

# ESAs consult on changes to the key information document for PRIIPs

The aims of the review are to:

- Address issues that have been identified by stakeholders and supervisors since the implementation of the KID in 2018;
- Make specific changes to allow the rules to be applied to investment funds that are expected to have to prepare a KID from 1 January 2022 onwards.

The consultation paper proposes changes relating to the following topic areas:

- Illustrations of what the retail investor might receive in return from their investment (performance scenarios);
- Information on what the costs of the investment are;
- Specific issues for different types of investment funds;
- Specific issues for PRIIPs offering a range of options for investment (so-called “Multi-Option Products”).

As part of this review, the European Commission, in cooperation with the ESAs, is undertaking a consumer testing exercise to assess the effectiveness of different presentations of performance scenarios. The results are expected in the first quarter of 2020.

When deciding on their final proposals, the ESAs will take into account the feedback from respondents to this consultation, as well as the results of the consumer testing exercise.

The deadline for submission of feedback is 13 January 2020.

The Consultation Paper and template for comments can be accessed via the following webpage.

## **Background**

**The KID for PRIIPs** is a mandatory, three-page A4 information document to be provided to consumers before purchasing a PRIIP. PRIIPs include, for example, investment funds, structured products and unit-linked and with-profits life insurance contracts.

**The PRIIPs Regulation** (No 1286/2014) defines the **main rules and principles** for KIDs. It is supplemented by a Delegated Regulation (2017/653) specifying the presentation and contents of the KID, which is based on Regulatory Technical Standards that the ESAs were mandated to develop.

**This Consultation Paper** follows a previous **ESA consultation on the PRIIPs KID in November 2018 (CP 2018 60)**. The November 2018 consultation paper proposed more targeted amendments to the PRIIPs Delegated Regulation. Taking into

account the feedback to that consultation, in February 2019, the ESAs decided to defer their review and work on more substantive revisions during 2019.

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## Joint Consultation concerning amendments to the PRIIPs KID

The European Supervisory Authorities (ESAs) welcome comments on this consultation paper setting out proposed amendments to Commission Delegated Regulation (EU) 2017/653 of 8 March 2017 (hereinafter “PRIIPs Delegated Regulation”).

The consultation package includes:

- The consultation paper
- Template for comments

The ESAs invite comments on any aspect of this paper. Comments are most helpful if they:

- contain a clear rationale; and
- describe any alternatives the ESAs should consider.

When describing alternative approaches the ESAs encourage stakeholders to consider how approach would achieve the aims of Regulation (EU) No 1286/2014 (hereinafter “PRIIPs Regulation”).

### Submission of responses

The consultation paper is available on the websites of the three ESAs. Comments on this consultation paper can be sent using the response form, via the [ESMA website](#) under the heading ‘Your input – Consultations’ by **13 January 2020**.

Contributions not provided in the template for comments, or after the deadline will not be processed.

### Publication of responses

All contributions received will be published following the close of the consultation, unless you request otherwise in the respective field in the template for comments. A standard confidentiality statement in an email message will not be treated as a request for non-disclosure. A confidential response may be requested from us in accordance with ESAs rules on public access to documents. We may consult you if we receive such a request. Any decision we make not to disclose the response is reviewable by ESAs Board of Appeal and the European Ombudsman.

Data protection

The protection of individuals with regard to the processing of personal data by the ESAs is based on Regulation (EU) 2018/172. Further information on data protection can be found under the [Legal notice](#) section of the EBA website and under the [Legal notice](#) section of the EIOPA website and under the [Legal notice](#) section of the ESMA website.

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## [European Cooperation: enhanced back office for Greek Trademark Office](#)

October 16, 2019 [European Trade Mark and Design Network](#)

European Cooperation: enhanced back office for Greek Trademark Office



The Greek Trademark Office (GGE), with the support of the EUIPO's European Cooperation Projects, has implemented an enhanced back office system on 30 September 2019.

This release, which follows the [recent release](#) of an enhanced back office system for the Hellenic Industrial Property Organisation (OBI), contains a technological upgrade designed to **increase the performance, security and maintenance of the back office system.**

The GGE has already implemented several improvements to the back office system within the framework of the European Cooperation Projects, in particular the project 'ECP1 Consolidating and completing the Cooperation Fund landscape'.

In total, the EUIPO and its stakeholders are collaborating on five major

[European Cooperation Projects](#). The main aim of the projects is to benefit users across the EU by **providing modern, state-of-the-art tools and services for intellectual property offices**.

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## [World experts to review the future of addictions at pioneering European conference](#)

'The future of addictions: new frontiers for policy, practice and science' is the theme of the [Third European conference on addictive behaviours and dependencies](#) (#LxAddictions19) taking place in Lisbon from 23–25 October. 'Lisbon Addictions' is the largest European conference in the area of addictions, exploring the topics of illicit drugs, alcohol, tobacco, gambling and other addictive behaviours.

A record 1 300 participants from 80 countries are registered for 'Lisbon Addictions 2019', which will showcase cutting-edge research to help characterise, understand and respond to addiction and addictive behaviours. The event is jointly organised by: the Portuguese General-Directorate for Intervention on Addictive Behaviours and Dependencies (SICAD); the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA); the journal *Addiction*/Society for the Study of Addiction (Addiction/SSA); and the International Society of Addiction Journal Editors (ISAJE). SICAD Director-General João Goulão and EMCDDA Director Alexis Goosdeel will deliver the welcoming remarks.

Over the three days, some 850 presentations will be given across 150 sessions, ranging from plenaries, 'big debates', workshops and guided e-poster tours. Over 20 internationally renowned researchers and professionals will be contributing with their expertise in keynote speeches and on panels. Cannabis, opioids, alcohol, screen addiction, tobacco and new psychoactive substances, will be among the topics explored from a variety of angles – ranging from international policies and interventions, to human rights and the presentation of scientific data.

Read full news release in English and Portuguese [here](#).

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# EIOPA consults on technical advice for the 2020 review of Solvency II

□ Today, the European Insurance and Occupational Pension Authority (EIOPA) launched a [public consultation on an Opinion](#) that sets out technical advice for the 2020 review of Solvency II. The Opinion will respond to the [call for advice of the European Commission of 11 February 2019](#) on the 2020 review of Solvency II.

The call for advice comprises 19 separate topics. Broadly speaking, these can be divided into three parts.

- Firstly, the review of the long term guarantee measures. These measures were always foreseen as being reviewed in 2020, as specified in the Omnibus II Directive. A number of different options are being consulted on, notably on extrapolation and on the volatility adjustment.
- Secondly, the potential introduction of new regulatory tools in the Solvency II Directive, notably on macro-prudential issues, recovery and resolution, and insurance guarantee schemes. These new regulatory tools are considered thoroughly in the consultation.
- Thirdly, revisions to the existing Solvency II framework including in relation to freedom of services and establishment; reporting and disclosure; and the solvency capital requirement.

In EIOPA's view, the Solvency II framework is overall working well. Therefore the approach here has in general been one of evolution rather than revolution. The principal exceptions arise as a result either of supervisory experience, for example in relation to cross-border business; or of the wider economic context, in particular in relation to interest rate risk.

This consultation covers all areas of the call for advice except [insurance guarantee schemes](#) and most topics on [reporting and disclosure](#) which have been consulted upon at an earlier stage.

The main specific considerations and proposals of this consultation are as follows:

- Considerations to choose a later starting point for the extrapolation of risk-free interest rates for the euro or to change the extrapolation method to take into account market information beyond the starting point.
- Considerations to change the calculation of the volatility adjustment to risk-free interest rates, in particular to address overshooting effects and to reflect the illiquidity of insurance liabilities.
- The proposal to increase the calibration of the interest rate risk sub-module in line with empirical evidence, in particular the existence of negative interest rates. The proposal is consistent with the technical

advice EIOPA provided on the Solvency Capital Requirement standard formula in 2018.

- The proposal to include macro-prudential tools in the Solvency II Directive.
- The proposal to establish a minimum harmonised and comprehensive recovery and resolution framework for insurance.

In a number of areas, further work is ongoing and stakeholders are invited to contribute to it, in particular on the risk margin, equity risk and property risk.

A background document to this consultation paper includes a qualitative assessment of the combined impact of all proposed changes.

The information request will be accompanied by information requests to national supervisory authorities and to the industry in order to collect data on the impact of individual proposals included in the consultation.

Furthermore, in 2020 EIOPA will collect data in order to assess the quantitative combined impact of the proposals to be included in the advice. EIOPA will finalise its view on the advice in particular on the basis of the consultation feedback and the impact data collected.

Beyond the changes on interest rate risk EIOPA aims in general for a balanced impact of the proposals.

EIOPA will issue the Opinion on the 2020 review in June 2020.

### **Consultation process**

Stakeholders are invited to respond to this consultation package by using the [provided templates for comments](#).

The deadline for submission of feedback is Wednesday, 15 January 2020 at 23.59 hrs CET and has to be sent via email to the following email address: [CP-19-006@eiopa.europa.eu](mailto:CP-19-006@eiopa.europa.eu).

Contributions either not provided via the templates for comments, sent to a different email address or sent after the deadline will not be considered.

Unless requested otherwise, all contributions received will be published after the deadline for submission.