

From: [REDACTED]
Sent: 20 July 2018 11:54
To: GUERSENT Olivier (FISMA); [REDACTED]
[REDACTED]
[REDACTED]
Subject: Debrief - meeting with Amundi on 19/7/2018 - [REDACTED] et [REDACTED], Amundi - TR : 94607479886-02 (reporté du 5/6) - Request (FISMA/1489)

Meeting Director-General Olivier Guersent (OG) – [REDACTED] (both from Amundi) on 19/7/2018 (11:30 – 12:15)

The following topics were discussed:

1) PEPP

- Amundi supports COM proposal and Council negotiation mandate which allow providers to offer savers different type of outpayments (annuities, lump sum, drawdowns).
- On portability, Amundi advocated for more flexibility on the obligation to open compartments covering all MS.
- Amundi expressed their concerns about the recent developments in EP which go in the opposite direction. All rapporteurs in ECON, IMCO and EMPL are in favour of a certain proportion of mandatory outpayments by annuities for the default investment option. Given the variety of MS tax requirements (some favouring lump sums, other favouring annuities, other being neutral), Amundi is concerned that this mandatory approach will deprive providers from the flexibility needed to adapt their product to the specific tax requirements of each MS, so that savers could benefit of tax incentives. Amundi is also concerned that mandatory annuities will not be suitable to all savers, which will affect the success of the product.
- Amundi presented us the results of a Natixis – Amundi survey carried out amongst 130.000 employees – savers. According to this survey, 77% of the respondents support a retirement product allowing a lump sum outpayment, rather than mandatory life annuities.

2) ELTIFs

- Amundi stressed that ELTIFs in place are very specified and not really made for retail investors. Further diversification is needed.
- In order sell more ELTIFs on the retail market, a new structured product has been developed (with underlying ELTIFs). **Amundi will send COM a paper** with the details of this new product.

3) PRIIPs

- Amundi expressed concerns on the calculation of costs and performance scenarios. These issues should be fixed as soon as possible. Amundi also asked for a prolongation of the UCITS exemption under the PRIIPs Regulation.
- OG informed that no actions for level 1 / 2 changes will be taken at that stage. This is why, UCITS will need to draw up a PRIIPs KID and UCITS KIID as of 1 January 2020. This is a political issue and the PRIIPs Regulation should not be opened at this stage (EP election spring 2019).

- Amundi suggested to use the legislative package on cross-border distribution of investment funds (Council general approach in place – now with EP) **as a vehicle to make legal amendments** to solve the UCITS issue under the PRIIPs Regulation. OG asked C4 to further explore this idea.

4) Cross-border distribution

- Amundi mentioned the issue of deregistration in case of mergers of funds (home – host country). **Amundi will send COM a paper with the details of this registration obligation issue.**

5) Sustainable Finance

- Amundi mentioned that the right balance between legislative measures/obligations and the overall aim of this initiative is needed. Amundi expressed concerns on the suitability test. It is not clear which type of information will need to be published by issuers – there should not be too much burden on financial advisors under MIFID.
- OG stressed that transparency and disclosure are key elements to boost sustainable investments. He mentioned that COM will look at the respective requirements under MIFID.

6) Brexit

- There was a general exchange on Brexit.

Best,

