

Packaged retail investment products: Parliament returns draft law to Commission

Plenary sessions [14-09-2016 - 13:07]

Draft legislation designed to protect retail investors was rejected by MEPs on Wednesday as so “flawed and misleading” that it could actually lose them money. Unusually, it will be returned to the EU Commission for revision.

MEPs passed a resolution calling for changes to legislation on “packaged retail and insurance-based investment products” (PRIIPs) -- a market worth up to €10 trillion in Europe - by 602 votes to 4, with 12 abstentions.

Retail investors typically use PRIIPs to generate funds to pay a mortgage or for their children’s education.

Parliament backed the view of its Economic and Monetary Affairs Committee that proposed regulatory technical standards (RTS), which investment providers must meet to provide greater transparency and clarity to investors - are inadequate.

The Commission will now have to propose new RTS for implementing the PRIIPs legislation which is due to come into force on 31 December 2016.

Procedure: Legislative resolution (scrutiny of delegated acts)

Further information

- Adopted text (C92016)03999 - 2016/2816(DEA)) will soon be available here (14.09.2016) : <http://www.europarl.europa.eu/plenary/en/texts-adopted.html>
- ECON committee unanimously rejects Commission’s investor protection proposals: <http://www.europarl.europa.eu/news/en/news-room/20160830IPR40525/econ-committee-unanimously-rejects-commission%E2%80%99s-investor-protection-proposals>
- Committee on Economic and Monetary Affairs: <http://www.europarl.europa.eu/committees/en/econ/home.html>

Political groups

- News pages of the EPP group: <http://bit.ly/1WuQLqB>
- News pages of the S&D group: <http://bit.ly/1WWG6F4>
- News pages of the ECR group: <http://bit.ly/1Y0YFrj>
- News pages of the ALDE group: <http://bit.ly/1XbSQs6>
- News pages of the GUE/NGL group: <http://bit.ly/1UrAIM9>
- News pages of the Greens/EFA group: <http://bit.ly/1TV9vxr>
- News pages of the EFDD group: <http://bit.ly/1TUnDFU>
- News pages of the ENF group: <http://bit.ly/2cxzxcR>

Press release

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