	Comments Template on Consultation Paper on Technical Advice on possible delegated acts concerning the Insurance Distribution Directive	Deadline 3 October 2016 18:00 CET
Name of Company:	**AMUNDI**	
Disclosure of comments:	EIOPA will make all comments available on its website, except where respondents specifically request that their comments remain confidential. Please indicate if your comments on this CP should be treated as confidential, by deleting the word Public in the column to the right and by inserting the word Confidential.	Public
	Please follow the following instructions for filling in the template: ⇨ Do **not** change the numbering in the column "reference"; if you change numbering, your comment cannot be processed by our IT tool ⇨ Leave the last column empty. ⇨ Please fill in your comment in the relevant row. If you have no comment on a paragraph or a cell, keep the row empty. ⇨ Our IT tool does not allow processing of comments which do not refer to the specific numbers below. **Please send the completed template, in Word Format, to CP-16-006@eiopa.europa.eu.** **Our IT tool does not allow processing of any other formats.** The numbering of the questions refers to the Consultation Paper on Technical Advice on possible delegated acts concerning the Insurance Distribution Directive	
Reference	**Comment**	
General Comment	Amundi is the No.1 European Asset Manager and in the Top 10 worldwide with AUM up to €1,000 billion worldwide at the end of June 2016. Located at the heart of the main investment regions in more than 30 countries, Amundi offers a comprehensive range of products covering all asset classes and major currencies. Amundi has developed savings solutions to meet the needs of more than	

	100 million retail clients worldwide and designs innovative, high-performing products for institutional clients which are tailored specifically to their requirements and risk profile. The Group contributes to funding the economy by orienting savings towards company development. Amundi welcomes the possibility of providing an answer to this consultation as far as life insurance contracts are a major distribution channel for our retail funds. We do appreciate the sound approach taken by EIOPA on many topics in this consultation. We understand that it is not possible to ignore MiFID 2 as well as previous works of the Commission and ESMA in the field of investor protection. Nevertheless, as long as the development of capital markets in the EU is a key objective of the Commission and of the Council and Parliament, it is essential to have more retail investors taking some risk when investing their savings. This is also essential in order to provide them with a minimum level of return in the present context of interest rates.	
Question 1		
Question 2	Amundi has a long experience of target marketing in cooperation with its banking partners. We consider that target marketing is a good practice and that it may be more relevant for some investment products than for others. Therefore we have considered from the beginning that introducing this topic into the regulation was not appropriate. Facts have proven that it was not : ESMA and NCAs together with stakeholders face a lot of practical difficulties within the context of MiFID level 2 when trying to find ways of implementation of this regulation. In fact, banking networks use to have their own different ways of targeting and it is very difficult to match it with the targeting of manufacturers. For this reason we urge EIOPA to be the less prescriptive as possible in this field. In this respect, for most products, it would rather make sense to privilege the negative approach. For that purpose it would only be necessary to change one word in point 10 of page 22 : "Where relevant, the manufacturer shall ~~also~~ **only** identify groups of customers for whom the product is considered likely not to be aligned with their interests, objectives and	

	characteristics." In fact, many products may fit with the needs of a majority of customers. Let us mentioned that target marketing is current practice in most economic sectors ; financial services would be the only sector where this practice would be regulated.	
Question 3		
Question 4		
Question 5		
Question 6		
Question 7	For the reason explained in our response to Q2 we consider that the more high level possible will be the best.	
Question 8		
Question 9	We support the remark expressed by EFAMA : "Para. 4(c) of the draft Technical Advice could be better aligned with the relevant provision in the MiFID II Level-2 rules which only refers to removing direct links between the remuneration of relevant persons principally engaged in one activity and the remuneration of different relevant persons principally engaged in another activity. Including "payments" in the requirement could be interpreted to include inducements, which in fact are allowed provided that any conflicts of interests are properly managed: "the removal of any direct link between ~~***payments, including***~~ remuneration, to relevant persons principally engaged in one activity and ~~***payments, including***~~ remuneration to different relevant persons principally engaged in another activity, where a conflict of interest may arise in relation to those activities" EIOPA slightly redrafted the equivalent requirements of the MiFID II Level-2 in paras.	

	7, 8 and 9 of the draft Technical Advice, even though the requirements are exactly the same. In line with the Commission's mandate to achieve as much consistency as possible between IDD and MiFID II, and to make comparison of the requirements easier for market participants, we would suggest that the same language is used."	
Question 10		
Question 11	Yes we do agree with the proposed high level principle in the field of inducement. We consider that an alignment with MiFID 2 would not be beneficial. The experience of the UK with the impact of RDR on funds distribution should be avoided. In term of disclosure, we have the experience that retail investors are not interested at all by the question of inducement which they usually do not understand, and we consider that disclosure is nor useful nor desirable. In addition such disclosure may result detrimental for investors. In fact, once inducements become public there is a risk that when discovering better conditions granted to others, distributors ask for higher retrocessions. This produces a general inflation and hinders any reduction or decreasing of management fees.	
Question 12		
Question 13		
Question 14		
Question 15		
Question 16		
Question 17		
Question 18		
Question 19	We support the reply expressed by EFAMA: "We think that the relation between the scope of non-complex products under MiFID II and the non-complexity test provided in the draft Technical Advice should be made clearer: According to Article 30(3)(a)(i) of IDD, insurance contracts which only provide investment exposure to financial instruments deemed non-complex under MiFID II and	

	do not incorporate a structure which makes it difficult to understand the risk involved shall be deemed non-complex without further testing. This privileged treatment applies not only to financial instruments which are explicitly classified as non-complex in Article 25(4)(a) of MiFID II, but also to instruments which pass the non-complexity test provided for in Article 57 of Delegated Regulation to MiFID II. **Consequently, any insurance product which offers investment exposure to any non-complex financial instrument shall itself be deemed non-complex provided that it complies with the second criterion foreseen in Article 30(3)(a)(i) of IDD.** This understanding of the underlying Level-1 provision is insufficiently reflected in the draft Technical Advice which speaks only about "investments embedded that are not explicitly specified in Article 25(4)(a) [as being non-complex]". This wording seems not to include underlying investments which pass the complexity text according to MiFID II Level-2 and therefore, does not adequately take into account the relevant IDD provision. In our view, para. 1 should be supplemented as follows: *An insurance-based investment products with investments embedded that are not explicitly specified in Article 25(4)(a) of Directive 2014/65/EU* ***or do not fulfil the requirements of Article 57 of Delegated Regulation [No. to be inserted]*** *shall be considered as non-complex […]"*	
Question 20		
Question 21		
Question 22		
Question 23		
Question 24		
Question 25		
Question 26		