

<p style="text-align: center;"> Comments Template on DP-14-IMD Discussion Paper on Conflicts of Interest in direct and intermediated sales of insurance-based investment products (PRIIPs) </p>		<p style="text-align: right;"> Deadline 22 July 2014 18:00 CET </p>
Name of Company:	European Financial Planning Association (EFPA)	
Disclosure of comments:	<p>EIOPA will make all comments available on its website, except where respondents specifically request that their comments remain confidential.</p> <p><i>Please indicate if your comments on this DP should be treated as confidential, by deleting the word Public in the column to the right.</i></p>	Public
<p>Please follow the following instructions for filling in the template:</p> <ul style="list-style-type: none"> ⇒ <u>Do not change the numbering</u> in the column "reference"; if you change numbering, your comment cannot be processed by our IT tool ⇒ Leave the last column <u>empty</u>. ⇒ Please fill in your comment in the relevant row. If you have <u>no comment</u> on a paragraph or a cell, keep the row <u>empty</u>. ⇒ Our IT tool does not allow processing of comments which do not refer to the specific numbers below. <p>Please send the completed template, <u>in Word Format</u>, to DP-14-IMD@eiopa.europa.eu. Our IT tool does not allow processing of any other formats.</p>		
Reference	Comment	
General Comment	<p>The mission of the European Financial Planning Association (EFPA) is to set, promote and implement high quality standards for competence and ethical behaviour for the financial advisory sector throughout Europe, benefiting the profession, financial firms and clients.</p> <p>EFPA offers <i>the EFPA European Financial Advisor™ and EFPA European Financial Planner™ professional certifications</i> as the best recognized, respected and highest quality</p>	

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DP-14-IMD
Discussion Paper on
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**Deadline
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	<p>designations available in Europe: we accredit financial advisory professional education programs, continuous development programmes and other services relevant to the Association's members and the sector's needs, nationally and throughout Europe.</p> <p>Our vision is that each and every client will be able to benefit from competent, reliable and transparent advice from trusted, certified financial advisers and planners in Europe and beyond. The advisers will have the knowledge, skills and ethical attitudes required to serve as financial trustees for the clients' finances.</p> <p>As financial advisers, many EFPA's certificate holders include insurance-based investment products, as part of a diversified portfolio for their clients.</p>	
Q1.		
Q2.		
Q3.		
Q4.		
Q5.		
Q6.		
Q7.		
Q8.		
Q9.		
Q10.	In addition to all definition and measures addressed to identify, prevent, manage and disclose conflicts of interest that already are included on the Discussion Paper, EFPA	

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	<p>raises the attention on the key role that in this area may be played by the adherence to a code of ethics. Ethical codes can be promoted both: inside the investment firm or by national or international organizations of the sector, as a professional standard. But in any case, it helps the advisor to know and understand what is expected from him/her under certain circumstance.</p> <p>As stated in the Discussion Paper, conflicts of interest are not possible to eradicate, but there are many tools and procedures to have in place in order to deal better when arising.</p> <p>In many cases, ethics cover areas where regulation cannot arrive, as even with a very tight regulation, many “grey areas” are still there.</p> <p>It would be great that the supervisors (European and National ones) endorse the existing code of ethics of different organizations, pursuing that investment firms to adhere and disseminate them among their employees.</p> <p>A similar point of view has been expressed by us to the ESMA Consultation Paper on MiFID II and MiFIR.</p>	
Q11.	<p>EFPA thinks that disclosure is useless if it is not accompanied with a clear and plain explanation of the content of the key aspects involved in the situation that creates the conflict of interest. That explanation must be in plain words and with examples making easy for the client to understand the whole picture. In this sense, EFPA thinks that professional qualifications (such as the European Financial Planner –EFP- and European Financial Adviser –EFA-) ensures that the professional providing advice has the knowledge and skills required for such kinds of explanations.</p>	

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	<p>Also, many clients have not the financial literacy level to be able to understand by themselves the situation which raises a potential conflict of interest. So, the investment firm staff (in this case, the insurance company) must be qualified to provide a detailed explanation of the main characteristics of the product or strategy that is being implemented.</p>	
Q12.		
Q13.		
Q14.		
Q15.		
Q16.		
Q17.		
Q18.		