



Jonathan Faull  
Director-General  
DG Internal Market and Services  
European Commission

6 October 2010

### **3L3 Task Force Report on Packaged Retail Investment Products (PRIPs)**

Dear Mr Faull,

It is our pleasure to enclose a joint report prepared by a 3L3 Task Force on the issue of Packaged Retail Investment Products (PRIPs). The Task Force, which was chaired by Anneli Tuominen, FIN-FSA, was composed of a number of Members of the Lamfalussy Level 3 Committees – CESR, CEBS and CEIOPS (hereafter referred to as “the L3 Committees”). Below we have provided some further background to the production of the report.

This report, the main conclusions of which can be found in the Executive Summary, has been approved in written procedure by the Members of the L3 Committees. The L3 Committees have sought, wherever possible, to form consensual views on the key aspects of PRIPs, namely scope, pre-contractual product disclosure and selling practices. However, not all parts of the Report are consensual; where consensus has not been possible, some alternative positions have also been expressed. Those points will certainly deserve further discussion among the Committees’ members.

We look forward to continue assisting the Commission in this important policy area.

Yours sincerely,

Carlos Tavares, Chair of  
CESR

Giovanni Carosio, Chair of  
CEBS

Gabriel Bernardino, Chair of  
CEIOPS

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## **Background to the production of the 3L3 Task Force Report on Packaged Retail Investment Products (PRIPs)**

1. On 17 November 2009, the Level 3 Committees – CESR, CEBS and CEIOPS – submitted, under a joint 3L3 cover letter, sectoral reports to the Commission on Packaged Retail Investment Products (PRIPs). These sectoral reports were considered by the L3 Committees as a first step in addressing the issues raised in the Commission's Communication of 30 April 2009 on PRIPs.
2. The Commission has, on several occasions, emphasised the importance of close and effective cross-sectoral cooperation amongst the L3 Committees in any work they undertake to feed into the PRIPs workstream. In this context, the L3 Committees indicated in their letter of 17 November 2009 that they had agreed to set up a joint Task Force on PRIPs to prepare a report for the Commission and that Task Force would start its work following receipt of feedback from the Commission on the L3 Committees' sectoral reports.
3. It was agreed amongst the Chairs of the L3 Committees in November 2009 that the aforementioned Task Force would be chaired by Anneli Tuominen, FIN-FSA and CEIOPS would provide Secretariat support. A call for candidates was sent out on 3 February 2010 and a Task Force composed of eight representatives each from CESR and CEIOPS, as well as experts from CEBS on structured deposits, was established on 12 March 2010. Commission representatives from DG MARKT also participated as observers.
4. The Task Force began its work at a meeting on 9 April 2010, where a draft Mandate for its work was prepared following input from Commission representatives and later formally approved by the L3 Committees. The Mandate provided that the Task Force would "*formulate a common 3L3 position on the scope of PRIPs and the appropriate principles for pre-contractual product disclosures and selling practices, for submission to the Commission in good time ahead of the adoption of draft legislative proposals*". It was further agreed that the Task Force would "*work to deliver its initial findings to the Commission by end of September 2010*".
5. Five meetings of the Task Force were held between 9 April 2010 and 10 September 2010. During the course of August 2010, a first draft of the Final Report to the Commission was submitted at working group level in the L3 Committees, to non-Task Force Members in order to gather input from them on the final version of the report. The report was then formally endorsed by the L3 Committees at the end of September 2010.