



**COUNCIL OF
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Supplementary pensions

The Permanent Representatives Committee (Coreper) today approved an amended directive improving the acquisition and preservation of supplementary pension rights (in the context of occupational pensions).

The main elements of the directive are inter alia following:

- the directive is restricted to cases of cross-border mobility only, leaving the rules concerning internally mobile workers to the member states' discretion;
- it defines an "outgoing worker" as a worker "who moves between member states";
- it provides for a vesting period and/or a waiting period of no more than three years in total;
- on thresholds for the payment of capital sums, a broad criterion is added giving the member states the option to set a threshold for such payments, taking into account the adequacy of workers' future retirement income;
- the transposition period is four years as from the date of entry into force of the directive.

The Commission proposal dates back to 2005. Following the European Parliament's opinion in 2007, the Commission adopted an amended proposal, which excludes the issue of transferability ([13857/07](#)).

P R E S S

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In 2012, the European Council called for the sustainability of pension systems to be improved and for mobile workers' acquisition and preservation of supplementary pension rights to be strengthened.

The social protection systems in the different member states must address the problem of demographic ageing. The reforms adopted or envisaged in most member states are moving towards the further development of supplementary pension schemes.

The present directive ensures that the rules governing the operation of these schemes do not hamper the freedom of movement of workers between member states, reducing opportunities for mobile workers to build up sufficient pension rights by the end of their careers.

It aims to reduce the obstacles found within some supplementary pension schemes, so as to facilitate worker mobility. Furthermore the directive addresses the issue of a worker's right to information on how mobility will affect the acquisition and preservation of their supplementary pension rights.

Statutory social security pensions (so-called 'pillar I' pensions) earned in different member states are coordinated under regulation 883/2004/EC, which ensures that if a person works in more than one member state he or she does not lose out in terms of statutory social security pension entitlements. Occupational pensions (so-called 'pillar II' pensions) enjoy limited protection under Council directive 98/49/EC, with respect to the preservation of pension rights.
