

21 July 2025

## ESMA Commission Call for Evidence

### Retail Investment Journey

#### AFPDB's answer

The French Structured Investment Products Association (Association française des produits d'investissement de détail et de bourse – "AFPDB") is the industry association representing issuers and manufacturers of structured products and securitized derivatives in France. The AFPDB purpose is to contribute to the development and promotion of structured products on the French and European markets by defining industry best practices and by maintaining an open and constant communication with policy makers, supervisory authorities, market participants, market operators, technology and service providers. [www.afpdb.org](http://www.afpdb.org)

No	Question
1	<p><b>What are the key reasons why many retail savers choose not to invest in capital markets and instead keep their savings in bank deposits?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<p><b>Response</b></p> <p>The entry into force of MiFID2, as well as IDD and PRIIPs, has led to <b>significant regulatory expansion and a strong protecting framework for retail investors but burdensome and unstable for firms, with a possible disincentive on retail participation in capital markets.</b></p> <p>In that context, we could <b>support the aim of simplifying</b> the regulatory framework <b>while remaining cautious</b>:</p> <ul style="list-style-type: none"> <li>- about how such initiative will be articulated with the RIS and the Commission's initiative on simplification in the SIU context</li> <li>- on the fact that any simplification should <b>avoid creating new sets of rules or substantial changes</b> in the framework that would create disruptive and costly effort to being implemented.</li> </ul> <p>One identified area of simplification is the <b>detailed level 2 and 3 rules</b> that require firms to collect or provide, more often on a systematic basis, a <b>significant volume of information</b> provided to clients, which overly burdens the client's journey. Another one is the definition of <b>sustainability preferences</b> that is too complex and not well designed because of inconsistencies between SFDR and MiFID/IDD texts. Another improvement would be to facilitate sophisticated retail clients opting for professional categorization, as being discussed within the RIS context.</p> <p>For most of the rest of the MIFID framework and even more for <b>PRIIPs regulation, legal and regulatory stability should prevail over disruptive changes</b> that would not prove to add real value for investors.</p> <p>We also stress that attracting investment requires net performance, which must not be eroded by withholding taxes, and should ideally be supported by targeted <b>tax incentives that should be recommended for a wider scope of investment products.</b></p>	

No	Question
2a	<p><b>To what extent do retail investors find investment products too complex or difficult to understand?</b></p> <p><i>Please select one of the following options and please explain and provide practical examples, or evidence drawn from experience, where available.</i></p> <ul style="list-style-type: none"> <li>• A major barrier to investment</li> <li>• A moderate concern, but not the main factor</li> <li>• A minor issue compared to other factors</li> <li>• Not a concern at all</li> </ul>
<b>Response</b>	
<p>Whilst the amount of information and alerts provided to investors, may make financial instruments appear too complex for clients, and act as a deterrence. We do not believe that the “complexity” feature of financial instruments is an obstacle for retail investments:</p> <p><b>1. complexity is not risk</b></p> <p>The simplicity feature of investment products should be more carefully assessed as there are several angles to it and ensure a level playing field among asset classes. “Simplicity” does not equate to low risk. Both features should also be linked to return and performance of products. The simplicity feature of an investment product is obviously an asset from a retail investor's perspective. However, it should not be overweight, as it is no substitute for a proper risk-assessment which is equally important. Very simple products can be very risky, while features adding to complexity often protect investors (such as protection against capital loss or issuer default) making products less risky.</p> <p><b>2. “complexity” is not a fatality</b></p> <p>Complexity is not so much of an issue unless it prevents the understandability of the product for the relevant clients.</p> <p>To ensure understandability of products, several mitigants exist:</p> <ul style="list-style-type: none"> <li>- Firms are required and encouraged to provide explanatory information and educational material to investors</li> <li>- Competence of investors can be increased thanks to educational material as well as their own experience, in time</li> <li>- Product governance framework ensures that target market identifies the appropriate investors considering their level of knowledge and experience; as well as the distribution strategy (e.g. with investment advice)</li> <li>- Financial literacy of investors can be improved, and several initiatives have been launched in that area)</li> </ul> <p><b>3. Complexity cannot undermine a good risk &amp; cost return ratio.</b></p> <p>Manufacturers and distributors should be ultimately and respectively liable to demonstrate why and how the product provides a good risk and costs / return ratio while being understood by relevant investors.</p>	

No	Question
2b	<p><b>For consumer associations: Based on your interaction with retail investors, are there particular types of investment products or product features that retail investors find especially difficult to understand?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	
NOT APPLICABLE	

No	Question
3	<p><b>Do past experiences with low or negative returns significantly affect retail investors' willingness to invest again?</b></p> <p><i>Please select one of the following options and please explain and provide practical examples, or evidence drawn from experience, where available.</i></p> <ul style="list-style-type: none"> <li>• Yes, negative experiences strongly discourage future investment</li> <li>• Somewhat, but other factors (e.g., trust, risk appetite) play a bigger role</li> <li>• No, past experiences with poor returns are not a major factor in investor decisions</li> </ul>
<b>Response</b>	

No	Question
4a	<p><b>Do high fees and costs discourage retail investors from participating in capital markets?</b></p> <p><i>Please select one of the following options and please explain and provide practical examples, or evidence drawn from experience, where available.</i></p> <ul style="list-style-type: none"> <li>• Yes, fees are a major obstacle to investment</li> <li>• Somewhat, but investors consider other factors as well</li> <li>• No, fees are not a significant concern for most retail investors</li> </ul>
<b>Response</b>	

No	Question
4b	<p><b>For consumer associations: Do retail investors raise specific concerns about investment costs and fees? If yes, which ones? (e.g., are total costs clearly known by individual investors? Are fees perceived as too high? Are they considered unclear or difficult to compare? Do investors feel they get good value compared to the cost?)</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	
NOT APPLICABLE	

No	Question
5a	<p><b>Have you identified a lack of trust in investment service providers as a factor influencing retail investors' reluctance to invest?</b></p> <p><i>Please select one of the following options and please explain and provide practical examples, or evidence drawn from experience, where available.</i></p> <ul style="list-style-type: none"> <li>• A major factor</li> <li>• A contributing factor, but not the main issue</li> <li>• A minor factor compared to other concerns</li> <li>• Not a factor at all</li> </ul>
<b>Response</b>	

No	Question
5b	<p><b>For consumer associations: What specific concerns, if any, do retail investors raise about investment service providers? (e.g., do they feel they receive biased advice? Are there concerns about transparency, trust, or conflicts of interest, or insufficient access to advice tailored to their needs?)</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	
NOT APPLICABLE	

No	Question
6	<p><b>Do retail investors feel they have adequate access to investment advice and relevant information when they encounter difficulties in understanding investment products? If not, what forms of support would be most helpful?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	

No	Question
7	<p><b>Does investment advice provided to retail clients typically cover all types of investment products (e.g. shares, bonds, investment funds, ETFs), or are certain products rarely advised? If so, please explain which types of instruments are less commonly recommended and why.</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	

No	Question
8a	<p><b>To what extent does a lack of financial education or investment knowledge contribute to retail investors' reluctance to invest in capital markets?</b></p> <p><i>Please select one of the following options and please explain and provide practical examples, or evidence drawn from experience, where available.</i></p> <ul style="list-style-type: none"> <li>• A major barrier to investment</li> <li>• A contributing factor, but not the main issue</li> <li>• A minor factor compared to other concerns</li> <li>• Not a factor at all</li> </ul>
<b>Response</b>	

No	Question
8b	<p><b>For consumer associations: Based on your interactions with retail investors, what are the most common knowledge gaps that affect their ability to make investment decisions? Are there specific topics where more financial education could improve engagement?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	
NOT APPLICABLE	

No	Question
9	<p><b>For consumer associations: Based on your interactions with retail investors, do psychological or cultural factors – such as fear of losing money, distrust in financial markets, or a preference for familiar products – play a role in retail investors' hesitation to invest? If so, which of these factors seem most important?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	
NOT APPLICABLE	

No	Question
10	<p><b>Are there any other significant non-regulatory barriers that discourage retail investors from investing in capital markets?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	

No	Question
11	<p><b>What role do digital platforms and mobile applications play in shaping the investor journey? Are there digital features or tools that have simplified the investment process or improved investor understanding and decision-making? Conversely, are there aspects that may complicate the experience for some retail investors?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	

No	Question
12	<p><b>How effective do retail investors find the current mechanisms for filing complaints and obtaining redress when issues arise with investment products or services? Do issues with these mechanisms play a role in retail investors' hesitation to invest? If yes, which improvements can be made?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	

No	Question
13	<p><b>What measures - whether market-driven or policy-driven - could help improve retail investor participation in capital markets?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	

No	Question
14a	<p><b>Do you believe that young investors are more attracted to speculative and volatile markets (e.g., cryptocurrencies) rather than traditional investments (e.g. investment funds)? If yes, what are the main reasons for this?</b></p> <p><i>Please select one or more of the 30 following options and please explain and provide practical examples, or evidence drawn from experience, where available.</i></p> <ul style="list-style-type: none"> <li>• The expectation of high returns</li> <li>• The perception of lower costs (e.g., no management fees, low transaction costs)</li> <li>• The ease of access and fewer entry barriers compared to traditional investments</li> <li>• A preference for decentralised, non-intermediated investments</li> <li>• Influence from social media and online communities</li> <li>• Distrust in traditional financial institutions and advisers</li> <li>• Other (please specify)</li> </ul>
<b>Response</b>	

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No	Question
14b	<p><b>For consumer associations: Based on your interactions with young investors, what factors most strongly influence their decision to invest in speculative and volatile assets like cryptocurrencies over traditional investment products? Are there particular expectations, misconceptions, or marketing tactics that play a key role? Do any of the following sources play a role in shaping young investors' decisions?</b></p> <p><i>Please select one or more of the following options and please explain and provide practical examples, or evidence drawn from experience, where available.</i></p> <ul style="list-style-type: none"> <li>• Specialised journals and periodicals</li> <li>• Finfluencers</li> <li>• AI-generated recommendations</li> <li>• Educational content from national competent authorities (e.g. podcasts, videos, social media)</li> <li>• Other (please specify)</li> </ul>
<b>Response</b>	
NOT APPLICABLE	

No	Question
15a	<p><b>MiFID II disclosure requirements aim to provide transparency and support informed investment decisions. In practice, do you believe these disclosures are helping retail investors engage with capital markets, or are there aspects - such as volume, complexity of content, lack of comparability, or format - that may reduce their effectiveness?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	
<p>AFPDB members are concerned about changes to the MiFID II framework and stress the need for legal and regulatory stability. We would therefore urge ESMA to carefully consider the impact of constant changes to regulation on business and ultimately on investors engagement with capital markets.</p> <p>However, AFPDB would be supportive of efforts that aim to streamline and simplify disclosure rules that do not effectively support investor protection. In particular, we welcome the explicit reference made in recent SIU communications that the final outcome of the RIS negotiations should minimise regulatory burden.</p>	

No	Question
15b	<p><b>For consumer associations: Have retail investors reported difficulties in using MiFID II disclosures to support their investment decisions? Are there specific areas (e.g., costs, risks, product features) where excessive or unclear information makes investing more difficult? Have you observed issues with the presentation or format, or comparability, of disclosure materials that may affect how well investors engage with the information? Which disclosures (which specific information) do you consider genuinely necessary, regardless of specific legal requirements under MiFID II or other sectoral legislation? Would alternative formats (such as visual aids or summaries) improve comprehension and decision-making?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	
NOT APPLICABLE	

No	Question
15c	<p><b>For firms: Have firms observed cases where retail investors disengage or hesitate to invest due to the volume, complexity, or presentation of disclosures? If so, what are the main factors contributing to this? Which disclosures and contractual documents do firms consider genuinely necessary, regardless of specific legal requirements under MiFID II or other sectoral legislation?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	

No	Question
16a	<p><b>Do retail investors find the PRIIPs KID helpful in understanding investment products?</b></p> <p><i>Please provide details notably on the elements that are the most helpful and on ways to improve them. If not, are there alternative ways to protect retail investors that could be considered, while not increasing the volume of required disclosures.</i></p>
<b>Response</b>	



From our experience, the **KID is now satisfactorily** understood by retail investors and stakeholders. Even if not perfect, considering its objectives of having harmonized and prescriptive set of rules for all packaged investment products and to make them as suitable as possible for retail investors, we consider that the current KID achieves those objectives. At some point, **oversimplification will be detrimental** to accuracy and comparability of the information.

PRIIPs KID would not, in our view, benefit from being streamlined and simplified. Considering that the regulatory framework has been substantially reviewed multiple times in the last years, we would favour now **regulatory stability** and outline that a successive set of changes to the framework is costly, disruptive and therefore inefficient. At the very least, any proposal for changes in both content and format should demonstrate beforehand it would significantly improve the KID for retail investors, based on comprehensive consumer testing, and industry consultation on a wide and representative sample of products.

Implementation costs of PRIIPs KID since 2018 have been considerable, and the PRIIPs KID review of scenario and cost table applicable since 1/1/2023 caused further implementation costs.

No	Question
16b	<p><b>For consumer organisations: Based on your experience, are PRIIPs KIDs made easily accessible to retail investors – for example, are they clearly available on firms' websites or other relevant channels?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	
NOT APPLICABLE	

No	Question
17	<p><b>For firms: Do you measure investor engagement with KIDs and digital disclosures (e.g., click-through rates, reading time, or interactive tools)? Are these available in formats adapted to mobile-first environments?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	
<p>Also, AFPDB members <b>do not support the inclusion of voluntary interactive tool nor of the “personalized” KIDs’ customer tool</b>. They could be used in an “improper” way without adding value for retail investors. Similarly, <b>we do not favour layered format for KIDs</b>. KID is a relatively short document and, we should encourage investors to carefully read the entire document rather than subjectively suggest that some parts are more important than others. The retooling <b>efforts</b> and costs involved <b>would be very substantial</b> and therefore inaccessible for smaller players. <b>None of them will bring real benefit to retail investors</b>.</p>	

No	Question
18	<p><b>Do retail investors find the costs and charges disclosures helpful in understanding the costs of investing? Please provide details notably on the disclosures that are the most helpful (e.g., total costs, illustration of cumulative effect of costs on return) and on ways to improve them.</b></p> <p><b>If not, are there alternative ways to protect retail investors that could be considered while not increasing the volume of required disclosures?</b></p>

#### Response

As explained in our response to Question 15a, costs and charges disclosures is an area where information overload has been observed that can negatively impact investor engagement. Accordingly, we believe that there is scope to improve associated disclosures via streamlining some of the existing MiFID requirements.

No	Question
19	<p><b>Do firms apply layering of information on costs on charges on digital platforms or in mobile applications (e.g., by showing only the total amount and percentage on the order screen, and all required information in a PDF)?</b></p> <p><i>Please provide details, also on the appreciation of retail investors of this application of layering.</i></p>

#### Response

No	Question
20	<p><b>Do retail investors find the quarterly statements helpful in keeping track of their investments?</b></p> <p><i>Please select one of the following options and please explain and provide practical examples, or evidence drawn from experience, where available.</i></p> <ul style="list-style-type: none"> <li>• Yes, it provides clear and relevant information</li> <li>• Somewhat, but the frequency could be lower</li> <li>• No, the information is usually readily available to the retail investor online and thus the statements do not have much added value</li> <li>• Mixed views (please elaborate)</li> </ul>

#### Response

No	Question
21a	<p><b>Do retail investors find the information on every 10% depreciation of leveraged instruments, or the portfolio value in case of portfolio management, helpful in keeping track of their investments?</b></p> <p><i>Please select one of the following options and please explain and provide practical examples, or evidence drawn from experience, where available.</i></p> <ul style="list-style-type: none"> <li>• Yes, it provides timely and relevant information</li> <li>• Somewhat, but the trigger for sending the information could be improved (e.g., when the performance of the portfolio is x% worse than the benchmark, if a benchmark has been agreed)</li> <li>• No, this information may arrive at a moment of temporary market stress, triggering impulse-driven investment decisions at the wrong time.</li> <li>• Mixed views (please elaborate)</li> </ul>
<b>Response</b>	

No	Question
21b	<b>If considered necessary, how could the 10% loss reporting be improved?</b>
<b>Response</b>	

No	Question
22	<p><b>To what extent do questions and measures on customer due diligence in accordance with AML/CFT requirements create barriers that prevent retail clients to start investing?</b></p> <p><i>Please select one of the following options and please explain and provide practical examples, or evidence drawn from experience, where available.</i></p> <ul style="list-style-type: none"> <li>• A major barrier to investment</li> <li>• A contributing factor, but not the main issue</li> <li>• A minor factor compared to other concerns</li> <li>• Not a factor at all</li> </ul>
<b>Response</b>	

No	Question
23	<p><b>Do questions and measures on customer due diligence in accordance with AML/CFT requirements affect the onboarding experience for retail investors? Are there particular steps in the process that cause delays or confusion?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	

No	Question
24	<p><b>For firms and trade associations: to what extent do national tax regimes create barriers to offering investment services and attracting retail investors on a cross-border basis?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>

#### Response

Taxation relief is a core investment driver and tax incentives, including those aimed at promoting pension savings, are indeed key for capital market investments of retail customers.

This is why each Member State needs to keep as large as possible a scope of eligible instruments and include structured investment products under any national tax-privileged investment-scheme so as to avoid market distortions through investor bias and by doing so, maintaining a level-playing field.

No	Question
25	<p><b>To what extent do tax-related issues discourage retail investors from investing in investment products issued or manufactured in another Member State?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>

#### Response

As per our answer to Q24, AFPDB believes taxation relief is a core investment driver. This is why each Member State needs to keep as large as possible a scope of eligible instruments and include structured investment products under any national tax-privileged investment-scheme so as to avoid market distortions through investor bias and by doing so, maintaining a level-playing field.

No	Question
26	<p><b>For consumer organisations: Based on your interactions with retail investors, do they experience information overload when making investment decisions? If so, what are the main sources of this overload? Do regulatory disclosures, marketing materials and contractual documents support investor understanding, or do they contribute to the confusion?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>

#### Response

NOT APPLICABLE

No	Question
27	<p><b>For consumer organisations: Are there specific examples where the way information is presented – whether in regulatory disclosures, contractual agreements, or marketing material – makes it difficult for investors to focus on key elements such as costs, risks, or the nature of the service? With regard to marketing material, is the fragmentation of information across different documents or channels a material issue that affects investors' ability to fully understand what they are buying?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	
NOT APPLICABLE	

No	Question
28	<p><b>For firms and trade associations: Which steps do firms take to make investment service agreements (contracts) more accessible and understandable to retail investors?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	

No	Question
29	<p><b>To what extent do retail investors find the process of regularly/periodically providing and updating personal and financial information for suitability assessments clear and workable?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	

No	Question
30	<p><b>For consumer associations: Have retail investors raised concerns about the amount, frequency and type of information they are required to provide for the purpose of suitability assessments? If so, what are the main difficulties they face?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	
NOT APPLICABLE	

No	Question
31	<p><b>Are there any steps in the information collection process that could be simplified without compromising investor protection and the objective of this collection which is to propose suitable investments matching client profiles?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	

No	Question
32	<p><b>How do retail investors perceive the integration of sustainability preferences in suitability assessments? How has it impacted the investment advice/portfolio management services they receive?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	
<p>From our experience, <b>investors and firms have been struggling for integrating sustainability preferences</b> in suitability assessments.</p> <p>One of the main issue lies in the <b>complexity</b> of the definition of such preferences, relying on technical and complicated concepts of SFDR such as Taxonomy alignment and principal adverse impact consideration, even further complicated with quantitative thresholds.</p> <p>This complexity created also a <b>challenge for manufacturers in their target market assessment</b> to define sustainable features from that complicated definition.</p> <p>On top of that complexity, there are <b>inconsistencies</b> between sustainable regulations. For many products enhancing ESG purposes, qualitative and quantitative aspects (relating to the measuring the ESG contribution) are set out for defining sustainability preferences as part of the target market specifications the in MIFID II and the IDD frameworks, while the relevant SFDR rules, due to the limitation of the SFDR scope, cannot be applied to these products. Such major inconsistencies lead in practice to a high level of legal uncertainty hampering both, an adequate implementation of the target market criterion (under MIFID and IDD) as well as (an insufficient) support of interested investors in their product selection at the ESG end.</p>	

No	Question
33	<p><b>For consumer associations: Have retail investors expressed concerns about the new elements related to the “sustainability preferences” and the way they are incorporated into the investment process (are they explained in an understandable way to clients)?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	

NOT APPLICABLE

No	Question
34	<p><b>For firms and trade associations: Have firms observed cases where clients struggle to express their sustainability preferences in a meaningful way? How have these issues been addressed to help retail investors?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	
<p>Like provided in our answer to Q32, firms have been observing cases where clients struggle to express their sustainability preferences in a meaningful way. This is notably due, in our view, to the fact that such definition is too complex and not well suited for many financial products.</p>	

No	Question
35a	<p><b>Do retail investors find suitability reports helpful in understanding why a specific investment was recommended? In your view, do these reports add meaningful value for clients?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	

No	Question
35b	<p><b>For consumer associations: Do you think suitability reports are a useful tool for the protection of investors and the prevention of mis-selling?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	
NOT APPLICABLE	

No	Question
35c	<p><b>For firms and trade associations: What steps have firms taken to ensure suitability reports are concise, clear, and valuable to retail investors?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	

No	Question
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<b>36a</b>	<p><b>Do you believe the MiFID II appropriateness assessment helps ensure that retail investors understand the risks of the products they invest in?</b></p> <p><i>Please select one of the following options and please explain and provide practical examples, or evidence drawn from experience, where available.</i></p> <ul style="list-style-type: none"> <li>• Yes, it is an effective safeguard.</li> <li>• Somewhat, but there is room for improvement.</li> <li>• No, it is not particularly effective.</li> <li>• Mixed views (please elaborate).</li> </ul>
<b>Response</b>	

No	Question
<b>36b</b>	<p><b>For consumer associations: Have retail investors raised concerns about the appropriateness assessment?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	
NOT APPLICABLE	

No	Question
<b>37</b>	<p><b>Do current appropriateness rules and how they are applied by firms effectively address new types of services that combine payments, savings, and investment features?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	

No	Question
<b>38</b>	<p><b>Are educational tools used during the onboarding process for retail clients? In your experience, are these tools primarily aimed at improving financial literacy, or are they mainly used to justify client access to complex financial products?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	

No	Question
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39a	<p><b>Do you believe the current approach to assessing client knowledge and experience via the appropriateness test (i.e., going beyond self-assessment) creates any barrier to retail engagement in financial markets?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	

No	Question
39b	<p><b>For consumer associations: Have retail investors raised concerns about how their knowledge and experience are assessed?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	
NOT APPLICABLE	

No	Question
40	<p><b>Based on your experience, are there aspects of the crowdfunding investor journey that could be improved to better support retail investors, whether in terms of clarity, accessibility, or overall user experience?</b></p> <p><i>If so, please explain which aspects you would amend and why, including any suggestions for improvement.</i></p>
<b>Response</b>	
NOT APPLICABLE	

No	Question
41	<p><b>Does the current regulatory framework strike the right balance between protecting retail investors and allowing them to take informed investment risks?</b></p> <p><i>Please explain and provide practical examples, or evidence drawn from experience, where available.</i></p>
<b>Response</b>	

No	Question
42	<p><b>Are there any aspects of the retail investor experience – whether related to firm practices or the regulatory framework – that are not sufficiently addressed in this consultation or in the current MiFID II rules?</b></p> <p><i>If so, please explain where changes in rules, or further supervisory attention or guidance may be helpful.</i></p>
<b>Response</b>	

## **Contact**

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