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**Position paper of the EIOPA Occupational
Pensions Stakeholder Groups (OPSG) on
Advice and Education**

OPSG view on advice and education in general

Advice and education are essential for investment decisions. Advice and/or education can also be a method of helping individuals make well informed investment decisions regarding personal or occupational DC schemes. In the field of pensions, advice is beneficial, both at the accumulation stage and the decumulation stage of taking benefits, with most people now needing to plan for about 25-30 years in retirement.

Pension protection may well be more advanced in some countries particularly in the occupational sphere because of the interaction of social and labour laws, but may not be universally sufficient. Therefore each member/insured person could benefit from education and/or advice about occupational pensions. The education and/or advice could be regarding either the occupational pension itself or the decisions that each individual can make.

Different options

In most countries within the EC there are different alternatives on how to invest for the future and decisions to be made prior to the investment. No matter what kind of options there are, somehow the individual has to be informed about the method. Even if the products are standardized, they remain complex financial commitments.

Education is essential

Looking at pensions in the wider sphere, OPSG advocates education, preferably already at school, regarding occupational pensions. This basic education at school should make it feasible to understand and take well informed decisions. Due to the importance of occupational pensions, the extremely long timeframe for accumulation and decumulation, the need of education cannot be underestimated.

Advice can be of help

It is also an OPSG opinion that it should be possible to receive advice about occupational pensions, even though it should not be mandatory with advice. The advice can be given through different channels, no channel should be preferred. Different channels for advice can be the internet, the employer, social partners, trade unions, intermediaries, the IORP or the insurance company .

Regulation

Both advice and education are so important that they need to be regulated. Thereby the advisor, if not giving advice according to the regulation, can be held legally responsible. By regulating the need of education it is strengthened that education is essential.

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Adopted by the EIOPA Occupational Pensions Stakeholder Group on 30 November 2015

The Chairperson of the EIOPA Occupational Pensions Stakeholder Group

PHILIP SHIER