



Mobile researchers – A challenge for supplementary pension provider

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The European Partnership for Researchers: background and developments

Pan-European pension fund – results of the feasibility-study

Obstacles for researchers`mobility

Different approaches to improve mobility

Background and developments.

- Communication of the Commission „Better Careers, More Mobility – A Partnership for Researchers“ to the European Council, 2008 - adopted by the EU-Competitiveness Council in October 2009 as „Partnership for Researchers“
- Preparing national action plans by autumn 2009 and yearly progress reports
- Setting up a „Feasibility study of a pan-European (supplementary) pension fund for EU Researchers“ by the EC with the following 3 objectives:
 1. Census and analysis of existing pan-European pension funds
 2. Analysis of the interest of employers, governance structure etc.
 3. Detailed operational conclusions on if and how to set up a fund
- March 2010 EU-Competitiveness Council meeting: conclusions on European researchers' mobility and careers- the council...
 - ...“INVITES the Commission drawing on the Green Paper process, to examine the need for adequate pension provisions for highly mobile workers, taking into account, among other considerations the specific problems and needs of researchers as highly mobile workers as well as the experiences acquired by supplementary pension providers to overcome mobility disincentives.

Why this issue is important for VBL and other institutions.

- Science and research are the basis for the economic development of the European Union - Europe needs the best researchers from all over the world. Going abroad is an essential part of researcher`careers. Therefore mobility is a fundamental need.
- A very large number of research employees belong to the public sector – Thus public sector pension provider are affected in many member-states - In Germany most of the employed researchers are insured with VBL.
- The European Commission wants to promote a European pension fund for researchers.
- Separation of special groups of employees
 - Means more additional expenses for public employers and
 - **European Pension Fund for researchers might be only the first step (Pension Forum September 2010: The Commission is thinking about a general European Pension fund).**

Conclusion of the study: A European fund for researchers - desired and possible.

- Result is based on an employers`survey filled in by 75 employers, 19 % private enterprises, 49 % universities mainly from Southern-Europe; 32% research institutes and international organisations
- Financial service providers enter the market with new products
- Legal framework of the IORP-directive is preferable
- **Access of public service employees will be difficult if there is no possibility to opt out of existing schemes**
- Costs: higher effectiveness, if there would be standardised benefit and reporting structures in each country (My opinion:???)



The European Commission decided to promote the foundation of a European Pension Fund for Researchers up to 2013

Problems mobile researchers are facing regarding supplementary pensions.

- Pension losses in case of frequent job changing

If they have lots of short term employments

Eligibilities spread out among a large number of very small pensions

In case of vesting or waiting periods required by pension schemes or collective agreement

Pension losses

If there is a lack of awareness and information about their pension claims

Researchers might not make their claims

Improvements can be found
in different approaches –
Not only one solution fits all!

European wide register
of pension claims
– data exchange
necessary

Clearing service for
researchers by the latest
provider – similar to the
statutory schemes

Information and
consultancy service
provided by a
special centre for
researchers

Establish an information portal
for researchers' pensions in
cooperation with Euraxess

Mutual recognition of
service periods with
other pension schemes
to fulfil qualifying
conditions required

Transferability of
capital values
(CETV) of accrued rights
to the new pension
provider

**Main approaches for improvements are the same as discussed in
the Green Paper**

- Transferability of capital values
 - Only in case of fully-funded eligibilities
 - On the basis of national legislation and collective agreements
- Mutual recognition of service periods while working in public sector
research and science
- Enhancement of researchers' knowledge and information about
their pension claims
 - Supported by provider in cooperation with research institutes
and EURAXESS (information portal or tracking service)

**These steps to improve mobility should not be ruled by a EU-directive
but have to be practised on the basis of cooperation and voluntary agreements
(in some cases consent of collective parties is necessary)**

Statement of the EC-expert group „Statutory and supplementary pensions for researchers” recommends a cooperation of public pension provider (among other measures). That means: We must act!

Next steps:

- Promoting a project by VBL and the German Ministry of Science
 - Roadmap of researchers` supplementary pension provision
 - Compilation of pension institutions and providers offering retirement provision for researchers in public sector
 - Comparison and description of main scheme features
 - Consideration of transfer possibilities (possible circles)
 - New information portal including a pension calculator (pilot) in cooperation with the German Euraxess section
 - Exploring the potential for cooperation among providers



Obstacles for researchers` mobility can be removed.

- Establishing and providing of a pan-European pension fund for researchers means:
 - Raising expenditures for employers who already participate in pension schemes
 - Reduction of mobility disincentives only when legal and tax conditions would be equal for all members
 - Can a pan-European fund provide better pensions than existing institutions ?
- Enhancing mobility among existing European pension institutions or schemes is possible
- Affected providers should cooperate.
- Action is called for.
„The man who removes a mountain begins by carrying away small stones“ (William Faulkner)



