



Tweede Kamer

DER STATEN-GENERAAL

To the Chair of the Social Services Committee
Özlem Sara Cekic
FOLKETINGET, CHRISTIANSBORG
1240 COPENHAGEN
Denmark

date 12 July 2012
re. European initiatives on pensions

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enclosed Position Paper Dutch House of Representatives

Dear Madam,

I am writing to you as Member of the Dutch House of Representatives and as rapporteur for the European White Paper on Pensions and EU-pensions issues in general.

The European Commission has in february published its White Paper on adequate, safe and sustainable pensions for Europe¹. The Commission is rightfully worried about the sustainability of pensions systems. It proposes a number of sensible initiatives.

The White Paper however contains two proposals that have given the Dutch parliament considerable cause for concern: the announced review of the IORP Directive and the announced Directive on pension portability. The Dutch House of Representatives has the distinct impression that the subsidiarity principle is being cast aside by the proposals envisaged by the Commission.

Under the Lisbon treaty parliaments can draw a yellow/orange card to force the European Commission to reconsider a directive. To do so, Parliaments in 9/14 countries need to object to a proposal with reference to subsidiarity.

The intended review of the **IORP Directive** (on Institutions for **O**ccupational **R**etirement **P**rovision) could mean that the European Insurance and Occupational Pensions Authority (EIOPA) will supervise pension funds, and that pension funds will be treated like market players and not as parties to a social contract. Excessive solvency requirements – at the level of insurance companies - may result in a much more costly

¹ White Paper. An Agenda for Adequate, Safe and Sustainable Pensions for Europe, COM (2012)



date 5 July 2012
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pension system. This is at odds with the aim of the European Commission to facilitate more cost-effective second-pillar pensions.

The announced proposal regarding the **portability of supplementary pensions** gives the Dutch House of Representatives equal cause for concern. Cross border portability is unworkable, if only for 'technical' reasons: life expectancies, just like the financing of pension systems within the EU, vary considerably between EU member-states.

Please find in greater detail the reasons for our objections in the enclosed position paper of the Dutch House of Representatives.

I feel that this might be of interest to you, because of possible subsidiarity concerns and/or because of the impact or backlash proposals might have for envisaged, planned or started reforms in the pensions area.

I would be very happy to have an exchange of views on the White Paper and the announced Commission proposals with your Committee and perhaps identify some common ground. To that end, I am perfectly willing to visit your parliament to further explain the Dutch position and enter in a dialogue. Alternatively, a contact by telephone or via video-conferencing would be equally feasible.

I would appreciate a reaction from your side.

Yours sincerely,

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