

## **Report of the AAE Working Group on Consumer protection**

This working group is sponsored by Thomas Béhar and led by Valéry Jost. Its members are Antonio Papa (Italy), Ignacio Calvet (Spain), Gianluca D'Acunto (Italy), Linda Kerrigan (Ireland), Esko Kivisaari (Finland), Alberto Lonza (Italy), Manuel Peraita (Spain), Luciano Mari (Italy), Pauline de Chatillon (France), Ana Maria Martins Pereira (Portugal), Michael Renz (Germany); Tobias Rieck (Germany) Kartina Thomson (UK), Maria Kamenarova (Slovakia), Lina Balciuniene (Lithuania).

Since its creation, the AAE working group on Consumer Protection has been mainly focusing its work on the regulation on Key information documents for packaged retail and insurance-based investment products (Priip's regulation).

The WG answered two consultations. Answers are published in the AAE website : European Insurance and Occupational Pensions Authority (EIOPA) discussion paper on PRIIPS with environmental or social objective, and, closely related to PRIIPs too, the EIOPA's consultation paper on proposal for Guidelines under the Insurance Distribution Directive on insurance-based investment products that incorporate a structure which makes it difficult for the customer to understand the risks involved

Whereas EU regulation is seeking an harmonized legal frame for retail investors, the AAE WG, while supporting fully this objective, stressed that it was essential to promote and preserve a level-playing field between the different stakeholders : asset managers, banks and insurers and that the existence of the insurance contract should not give rise to regulatory bias which would be detrimental to the insurance products risk, performance or costs disclosure compared with direct investment in similar products.

The WG has shared a list of topics about Priips in order to identify the ones that could be better addressed at EU level, and the ones for which the national level could be more relevant.

The topics deemed to be relevant at EU level has been discussed during a call with the EIOPA and a few members of the WG, the 29<sup>th</sup> of June. The main points did relate to the recommended holding period, the way the information had to be disclosed, namely for insurance contracts entailing investment options linked to UCITs, credit risk and transaction costs. Depending on the issues reported by the member associations representatives, a second meeting with EIOPA would be scheduled.

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7 September 2017

