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Call for Evidence to inform the development of a DC pensions toolkit

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Background Call for Evidence

The Call for Evidence aims to gather information and insights to inform the DC pensions toolkit that EIOPA is currently developing.

The DC toolkit seeks to foster the development of supplementary DC pensions as well as enhance existing DC arrangements.

Aimed at policymakers, social partners, regulators and supervisors, the DC toolkit will provide practical guidance, principles and (non-legally binding) recommendations to help Member States address the pensions gaps.

The DC toolkit should offer options on tackling DC pensions issues for Member States' consideration, depending on national specificities, including state pensions in the first pillar, and the nature of the pensions gap. Amongst others, this work will consider options and solutions that:

- improve the adaptability of DC pension systems to changing labour markets (e.g. more self-employed, multiple jobs over one’s working life, broken career paths);
- offering guidance throughout the accumulation and decumulation phases with regard to behavioural and cognitive biases with the aim to secure adequate retirement outcomes;
- enhance the protection of DC pension savers and foster trust and confidence in supplementary DC pensions;
- provide value for money to DC pension savers.

Responding to this Call for Evidence

To respond to this Call for Evidence, please use this EUSurvey questionnaire, which allows you to upload supporting documents to provide additional context and evidence to your response, such as examples and case studies, data and statistics, research reports, lessons learned from international experiences.

We kindly request that you submit your responses **by 28 November 2025, 23:59 CET**.

Contributions not provided via EUSurvey or after the deadline will not be processed. In case you have any questions, please do not hesitate to contact us at pensions@eiopa.europa.eu.

Your input will help shape the development of the DC pensions toolkit and ultimately contribute to the improvement of supplementary DC pensions in the EU.

Publication of responses

Your responses will be published on the EIOPA website unless you request to treat them confidential, or they are unlawful, or they would infringe the rights of any third party. Please indicate clearly and prominently in your submission any part you do not wish to be publicly disclosed. EIOPA may also publish a summary of the survey input received on its website.

Please note that EIOPA is subject to Regulation (EC) No 1049/2001 regarding public access to documents and EIOPA’s rules on public access to documents.

Declaration by the contributor

By sending your contribution to EIOPA you consent to publication of all non-confidential information in your contribution, in whole/in part – as indicated in your responses, including to the publication of the name of your organisation, and you thereby declare that nothing within your response is unlawful or would infringe the rights of any third party in a manner that would prevent the publication.

Data protection

Please note that personal contact details (such as name of individuals, email addresses and phone numbers) will not be published. EIOPA, as a European Authority, will process any personal data in line with Regulation (EU) 2018/1725. More information on how personal data are treated can be found in the privacy statement at the end of the public Call for Evidence document.

Remarks on completing the survey

EU Survey supports the last two versions of Microsoft Edge and the latest version of Mozilla Firefox and Google Chrome. Using other browsers might cause compatibility issues.

After you start filling in responses to the survey there is the option to save your answers. However, please note that the use of the online saving functionality is at the user's own risk. As a result, it is strongly recommended to complete the online survey in one go (i.e. all at once).

Should you still proceed with saving your answers, the online tool will immediately generate and provide you with a new link from which you will be able to access your saved answers.

It is also recommended that you select the “Send this Link as Email” icon to send a copy of the weblink to your email - please take care of typing in your email address correctly. This procedure does not, however, guarantee that your answers will be successfully saved.

You can share any supporting material at the end of the survey by clicking on "Select file(s) to upload". Several documents (e.g. Word, Excel, Pdf) can be uploaded. However, note that each document / file is limited to 1MB or less in size.

You will have the possibility to print a pdf version of the final responses to the survey after submitting it by clicking on "Download PDF". You will automatically receive an email with the pdf file. Do not forget to check your junk / spam mailbox.

About the respondent

* Please indicate the desired disclosure level of the responses you are submitting.

- (x) Public
- ( ) Confidential
- ( ) Partly confidential

* Stakeholder name

Assoeuropea - Association established by Assofondipensione, Assoprevidenza and Mefop to represent Italian supplementary pensions at EU level

* Contact person (name and surname)

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Questions to stakeholders

Topic 1: Coverage and contributions

1. What financial incentives (e.g. tax advantages) and non-financial incentives (e.g. auto-enrolment) should the design of the supplementary DC pension system contain to ensure high participation? How can young people be incentivised to save in DC pension systems as early as possible and with sufficient contributions?

In Member States where membership is voluntary, auto-enrolment would be an effective tool to secure a high participation, especially between groups less keen to join in. However, given the heterogeneity of arrangements, it appears difficult to identify best practices that can be easily replicated across the EU.
Tax incentives represent a very important lever; in principle, an EET-type tax treatment would be preferable. For instance, in Italy, early membership is key to get a favourable taxation during pay out phase. Benefits are taxed at 15%, but this rate is reduced by 0.30% for each year of participation in supplementary pension schemes beyond the fifteenth. In this way, the tax rate on the benefit can be reduced to as low as 9%. In addition, deductibility limits of premiums are increased compared to the standard threshold for members who enroll in a pension scheme at the time of their first employment.
Additional proposals to boost savings in DC pensions as early as possible are set out below. Where the tax incentive is represented by deductions of contributions paid from taxable income during the accumulation phase, to help young members using the full tax capacity allowed, it could be envisaged that any unused tax-deductible allowance in previous years may be carried forward and used in subsequent years. Moreover, another possible solution could be to use direct subsidies instead of deductions from taxable income for a certain number of years at the beginning of the accumulation phase.
Another way to incentivize young people to save in DC pension plans as early as possible and with sufficient contributions could be allowing to use tax incentive also for premiums paid in favor of dependent, as it is already the case under Italian law.
Finally, information plays a key role and tools like a Pension Tracking Service covering all pillars and institutional communication campaigns on pension issues (especially on social media) would be utterly important.

2. How can the design of supplementary DC pension systems ensure that contributions are sufficiently high to ensure that DC members receive adequate retirement income?

This feature is influenced by national specificities. In Italy, for instance, the use of the Trattamento di Fine Rapporto (TFR-severance payment) allows for a significant contribution level (about 7% of the monthly wage); the payment of an individual premium triggers the employer contribution.

As regards occupational pensions, the social partners play a crucial role in ensuring that contributions paid by employees and employers are adequate.

Finally, it would be important to develop a communication campaign led by state agencies allowing citizens not only to shade light on the status of their pension entitlements, but also to understand how supplementary pensions work.

3. What role should respectively occupational pensions and personal pensions play in the design of supplementary DC pension systems in order to provide a stable and secure retirement income? What should be the role of employers and/or the social partners?

These aspects are influenced by the way second and third pillar are organised at national level. In Italy, for instance, the boundaries between the two pillars are blurred, as individuals are free to join either a second- or third-pillar scheme while benefiting from the same tax treatment, contribution conditions, disclosure requirements and pay-out options. Second- and third-pillar schemes are subject to the supervision of the same supervisory authority.
Both second- and third-pillar schemes should have the objective of providing members with an adequate retirement income.
In this context, the role of the social partners should be to ensure that occupational pensions are able to secure their members with benefits adequate to the their income goals at retirement. The social partners also play a prominent role in providing information on adequacy and sustainability of the pension system and on the functioning of supplementary pensions.

Topic 2: Participation and contribution persistency of specific groups

4. How can supplementary DC pensions be designed to encourage pension participation and contribution persistency of specific groups of workers that often do not have access to occupational pensions, particularly the self-employed and workers with non-standard contracts? How can financial and non-financial incentives be adapted to non-standard workers and the self-employed?

One possible way to encourage the participation of the self-employed and workers with non-standard contracts would be to introduce uniform rules on taxation, disclosure, accumulation and decumulation phases for all members, regardless of the type of their employment, as is the case, for instance, in Italy.
Furthermore, a stronger link between statutory and supplementary pensions would be beneficial as an incentive for self-employment. For instance, in Italy the length of the accumulation phase can be considered for the purpose of the eligibility for retirement (age requirement).

5. Should there be strategies in place to encourage pension participation and contribution persistency of people of working age, and most notably women, who take a career break or are otherwise inactive (e.g. carers), in unpaid work or unemployed and, if so, what strategies?

Easy redemption of education career (graduate and post graduate education) or caregiving periods through favorable tax treatment could be considered. Measures covering schemes' administrative costs for breaks in the accumulation phase could also be considered. Once again, communication and awareness on pension adequacy/sustainability are key.

6. Are there other specific groups, such as individuals from ethnic minority backgrounds and those with disabilities at risk of accruing no or insufficient statutory pension rights over their working life and, if so, what strategies could encourage pension participation and contributions persistency in supplementary DC pensions for these people in particular?

Persons with disabilities should have access to dedicated employment pathways promoting their entry into the labour market and, consequently, enhance their opportunities to participate in occupational pension schemes.

Topic 3: Scale and portability

7. Should economies of scale be considered in the design of supplementary DC pensions, most notably to enhance efficiency and raise retirement benefits of DC pension savers? If so, how and through which area(s) of the supplementary DC pension system (or value chain) can its design effectively generate scale? Is there a trade-off between the promotion of scale and competition?

Yes, they should be considered but, per se, scale does not guarantees the enhancement of efficiency and raise retirement benefit.
Scale can reduce both administrative costs and management fees. Scale can also provide access to better investment opportunities, especially in the case of alternative investments. Asset pooling and mandates make it possible to achieve considerable economies of scale.

In Italy, for instance, where the AUMs of IORPs is still limited, several asset pooling initiatives have been established to invest in alternative assets. By law, Italian IORPs manage assets through fiduciary managers, selected via a transparent and law-based process. Competition among asset managers contributes to maintaining low fees.

8. Should the design of supplementary DC pensions allow for switching between providers within national systems and, e.g. to facilitate labour mobility across Member States, portability across borders in the EU and, if so, how?

Yes, it should. In Italy, for instance, citizens are free to choose between an occupational pension and a personal pension fund and may subsequently transfer to another pension fund, within the regulatory framework established for the exercise of the right to transfer. For this practice to be carried out smoothly and without penalising the transferring members, full comparability of supplementary pension schemes has been ensured.

Cross-border transfers are complex to implement because of the difficulty of comparing different pension arrangements. In principle, however, in the case of DC schemes, cross-border portability would be feasible.

9. How can switching and portability be balanced with the need for long-term investments (e.g. illiquid assets) and the need for scale in supplementary DC pensions? Are there specific considerations on switching and portability within the second pillar, within the third pillar and between the second and third pillars?

The right to transfer pension entitlements to another pension provider (second or third pillar) can be balanced with the long-term investment horizon of a pension scheme and the need of scale by incorporating into its investment models an estimate of the probability of transfer to another pension scheme.

Topic 4: Design of the accumulation and decumulation phase

10. What are the key features that should be covered in the design of the accumulation phase of DC pensions? Should the design prescribe measures, or provide DC members the choice of options, to mitigate investment risk, such as life cycling, guarantees and collective risk-sharing arrangements to smooth returns? Should DC members be provided with choice, i.e. investment options possibly combined with a default option, or will one investment strategy suffice for all members?

In the accumulation phase the providers of DC pensions should offer members different options. Choosing between options may act as an incentive to join the plan. In Italy, for instance, supplementary pensions offer different investment options. The underlying risk must be determined considering members' retirement needs, also in the light of the statutory pension.
In Italy, to help members in choosing the best option, prospective members can answer to a self-assessment questionnaire. This questionnaire is also available at any time in the restricted area of the pension fund's website and may be answered again over time to assess whether to change investment option.
An increasing number of supplementary pension funds allows members to join in a life-cycle path or in predefined combinations of options.

Where no investment option is chosen, members are by default enrolled in balanced of guaranteed funds or life-cycle strategies. Members joining in through auto-enrolment fall into a guaranteed line.
The guaranteed arrangements are proving to be of limited benefit to the members concerned, both because of the high costs associated with the guarantees and the limited returns on investments. The adoption of a life-cycle strategy as the sole default option, no matter the type of membership (voluntary of through auto-enrolment) would be utterly beneficial.

11. What are the key elements that should be considered in the design of the decumulation phase of DC pensions? Should the design prescribe a specific payout strategy or should DC members have a choice between different types of pay-out solutions, such as annuities, programmed withdrawals and lump sums, possibly combined with a default strategy? What payout strategies can effectively help DC pension savers secure adequate retirement income? Should DC members be allowed to withdraw pension savings before the retirement age for specific purposes, like buying a house, and, if so, under what conditions?

In the decumulation phase the providers of DC pensions should offer members different options. Choosing between options may act as an incentive to join the plan.
In Italy members are required to convert at least 50% of their entitlements into a lifetime annuity and the rest as lump sum. We consider it would be important to allow supplementary pensions to offer also options like income drawn-down and other types of annuities.
Italian legislation allows for early withdrawal but only at certain cases set out below:
-health expenses (up to 75% of the accumulated capital, available at any time, tax rate 15% to 9% based on the length on membership);
-purchase/refurbishment of the primary residence (up to 75% of the accumulated capital, available after 8 years of membership, tax rate 23%);
-other unspecified personal needs (up to 30% of the accumulated capital, available after 8 years of membership, tax rate 23%);
-early redemption in case of unemployment (100% after 48 months of unemployment; 50% after 12 months of unemployment; tax rate 15% to 9%).

Early retirement arrangements (income drawn-down style) before retirement under the statutory regime are also allowed, but only under specific conditions set out below:
-at least 5 years of membership in supplementary pensions;
-24 months of unemployment and no more than 10 years to retirement under the statutory regime;
-unemployment; no more than 5 years to retirement under the statutory regime alongside no less than 20 years of premium paid in the statutory regime.

12. Are there interdependencies that should be considered in the design of the accumulation and decumulation phase? If so, what are these interdependencies and how should they impact on the design of the accumulation and decumulation phase to ensure that DC pension savers secure adequate retirement income?

Accumulation and decumulation phases are inherently interconnected. Decisions made during the accumulation phase affect the resources and choices available at retirement. Therefore, policy developments should aim to raise members' awareness of the long-term implications of their investment and withdrawal choices, fostering a more informed and integrated approach to retirement planning.

The Pension Benefits Statement and Pension Tracking Systems (where available) plays a big role in retirement planning.

Topic 5: Value for Money

13. How can Value for Money be measured and assessed effectively and consistently across supplementary DC pensions and what quantitative and qualitative criteria (or indicators) should be used for assessing value for money, distinguishing between the strategies offered for the accumulation and decumulation phase? How can supervisors create and publish composite benchmarks for DC pension plans on the basis of such criteria to improve transparency and competition?

An assessment of Value for Money in defined contribution (DC) pension schemes should rely on standardized metrics and indexes for costs, returns and risks, as well as an integrated approach that considers both quantitative and qualitative indicators, with a clear distinction between the accumulation and decumulation phases.
The Italian supervisor made a big effert to achieve a standardised measure of costs during the accumulation and decumulation phases. Costs, past performance, benefit projections, and information on the risk of investment options are part of information to be provided to prospective members, members, and beneficiaries. Particular attention is given to costs: they must be disclosed in a dedicated document (Scheda Costi). The Key investment document at enrolment includes the Scheda Costi and must be submitted to prospective members before they join the plan. The Scheda Costi distinguishes between accumulation and decumulation costs. Moreover, the costs related to the accumulation phase must be grouped into four categories: upfront costs, costs directly borne by members, investment-related costs, and early withdrawal costs.
To facilitate cost comparisons and benchmarking, the National Supervisory Authority has introduced the Indicatore Sintetico di Costo (Synthetic Cost Index – Isc). The methodology to calculate the index is uniform for all providers of supplementary pension schemes and measures the impact of all costs during the accumulation phase on the pension entitlements over four different time horizons: 2 years, 5 years, 10 years, and 35 years. The Isc is calculated for each investment option and is shown in both a table and a chart. The chart helps prospective members compare the Isc of the chosen option with the average Isc of similar investment options (in terms of risk and return) available on the market.
Online tools provided on the website of the National Competent Authority allow citizens to compare ISCs through the so-called Comparatore dei costi and to access and download the Scheda Costi of all supplementary pension schemes. The Key investment document also contains data on the past performance of the investment options, both on a yearly basis and as aggregated data over the following periods: 3, 5, 10, and 20 years. Data on net returns are always compared with the corresponding benchmark.
Yearly National Competent Authority updates on its website the performances of the investment options.

The Key investment document includes a standardized benefit projection, calculated on the basis of the assumptions established by the National Competent Authority.

14. Are there any specific scheme design features or innovations that could improve value for money in supplementary DC pensions, distinguishing between occupational and personal DC pensions and the accumulation and decumulation phase?

A wider use of life cycle during the accumulation phase and a more flexible approach for the pay out could enhance value for money in supplementary DC pensions.

15. To what extent do governance and oversight models impact on value for money in supplementary DC pensions and overall DC outcomes, distinguishing between occupational and personal DC pensions and the accumulation and decumulation phase?

Good governance and oversight model plays a key role in enhancing value for money of DC supplementary pensions. Regarding Italy, supplementary pensions share the same legislative, regulatory and tax framework, and oversight is entrusted to a single authority.
The governance is defined by the IORP II Directive, and its implementation has helped to strengthen organisation and governance. These provisions also apply to the providers of personal pensions (coordination between the IORP II framework and the sectoral regulations has been necessary to avoid overlaps).
In the case of occupational pensions, social partners play a key role in ensuring a good governance.

Topic 6: Information provision and transparency

16. What are the main elements on which DC pension savers should be informed before being enrolled in a DC plan and after their enrolment? How can information provision to DC members and beneficiaries benefit from digitalisation and insights from behavioural research?

Before joining a DC supplementary pension, savers should be informed about the plan structure and eligibility (who can join, voluntary vs. automatic enrolment, opting out, taxation); contributions (employee/employer rates, etc.); investment options: default and alternative funds, risk-return profiles; fees/charges: administration and investment costs, long-term impact of the costs on the returns (e.g reduction in yield); projected outcomes (retirement income projections under different scenarios); governance and plan management, complaint mechanisms, portability (when available).
In Italy, almost all the above information is provided to savers through a standardised Key Investment Document, to allow for comparability and benchmarking, assisting the decision-making of savers.

After having joined a plan, savers should be informed about the accumulated entitlements, the contribution paid, the investment performance, the costs and the projections of the benefit at retirement. Also in this case, in Italy, almost all the above information is provided to savers through a standardised Pension Benefits Statement to allow for comparability and benchmarking, assisting the decision-making of savers.

Other information to consider could be reminders to review contributions or other event-based recommendations (during job transitions or when approaching retirement).

17. How can communication and behavioural insights, and particularly pension tracking systems, support citizens to make informed decisions for their retirement income? Are there other good practices in communications to reach out to people and make them aware of insufficient pension savings?

Digital tools like Pension Tracking Systems could play a role in informing members on their accumulation phase, however they should not be seen as an alternative to the hard-copy documents, since most citizens still face huge difficulties in accessing IT devices and using them. Moreover, Pension Tracking Systems are not used in all EU Member States.

18. What practical tools are already in place to understand and identify the drivers and barriers to DC pension adequacy for the design of supplementary DC pensions? What practical tools could be developed to help Member States design and enhance supplementary DC pensions?

The main barriers to DC adequacy are often behavioral (low engagement, inertia), structural (low contributions), and knowledge-related (financial literacy gaps). Tools that combine data analysis, behavioral nudges, and scenario modeling are the most effective for both understanding these barriers and designing solutions.

Topic 7: Emerging trends, regulation and supervision

19. How will emerging trends (e.g. market) and innovations (e.g. AI) positively and/or negatively impact supplementary DC pensions in the future?

Emerging trends and innovations like IT tools and AI will reshape supplementary pensions. On the positive side, IT tools and AI can enhance personalisation, reduce costs, improve investment strategies, supporting benefit adequacy at retirement. However, they also introduce new risks (cyber, operational. etc.).

20. To what extent should prudential regulation and supervision evolve in an environment where occupational and personal DC pensions are expected to increasingly contribute toward securing an adequate and secure retirement income?

Prudential supervision should focus more on risks; by leveraging on the data already available, AI and other IT tools should be used to improve a data-driven prudential oversight framework.

Prudential regulation should not push for further reporting that, while increasing costs borne by members, would generate limited benefits in terms of effectiveness of prudential supervision and operations of pension providers.

21. To what extent should conduct regulation and supervision evolve in an environment where occupational and personal DC pensions are expected to increasingly contribute toward securing an adequate and secure retirement income?

Conduct regulation and supervision should continue to prioritise adequacy of benefits. Issues like the standardisation of disclosure, appropriateness of options, conflicts of interest and management of claims could be further improved through AI and other IT tools.
However, given the heterogeneity of DC supplementary pensions across the EU, national regulators and supervisors seem better placed to define the areas of conduct regulation and supervision deserving improvments.

Other comments

22. Do you have any other comments and suggestions which EIOPA should consider for the future DC toolkit to help foster the development of adequate supplementary DC pensions?

- ○ Yes
- ◉ No

Upload of any supporting documents

Please upload any supporting documents to provide additional context and evidence to your response, such as examples and case studies, data and statistics, research reports, lessons learned from international experiences.

Contact

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