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BETTER FINANCE asks EU Member States to be more ambitious with their European Savings Label Initiative

BETTER FINANCE, the voice of European savers and individual investors, expresses hopes but also concerns regarding the European Savings Label initiative to be launched today by a group of EU Member States under the 'Finance Europe' banner.

Despite its stated and excellent objective to enhance European competitiveness and channel private savings into productive investment, the initiative demonstrates a worrying disregard for the very citizens it purports to serve.

The programme of the launch event, disclosed at the last minute, strikingly excludes any participation from organisations representing European savers and individual investors. In contrast, the agenda features extensive representation from financial industry leaders and trade associations, many of whom were reportedly consulted during the preparatory phase. BETTER FINANCE, however, was not consulted or invited to contribute to the project's design or public discussion.

"The absence of EU saver and investor representation at this critical moment is both telling and troubling," said Guillaume Prache, Founder and Senior Adviser of BETTER FINANCE. *"Europe's households are by far the main source of long-term capital, yet their interests are nowhere to be seen in this initiative."*

While BETTER FINANCE acknowledges that the joint effort by Member States to promote cross-border savings tools marks a step in the right direction, the initiative lacks the ambition needed to address the severe fragmentation of the EU "retail" investment market. The label, as currently envisioned, is a "Plan B" compared to more impactful solutions such as a simplified, consumer-centric Pan-European Personal Pension Product (PEPP), long championed by BETTER FINANCE.

Crucially, the initiative diverges from one core priority set out in both the Letta Report and the European Commission's own Action Plan for a Savings and Investments Union (SIU), which both rightly place improving returns for individual investors at the heart of the "Savings & Investments Union" policy initiative.

Furthermore, the initiative fails to address one of the most pressing structural issues in EU retail finance: the scale problem. Market fragmentation, driven by national-level non-tariff barriers, remains a key obstacle to creating a genuine Single Market for savings and investments. By offering yet another label to purely national savings products without tackling these barriers, the initiative risks becoming another missed opportunity.

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BETTER FINANCE calls on EU policymakers to prioritise the interests of European citizens as individual investors and to ensure they are not only included in, but also central to, the design and governance of any initiative affecting their savings.