

Ministerstvo financií Slovenskej republiky
Sekcia finančného trhu
Odbor finančných služieb
Štefanovičova 5
817 82 Bratislava 15

Váš list číslo/dňa
MF/020961/2008-613

Naše číslo

Vybavuje/linka
Mušková, 02/4342 9985

Bratislava
11. 7. 2008

Vec: Žiadosť o poskytnutie údajov resp. o vyjadrenie k otázkam v materiáli Retail Investment Products - stanovisko

Slovenská asociácia poisťovní Vám oznamuje, že v predmete uvedenému materiálu uplatňuje nasledovné stanovisko:

Do GEGRFS members consider that the concerns identified through the consultation process deserve continued attention?

No, Slovak Insurance Association is not of the view that consultation process on retail investment products deserves continued and so extensive attention. There is already a significant number of product – specific EU regulation with regard to life insurance in place (Life Assurance Directive, IMD).

Is the approach proposed by the Commission services for reviewing the adequacy of product disclosures and distribution regulation appropriate?

There is no evidence of consumer detriment resulting from different frameworks of product disclosures and distribution regulation across EU member states. Furthermore, disclosure rules resulting from existing EU legislation were implemented in member states and are specified in more detail in regulations valid on national level which have to comply with non-harmonized national tax and contract law requirements. In our opinion, review of product disclosures and distribution regulation adequacy should not continue on EU level and regulation should be left upon member states. Act on financial mediation and financial consulting which is currently being prepared, will increase the amount of pre-contractual information, including information on unit-linked life insurance products which must be disclosed to clients. Review could potentially lead to changes in laws and requirements and could become a source of confusion for consumers. Improvement of consumers financial capability depends

strongly on stability over time and frequent changes in legislation contribute to consumers' uncertainty.

Though, should there be any attempt to modify current situation, very sensitive approach should be adopted and any initiative should be preceded by impact assessment.

Do GEGRFS members wish to comment on specific perceived deficiencies or weak points in the current EU regulatory framework?

Existing set of legislation at EU and national level ensure a sufficient level of consumer protection and make unfair practices in the field of unit-linked life insurance an exception.

Is a coordinated response to these issues needed or can we rely on national action to tackle possible shortcomings?

Potential shortcomings should be solved on national level. Regulators on national level are well acquainted with the situation in the insurance market and their reaction should prevent occurrence of possible defect of the market. If still such a situation occurs, regulators at national level can act more efficiently and faster compared to the EU wide actions.

The sale of structured term deposits, by which we are referring to a combination of a deposit with an embedded option or an interest rate structure designed to achieve a specific payoff profile. Is the sale of these products covered by appropriate disclosure and distribution rules, or is there a regulatory gap? Do you have data on the sales of (or assets invested through) structured deposits in your jurisdiction?

This question does not concern insurance.

Are there industry standards or codes of conduct in operation in your jurisdiction? Do you consider these to constitute 'best practice' with regard to disclosures and point of sale disciplines? How are they enforced? Are Member State authorities involved in their formulation, implementation or enforcement?

Enhanced insurance industry standards and codes of conduct including should be established by the already mentioned Act on financial mediation and financial consulting which should be put into commenting process soon.

Slovak Insurance Association plans several self-regulatory initiatives in the future –
i. e. publishing of a product information sheet for clients on our website, issue a leaflet with simple description and explanation of main characteristics of particular products including unit-linked life insurance. We would like to draw your attention to the code of ethics of the insurance industry and recently established ethical committee.

S úctou,

JUDr. Jozefína Žáková
generálna riaditeľka