Circular

21 November 2025

Pensions Package

The Authority would like to draw your attention to the fact that on the 20th November 2025 the EU Commission adopted a package of measures to help citizens secure adequate income in retirement by improving access to better and more effective supplementary pensions. The proposed actions aim to complement – not replace – public pensions, which are the foundation of pension systems in all Member States.

The package forms part of the Commission's savings and investments union (SIU) Strategy which seeks to create more opportunities for households to build their wealth through capital markets, while boosting EU economic growth and competitiveness.

The aim of the proposed measures is to strengthen both the demand for and the supply of supplementary pensions. The initiatives fully respect Member States' competences to organise and design their national pension systems, as well as the autonomy of the social partners where they are responsible for establishing and managing pension schemes.

The package includes a Commission Recommendation to Member States on:

- **Pension tracking systems**, which will give people a better overview of their pension entitlements and projected benefits, helping them plan for their retirement.
- **Pension dashboards**, which will give policymakers a comprehensive and more granular view of the sustainability and adequacy of the pension systems, comprising both public and supplementary pensions.
- **Auto-enrolment into supplementary pension schemes**, under which workers are signed up to supplementary pensions plans, unless they choose to opt out, thereby remaining free to decide.

The package also includes two legislative proposals covering areas already subject to EU financial market regulation:

- **An amending Directive on Institutions on occupational retirement pensions (IORP II)** to make IORPs work more efficiently and at scale, while lifting undue constraints on investments, subject to reinforced supervision. These measures will help these schemes reduce costs and maximise value for citizens.
- An **amending Regulation on Pan-European personal pension products (PEPP)** to make this personal pension product more attractive for savers and financial market participants.

The package is also accompanied by a Commission communication clarifying the standard for those managing pension schemes' assets (**the Prudent Person Principle**) to ensure that equity investments by supplementary pension schemes are not discouraged. This will help citizens achieve higher long-term returns on their savings and free up new sources of financing for the EU economy.

Next Steps

Discussions will shortly commence in the European Council and Parliament. MFSA will be closely monitoring ongoing developments.