EFPA
European Financial Planning Association

EFPA Response to the European Commission's Consultation on Saving and Investment Accounts

EFPA (European Financial Planning Association) appreciates the European Commission's efforts to support citizens across the EU in building financial resilience through simple and accessible saving and investment solutions. This initiative represents a promising path to better channel household savings toward long-term, productive investment.

To realise this potential, several elements must be carefully considered:

1) Financial Education and Advisory Support

A successful rollout hinges on a broad, pan-European campaign to improve financial literacy. Such a campaign should:

- Differentiate clearly between saving and investing;
- Explain how returns relate to risk and investment duration;
- Help citizens grasp the trade-offs and risks, particularly for shorter holding periods.

2) Qualifications of Financial Advisors

Financial advisors play a vital role in improving financial awareness and encouraging sound planning. We recommend introducing enhanced qualification requirements for advisors involved in promoting saving and investment accounts, in order to foster trust and consistency across Member States.

3) Product Design

These accounts should constitute a **distinct product category**, separate from traditional savings or investment products.

- Simplicity, transparency, and ease of access must be core attributes.
- Tax advantages.
- Appropriate holding periods to reinforce long-term behaviour.

4) Inclusivity

To cater to different investor profiles, different tiers could be adopted:

- A **Basic Account**, built around low-risk or capital-guaranteed instruments;
- An **Advanced Account**, permitting exposure to higher-risk investments, subject to a streamlined but effective suitability assessment.

- Others, if appropriate.

This structure would broaden participation without compromising investor protection.

5) Time Horizon, Risk, and Return

Saving and investment accounts should be designed with a minimum time horizon—ideally five years or more—to reflect the nature of capital markets.

- A **gradual increase in risk exposure over time** could help align performance expectations with actual market outcomes, reinforcing long-term engagement and financial discipline.

6) Cost Considerations and Governance

Costs should be reduced only as long as this does not compromise quality.

- Emphasis on diversification, sustainability, and investor outcomes.

- Strong governance and full transparency are non-negotiable in ensuring public confidence.

7) Portability and Open Access

We fully support the vision of an **open and portable** saving and investment account ecosystem. Portability across providers should be guaranteed.

8) Fiscal Impact and Implementation Strategy

Any model must balance investor incentives with Member States' fiscal realities.

- Rewarding savings based on **real economic value creation**, rather than nominal returns alone, may offer a pragmatic compromise.

- A phased implementation—starting with modest thresholds and scaling up over time—may help secure national buy-in while maintaining alignment with broader EU fiscal goals.