

# Working group on pension tracking services

## What is a pension tracking service?

A pension tracking service is defined as a service where a consumer can login via the internet and is able to see her or his pension data. These data can be the source data (such as insured periods, career periods etc) upon which the pension benefit will be based, or the pension benefit itself. In most countries no legislation was introduced in order to make the tracking services possible. Despite of it the existing national Pension Tracking Systems (PTS's) prove to be an added value to the communication about pensions in different EU countries.

## What's going on at this moment?

The European Committee has published their Interest in (a European) pension tracking service as being a relevant tool for pan European pensions. Therefore they issued a project to let a group of pension providers (ETS, <https://www.findyourpension.eu/about-ets>) to test whether a European pension tracking service could be set up. ETS now works on establishing the first steps towards a European tracking service.

Also EIOPA consulted the pensions sector in their latest IORP II consultation on pension tracking services.

## What has the AAE been doing on pension tracking services?

The AAE has published two papers on pension tracking services. In October 2013 the "Report on key issues from the review of national tracking services" was published where four countries (Denmark, Finland, Netherlands and Sweden) were described that had established pension tracking services (<https://actuary.eu/wp-content/uploads/2017/11/Report-national-Tracking-Services-Sw-Fi-DK-NL-Final.pdf>). The presented countries have different pensions systems but their PTS cover more than 90% of retirement benefits of their citizens. In February 2015 a second report "Key issues for setting up national pension tracking services in six EU countries" was published ([https://actuary.eu/wp-content/uploads/2017/11/AAE\\_Tracking\\_Services\\_Feb2015.pdf](https://actuary.eu/wp-content/uploads/2017/11/AAE_Tracking_Services_Feb2015.pdf)). This report focused on issues that were seen when a PTS would be introduced in six other European countries (Belgium, France, Germany, Hungary, Ireland and the UK). Furthermore, the report presented the role of AAE in those services. The actuaries should fulfill its role of experts in the field of pensions and pension calculations by pointing out technical issues surrounding pensions and providing possible solutions.

PTS was a topic as part of the agenda of PC-meeting in Sursee 2021. The specifics of the Pensions Tracking Systems in Slovak and Sweden, as well as the Pensions Dashboard in UK were presented and discussed. One of the challenges in different countries is the number of schemes. From a practical point of view the experts have never before had to provide such large volumes of data including current or projected values of pensions rights for millions of citizens. That makes the role of actuaries in such local projects very important. The AAE Pensions Committee continued to focus on the task in its activities in 2022. Webinar on PTS – challenges ahead was organized by the Pensions Co on 9<sup>th</sup> March 2022 where more than 140 participants participated. As a continuation of the previous activities the PTS in two other countries were presented - Denmark and France (the first one with quite a long history in that field while the second one is still in the developing phase. The Chair of the TF on PTS of EIOPA, Jan Brendsen, gave an overview over the main conclusions of the EIOPA advice on PTS and discussed the role of actuaries in PTS's. In addition, the actuarial profession can emphasize on the importance of proper communication about pensions rights and consumer protection.

## What could the future role of actuaries be on this subject?

Apart from the research we have performed in 2013 and 2015 the social security subcommittee together with the pensions Committee of the AAE has followed the developments of pension tracking services in Europe. Issues like calculation rules, setting parameters and risk indicators seem to gain interest at the level of the EC, EIOPA and pension providers in different countries. Also, the effect of pension tracking services on communication and behavioral science are developing.

**Our proposal**

In order to contribute to the well-being of European citizens we propose to set up a working group that focusses on pension tracking services. The working group will first focus on the current status of pension tracking services and will then propose what steps are to be taken to be involved in pension tracking services as actuaries working the AAE. Such WG can consult local actuaries working on the development of their national Pensions Tracking System and can give advice to European bodies on different aspects of European PTS. Sharing knowledge and expertise the actuaries under the structure of the AAE will be able to fulfill their responsibility to the society in the best way.