework to the specificities of workplace arrangements." Malta is of the view that this text might be interpreted as allowing the PEPP which is a personal pension product to be used as an auto-enrolment occupational product. NL

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	(Comments): We support the amendments made by the Presidency in recital 22 PL (Comments): It is necessary to maintain a distinction between individual pension products (Pillar III) and occupational pension plans (Pillar II). The proposed new form of auto-enrollment, subject to national social security and labour law and provided it does not violate existing pension programs, allows Member States to decide on the form of supplementary pension systems. PT (Comments): In concurrence with previous remarks, the references to auto-enrolment and opt-out possibilities should, in our view, be removed from the text, given that those are to be addressed solely by MS in pursuance to the COM recommendations and go beyond the regulatory regime governing the provision of the PEPP. The optionality underscored by provisions such as Article 47(4) leaves as unclear the relevance in directly previewing such possibility directly in the Regulation. In their absence MS may very well decide to facilitate such arrangements on their own. SE (Comments): Sweden has expressed concerns regarding the proposal on workplace arrangements and has stressed the importance of maintaining a clear distinction between Pillar II and Pillar III. If the article is nevertheless retained, it is positive that this distinction is further clarified in the recital. SI

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	(Comments): Yes. Such arrangements should remain entirely at the discretion of the MS. Clear distinction between Pillar II and Pillar III should be highlighted. SK (Comments): **Scrutiny reservation.**
10. Equal Tax treatment (Art. 3)	DE (Comments): -
Q22: Which option do MS prefer?	AT (Comments): We strongly prefer Option 2 (deletion of Article 3 on taxes and no Recital). BE (Comments): We strongly support option 2. BG (Comments): BG: We prefer Option 2. CZ (Comments): CZ: The Czech Republic supports the simple deletion of the article. We do not consider it necessary to insert a recital. DE

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	(Comments): We fully support Option 2, which means deleting Art 3. To clarify, we understand the deletion of Art. 3 to also include the deletion of the corresponding Recital 9. We would like to take this opportunity to reiterate that tax provisions are subject to unanimity. Against this background we do not support Option 1. DK (Comments): Denmark can support both options, but prefers option 1. EE (Comments): We strongly support option 2. EL (Comments): EL: We have no specific views. ES (Comments): We support option 2 FI (Comments): We prefer option 1. FR (Comments): France supports option 2 HR

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	(Comments): HR: HR prefers Option 2 – deletion of Article 3. We consider that the use of tax incentives should remain within the exclusive competence and at the discretionary right of each individual Member State, in line with their national tax frameworks, fiscal priorities, and specific characteristics of their pension systems. HU (Comments): We prefer option 2 IT (Comments): We support Option 2 LU (Comments): LU strongly favours option 2. Any form of tax incentive reference, recitals included should not be discussed in the context of a financial services file. LV (Comments): No strong opinion. MT (Comments): Malta prefers Option 2 as it provides more flexibility to Member States. NL (Comments):

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	The Netherlands is in favour of option 1. Given the importance of tax benefits for these kinds of products, it is positive that Member States are encouraged to extend tax advantages to PEPPs via the recitals, but we do not support making such benefits binding in legislative articles. PL (Comments): In our view, it is appropriate to opt for the second option, which involves deleting Article 3 without adding a recital referencing Commission Recommendation (EU) 2017/4393. We do not see a need to add a recital to the PEPP Regulation stating that "Once the PEPP is launched, Member States are encouraged to take into account Commission Recommendation (EU) 2017/4393 and extend the benefits arising from tax relief granted to national IPEs to PEPPs as well." In our view, adding a recital with this content to the text of Regulation (EU) goes beyond the scope of the provisions contained therein. Thus, it cannot be considered part of the legislative rationale, explaining the objectives and context of the adopted regulations, which is the purpose of the recitals contained in EU regulations. The inclusion of such a provision in the text of the recital may, however, be perceived as an attempt by the Regulation (EU) to influence Member States to take a specific action—introducing income tax relief for PEPP products—which falls outside the scope of Community law. PT (Comments): PT would not oppose the possibility to have in a Recital the encouragement to consider the COM Recommendation on tax treatment and the extension to other PPPs. Nevertheless, the draft should clearly underscore that this should be circumscribed to comparable national PPPs as also depicted in Recital 9. Moreover, considering the deletion of the COM proposed new subparagraph for Article 3, we believe Recital 9 should be adjusted in accordance with it.

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	SE (Comments): Sweden strongly prefers option 2. SI (Comments): Option 2. SK (Comments): **Option 2**
AT, FR, EL, SI non-paper on advice	
Q23. Do you have any comments on the AT, FR, EL, SI non-paper on advice? Please clearly indicate whether you have a preference for the proposal presented in the non-paper instead of the PCY's suggested way forward on Q17?	AT (Comments): AT co-signed the NP. BE (Comments): Please refer to our answers under Q7 and Q17. BG (Comments): BG: We understand the views expressed in the AT, FR, EL, SI non-paper on advice as indeed IDD allows Member States to have stricter rules and to require mandatory advice when selling any insurance product. We would suggest the advice not to be mandatory for the basic PEPP but MS to have the option to require mandatory advice – opt-in instead of opt-out. CZ (Comments):

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	CZ: The Czech Republic has long insisted on the provision of advice on pension products, including the basic PEPP. We agree with the arguments set forth in the working document of the four Member States. We support the proposed wording of Article 34, but we do not oppose the proposals of other states to implement an opt-in compromise. DE (Comments): We support the PCY's suggestion in Q17, i.e. going forward with an execution-only distribution for the Basic PEPP. Mandatory advice would add significant costs to a product designed to be simple and non-complex. It would also fragment the market, as advisors may tend to recommend domestic providers, creating barriers to cross-border entry and weakening competition across the EU. Moreover, we believe there needs to be a clear distinction between the Basic PEPP and the tailored PEPP as regards investments, complexity and advice. In our view, a simple and non-complex Basic PEPP allowing for an execution-only distribution would show the most promising product features to attract potential PEPP savers. DK (Comments): Denmark would like to reiterate our comments from the question on Q17. DK agrees with the PCY proposal to remove the mandatory advice requirement for Basic PEPP, as this supports simplification and consumer value. However, if there is broad support on another compromise, Denmark is open to being flexible and would be willing to accept it in the interest of reaching consensus.

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	EE (Comments): We have sympathies towards AT, FR, EL and SI. To address also the concerns presented by these MSs, we do have preference for the compromise proposal, where the execution only approach would be kept as a default option and MSs would have an option to opt for mandatory advice, instead of the PCY's suggested way forward on Q17 (transforming the "opt-out" into an "opt-in" approach). EL (Comments): EL: We support the retainment of mandatory advice for the Basic PEPP product for all MSs. As a second best, and in the spirit of compromise, we also support the joint non-paper we have co-signed with France, Austria and Slovenia discussed during the working party meeting. Opt-in (instead of opt-out) could also be a possibility for a landing zone, It should also be clarified that the notion of advice should be aligned the context of RIS-IDD provisions. ES (Comments): We support the proposal set out in the non-paper regarding advice for the basic PEPP. We agree that applying the same national rules as for comparable products is more appropriate, whether on an opt-out or opt-in basis FR

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	(Comments): France **believes that the optionality proposed in the non-paper is the best way forward as debates in the CWP have shown that many MS could accept the proposed solution recognizing the existing IDD regime and the strong political concerns several MS have on the theme of advice.** France believes the non-paper thus allows **to reconcile** all MS. We would oppose the PCY suggestion. To answer the comments made by some MS, we suggest a revised drafting proposal to change the "opt-out" to an "opt-in". Drafting suggestions are provided for Articles 12 and 34, as below : Article 12 1. The texts of the national laws, regulations and administrative provisions governing the conditions related to advice as referred in article 34 ; the accumulation phase referred to in Article 47 and the conditions related to the decumulation phase referred to in Article 57, including information about additional national procedures put in place for applying for advantages and incentives set at national level, where applicable, shall be made public and kept up to date by the relevant national authority. Article 34 3. The requirement to provide advice to a prospective PEPP saver in accordance with paragraph 2, first subparagraph, shall not apply in relation to the distribution of the Basic PEPP, without prejudice to the derogation mentioned in paragraph 4. In case advice is provided in relation to the distribution of the Basic PEPP, advice shall be provided only upon request of the PEPP saver, without prejudice to the derogation mentioned in paragraph 4. ~~The PEPP provider or the PEPP distributor shall provide advice on an independent basis.~~

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	4. By way of derogation from paragraph 3, Member States may make the provision of advice referred to in paragraph 2, first subparagraph mandatory in the distribution of the Basic PEPP. In such a case, all PEPP providers and distributors, including those operating under the freedom to provide services or the freedom of establishment, shall comply with the provisions defined in paragraph 2, first subparagraph of this article, when distributing a Basic PEPP to customers having their habitual residence or establishment in that Member State. 5. ~~4.~~ When providing advice the PEPP provider or PEPP distributor referred to in point (c) of Article 23(1) of this Regulation shall ask the prospective PEPP saver to provide information regarding that person's knowledge and experience in the investment field relevant to the PEPP offered or demanded and that person's financial situation including his or her a bility to bear losses, and his or her investment objectives including his or her risk tolerance so as to enable the PEPP provider or PEPP distributor to recommend to the prospective PEPP saver one or more PEPPs that are suitable for that person and, in particular, are in accordance with his or her risk tolerance and ability to bear losses. ~~4a. By way of derogation from paragraph 4, where advice is provided in relation to distribution of the Basic PEPP, the PEPP provider or PEPP distributor shall be under no obligation to obtain information on the prospective PEPP saver's knowledge and experience.~~ 6. ~~5.~~ The responsibilities of the PEPP provider or PEPP distributor shall not be reduced due to the fact that advice is provided in whole or in part through an automated or semi-automated system. 7.~~6.~~ Without prejudice to stricter applicable sectorial law, PEPP providers and PEPP distributors shall ensure and demonstrate to competent authorities on request th at natural persons giving advice on PEPPs possess the necessary knowled HU

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	(Comments): We are open to a possible *opt-in* version of the proposal. IT (Comments): We support the proposal put forward by the PCY on Q17. LU (Comments): Please refer to question 17. LV (Comments): We prefer PRES proposal. MT (Comments): Malta agrees with the proposal suggested by Austria, France, Greece, and Slovenia to allow Member States to decide whether or not to provide advice on the PEPP. NL (Comments): We would like to thank the colleagues from AT, FR, EL and SI for their non-paper and elaborate explanation during latest meeting. In view of the objectives of the PEPP, namely, to promote a simple, transparent and easy accessible pension product to all consumers across the EU it is essential to strive for a harmonised approach. To avoid fragmentation and to ensure an attractive offering for both providers and savers, the Netherlands therefore supports the PCY suggested way forward on Q17. As discussed in the recent

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	Council working party, allowing either an opt-out or opt-in from mandatory advice which, as clarified by the Commission, would have the same effect risks undermining the European character of the basic PEPP and could result in a fragmented and ineffective product. PL (Comments): We do not object to the proposal put forward by AT, FR, EL, SI and believe it is worthy of consideration. We maintain our position that mandatory advice should be waived for the distribution of basic PEPPs. At the same time, we see no obstacles to leaving the decision regarding the requirement to provide advice on basic PEPPs to the discretion of Member States, as this will enable them to adapt PEPPs to their national pension systems. We also see risks associated with this solution, such as regulatory arbitrage. PT (Comments): On the proposal to allow national discretion to opt out of mandatory advice for the Basic PEPP, while recognising the intention to accommodate differing views across MS, we cannot support the suggested approach. Unlike IBIPs governed by the IDD, which constitute a broad umbrella concept covering various insurance contracts with an investment element that include products marketed only at national level, PEPP was designed as a standardised EU product framework. As such, it should be guided as much as possible by consistent features across MS to avoid market fragmentation and consumer confusion. Introducing further differentiation would unnecessarily complicate the regulatory regime for the Basic PEPP, which should remain simple, intuitive, cost-efficient, and suitable by default for EU savers. It is also unclear why removing mandatory advice would lead to a “race to the bottom” in advice provision, since such a change would not affect the rules governing advice for other products. Rather, this risk arises when different

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	advice regimes coexist within the same product, creating incentives, potentially cost-driven, for providers to lure MS to shift towards execution-only models. Furthermore, diverging approaches to advice may distort the application of a VfM framework for the Basic PEPP. Providers required to offer advice would likely face higher costs and, therefore, need to generate stronger returns to remain competitive relative to providers not subject to such obligations or to benchmarks reflecting the market. This would not only complicate VfM assessments but could also advantage lower-performing products offered on an execution-only basis. Addressing these distortions would likely require additional product categorisation within the VfM framework, further increasing regulatory complexity. Additionally, the proposed drafting, by establishing mandatory advice as the default, would remove the harmonized approach currently foreseen by the COM for optional advice (only when solicited by the client). If a MS were to make use of the proposed derogation, it could freely tailor its execution-only framework, leading to further inconsistencies across the Union (no advice requirement at all, optional advice upon client's request, advice at the discretion of the provider, …). We understand an opt-in framework would solve this issue but would not address the other outlined above. As a more balanced way forward, and as previously suggested, we would support broadening the possibility of optional advice for the Basic PEPP beyond cases initiated solely by the consumer. This should also allow providers and distributors to offer advice based on their willingness to do so and on the saver's profile, enabling them to fulfil a basic duty of care and provide appropriate support, particularly to vulnerable customers. Please consider the following suggestions: *"Article 34*

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	3. The requirement to provide advice to a prospective PEPP saver in accordance with paragraph 2, first subparagraph, shall not apply in relation to the distribution of the Basic PEPP. *In case advice is provided in relation to the distribution of the Basic PEPP, advice shall be provided ~~only~~ upon request of the PEPP saver* ***or if the PEPP provider or PEPP distributor opts to do so****.* ~~*The PEPP provider or the PEPP distributor shall provide advice on an independent basis.*~~*"* SE (Comments): Sweden prefers the PCY´s suggested way forward. SI (Comments): We are open for redrafting the option presented in the non-paper in line with comments received by other MSs at the 29/4 CWP, so that Member states may opt-in to require advice for basic PEPP, whereas default would be no advice requirement for basic PEPP. SK (Comments): We would support the proposed compromised proposal for the Member States to have possibility to opt-out of the mandatory advice in the distribution of Basic PEPPs **if this approach would be the only way forward that would help to close the matter.** However, given the reasons supporting the deletion of the Basic PEPP advice, as well as in the context of the other arguments and the changes to be made to the relevant provisions relating to the Basic PEPP, we put the position on question 17 in first place.