



European Financial Services
Round Table

EFR PAPER ON SAVINGS AND INVESTMENT ACCOUNT (SIA) / PRODUCT

Executive summary

- Member States should consider the blueprint to be product agnostic, thereby adopting a more inclusive terminology.
- We also recommend that the Member States consider the blueprint and remain open to a wide investment universe, including long-term investment products.
- It should take best practices and successful examples into consideration.
- Without meaningful tax incentives, the SIA risks remaining a theoretical construct with limited uptake.

Introduction - Creating an ecosystem that incentivises savings in retail capital markets

The European Financial Services Round Table (EFR) has a longstanding commitment to advance the Capital Markets Union (CMU). Recognising the urgency of addressing challenges in areas such as climate, digital and defence security, the EFR welcomes the renewed political focus on the Savings and Investments Union (SIU), and we stand ready to contribute with practical solutions in a proactive way. Building on previous EFR Papers on savings, equity and competitiveness¹, this paper serves to support the European Commission's initiative European blueprint for a Savings and Investment Account (hereinafter "blueprint") presented on the 30th September 2025, also and in particular vis-à-vis policymakers in the Member States who need to take decisive action. It draws on successes across Member States such as the Nordics, where such a solution has proven effective to unlock capital from deposit accounts, channelling it into investments that drive growth. This would not only benefit the individual retail investor, e.g. by offering opportunities for inclusive growth, adding value to pension planning – but also provide Member States with a stable and predictable tax base.

To support the SIU/SIA, EFR members stress the necessity of a strong financial ecosystem to drive long-lasting change in retail saving patterns. Insurers and bankers alike should be allowed to optimise their business to strengthen the entirety of the financial ecosystem in Europe. A strong financial system, where pensions, insurance and bank products work hand in hand, will increase financial literacy and encourage retail investors to diversify their savings beyond bank deposits. The SIU can only succeed if it enables – not restricts – institutional investors to do what they are best equipped to do, i.e. finance the future and provide liquid, deep European capital markets attractive to retail investors. Moreover, to achieve the right balance between a competitive environment for European financial institutions and a robust prudential environment, a certain level of trust must be placed in market participants to ensure that the ability to take reasonable risks is preserved and the ecosystem is further strengthened.

On that idea, EFR values ongoing dialogue with EU Member States and is prepared to take an active role in new initiatives, such as the "Finance Europe" label announced by Estonia, France, Germany, Luxembourg, the Netherlands, Portugal and Spain on 5 June 2025.

¹ Please refer to the various EFR papers – EFR paper on European Savings dated July 2024 – EFR paper on Strengthening European competitiveness and growth through equity dated February 2025.

Fewer barriers to entry

For the blueprint to be successful, Member States must address entry barriers and, in particular, promote tax incentives and simplified tax reporting. This should build on the positive experiences from other Member States, where administrative burdens and complex tax administration have been simplified and, in some cases, automated, to make citizens less hesitant to invest. We believe in the promotion of structures that allow investors to be active and make unlimited transactions without being burdened by administration or record-keeping of gains and losses.

Product eligibility & investment universe

From the EFR's perspective, Member States should consider the blueprint and be product agnostic to enable European retail investors to access a broad set of investment opportunities: this could include a broad range of financial instruments and products as highlighted by the European Commission. Banks, fund managers and insurance companies all have substantial capabilities to contribute to the overarching goal of increasing investments. To reflect the full range of effective solutions, the scope of the blueprint should also be neutral with respect to qualifying products and eligible providers.

The EFR therefore believes that the investment universe should be as wide as possible, taking account of the risk appetite of retail investors, and could include liquid underlying assets (e.g. equity, corporate bonds, UCITs, structured products, insurance-based investment products - IBIPs) as well as promote limited exposure to higher yielding, less liquid (e.g. ELTIFs) asset classes in both public and private markets. This would best support the SIU objective of financing innovation, competitiveness and sustainable growth in Europe. As part of a larger diversified portfolio, EU government bonds should be eligible under the framework, as well as – in line with the investors' risk appetite – long-term investments in illiquid assets such as infrastructure, private equity and real estate. These asset classes are critical to supporting the EU's strategic goals, including the green and digital transitions and economic resilience.

However, while tokenised traditional assets have the potential to significantly transform financial services, and for that reason should be considered in the grand scheme of the SIU, unbacked crypto-assets should not be deemed eligible assets as they are mostly, at least for the time being, purely speculative instruments.

EU geographical allocation

While investment challenges are European in scope, savings ecosystems are inherently national. Significant differences in tax treatment and the social protection systems across Member States limit the relevance of a one-size-fits-all approach.

The EFR recognises that there are various views in the membership regarding EU geographical allocation criteria for the SIA blueprint. For this reason, a certain degree of subsidiarity is essential to ensure that the private sector can provide for the emergence of viable and attractive savings solutions for retail investors that accord appropriate priority to maximising investment returns – building on effective experience from national models.

Should individual Member States decide to go ahead with a minimum threshold of investments in the EU for SIA eligibility, the EFR would advise NCAs to ensure a coherent definition across the Single Market of what constitutes "European assets" (e.g. a list of EU companies, equities, ISINs, funds, etc), something that is essential for the effectiveness of the labelling framework focusing on the products in the account and not the account itself. A geographical allocation regime should also be aligned with the "Finance Europe" label to which seven EU Member States have already committed.

The SIU is an opportunity for investors to see the value of putting their money to work in the real economy in Europe. We believe it is preferable to establish a threshold for investment in European assets as a minimum level if it is linked to tax incentives, so that there is some room for investment outside the European sphere. At the same time, it is also important to bear in mind that non-European entities may invest heavily into Europe's productive economy and can be attractive in terms of both diversification and returns for European citizens.

Long-term horizon

If any time limit is to be considered, liquidity/withdrawal windows should be introduced. This could also be combined with specific national tax incentives - encouraging long-term holding at the will of the investor. For example, favourable tax treatment could apply after a minimum holding period, without impeding earlier withdrawals from the product. This optional, incentive-based approach preserves investor freedom while still promoting long-term investment behaviour. Tying time horizons to tax benefits, rather than enforcing rigid restrictions, aligns better with diverse investor profiles and supports broader financial inclusion.

Products that adhere to the European label must have the established minimum maintenance period or, alternatively, be linked to coverage of the pension gap at retirement and potential life events such as disability, dependency, serious illness, unemployment, etc.

Risk exposure

Recalling the EFR Savings paper², the EFR upholds that improving financial literacy is necessary to improve retail investors' ability to assess risk. Better diversification of retail savings entails better risk diversification and should be encouraged. Also, the possibility of integrating life insurance contracts would enhance flexibility and enable a gradual reallocation from higher-risk to lower-risk asset classes. The EFR encourages a blueprint without a universal product requirement. Instead, recalling the EFR Equity paper³, we encourage a relaxation of the MiFID investor classification ("opt up") rules as proposed by the Retail Investment Strategy, allowing a broader product range to be offered to sophisticated retail investors. Furthermore, to promote investments in more advanced products, the Commission should consider allowing firms to offer protection for the capital paid during the accumulation phase.

Portability across Europe

Portability within a single Member State can be beneficial (fostering competition and ultimately improving outcomes for clients), provided that such portability does not compromise any investment mandate agreed for the account for a given period of time.

Extending such portability across the European Union remains highly challenging. This is primarily due to significant divergences between Member States, particularly in areas such as taxation, legal frameworks and regulatory requirements. For these same reasons, enabling non-residents to access or open such accounts would not be operationally feasible at this stage. Viewed against this background, we would discourage making intra-EU portability an overarching SIA feature.

Measurement of tangible impact

To ensure the Savings and Investment Account (SIA)/ Product achieves its intended objectives, we recommend establishing a set of common Key Performance Indicators (KPIs) to measure its tangible impact on households and the wider economy. We note that this should, in principle, rely on existing practices and available data and should not introduce additional complexity. The first measurement could take place before the end of 2028, followed by a measurement every three years. The core focus could be on retail investor participation, notably the number of accounts opened, and the volume of capital shifted from traditional deposits into productive investments, as evidence of financial inclusion and the unlocking of dormant savings. These KPIs could be periodically reviewed by competent authorities, in consultation with industry and consumer representatives, with transparent reporting to strengthen trust, enable comparability across Member States and foster accountability in the implementation of the SIA/product.

² Please refer to the EFR paper on European Savings dated July 2024.

³ Please refer to EFR paper on Strengthening European competitiveness and growth through equity dated February 2025.

Conclusion

The EFR calls on Member States to take decisive action on the EC's proposals for a blueprint for a Savings and Investment Account (SIA)/ Product.

The success of a European blueprint for an SIA/ Product will ultimately depend on achieving the right structural design and aligning incentives in a way that fosters long-term financial security for citizens, while deepening the EU capital market. Although a simple and transparent framework is necessary to encourage participation across borders, structure alone is not sufficient. The decisive factor is the establishment of a favourable and predictable tax treatment. While this does not need to be fully harmonised at EU level, which would risk delaying this important initiative, without meaningful tax incentives the SIA risks remaining a theoretical construct with limited uptake.

By prioritising a balanced design that protects savers, offers competitive returns and ensures neutrality across products and jurisdictions, policymakers can transform the SIA into a cornerstone of retail investment in Europe.

The European Financial Services Round Table (EFR) was formed in 2001. The Members of EFR are Chairs and Chief Executive Officers of international banks or insurers with headquarters in Europe. EFR Members believe that a fully integrated EU financial market, a Single Market with consistent rules and requirements, combined with a strong, stable and competitive European financial services industry will lead to increased choice and better value for all users of financial services across the Member States of the European Union. An open and integrated market reflecting the diversity of banking and insurance business models will support investment and growth, expanding the overall soundness and competitiveness of the European economy.