

Press Release | 19.03.2025

BETTER FINANCE Welcomes Progress on the Savings and Investments Union

BETTER FINANCE, the public interest organisation representing European citizens as savers and investors, welcomes the European Commission's [communication on the Savings and Investments Union](#) (SIU), alongside the draft report by MEP Lalucq on facilitating investment financing and reforms to boost European competitiveness and establish the SIU. This strategic initiative seeks to strengthen citizens' wealth and enhance the EU's economic resilience. We are pleased to see several of BETTER FINANCE's recommendations reflected in both the Commission's proposals and Ms Lalucq's report.

We applaud Ms Lalucq's strong focus on directing household savings into productive investments and securing competitive returns, both essential for pension adequacy in light of Europe's growing pensions challenge. We fully support her call for a blueprint for an EU investment savings account, offering simple and accessible products tailored to individual investors.

The SIU marks a significant step towards a pan-European financial ecosystem, enabling individuals to access investment opportunities and non-financial companies to secure funding across the EU. BETTER FINANCE has been actively engaged in shaping this agenda, consistently advocating for clear, comprehensible product information, simplified investment processes, and improved access to corporate shares and bonds.

Key Achievements:

- **Simple Investment Savings Account:** We are delighted that the Commission and Ms Lalucq included measures to promote savings accounts based on best practices. This will facilitate cross-border investments and simplify the monitoring of investment portfolios, making it easier for individuals to manage their savings.
- **Simplified Pan-European Personal Pension Product (PEPP):** The Commission's announcement of a review of the PEPP framework by Q2 2026 should, among others, aim to simplify the PEPP's basic option, making it more accessible and ensuring better performance for long-term savers.
- **28th Legal Regime for Corporate and Securities Law:** The proposal for a 28th legal regime could be a step towards overcoming investors' home bias, supporting cross-border investments and fostering a more integrated European market.

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Areas for Improvement:

While we celebrate these achievements for EU citizens as savers and investors, BETTER FINANCE also notes areas where further progress is needed and more support from the European Commission and Parliament would be welcome:

- **Review of the PRIIPs Key Information Document (KID):** Although not directly mentioning the PRIIPs KID, the Commission's call for disclosures that provide easily understandable information is a step in the right direction. We hope this will pave the way for a thorough review of the KID, ensuring that retail investors receive clear and useful information.
- **EU-wide Comparison Portal for Investment Products:** Such a portal would enable individuals to compare investment products across the EU, fostering greater transparency and competition.
- **European Total Stock Market Index Fund:** The creation of a European Total Stock Market Index Fund, tracking a "total market" index and invested across all EU Member States, would provide broad-based exposure to European equities, including listed SMEs, at low cost.
- **Employee Share Ownership (ESO):** ESO plans can align employee interests with company success, fostering engagement and productivity. We encourage the Commission to promote ESO within the SIU framework, enabling employees to participate in their companies' achievements and contribute to broader economic goals.

Looking Ahead:

BETTER FINANCE remains committed to working with the European Commission, the European Parliament and other stakeholders to ensure that the SIU delivers on its promise to empower European citizens as investors. We look forward to continued engagement in the upcoming consultations and legislative processes to address the remaining challenges and build a truly inclusive and efficient financial ecosystem.

Aleksandra Mączyńska, Managing Director of BETTER FINANCE, stressed: *"A Savings and Investments Union would empower European citizens to engage more deeply with the financial ecosystem. By boosting retail investments, the SIU can enhance the EU's economic resilience. While we welcome initiatives at the EU level, such as the blueprint for a simple investment savings account, the PEPP review, as well as efforts to increase uptake in occupational and supplementary pensions, it is the Member States that must ultimately take concrete steps to make long-term investments in capital markets and the real economy attractive as well as equip their non-professional investors with the right tools and confidence to participate fully. This will drive growth and innovation across the EU."*