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**Roberto Gualtieri, MEP  
Chair of the Committee on  
Economic and Monetary Affairs  
European Parliament**

**Jeroen Dijsselbloem, President of  
the Economic and Financial  
Affairs Council, Council of the  
European Union**

**Subject: Supervisory convergence work by the European Supervisory  
Authorities on PRIIPs**

Dear Mr. Gualtieri, dear Mr. Dijsselbloem,

At the beginning of April this year, in accordance with Articles 8(5), 10(2) and 13(5) of Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014, the European Supervisory Authorities (ESAs) jointly submitted for endorsement by the European Commission draft regulatory technical standards (RTSs) on Key Information Documents (KIDs) for Packaged Retail and Insurance-based Investment Products (PRIIPs).

The timing of implementation has been a key issue arising from consultations with stakeholders and also with members of the Boards of the ESAs. Given the technical challenges in preparing for the implementation, even a six-month window will be challenging for some stakeholders.

The ESAs have therefore now focused on developing supporting level three material to aid implementation and consistent supervision of the KID. This material will mainly take the form of 'questions and answers' and relates to the technical methodologies included in the draft PRIIPs RTSs on risk, rewards and cost disclosure requirements.

Such questions and answers might notably relate to the technical details of the calculation of actual transaction costs and the calculation of transaction costs for new PRIIPs, as well as the calculation of the market risk and credit risk measures for the different types of PRIIPs.

Against that background and in the interest of transparency, the ESAs would like to draw the attention of the European Parliament and the Council to our intention to publish the prepared questions and answers in the course of this summer, so that the publication can best aid implementation of the KID. This publication may therefore happen before the end of the scrutiny period of the European Parliament and Council of the draft PRIIPs RTSs adopted by the European Commission.

The questions and answers would aim to clarify how to apply certain technical provisions related to the above-mentioned methodologies included in the PRIIPs RTSS. They would for instance provide clarity which of the different methodological steps need to be followed for PRIIPs by clarifying the different types of different PRIIPs, and explaining in plain language the statistical techniques required. Due to their nature, these questions and answers would not pre-empt the results of the scrutiny period, which would be made clear upon publication.

Should you have any questions, concerns or need any further information please do not hesitate to contact us.

Yours sincerely

Gabriel Bernardino  
Chair, EIOPA and Chair of the  
Joint Committee of the ESAs

Andrea Enria  
Chairperson, EBA

Steven Maijoor  
Chair, ESMA

Cc: Pervenche Berès, MEP, Rapporteur, European Parliament

Jeppe Tranholm-Mikkelsen, Secretary-General of the Council of the European Union

Jonathan Hill, Commissioner for Financial Stability, Financial Services and Capital Markets Union, European Commission

Olivier Guersent, Director-General, DG Financial Stability, Financial Services and Capital Markets Union, European Commission