



Brussels, 18 July 2016

To: European Commission – Vice-President Valdis Dombrovskis
To: European Parliament
To: Council
To: Joint Committee of the European Supervisory Authorities

Subject: All outstanding issues on the PRIIPs Regulation must be appropriately addressed in the RTS to provide the required legal certainty, otherwise industry will not be able to timely and correctly implement these new rules

Dear Commissioner Dombrovskis,

The European Banking Federation, Insurance Europe, the European Fund and Asset Management Association (EFAMA) and the European Structured Investment Products Association reconfirm their full support for the objectives of the PRIIPs initiative. In light of consumer protection, the PRIIP Key Information Document (KID) can be a valuable tool enabling retail investors to compare products and, hence, make informed investment decisions.

However, in order to enable consumers to benefit from the KID, the Regulatory Technical Standards (RTS) would need to be clear, consistent and fit for purpose, which we strongly believe is not the case today. In contrast, as they currently stand, the RTS will not allow the KID to provide consumers with a good understanding and comparative tool of the products on the markets.

While we welcomed the intention of the European Commission and the ESAs to provide clarity on all outstanding questions on the RTS via the implementation workshop on the PRIIPs Regulation on 11 July, we strongly believe that this objective has unfortunately not been met. Most of the many essential technical issues raised by stakeholders ahead of and during the workshop were either not addressed or not clarified at all, leaving market participants with more legal uncertainty less than six months before the application deadline of the PRIIPs Regulation.

Following the adoption of the RTS by the European Commission, we understand that the Commission and the ESAs are each planning to publish sets of level 3 measures in the form of Q&A to address certain issues. In addition, we also understand that national supervisors are considering publishing national Q&As. The timing of these different sets of Q&As is not yet clear.

However, level 3 measures would not provide the necessary legal certainty to operators. Market participants need full legal clarity in the RTS themselves in order to ensure compliant implementation for their programming, interfaces and designs to allow for a large scale production of PRIIP KIDs.



Therefore, the undersigned European associations strongly urge the Council and European Parliament to request that the outstanding substantial flaws are addressed in the PRIIPs RTS, otherwise industry will not be able to timely and correctly implement these new rules.

We thank you for your kind consideration.

Sincerely,

Wim Mijs,
Chief Executive
European Banking
Federation (EBF)

Michaela Koller,
Director General
Insurance Europe

Peter De Proft,
Director General
European Fund and
Asset Management
Association (EFAMA)

Thomas Wulf,
Secretary General
European Structured Investment
Products Association (EUSIPA)