Nordic financial sector input to a blueprint for savings and investments accounts

The current state of household savings in the EU presents a paradox: despite high levels of savings, there is a lack of funds being effectively channelled into investments. This inefficiency in financial intermediation negatively impacts both the financial well-being of EU households and the EU's ability to achieve its growth and competitiveness goals.

To support a more liquid and integrated EU financial system that channels more savings into investments, The European Commission unveiled its Savings and Investments Union Strategy on 19 March 2025 with numerous proposed policy measures. Among these, the European Commission announced that it "*will adopt measures (legislative or non-legislative) by Q3 2025 to create a European blueprint for savings and investments accounts or products based on existing best practice*". These measures will be accompanied by a recommendation to member states on the tax treatment of savings and investments accounts.

Experiences from the Nordic markets demonstrate that savings and investments accounts (SIAs) can help unlock the investment potential of retail savings. Therefore, the Nordic financial sector[1] supports the European Commission's proposal to create a European blueprint for SIAs, provided that the SIAs are designed and implemented at the member state level. An SIA is just one piece of the comprehensive national tax and pension system. To be implemented successfully, member states must be able to adapt the SIA to fit into the rest of the system. Given the diversity of financial ecosystems across EU countries, including differences in national tax and pension systems, a "one size fits all" model will not be applicable for SIAs, and the blueprint must reflect this diversity. For this initiative to be successful, it is hence crucial that the blueprint is sufficiently flexible.

The key to creating a better savings and investment culture, where a greater share of household savings is invested in the capital markets rather than held as bank deposits, is to create simpler and better tax schemes for retail investors. Adding complexity, such as introducing new types of EU products, will only make investing more overwhelming and discourage inexperienced retail investors. The Nordic financial sector is therefore not in favour of creating a blueprint for additional retail products. A common EU retail product already exists in the form of UCITS, which is, as emphasized by the European Commission,

[1]This paper is co-authored by eight financial business associations from Denmark, Finland, Norway, and Sweden. For more details, please refer to the section "About the co-authoring business associations".

the globally most successful brand of investment funds. It is critical that this brand is protected and not diluted by complexity, such as the creation of sub-brands. A blueprint for SIAs, on the other hand, would demonstrate how simple vehicles can help channel more retail investments into existing products like UCITS.

Lessons from the Nordic countries and input to a blueprint for savings and investments accounts

The Nordic countries are among the most successful in Europe at encouraging their **citizens to invest in the capital markets**. This success rests on **financial ecosystems** that have been developed gradually, and which are based on **multiple factors**. A common factor across all the Nordic countries is the successful – albeit not equally successful – introduction of **SIAs (savings and investments accounts)**, which foster stronger **investment cultures through simplification and tax incentives**. As the Nordic countries have successfully created SIAs within the current EU legislative framework, there is **no need for additional legislation**. Drawing from the experiences in the Nordic markets (see appendix), the financial sector in the Nordic countries recommends that the European Commission base its blueprint on the following principles, best practices and follow-ups**.**

Principles

To allow each member state to successfully adapt an SIA to its national tax and pension system, the European Commission's blueprint should be grounded in the following three general principles:

1. **Encouragement**: Member states should be encouraged to introduce SIAs.
2. **National design and implementation**: The specific characteristics of the SIA, including taxation, should be designed and implemented at the member state level.
3. **Best practices**: Any specific features should be based on best practices, ensuring that no existing SIA becomes less favourable than it is today, as this would undermine the blueprint's purpose.

Features based on best practices from the Nordic countries

Following the above principles, the blueprint could include the features below based on best practices from the Nordic countries. It should be noted that imposing restrictions on any of the features, such as the size of deposits, geographical exposure, eligible assets, or holding periods, will inevitably make SIAs less attractive to households and make them less inclined to invest their savings. Each member state should therefore thoroughly consider the consequences of any such restrictions before implementing them.

1. No or a significantly high deposit limit
Some member states have introduced SIAs with a deposit limit, restricting the account's use, while others do not have a limit. To ensure that SIAs will effectively transform household savings into productive investments, a deposit limit, if any, should be substantial.

2. Broad range of eligible assets
Households are a diverse group of potential retail investors. To appeal to a wide range of households with varying risk profiles and investment objectives, SIAs should entail a broad selection of eligible assets, including, but not necessarily restricted to, listed shares and bonds, and all UCITS, ELTIFs, and retail AIFs.

3. No geographical restrictions
Some existing SIAs have geographical restrictions aimed at directing investments towards European companies. However, there is a significant home bias among European retail investors, meaning they largely invest in assets within their own country[2]. Increasing retail investor participation in the EU will thus automatically lead to more investments within the EU. For example, as emphasized in the Draghi Report, Sweden has translated its high level of retail investment into a booming IPO market with more than 500 IPOs over the past ten years, which is more than Germany, France, the Netherlands, and Spain combined, all without any geographical restrictions.

Moreover, defining "European companies" could introduce unnecessary complexity and make the uptake of SIAs lower. To ensure the largest possible uptake, the SIAs should focus on creating the right incentives for Europeans to invest their savings, without any geographical restrictions.

4. No minimum holding period
Retail investors vary in their investment time horizon. Some have long horizons of more than ten years, while others might invest for shorter periods. Retail investors with both long- and short-time horizons should be encouraged to invest their savings, with risk adjusted according to their time horizons.

Moreover, introducing minimum holding periods could, depending on the implementation, create a lock-in feature that will limit competition among SIA providers. To ensure competition among SIA providers, and the greatest possible uptake by retail investors, there should be no minimum holding period on SIAs.

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[2]See Indicator 28: Holdings of equity from other Member States in Commission Staff Working Document: Monitoring progress towards a capital markets union: a toolkit of indicators – 2024.

5. Tax incentives and simple tax rules

Complex tax rules discourage households from investing their savings. Therefore, tax rules for SIAs should be simple and easy to understand for inexperienced retail investors. Additionally, tax incentives – even modest ones – can encourage investment among households. Member states should therefore consider incorporating tax incentives to help ensure a large uptake of SIAs.

6. User-friendly tax reporting and transfer of an account from one service provider to another

Tax reporting is often complex, which discourages retail investors. To attract inexperienced retail investors, SIAs should be user-friendly in terms of tax reporting. This can be achieved by either ensuring that tax declaration is easy for the account owners, e.g. by not having to declare transactions within the SIA, or by assigning the responsibility of tax reporting to the service providers of the SIAs. Furthermore, to ensure a competitive market among SIA providers, account holders should be able to transfer their account from one service provider to another without suffering negative tax consequences. Member states should also ensure a sufficiently large pool of SIA providers by considering which institutions should be authorized to provide SIAs, taking into account their current tax and pension system.

Follow-ups

To inspire and encourage member states to consistently evaluate and enhance their SIAs, the European Commission should conduct follow-ups once more SIAs have been introduced. The following two follow-ups are recommended:

1. **Good practices communication**: The European Commission should systematically gather and communicate good practices about the adaptation of SIAs at national level.
2. **Scoreboards for monitoring**: The European Commission should develop scoreboards to monitor the use of good practices and the retail investor participation in the member states. The Commission's Digital Economy and Society Index (DESI), which monitored digital progress in the member states from 2014 to 2022, could serve as inspiration for this initiative[3]. Another option is to integrate the monitoring/score boarding into existing initiatives such as the European Semester.

[3]See more information on the he Digital Economy and Society Index (DESI): https://digital-strategy.ec.europa.eu/en/policies/desi.

Appendix: Overview of savings and investments accounts in the Nordic countries

	Sweden	Norway	Denmark	Finland
Year of introduction	2012.	2017.	2019.	2020.
Deposit limit (absolute)	No deposit limit.	No deposit limit.	22,300 EUR.	100,000 EUR.
Eligible assets	Listed securities on a regulated markets (or corresponding outside EEA) or traded on an MTF (such as stocks, bonds, and other financial instruments) as well as funds and cash deposits.	Listed stocks and equity funds (minimum 80 pct. of assets in a fund must be equities).	Listed stocks and equity funds (minimum 50 pct. of assets in a fund must be equities).	Listed stocks.
Geographical restrictions	None.	Only stocks of companies domiciled within the EEA and funds domiciled in the EEA are eligible.	None.	None.
Minimum holding period	None.	None.	None.	None.
Tax Incentives	Yes.	Yes.	Yes.	Yes.
Tax framework	Flat* annual tax on holdings (not returns), equivalent to 0.888% currently (based on Swedish government borrowing rate +1% * 30% = (1.96% + 1.00%) * 30% (2025).	37.84 pct. on returns withdrawn from the account. An amount equal to the deposited amount and the accumulated tax shield can be withdrawn without taxation.	17 pct. on returns, including unrealized returns, paid annually.	30 /34* pct. on returns when deposits are withdrawn.
No. of unique account holders (end of 2024)	App. 4 mio.	App. 1.9 mio.	App. 0.5 mio.	App. 0.4 mio.
Share of population that hold an account	App. 40 pct. of total population.	App. 24 pct. of population above age 19 (20+ years).	App. 8 pct. of total population.	App. 7 pct. of total population.
Other comments/notes	*Savings up to €13,000 are tax-free (increases to €26,000 as of 2026).			*30 pct. tax rate applies on returns less than 30,000, and 34 pct. applies above 30,000 (annually).

About the co-authoring business associations

This paper is co-authored by the following eight Nordic business associations from Denmark, Finland, Norway, and Sweden.

Finance Denmark *is a business and employers' association for banks, mortgage institutions, asset management, securities trading and investment funds in Denmark. Our members are mortgage institutions, banks, savings banks, cooperative savings banks, Danish branches of foreign banks, asset managers, Danish securities dealers and investment funds.*

Finance Finland (FA) *is the common voice of the Finnish financial sector and represents the interests of its members. FA represents banks, life and non-life insurers, employee pension companies, finance houses, fund management companies and securities dealers operating in Finland.*

Finance Norway *is the business- and employers organisation for banks and insurance companies in Norway.*

The Norwegian Fund and Asset Management Association (VFF) *is the voice of the Norwegian investment management industry and promotes the interests of its member companies. 23 Norwegian fund management companies are members of the association. In addition, the association has 20 associated members, all with a connection to the fund industry.*

The Norwegian Securities Dealers Association (Verdipapirforetakenes Forbund) *is a trade organization for Norwegian Investment firms.*

Finance Sweden *is a trade association representing banks and financial institutions established in Sweden. Our aim is to contribute to a sound and efficient regulatory framework that facilitates for banks to help create economic wealth for customers and society.*

The Swedish Investment Fund Association *is an industry organization. We work to ensure a sound investment fund market and to promote and protect confidence in funds as a savings format. Our members are Swedish and foreign fund managers, their parent companies, and securities institutions involved in fund operations or marketing in Sweden.*

The Swedish Securities Markets Association (SSMA) *is a trade organization representing firms engaged in dealing on the securities market. The SSMA has members such as banks, securities companies and equivalent foreign firms – that conduct securities business or conduct business directed at the Swedish securities market.*