



State of play and perspective

IDD Review

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D4: Insurance and pensions

Building blocks

- *IDD Review*
 - **EIOPA: IDD Application Report**
 - **Commission: IDD Report (Review/evaluation)**
- *Capital Markets Union Action Plan*
- *Study on Retail Investor Protection*
 - **Disclosure, inducements and suitability rules**
- *Retail Investment Strategy*
- *Public consultation on disclosure-related aspects*

EIOPA: IDD Application Report - Content

Article 41 IDD: Report on the application of the IDD

- *Supervisory authorities*
 - **Sufficient empowerment**
 - **Adequate resources**
- *Changes in the market structure for intermediaries*
- *Changes in the patterns of cross-border activity*
- *Quality of advice and selling methods*
- *Impact of IDD on SME intermediaries*
- *+ Additional issues chosen by EIOPA*

EIOPA: IDD Application Report - Timing

Time	Step
Q4/2020- Q2/2021	Survey stakeholders
Q1/2021- Q2/2021	Survey supervisory authorities
Q3/2021	Data analysis/drafting
Q4/2021	Submission of final report

Commission: IDD-Report - Content

Article 41 IDD: two reports

- *Application of Article 1: exception for small ancillary intermediaries*
- *Review: general survey of the application of IDD, including*
 - **Chapter VI on IBIPs: appropriate and proportionate results**
 - **Possible application of IDD on IORPs**
 - **Impact of Article 19 (transparency of remuneration)**

Commission: IDD-Report - Timing

Time	Step
23/02/2021	<i>Due date under Article 41 IDD</i>
Q1/2022	Start of work
Q1/2022- Q3/2022	Data gathering, drafting
Q4/2022	Submission of report to EP/Council

Capital Markets Union Action Plan

Action 8: Building retail investors' trust in capital markets

- *Assess rules on inducements and disclosure, propose amendments to ensure that retail investors receive fair and adequate advice as well as clear and comparable product information*
- *Qualification of financial advisors: minimum level of knowledge, continuous training, pan-EU label for financial advisors*

Study on Retail Investor Protection - Scope

Retail investment products, including:

- *All PRIIPs, such as*
 - **Investment funds (UCITS, AIFs)**
 - **Insurance-based investment products,**
 - **Structured products and structured deposits, exchange-traded derivatives and over-the-counter derivatives,**
 - **Corporate bonds that qualify as PRIIPs,**
- *Personal pension products,*
- *Financial instruments under MiFID II,*
- *Other retail financial products such as life insurance products*

Study on Retail Investor Protection - Content

- *Mapping of the supply and distribution of the products in scope*
- **Disclosure:** *Review existing rules, analyse potential redundancies, inconsistencies, overlaps and gaps; analyse quality of information and impact on investors' level of comprehension*
- **Inducement rules:** *quality of advice, influence on retail investment decision-making*
- **Suitability assessments:** *Information provided from a client perspective*

Study on Retail Investor Protection - Timing

Time	Step
09/2020	Start inception phase
12/2020	Inception report
01/2021- 03/2021	Stakeholder interviews
01/2021- 03/2021	Mystery shopping
02/2021- 05/2021	Behavioural experiment Consumer survey
06/2021	Interim report
12/2021	Final report

Retail investment strategy - Timing

Time	Step
04/2021	Launch of public consultation – 12 weeks
07/2021	Close of public consultation
07/2021- 02/2022	Analysis, drafting
04/2022	Publication of strategy

Timeline of various IDD dossiers

