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Welcome Address



4th Joint Consumer Protection Day organised by the
Joint Committee of the European Supervisory Authorities
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Ladies and gentlemen,

Welcome to the 4th Joint Consumer Protection Day.

It is my great pleasure, in my capacity as current Chairman of the Joint Committee of the three European Supervisory Authorities (EBA, ESMA, EIOPA, the three ESAs), to open this year's Joint Consumer Protection Day. This important annual event is not just an opportunity to present our activities and achievements, but also a unique way to look at consumer protection with your eyes and from your perspective. This important dialogue helps us to continue to shape our policy and by that to conduct consumer-centric regulation and supervision.

Protection of consumers, investors and policyholders is the top priority for each European Supervisory Authority. In this respect, jointly and individually, the three Authorities, EBA, EIOPA and ESMA already achieved a lot. Since their foundation, all three Authorities have been playing a leading role in promoting transparency, simplicity and fairness towards consumers linked with financial products and financial services across the European Union internal market. We took proactive approaches to restore trust in the financial sector by ensuring that consumers are adequately protected from the risk of detriment. We addressed the demand for higher transparency and comparability of financial products as well as the integrity of companies. This demand is called upon us by the consumers who are becoming more aware of their rights and obligations. Meeting this demand is a central goal to the mandates of the three European Supervisory Authorities.

In the context of the Joint Committee, the biggest challenge is to continuously ensure consistency across all financial sectors, such as banking, insurance, pensions and securities, while respecting the inherent specificities of each sector. Having worked at the level of the Joint Committee for more than five years, I can testify we went through difficult and challenging moments, having sometimes really tough and controversial discussions between our experts in London, Frankfurt and Paris. But as Socrates said, "truth is born in arguments". We had to grow out of our strong arguments, to find the common language and understanding and to learn profiting from each other expertise. And it worked out! We reached our common goals – to enhance consumer protection and to contribute to the establishment of legitimate practices and fair products for the entire European financial sector.

Today, during our 4th Joint Consumer Protection Day we will focus our discussions on three strategic objectives set by the Joint Committee:

1. To set up a risk-based approach towards identification of consumer protection issues, their depth and scale.
2. To monitor digitalisation of financial services and tackle its possible negative impact on consumers.
3. To ensure consistent implementation of consumer protection requirements across the EU.

The three panel discussions will cover these objectives. Let me depict each of them.

The first panel is dedicated to **the development of a European market** for retail financial services. The three Authorities have been working together on different advice, different technical elements related to the European Union Mortgage Credit Directive, Payment Accounts Directive, Insurance Distribution Directive and Markets in Financial Instruments Directive (MiFID) II. But besides talking about the work already done, today we will discuss how these Directives can achieve an integrated single market and the three Authorities' contribution to realise the potential of the European single market for consumers.

Our second panel discussion is dedicated to a highly relevant and topical issue – **Big Data in the financial sector**. Big Data can be revolutionary in terms of how products and services are designed and placed. At the same time Big Data can create cases of unfair treatment of certain consumer segments. Adequate regulatory measures for Big Data are of utmost importance to protect consumers. Our panellists are going to argue, which measures are required for a better consumer protection and which role the regulators could play in ensuring the legitimate use of Big Data by financial companies.

Our final panel will focus **on the requirements for supervision of consumer protection in the European Union to ensure supervisory convergence across the European Union and across all financial sectors**. One requirement is the milestone delivered by the Joint Committee this year – the Regulatory Technical Standards on Key Information Documents (KIDs) for Packaged Retail and Insurance-based Investment Products (PRIIPs). This deliverable demonstrates how the three

Authorities managed to transform high-level European Union legislative principles into a set of practical cross-sectoral rules – representing a quantum leap in enhanced consumer protection. As a result we proposed a 3-page document that for the first time will provide retail investors with simple and comparable information on costs, risks and performance on investment products in the banking, insurance and securities sectors. Again, this is a major step forward for consumers and we are proud of the work done in this area.

We understand the concerns raised by the European Parliament in their motion and believe that the work developed by the Joint Committee on the guidance for the implementation of the Key Information Document can be of great help to adjust and clarify some provisions of the Regulatory Technical Standards (RTS) in order to overcome these concerns. I am confident that a robust and pragmatic solution will be found soon for the benefit of consumers in the European Union.

To conclude my welcome address, on behalf of the Joint Committee I assure you that we all, jointly and individually, are fully committed to develop preventive supervision, which contributes to healthy market competition, avoids consumer detriment and further builds public confidence in the financial markets.

Ladies and gentlemen, supervisory convergence, including in the area of conduct of business, is a clear priority for all three Authorities. We still have a fragmented landscape with important differences in the culture and practices of supervision in the European Union Member States.

We are working hard making use of the tools granted to us by the current European Supervisory Authorities' regulations. We are looking forward to their review in order to reinforce the framework and role of the European Supervisory Authorities to ensure a common supervisory approach in the European Union.

I am delighted to see such a large interest in this event from representatives of consumer associations, national supervisors and industry and that so many of you followed our invitation. I am also delighted about the excellent list of panellists with lots of knowledge, wisdom and a strong position.

I am confident that the contributions and discussions of today's conference will be inspiring in achieving our objectives and having always in mind the protection of the

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European consumers. I wish all of us a very interesting and inspiring 4th Joint Consumer Protection Day.

Thank you very much for your attention.