



Council of the European Union

**PRESS RELEASE**

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## **Occupational pension funds: Council agrees its stance on updated rules**

The Permanent Representatives Committee agreed, on behalf of the Council, its negotiating stance on a draft directive aimed at facilitating the development of occupational retirement savings and better protecting pension scheme members and beneficiaries ([15901/2/14 REV 2](#)).

The draft directive revises an existing directive (2003/41/EC) on the activities and supervision of institutions for occupational retirement provision (IORPs). It will improve the governance and transparency of these institutions and facilitate their cross-border activity, thereby strengthening the internal market.

Today's agreement enables negotiations with the European Parliament, with the aim of adopting the directive at first reading.

IORPs are financial institutions that manage collective retirement schemes for employers to provide retirement benefits to their employees.

The proposed revision of the directive would reinforce IORPs' role as institutional investors in the EU economy and thereby help channel long-term savings to growth enhancing investments.

The proposal has four objectives:

- (1) removing remaining prudential barriers for cross-border IORPs;
- (2) ensuring good governance and risk management;
- (3) providing clear and relevant information to members and beneficiaries;
- (4) ensuring that supervisors have the necessary tools to effectively supervise IORPs.

Under the Council's general approach, member states would have two years to transpose the directive into their national laws and regulations.