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PRESS RELEASE

ESAs consult on PRIIPs key information for EU retail investors

The Joint Committee of the European Supervisory Authorities (ESAs) – EBA, EIOPA and ESMA – has launched its *Joint Consultation Paper on PRIIPs Key Information Documents* to gather stakeholder views on proposed rules on the content and presentation of the Key Information Documents (KID).

The KID, once finalised and implemented, aims to provide EU retail investors with consumer-friendly information to enable retail investors to understand and compare packaged retail and insurance-based investment products (PRIIPs) across the EU, whether offered by banking, insurance or securities firms.

Steven Maijoor, Chair of the Joint Committee, said:

“Today’s consultation is a major step forward for the EU’s retail investors by setting out clear proposals on the contents of the KID, which are aimed at improving safeguards and transparency around investment products.

“The proposals have benefited from the input that the ESAs have received to two previous Discussions Papers, extensive consumer testing across a sample of EU Member States and a consultative expert group.

“The KID, once implemented, aims to safeguard retail investors’ interests by ensuring they receive sufficiently clear, concise and understandable information to allow them to make better informed investment decisions.”

The CP sets out details on the proposed requirements to be included in the preparation of the KID, these include:

- a common mandatory template for each KID, including the texts and layouts to be used;

- a summary risk indicator of seven simple classes for the risk and reward section of the KID;
- a methodology to assign each PRIIP to one of the seven classes contained in the summary risk indicator, and for the inclusion of additional warnings and narrative explanations for certain PRIIPs;
- details on performance scenarios and a format for their presentation, including possible performance for different time periods and at least three scenarios;
- costs presentation, including the figures that must be calculated and the format to be used for these i.e. in both cash and percentage terms;
- specific layouts and contents for the KID for products offering multiple options that cannot be effectively covered in three pages;
- the revision and republication of the KID, to be done at least annually; and
- the KID must be provided sufficiently early for a retail investor to be able to take its contents into account when making an investment decision.

The ESAs will also hold a Public Hearing on *KID for PRIIPs* in Frankfurt on 9 December in support of this consultation. The closing date for stakeholder input is 29 January 2016.

Notes for editors

1. JC/CP/2015/073 Joint Consultation Paper – PRIIPs Key Information Documents.
2. A report on the Consumer Testing is also published today by the European Commission, and can be found [here](#).
3. Respondents should send their comments on the consultation to JointCommitteeConsultation@eiopa.europa.eu using the template provided to this consultation should be sent to
4. [Public Hearing on KID for PRIIPs, 9 December 2015, Frankfurt](#)
5. [JC/DP/2015/01 Technical Discussion Paper - Risk, Performance Scenarios and Cost Disclosures In Key Information Documents for PRIIPs](#).
6. [JC/DP/2014/02 Discussion Paper - Key Information Documents for Packaged Retail and Insurance-based Investment Products \(PRIIPs\)](#).
7. The PRIIPs Regulation defines the main rules and principles on KIDs and mandates the Joint Committee to develop draft RTS on the content and presentation of the KIDs, as well as on the timing of delivery of the KIDs.
8. Packaged Retail and Insurance-based Investment Products (PRIIPs) cover the range of investment products marketed to retail investors, a market worth up to €10 trillion in the EU according to European Commission estimates. They include structured products, whatever their underlying legal form and including structured deposits, insurance-based investments (including unit-linked and with-profit products), and all kinds of investment funds...
9. The Joint Committee is a forum for cooperation that was established on 1 January 2011, with the goal of strengthening cooperation between the three European Supervisory Authorities (ESAs) (European Banking Authority, European Securities and Markets Authority and European Insurance and Occupational Pensions Authority).
10. The Joint Committee allows the ESAs to cooperate in ensuring consistency in their practices. In particular, the Joint Committee works in the areas of supervision of financial conglomerates, accounting and auditing; micro-prudential analyses of cross-



sectoral developments, risks and vulnerabilities for financial stability; retail investment products and measures combating money laundering.

Further information:

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