The problem of the identification of pillars: the (former) traditional 3 pillars

1st pillar

Coverage of Regulation 1408/71\(^*\)

\[\text{COORDINATION OF SOCIAL SECURITY SYSTEMS in EUROPE = Regulation 883/04}\]

2nd pillar

EU Directives: 03/41; 98/49; Insurance directives

3rd pillar

EU Insurance directives etc.

First pillar covered by the 883/04 Regulation functioning on a PAYG base

2nd pillar: Occupational schemes

3rd pillar: Individual pensions
The current scenario of pension systems differing from the traditional 1 pillar system:

1st level of the 1st pillar

First pillar

2nd level of the 1st pillar

2nd pillar

3rd pillar

Case N. 1

Individual savings (3rd pillar)

Occupational schemes not covered by the 1408/71 (2nd pillar)

Privately managed schemes covered by 1408/71

« Basic » social security scheme covered by the 1408/71 Regulation (First pillar)
Competences of EU:

The 2nd pillar: and the 3rd pillar

They fall under the competence of the EU, with particular regard to the competition rules, internal market and prudential/solvency (EIOPA):

EU Directives Insurances
EU Directives Solvency
EU Directives Pension Funds (in a future: EU directive portability?)

- Cross border activities
- Prohibition (in principle) of schemes that damage the free competition and questions about the management carried out by a sole operator (monopoly)
- Rules on investments and reserves and information to the supervisory authorities and to the members
- SUPERVISION of EIOPA on the prudential management of these schemes
“First” pillar schemes managed by private operators:

- Bulgaria (BG)
- Denmark (DK)
- Estonia (EE)
- Finland (FL)
- France (FR)
- Hungary (HU)
- Latvia (LV)
- Lithuania (LT)
- Poland (PL)
- Romania (RO)
- Slovakia (SK)
- Sweden (SE)
- Switzerland (CH)
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Questions?

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