Basic information

2021/0215(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Regulation	Procedure completed
Packaged retail and insurance-based investment products (PRIIPs): key information documents. Extension of the transitional arrangement Amending Regulation 2014/1286 2012/0169(COD) **Subject** 2.50.03 Securities and financial markets, stock exchange, CIUTS, investments 2.50.05 Insurance, pension funds 2.50.08 Financial services, financial reporting and auditing 2.50.10 Financial supervision 4.60.06 Consumers' economic and legal interests	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
ECON Economic and Monetary Affairs	FERNÁNDEZ Jonás (S&D)	01/09/2021
	Shadow rapporteur PIETIKÄINEN Sirpa (EPP) YON-COURTIN Stéphanie (Renew) GIEGOLD Sven (Greens /EFA) JURZYCA Eugen (ECR) BECK Gunnar (ID)	

Committee for opinion	Rapporteur for opinion	Appointed
IMCO Internal Market and Consumer Protection	The committee decided not to give an opinion.	

Council of the European Union

European Commission

Commission DG	Commissioner
Financial Stability, Financial Services and Capital Markets Union	MCGUINNESS Mairead

European Economic and Social Committee

Key events

Date	Event	Reference	Summary
15/07/2021	Legislative proposal published	COM(2021)0397	Summary
13/09/2021	Committee referral announced in Parliament, 1st reading		
25/10/2021	Vote in committee, 1st reading		
03/11/2021	Committee report tabled for plenary, 1st reading	A9-0297/2021	Summary
23/11/2021	Decision by Parliament, 1st reading	T9-0461/2021	Summary
23/11/2021	Results of vote in Parliament		
09/12/2021	Act adopted by Council after Parliament's 1st reading		
15/12/2021	Final act signed		
20/12/2021	Final act published in Official Journal		

Technical information

Procedure reference	2021/0215(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
Amendments and repeals	Amending Regulation 2014/1286 2012/0169(COD)
Legal basis	Treaty on the Functioning of the European Union TFEU 114-p1
Other legal basis	Rules of Procedure EP 165
Mandatory consultation of other institutions	European Economic and Social Committee
Stage reached in procedure	Procedure completed
Committee dossier	ECON/9/06884

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE697.630	07/10/2021	
Committee report tabled for plenary, 1st reading/single reading		A9-0297/2021	03/11/2021	Summary
Text adopted by Parliament, 1st reading/single reading		T9-0461/2021	23/11/2021	Summary

Council of the EU

Document type	Reference	Date	Summary
Draft final act	00071/2021/LEX	15/12/2021	

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2021)0397	15/07/2021	Summary
Commission response to text adopted in plenary	SP(2021)792	18/01/2022	

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES4963/2021	20/10/2021	

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Regulation 2021/2259
OJ L 455 20.12.2021, p. 0001

Packaged retail and insurance-based investment products (PRIIPs): key information documents. Extension of the transitional arrangement

2021/0215(COD) - 23/11/2021 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 608 votes to 29, with 51 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) No 1286/2014 as regards the extension of the transitional arrangement for management companies, investment companies and persons advising on, or selling, units of undertakings for collective investment in transferable securities (UCITS) and non-UCITS.

The European Parliament's position adopted at first reading under the ordinary legislative procedure amends the Commission's proposal as follows:

As a reminder, Regulation (EU) No 1286/2014 provides for a transitional arrangement whereby management companies, investment companies and persons advising on, or selling, units of UCITS and non-UCITS within the meaning of Directive 2009/65/EC of the European Parliament and of the Council are temporarily exempted from the requirement to provide retail investors with a key information document. This arrangement currently applies until 31 December 2021.

In order to meet this need to give the parties concerned sufficient time to prepare for the obligation to produce a key information document, the Regulation as amended **extends the duration of the transitional regime by twelve months, i.e. until 31 December 2022 (instead of 30 June 2022).**

A new recital clarifies that the urgent need for a broader review of Regulation (EU) No 1286/2014 remains unchanged with a view to eliminating the current imperfections concerning, *inter alia*: (i) the need for a clearer definition of retail investors, (ii) the scope of products covered by the PRIIPs Regulation, (iii) the elimination of paper as the default option where a PRIIP is offered on a face-to-face basis, (iv) the concept of ‘successive transactions’ and (v) the provision of pre-contractual information to professional investors.

On the basis of this review, the Commission should submit a report to the European Parliament and the Council as a matter of urgency, accompanied, if appropriate, by a proposal to address the existing limitations with a view to improving retail investor confidence in financial markets.

Packaged retail and insurance-based investment products (PRIIPs): key information documents. Extension of the transitional arrangement

2021/0215(COD) - 03/11/2021 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Economic and Monetary Affairs adopted the report by Jonás FERNÁNDEZ (S&D, ES) on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) No 1286/2014 as regards the extension of the transitional arrangement for management companies, investment companies and persons advising on, or selling, units of undertakings for collective investment in transferable securities (UCITS) and non-UCITS.

As a reminder, Article 32 of Regulation (EU) No 1286/2014 provides for a transitional arrangement whereby management companies, investment companies and persons advising on, or selling, units of UCITS and non-UCITS within the meaning of Directive 2009/65/EC of the European Parliament and of the Council are temporarily exempted from the requirement to provide retail investors with a KID. This arrangement currently applies until 31 December 2021.

The Commission proposes to extend the transitional regime under Regulation (EU) No 1286/2014 until 30 June 2022. This will give stakeholders time to prepare for the end of the transitional regime and to implement the other proposed measure (which provides for amendments to Delegated Regulation (EU) 2017/653).

In order to meet this need to give the parties concerned sufficient time to prepare for the obligation to produce a key information document, the competent committee proposes to extend the duration of the transitional regime by twelve months, i.e. until 31 December 2022 (instead of 30 June 2022).

Members introduced a new recital stating that the need for a broader review of Regulation (EU) No 1286/2014 and its urgency remains unchanged with a view to eliminating existing limitations including, inter alia, the need for a clearer definition of retail investors, the product scope of the PRIIPs Regulation, the elimination of paper by default where a PRIIP is offered on a face-to-face basis, the concept of successive transactions, the provision of pre-contractual information to professional investors.

On the basis of this review, the Commission should, in accordance with Regulation (EU) No 1286/2014, submit as a matter of urgency a report to the European Parliament and the Council, accompanied, where appropriate, by a proposal to address the existing limitations.

Packaged retail and insurance-based investment products (PRIIPs): key information documents. Extension of the transitional arrangement

2021/0215(COD) - 15/07/2021 - Legislative proposal

PURPOSE: to extend the transitional arrangement for management companies, investment companies and persons advising on, or selling, units of undertakings for collective investment in transferable securities (UCITS) and non-UCITS.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: Regulation (EU) No 1286/2014 enables retail investors to better understand and compare packaged retail and insurance-based investment products (PRIIPs) and make better-informed investment decisions. To meet its objectives, Regulation requires PRIIPs manufacturers to comply with a uniform set of product disclosure requirements and provide retail investors with a key information document (KID) on each PRIIP they offer.

Article 32 of Regulation (EU) No 1286/2014 provides for a transitional arrangement whereby management companies, investment companies and persons advising on, or selling, units of UCITS and non-UCITS within the meaning of Directive 2009/65/EC of the European Parliament and of the Council are temporarily exempted from the requirement to provide retail investors with a KID. This arrangement currently applies until 31 December 2021.

Commission Delegated Regulation (EU) 2017/653 supplements Regulation (EU) No 1286/2014 by laying down regulatory technical standards with regard to the presentation, content and standard format of the key information document.

The Commission adopted Commission Delegated Regulation amending Delegated Regulation (EU) 2017/653 to make it easier for management companies, investment companies, and persons advising on, or selling, units of UCITS and non-UCITS. However, the date of application of Delegated Regulation has been set on 1 July 2022 to give those management companies, investment companies, and persons advising on, or selling, units of UCITS and non-UCITS sufficient time to prepare for the end of the transitional arrangement and thus for the obligation to draw up a key information document.

This proposal is accompanied by a proposal amending Directive 2009/65/EC as regards the use of key information documents by management companies of undertakings for collective investment in transferable securities (UCITS).

CONTENT: the Commission proposes to **extend the transitional arrangement** provided for in Regulation (EU) No 1286/2014 **until 30 June 2022**. This will give stakeholders sufficient time to prepare for the end of the transitional arrangement and implement the other proposed measure (which provides for amendments to Delegated Regulation (EU) 2017/653).

Under this proposal, Regulation (EU) No 1286/2014 would apply to management companies, investment companies and persons advising on or selling units of UCITS and non-UCITS on the same date as the amendments to Directive 2009/65/EC and Delegated Regulation (EU) 2017/653, i.e. **from 1 July 2022**.