

Updated Central Bank Guidance on PRIIPs KIDs

The Central Bank of Ireland (“CBI”) has issued updated guidance on the requirements to publish the Key Information Document (“KID”) required under the rules applicable to Package Retail and Insurance-Based Investment Products (“PRIIPs”). This includes an updated edition of the Central Bank UCITS Q&A Document and the issuance of updated guidance on PRIIPs KIDs on the dedicated section of its website. Both were issued on 24th of March, 2023.

Background to PRIIPs

The PRIIPs Regulation (1286/2014) applies to investments where the amount repayable to the retail investor is subject to fluctuations because of exposure to reference values or to the performance of one or more assets that are not directly purchased by the retail investor. This includes obligations to prepare a “Key Investor Document”. While PRIIPs are typically insurance-based investment products which offer a maturity or surrender value that is wholly or partially exposed, directly or indirectly, to market fluctuations, UCITS may also fall under the legislation. The fact that UCITS have been required to produce a separate document with a similar name- the Key Investor Information Document (“KIID”) may increase confusion.

UCITS New Q&As

This updated edition of the Q&A, the 38th Edition, includes two new and two amended Q&A’s regarding PRIIPs. The guidance provided in these new Q&A’s is detailed below:-

ID 1107 – New UCITS or new sub-funds intending to produce a PRIIPs KID only

Where a UCITS produces a PRIIPs KID and is applying for the authorisation of a new UCITS umbrella or sub-fund, from 1 January 2023 the Responsible Person of the UCITS must submit the PRIIPs KID to the CBI. The PRIIPs KID must be accompanied by written confirmation from the Responsible Person or legal advisor to the UCITS setting out that (i) the KID complies with the PRIIPs Regulation and (ii) the information in the KID does not conflict with the content of the prospectus.

ID1108 – New UCITS or new sub-funds which produce both PRIIPs KIDs and KIIDs

Is now deleted and is no longer relevant. This stated that if a UCITS produces both a PRIIPs KID and a UCITS KIID, prior to the authorisation of each UCITS or approval of a new sub-fund, the Responsible Person is only required to submit the UCITS KIID (and relevant confirmations) to the CBI.

ID 1109 – Existing UCITS which produce a PRIIPs KID

Where an existing UCITS is now subject to the requirement to produce a PRIIPs KID, there is no requirement for the Responsible Person to submit the PRIIPs KID to the Central Bank on 1 January 2023. The first reporting/submission of these PRIIPs KIDs to the CBI is expected to take place in 2024. Periodic updates to such PRIIPs KIDs will only be required to be filed with the CBI after first this reporting exercise.

(New) ID 1110 – UCITS that markets separate classes to professional investors

Where a UCITS seeks to market separate share classes to professional investors within a fund or sub-fund it may instead submit a UCITS KIID to the CBI for those share classes rather than also preparing and submitting a PRIIPs KID.

(New) ID 1111 – Foreign UCITS registered to market in Ireland

Where a foreign domiciled UCITS is registered to the Irish market a PRIIPs KID should be submitted as part of the passporting notification of the UCITS home regulator for onward submission to the CBI.



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