Press release | 03.07.2012

EU investment fund and insurance rules (UCITS, IMD, PRIPs)

Commission tiptoes towards strengthened consumer protection

The European Commission today presented three legislative proposals on the regulation of insurance policies, investment funds and packaged retail investment products (1). These three proposals have a broad impact on private and retail investors. The Greens described the proposals as a missed opportunity for strengthening consumer protection with these financial products. Commenting on the proposals, Green finance spokesperson **Sven Giegold** (MEP, Germany), who will be the EP's draftsperson (rapporteur) on the UCITS proposals, said:

“The European Commission has missed an opportunity to thoroughly strengthen consumer protection and address many of the current shortcomings in EU rules on financial products like investment funds and insurance policies.

"As regards insurance mediation, the Commission has regrettably not sufficiently addressed the problem of deficient or misleading advice and marketing of insurance products - as well as negative incentives created by inducements - which have caused major problems for consumers. The Commission only proposed a ban on commission payments for independent insurance brokers and failed to address what is a sector-wide problem. As a result, insurance firms will continue to get away with marketing products that are in their interests but not necessarily in the interests of their consumers.

"As regards investment funds (UCITS), the Commission has failed to tackle the over-complex and opaque nature of some of these products. Some UCITS have become far too complicated for ordinary consumers. The variety of risk and complexity within the UCITS brand is undermining confidence in the whole concept and therefore needs to be addressed. We regret that the Commission failed to use this review to tackle this core problem even if its proposals have set out some improvements as regards the remuneration of fund managers and depository liability.

"With regards to retail investment products (PRIPs), the proposals would help to increase transparency but the European Parliament is already debating including more far-reaching proposals through the financial instruments directive (MiFID). Simple disclosure of the risks and potential of financial products is not sufficient; instead, financial products should be targeted towards specific groups of investors. Likewise, PRIPs should encompass information on the target group of a specific financial product, with any investment advice including an obligatory explanation on its suitability for consumers.

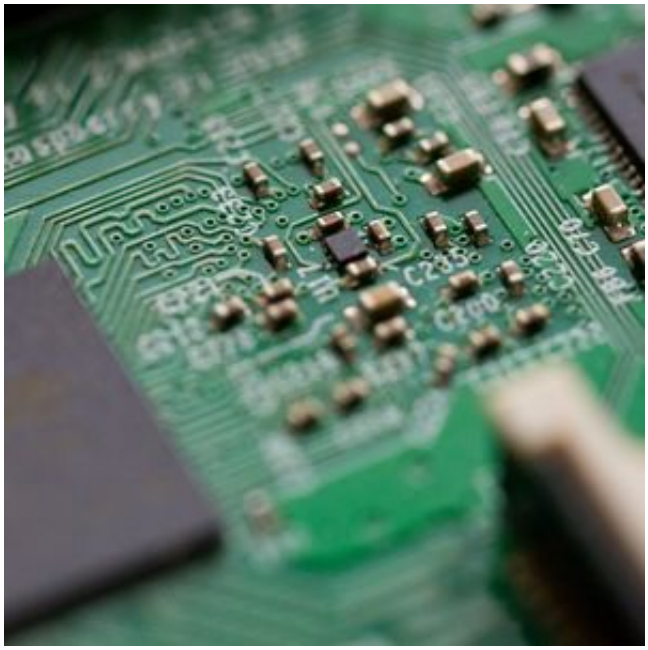
"The Greens will work to strengthen consumer protection under these proposals in the legislative process."

(1) The Insurance Mediation Directive (IMD), the Units for Collective Investment in Transferable Securities Directive (UCITS) and the Package Retail Investment Products Directive (PRIPs).

Recommended

Press release

chris-ried



Digital Fairness Act falls short on addictive design

11.11.2026

Study



[PFAS levels in Europeans]

01.10.2026

News

©zsofia-vera



PLENARY FLASH Greens/EFA Priorities 15 to 18 June

15.06.2026

Press release

Jan van der Wolf



Social Package step in the right direction but more am…

06.05.2026

Responsible MEPs



Sven Giegold

Member

Please share

- E-Mail