

Improving distance marketing of consumer financial products

Impact assessment (SWD(2022) 141, SWD(2022) 142 (summary)) accompanying a Commission proposal for a directive of the European Parliament and of the Council amending Directive 2011/83/EU concerning financial services contracts concluded at a distance and repealing Directive 2002/65/EC – COM(2022) 204

This briefing provides an initial analysis of the strengths and weaknesses of the European Commission's impact assessment (IA) accompanying the above-mentioned [proposal](#), submitted on 11 May 2022 and referred to the European Parliament's Committee on Internal Market and Consumer Protection. The proposal aims to amend the 2011 Consumer Rights [Directive 2011/83/EU](#) and repeal the 2002 Distance Marketing of Consumer Financial Services [Directive 2002/65/EC](#) (DMFSD). The DMFSD applies horizontally to any present or future service of a banking, credit, insurance, personal pension, investment or payment nature contracted by means of distance communication (i.e. without the supplier's or consumer's simultaneous physical presence). It sets out obligations regarding information to be supplied to the consumer before the conclusion of the distance contract (pre-contractual information), grants the consumer the right of withdrawal for certain financial services, and bans unsolicited services and communications from suppliers. The proposal was first announced in the Commission's 2020 [new consumer agenda](#), and planned for 2021 with a view to reinforcing consumer protection in the light of the digitalisation of retail financial services. The Commission included the present proposal in Annex II of its 2020 [work programme](#) (REFIT initiatives).¹ [Evaluation](#) of the DMFSD concluded in 2020 and preceded the IA, which took place between March 2021 and November 2021, upholding the 'evaluate first' principle of [Tool #45](#) of the Better Regulation Guidelines (BRG).

Problem definition

Drawing on the findings of the Commission's evaluation of the DMFSD, among other sources, the IA explains that the main problem relating to the topic of the proposal is three-fold (IA, pp. 8-24).

- 1 Lack of coherence and decreased relevance of the DMFSD due to overlap with product-specific and horizontal legislation

According to the IA, since the 2002 adoption of the DMFSD, the EU has been active in the area of financial services, having enacted at least 14 pieces of product-specific legislation (e.g. Consumer Credit [Directive 2008/48/EC](#), Mortgage Credit [Directive 2014/17/EU](#)) and at least five horizontal ones (e.g. Unfair Commercial Practices [Directive 2005/29/EC](#), Geo-blocking [Regulation \(EU\) 2018/302](#)). Moreover, negotiations on several other product-specific rules, such as the [revision](#) of the Consumer Credit Directive and a [proposal](#) for a regulation on markets in crypto-assets, are ongoing at the time of writing. The IA conducts a mapping exercise of the relevant legislation to analyse the DMFSD's coherence and overlap with the other pieces of EU legislation (IA, p. 9). Three findings have emerged from this exercise (IA, pp. 10-11). Firstly, the ban on unsolicited services and communications was amended by the Unfair Commercial Practices [Directive 2005/29/EC](#) and is nowadays irrelevant. Secondly, the DMFSD's relevance on pre-contractual information is limited to financial products that are exempted from product-specific legislation, e.g. cryptocurrencies. The overlap between the DMFSD and product-specific legislation has led some financial services providers to present two sets of pre-contractual information documents: one stemming from product-specific legislation, and one



stemming from the DMFSD. Finally, not all product-specific legislation has introduced the right of withdrawal (e.g. the Payment Accounts [Directive 2014/92/EU](#) has not done so). Overall, the IA concludes that the DMFSD's regulatory relevance has been in constant decline caused by post-2002 EU legislation (IA, p. 11). However, drawing on the results of the stakeholder consultation, the IA explains that the DMFSD is still effective thanks to the 'safety net' feature resulting from its horizontal scope. For example, financial services providers reverted back to the DMFSD provisions when they were in doubt as to which legislation applies to cryptocurrencies and digital on-boarding of potential clients (IA, p. 12).

2 Consumers taking out financial services by means of distance communication are not protected sufficiently and face detriment

Drawing on Eurostat data, the IA explains that 12 % of EU citizens purchased at least one financial service online in 2020. According to Annex 8 of the IA, the services purchased over the past 5 years include mostly insurance, credit/loans, and payment accounts, and were contracted online, by phone or by e-mail (Annex 8, p. 104). Without specifying the precise share, the IA states that some consumers contracting financial services at a distance are not protected adequately from arrangements that will become unsustainable for them as a result of market, technological and behavioural developments that occurred after the DMFSD was adopted. The reasons for this lack of sufficient protection are three-fold (IA, pp. 13-18).

2.1 Limited consumer awareness of key elements and costs of some financial services

The DMFSD obliges financial services providers to supply pre-contractual information to the consumer, 'in good time before the consumer is bound by any distance contract or offer', so that consumers are in a position to choose the product that serves them best. However, the DMFSD neither establishes how this information is to be presented (the DMFSD says in a 'clear' manner, without specifying that it should be displayed 'prominently'), nor does it ensure that the information is fit for modern digital tools. In practice, while the financial services providers comply on paper with their pre-contractual obligations, the aim and spirit of the law is not achieved (IA, pp. 14-15). Drawing on various sources, the IA highlights that the lack of information provision at the pre-contractual stage, and the lack of time for consumers to analyse the information provided, lead to a situation whereby consumers do not understand the terms and conditions of the financial services they contract. Referring to the evaluation of the public consultation, the IA explains that 22 % of respondents stated that the time allocated was insufficient, and that they felt under pressure to sign the contract. This is mainly a result of information overload or information complexity. Indeed, presenting the costs in a complex manner with specific legal jargon is a way for financial services providers of ensuring that consumers do not fully grasp the information provided to them (IA, p. 14).

2.2 Sub-optimal use of the right of withdrawal

The right of withdrawal aims to provide consumers with a 14-day 'cooling-off period' for most of the financial services purchased through distance means of communication (for life insurance contracts, this period is extended to 30 days). Recent sources cited in the IA show that more than half of consumers do not have a clear understanding of their withdrawal rights; in some cases, financial services providers simply do not communicate these rights to them (IA, pp. 15-16). Apart from inadequate provision of information on the right of withdrawal, financial services providers use various commercial tactics to circumvent potential revenue losses likely to arise from withdrawals, for example by requiring consumers to make the first payments after the standard 14-day cancellation period has elapsed, making the process complex and burdensome to discourage or prevent consumers from using the right, or subjecting consumers to hidden charges or fees when initiating the withdrawal process.

2.3 New market practices exploiting patterns in consumer behaviours

Since the DMFSD does not define explicitly how pre-contractual information should be presented, providers can, at the advertising and pre-contractual stages, engage in practices to nudge consumers into purchasing their services. Drawing on the results of a 2019 behavioural [study](#) on the digitalisation of the marketing and distance selling of retail financial services, the IA identifies five overarching

practices relating to: i) the way in which information is provided (e.g. benefits are added, while costs are hidden or given less prominence); ii) features that may accelerate the decision to buy the product (one-click products); iii) the actual design of the offer (pre-ticked boxes); iv) consumer targeting and personalisation; and v) tools made available to consumers to assist their decision-making (IA, p. 17). A 'mystery shopping' exercise in the area of payment services quoted in the IA found that 56 % of consumers looking to transfer money experienced difficulties in finding information on the terms and conditions. The IA explains that such practices could be detrimental for consumer welfare, as they are likely to result in consumers choosing sub-optimal financial products.

- 3 The competitiveness of the internal market for financial services sold by means of distance communication is not achieved fully owing to barriers to the provisions of financial services across borders

One of the main objectives of the DMFSD, besides ensuring a high level of consumer protection, is to foster cross-border sales of financial services. However, according to Eurostat's estimates mentioned in the IA, the share of EU citizens making cross border purchases remained relatively low between 2005 and 2020. Eurobarometer data cited in the IA show that the most common financial service used from another Member State between 2003 and 2016 was the opening of a current account at a bank (3 % of respondents who had purchased financial products in 2016), followed by credit cards, car insurance and investment funds, and shares or bonds (all with an average of 1 %). The IA attributes these figures to a number of emotional, cultural and linguistic barriers on the consumer side, and to lack of demand, entrance costs, and various regulatory barriers on the business side. Moreover, in the stakeholder consultation, industry stakeholders and public authorities have also cited differences in the way the DMFSD was transposed at national level, and the lack of clarity on when the DMFSD applies versus when product-specific legislation applies, as barriers to cross-border expansion (IA, p. 19).

The IA elaborates on the problem drivers and describes how the problem would evolve without further action (IA, pp. 20-23). The problem definition in the IA is underpinned by the results of a stakeholder consultation, a 2020 evaluation support study, the inception IA, a 2019 behavioural study, and case law, among other sources. Overall, while the problem definition is well substantiated with data, the stakeholders affected by the problem are defined very broadly, and the scale of the problem remains unclear, as the IA does not provide an overview of the consumers or Member States affected by the problem.

Subsidiarity / proportionality

In addition to explaining the legal basis (internal market, Article 114(1) and (3), and consumer protection, Article 169(1) and (2) of the Treaty on the Functioning of the European Union – [TFEU](#)), the IA briefly discusses the need for EU action and the EU added value. While the IA does not compare the options in regard to their proportionality, which goes against the recommendations of the BRG, it discusses the proportionality of the preferred option (IA, pp. 53-54). No [reasoned opinions](#) were issued by national parliaments before the subsidiarity deadline of 12 July 2022; however, the German *Bundestag* opened a [political dialogue](#). The IA does not provide a dedicated subsidiarity grid, which is contrary to the [recommendations](#) of the Task Force on subsidiarity, proportionality and 'doing less more efficiently'.

Objectives of the initiative

The **general objectives**, according to the IA, are three-fold (IA, p. 28):

- 1 Streamline the regulatory framework to ensure more clarity for all stakeholders, while ensuring a high level of consumer protection;
- 2 Reduce detriment and ensure a high and consistent level of protection for consumers purchasing financial services at distance;
- 3 Facilitate cross-border provision of financial services and the competitiveness of the internal market.

To achieve these general objectives, the following **specific objectives** have been set (IA, p. 8):

- Simplify the existing legal framework by removing regulatory overlaps, and ensure that the directive's relevant provisions are included in the most adapted regulatory legislation(s);
- Ensure that consumers purchasing financial services at distance are empowered by effective and timely information;
- Ensure that consumers reflect on their purchases and exit unsuitable agreements for the provision of financial services;
- Prevent that consumers are nudged into purchasing financial services that are not in their best interest;
- Reduce barriers for providers offering financial services across borders while enabling more choice for consumers.

The general objectives 1 and 3 do not seem very distinct from the specific objectives. The IA provides a set of indicators and the corresponding data sources and institutional actors to monitor achievement of the general and specific objectives (IA, pp. 57-58). However, it does not set operational objectives defining concrete deliverables of policy actions, despite the BRG recommendations. The IA's objectives only partially comply with the BRG's definition of SMART (specific, measurable, achievable, relevant and time-bound): they are neither measureable nor achievable owing to the absence of concrete deliverables and the inclusion of difficult-to-measure concepts such as 'empowerment' and 'reflection'.

Range of options considered

The IA discarded two policy options. These are summarised below, including the reasons why they were discarded (IA, pp. 37-38).

- **Transforming the directive into a regulation** would increase the current problem caused by overlaps between the directive and product-specific legislation, and would result in excessive monitoring and enforcement costs for public authorities, as well as high compliance costs for financial services providers;
- **Combining horizontal and product-specific legislation** (options 3a and 3b combined) would entail references to two legal texts, which would duplicate legal norms and depart from the specific objective 1 of streamlining the regulatory framework.

In addition to the baseline scenario ('do nothing' option), the IA assesses a total of three options (IA, pp. 30-37).

- The **baseline** implies a continuation of the status quo for the 2022-2031 period. The IA expects the relevance of the DMFSD to continue declining, and the issue of coherence with other EU legislation to increase. The digitalisation of financial services will go on, and with ever more consumers purchasing financial services at distance, the volume of problems would increase, according to the IA (IA, p. 22).
- **Option 1 – repeal of the DMFSD and non-regulatory measures.** Under this option, the Commission would adopt a proposal to repeal the current DMFSD, subject to the co-decision procedure. While the repeal would eliminate current overlap and thus help simplify the framework, it would result in the 'safety net' feature provided by DMFSD to disappear. Financial education campaigns to improve financial and digital literacy, run by the Commission and the relevant EU agencies, would be required to combat information issues at the pre-contractual stage. Moreover, awareness raising campaigns on consumers' right of withdrawal, organised by the Commission and the relevant EU agencies, may be envisaged. With regard to exploitative practices, this option envisages industry self-regulation to avoid harmful practices, proposed in line with an EU recommendation based on Article 288 TFEU. Finally, Commission guidelines on information disclosure and on the application of the right of withdrawal to increase harmonisation may strengthen the provision of cross-border financial services.
- **Option 2 – comprehensive revision of the DMFSD.** This option would entail a substantial review of the directive through the introduction of new measures. Thus, it would clarify in the legislation that, if the obligations stemming from the DMFSD and the sector-specific

legislation overlap, the latter prevails (hierarchical norm), while the new obligations imposed by the revised DMFSD will need to be applied to all financial services. These new obligations are four-fold, with the first three unique to option 2: i) introduce rules on information to be included in advertising; ii) introduce a standardised pre-contractual information form for all financial services; iii) introduce rules on robo-advice to enhance transparency and fairness; and iv) specify the timing for the provision of the key information (i.e. information is provided not generically 'in good time' but at least 'one day before' the contract is concluded). According to the IA, the latter would allow the consumer to 'digest' the information before signing the contract (IA, p. 34). Option 2 also envisages the provision of a specific 'withdrawal form' including standard rules on how the right of withdrawal may be exercised, and a ban on product tying (bundling). Lastly, option 2 would establish a new framework on cross-border offer and access.

➤ **Option 3 – repeal of the DMFSD, and modernisation of the relevant provisions introduced in other legislation.** Under this option, the IA envisages two options (3a and 3b), which consist of the same measures, but differ in terms of the delivery instrument:

➤ **Option 3a – repeal of the DMFSD, and relevant provisions introduced in horizontal legislation (Consumer Rights Directive).** Under this option, only the rights that are still relevant (the right to pre-contractual information and the right of withdrawal) would be modernised, rendered fit for the digital age, and moved to the Consumer Rights Directive. If future financial services products appear on the market to which no legislation would apply, the 'safety net' feature would be conserved (IA, p. 35). A hierarchical norm in the legislation would specify that, if the provisions of the modernised former DMFSD articles (in the Consumer Rights Directive) conflict with a provision of another EU act governing that financial services product, the provisions of that other EU act must prevail and apply to the product.

➤ **Option 3b – repeal of the DMFSD, and relevant provisions introduced in product-specific legislation.** Under this option, the right to pre-contractual information and the right of withdrawal would be injected into different product-specific legislation, modernised, and rendered fit for the digital age. A repeal would help simplify the framework; it would, however, not ensure the 'safety net' feature for future products that would not be subject to product-specific legislation (IA, p. 37).

The following measures are common to both options 3a and 3b: the display of pre-contractual information would have to be done in a way appropriate to the means used (e.g. mobile phone screen). Information concerning the financial services providers would be modernised (e.g. inclusion of the need to mention e-mail address). Furthermore, the timing for the provision of the key information would be specified (i.e. the information is provided not generically 'in good time' but at least 'one day before' the contract is concluded). If the pre-contractual information is provided less than one day before the contract is concluded, the financial services provider would be obliged to send a reminder of the possibility for the consumer to exercise the right of withdrawal. In addition, to facilitate the exercise of this right, financial services providers would be obliged to provide a cancellation button. Default options such as pre-ticked boxes would be prohibited. Lastly, new provisions would be established to increase legal clarity for cross-border offer of financial services (IA, p. 37).

The baseline appears to be dynamic, i.e. it takes account of the policies in place and reflects possible developments of these if the DMFSD were not updated. The range of options appears satisfactory, and they are discussed in sufficient detail. The preferred option is **option 3a – repeal of the DMFSD, and relevant provisions introduced in horizontal legislation (Consumer Rights Directive)**.

Assessment of impacts

According to the IA, a wide array of economic, social, environmental and overarching impacts have been considered as part of the efficiency analysis, and based on their expected magnitude, several impacts were identified as significant (IA, p. 38). These include (predominantly economic) impacts on financial services providers, consumers and public authorities; environmental and social impacts are not further mentioned in the IA. Annex 4 of the IA seems to imply that wider structural effects on employment and the environment fall under indirect impacts and were not considered in the quantitative estimates (Annex 4, p. 81). The assessment of impacts is thus limited to economic impacts and is partially quantitative, complemented by a qualitative discussion (IA, pp. 38-49). The preferred option would generate benefits for consumers ranging from €170 million to €210 million by clarifying the application procedure; improving the timing of information provision; adapting information provision to the channel; prohibiting default options; and increasing options for consumers in cross-border trade. The preferred option would entail costs of at least €19 million for financial services providers and of at least €6 million for public authorities. The overall costs and benefits of the preferred option 3a are summarised and partially quantified in Table 12 of the IA's Annex 3 (pp. 76-78). The IA analyses all options, scores them (from -5 for very negative impact to 5 for very positive impact), compares them based on the mandatory criteria of efficiency, effectiveness and coherence, and concludes that option 3a ranks first in all three criteria (IA, pp. 49-54). The analysis seems to correspond to the scoring. The IA integrates the cost of non-Europe in the assessment of option 1 (the benefits foregone that would be experienced by European consumers in case of repeal of the DMFSD), and compares it with other options (IA, p. 43). The IA argues that option 1 would be the least effective and least efficient taking into consideration the costs of non-Europe, while the impacts of option 2 in terms of efficiency would vary from clearly positive for consumers to seriously negative for businesses and public administrations (IA, p. 53). The preferred option 3a, besides ranking first, respects the proportionality principle, as its measures proposed are minimal and are already found in other legislation or in the Commission proposal revising the Consumer Credit Directive (IA, p. 54). However, the IA does not compare all options in terms of proportionality.

SMEs/ Competitiveness

According to the IA, small and medium-sized enterprises (SMEs) account for nearly 70 % of the overall business population, ranging from 67 % of credit institutions, to 79 % of pension funds and 76 % of insurance companies (Annex 3, p. 78). Drawing on the analysis conducted in the IA support study (see 'Supporting data' below) and on the feedback received from the stakeholders consulted, the IA finds that SMEs should not be impacted disproportionately compared with larger enterprises. Thus, the results of the IA are considered to apply proportionately to SMEs (Annex 3, p. 78). The impact on cross-border trade is included in the effectiveness assessment of each option (specific objective 5, reduce barriers for providers offering financial services across borders while enabling more choice for consumers), and is estimated to range from €36 million to €48 million. According to the IA, the preferred option's simplified framework, which ensures the 'safety net' feature, would result in a more level playing field for the industry across borders, while enabling more cross-border options for consumers (Annex 3, pp. 76-77).

Simplification and other regulatory implications

The present proposal is a REFIT initiative, so simplification and burden reduction are at its core. The IA estimates higher efficiencies under the preferred option 3a. The expected cost savings would amount to approximately €97.7 million linked to reduced communications to consumers on account of the overlap with sector specific legislation being clarified, and approximately €40 million linked to a clearer regulatory framework leading to an increase in cross-border provision of financial services and enhanced consumer choice. The IA briefly touches on the coherence with other EU legislation (e.g. Payment Accounts Directive, Consumer Rights Directive, Consumer Credit Directive) and EU policy objectives, including the TFEU, under each policy option, but the assessment is not very detailed. Under the preferred option, the IA states that the recent Commission proposal on empowering consumers for

the green transition proposes to amend the Consumer Rights Directive, too, and the objective is to carry out the review within the same timeline (IA, p. 55); however, it not elaborate further on this.

Monitoring and evaluation

The IA provides a set of indicators to allow each specific objective to be monitored, and envisages an evaluation of the present initiative at the latest 5 years after its entry into force based on the proposed indicators (IA, pp. 57-58). However, these provisions are not taken over in the proposal. Without any evaluation or monitoring requirements, it is unclear how the initiative's success could be measured.

Stakeholder consultation

Stakeholders were offered an opportunity to provide [feedback](#) on the inception IA between 28 May 2021 and 25 June 2021. An open public consultation ([OPC](#)) took place between 22 June 2021 and 28 September 2021, fulfilling the 12-week requirement. A total of 45 replies to the OPC and 14 replies to the inception IA were received. The results of both the OPC and the inception IA consultation are reported in Annex 2 of the IA, and the views of stakeholders are broken down into the following categories of respondents: businesses and business associations, national regulatory (public) authorities, consumer associations, and NGOs. The insights from the OPC are mentioned predominantly in the IA sections on problem definition, options, and assessment of impacts. However, the OPC summary report, the contributions received and their annexes are not available online on the Commission's 'have your say' [page](#) for this initiative. Furthermore, the Commission sought feedback through stakeholder interviews, a follow-up online survey and a validation workshop. The results of these meetings are also reported briefly in the IA (Annex 2, pp. 64-75). Overall, stakeholders' views on the options are varied. Consumer organisations seemed to prefer the comprehensive revision, but could agree with the preferred option. Business associations and financial services providers did not support a comprehensive reform, favouring instead the baseline or a repeal under option 1. Most public authorities would support a modernisation of the right of withdrawal. The IA does not report on citizens' views.

Supporting data and analytical methods used

The IA is informed by a 2019 behavioural [study](#), a 2020 evaluation support [study](#), a 2020 evaluation [report](#), the 2021 IA support study² carried out by an external contractor, and the results of stakeholder consultation, inception IA and legal analysis, among other sources. Overall, the evidence used in the IA appears to be recent and relevant. However, the results of the IA support study cannot be scrutinised because it was not publicly available at the time of writing, which goes against the BRG and undermines the report's transparency. Annex 4 provides an explanation of the analytical methods used in the IA, as well as the IA's main assumptions (Annex 4, pp. 81-97). For example, the IA assumes that the net profit generated by the DMFSD in 2018 will continue to be constant in the case of no intervention, and that the average costs for adapting to new provisions merged in the existing directives would be less costly than adapting to a completely revised DMFSD (Annex 4, pp. 81-82). The estimates of costs and benefits draw largely on the evaluation support study, which is referenced consistently throughout Annex 4. The analysis is partially quantitative, complemented by a qualitative discussion. The IA briefly elaborates on the 'one in, one out' approach (offsetting any burden for citizens and businesses resulting from the Commission's proposal by removing an equivalent existing burden in the same policy area) for the preferred option 3a (Annex 3, pp. 79-80). Although the application of the 'one in, one out' approach was not mandatory for Commission 2020 work programme files, it could be explained in a more transparent and detailed manner.

Follow-up to the opinion of the Commission Regulatory Scrutiny Board

The RSB adopted a positive [opinion](#) on a draft version of the IA on 21 December 2021. It considered that the report should be further improved with respect to the following aspects: firstly, the report presented neither the options nor their structure and content in sufficient detail, and did not explain why options without the 'safety net' feature are not discarded. Secondly, the report did not sufficiently assess impacts on business, did not explain estimates, and was not clear about limitations. The IA

explains how it addressed the recommendations of the RSB opinion (Annex 1, pp. 60-62). Overall, the IA appears to have made an effort to take these recommendations on board, although the limitations of the analysis could be stated more explicitly.

Coherence between the Commission's legislative proposal and IA

The legislative proposal appears to follow the IA recommendations, in that it is based on the preferred option 3a: repeal of the DMFSD, and relevant provisions introduced in horizontal legislation (Consumer Rights Directive).

The present impact assessment (IA) accompanies the proposal amending the 2011 Consumer Rights Directive and repealing the 2002 Distance Marketing of Consumer Financial Services Directive. It is informed by the findings of the Commission's ex-post [evaluation](#) of the directive and the evaluation support [study](#), which preceded the IA, in line with the Better Regulation Guidelines' 'evaluate first' principle. The IA's strong points include a well-substantiated problem definition and an evidence base that appears to be recent and relevant. Furthermore, the range of options appears satisfactory, and they represent realistic alternatives. However, the IA's objectives comply only partially with the definition of SMART (specific, measurable, achievable, relevant and time-bound), as they are neither measurable nor achievable, owing to the absence of concrete deliverables and the inclusion of difficult-to-measure concepts. Furthermore, the IA does not compare the options in terms of their proportionality. The fact that IA support study carried out by an external consortium of consultants, the open public consultation summary report, and the contributions received and their annexes were not publicly available at the time of writing undermines the report's transparency. Lastly, the lack of operational objectives in the IA and the fact that the monitoring and evaluation provisions are not taken over in the proposal can undermine the measurement of the initiative's success.

ENDNOTES

- ¹ For further information on implementation, see N. Wukovits with S. Eggers, [Review of Directive 2002/65/EC on distance marketing of consumer financial services](#), EPRS, European Parliament, May 2022.
- ² On page 64, the IA provides the following reference: 'study on the possible impacts of a proposal for revision of Directive 2002/65/EC concerning the distance marketing of consumer financial services', prepared by the contractor VVA/LE Europe under close guidance of DG JUST.

This briefing, prepared for the IMCO committee, analyses whether the principal criteria laid down in the Commission's own Better Regulation Guidelines, as well as additional factors identified by the Parliament in its Impact Assessment Handbook, appear to be met by the impact assessment. It does not attempt to deal with the substance of the proposal.

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