Basic information

2021/0219(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Directive	Procedure completed
Undertakings for collective investment in transferable securities (UCITS): the use of key information documents Amending Directive 2009/65/EC 2008/0153(COD) **Subject** 2.50.03 Securities and financial markets, stock exchange, CIUTS, investments 2.50.10 Financial supervision	

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)	
Council of the European Union			
European Commission	**Commission DG**	**Commissioner**	
	Financial Stability, Financial Services and Capital Markets Union	MCGUINNESS Mairead	

Key events

Date	Event	Reference	Summary
15/07/2021	Legislative proposal published	COM(2021)0399	Summary
13/09/2021	Committee referral announced in Parliament, 1st reading		
29/10/2021	Vote in committee, 1st reading		

03/11/2021	Committee report tabled for plenary, 1st reading	A9-0301/2021	Summary
23/11/2021	Decision by Parliament, 1st reading	T9-0462/2021	Summary
23/11/2021	Results of vote in Parliament		
25/11/2021	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	2021/0219(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Directive
Amendments and repeals	Amending Directive 2009/65/EC 2008/0153(COD)
Legal basis	Treaty on the Functioning of the European Union TFEU 053-p1
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	ECON/9/06883

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE697.633	14/10/2021	
Committee report tabled for plenary, 1st reading/single reading		A9-0301/2021	03/11/2021	Summary
Text adopted by Parliament, 1st reading/single reading		T9-0462/2021	23/11/2021	Summary

Council of the EU

Document type	Reference	Date	Summary
Draft final act	00072/2021/LEX	15/12/2021	

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2021)0399	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	CES4998/2021	20/10/2021	

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Directive 2021/2261
OJ L 455 20.12.2021, p. 0015

Undertakings for collective investment in transferable securities (UCITS): the use of key information documents

2021/0219(COD) - 23/11/2021 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 609 votes to 6, with 73 abstentions, a legislative resolution on the proposal for a directive of the European Parliament and of the Council 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).

The European Parliament's position adopted at first reading under the ordinary legislative procedure amends the Commission 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.

As things stand, as of 1 July 2022 retail investors in UCITS would receive both a key information document in accordance with Regulation (EU) No 1286/2014 and key investor information in accordance with Directive 2009/65/EC.

In order to avoid a situation where retail investors receive two different pre-contractual disclosure documents in respect of the same UCITS from 1 January 2023 and 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 until 31 December 2022** (instead of 30 June 2022).

For investors other than retail investors, investment companies and management companies should continue to draw up key investor information in accordance with Directive 2009/65/EC, unless they decide to draw up a key information document as set out in Regulation (EU) No 1286/2014. In such cases, investment companies and management companies should not be required by competent authorities to provide the key investor information, and only the key investor document should be provided to those investors.

Member States should communicate to the Commission the text of the main measures of national law which they adopt in the field covered by this Directive.

Undertakings for collective investment in transferable securities (UCITS): the use of key information documents

2021/0219(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 directive of the European Parliament and of the Council 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).

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

As things stand, as of 1 July 2022 retail investors in UCITS would receive both a key information document in accordance with Regulation (EU) No 1286/2014 and key investor information in accordance with Directive 2009/65/EC. It is desirable to avoid a situation where retail investors receive two different pre-contractual disclosure documents in respect of the same UCITS.

Therefore, in order to avoid this situation and 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 until **1 January 2023** (instead of 1 July 2022).

Lastly, the report proposes that Member States should communicate to the Commission the text of the main measures of national law which they adopt in the field covered by this Directive.

Undertakings for collective investment in transferable securities (UCITS): the use of key information documents

2021/0219(COD) - 15/07/2021 - Legislative proposal

PURPOSE: to amend Directive 2009/65/EC as regards the use of key information documents by management companies of undertakings for collective investment in transferable securities (UCITS).

PROPOSED ACT: Directive 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: according to Directive 2009/65/EC, each undertaking for collective investment in transferable securities (UCITS) must provide ‘key investor information’ to help investors understand the essential characteristics of the UCITS and make informed investment decisions.

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 are temporarily exempted from the requirement to provide retail investors with a key information document. The arrangement currently applies until 31 December 2021.

The Commission presented a proposal for a Regulation to extend the transitional arrangement provided for in Regulation (EU) No 1286/2014 until 30 June 2022. This will give stakeholders time to prepare for the end of the transitional arrangement and to implement the other proposed measure [which provides for amendments to Delegated Regulation (EU) 2017/653] from 1 July 2022.

As things stand, as of 1 July 2022 retail investors in UCITS would receive both a key information document in accordance with Regulation (EU) No 1286/2014 and key investor information in accordance with Directive 2009/65/EC. It is desirable to avoid a situation where retail investors receive two different pre-contractual disclosure documents in respect of the same UCITS.

The proposed measures are necessary to reduce the consequences of parallel application of Directive 2009/65/EC and Regulation (EU) No 1286/2014.

CONTENT: this proposal inserts a new article in Directive 2009/65/EC which lays down in a clear, precise and unconditional manner that, where a key information document is drawn up, provided, revised and translated for a UCITS pursuant to Regulation (EU) No 1286/2014, it should be considered as satisfying the requirements applicable to key investor information for the purposes of that Directive.