



JOINT COMMITTEE OF THE EUROPEAN
SUPERVISORY AUTHORITIES

Mr Olivier Guersent
Director General
European Commission
Directorate General for Financial Stability,
Financial Services and Capital Markets Union
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10 rue de la Loi
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JC 2019 17
7 March 2019

Draft quick-fix amendment to Delegated Regulation 2017/653 for the key information document for packaged retail and insurance-based investments products

Dear Mr Guersent, *DEAR OLIVIER,*

I herewith submit for endorsement, on behalf of the Joint Committee of the three European Supervisory Authorities (ESAs), draft regulatory technical standards (RTS) proposing an amendment to Commission Delegated Regulation (EU) 2017/653.

As we indicated within recommendations for the key information document (KID) for packaged retail and insurance-based products (PRIIPs) that we published in early February, the proposed RTS is necessary following the political agreement to amend the date in Article 32 of Regulation (EU) No 1286/2014 (PRIIPs Regulation), which took place during the trilogue on the cross-border distribution of investment funds. That amendment to the PRIIPs Regulation will extend by two years, from 31 December 2019 to 31 December 2021, the time period for which UCITS and relevant non-UCITS funds are exempted from preparing a PRIIPs KID.

PRIIP manufacturers that offer a range of options for investment can currently use the UCITS key investor information document for underlying investment options that are UCITS or relevant non-UCITS funds. As stated in recital 18 of current Delegated Regulation (EU) 2017/653, this provides these types of investment funds with a consistent transitional legal regime, while these funds are exempted from preparing a PRIIPs KID. This will only be possible until 31 December 2019 based on the current date in Article 18 of Delegated Regulation (EU) 2017/653. An amendment is therefore necessary to align the date in Article 18 of Delegated Regulation (EU) 2017/653 with the revised date in Regulation 1286/2014.

We have not conducted a public consultation on this draft RTS as it would have been disproportionate, given that this is a consequential amendment that follows directly from the decision to change the PRIIPs Regulation. However, the ESAs requested the opinion of their relevant stakeholder groups in accordance with their Founding Regulations. The ESA stakeholder groups agreed with the draft RTS, while at the same time, stressing the importance of the ESAs carrying out a prompt review of the KID. The ESAs set out their intentions to undertake a review of the KID in their recommendations published in early February.

To allow market participants to determine their obligations with certainty it is important to take the required next steps as soon as possible. In particular, if this issue can be addressed within the current legislative term of the European Parliament, it would ensure that clarity is provided to market participants in time before the end of this year. While the Commission has 3 months to decide whether to endorse the ESAs' draft RTS, we would kindly urge the Commission to consider a shortened endorsement procedure in this instance given the consequential nature of this amendment.

We look forward to the successful endorsement of these amending technical standards and are at your disposal for any further information or in case of any questions.

Yours sincerely,



Gabriel Bernardino
Chair of EIOPA and the Joint Committee of the ESAs

CC:

Andrea Beltramello, Member of Cabinet;
Jan Ceysens, Member of Cabinet;
John Berrigan, Deputy Director-General, DG FISMA
Ugo Bassi, Director, Financial Markets, DG FISMA
Nathalie Berger, Head of Unit, DG FISMA
Sven Gentner, Head of Unit, DG FISMA