EBA publishes Opinion on disclosure to consumers buying financial services through digital channels

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**The European Banking Authority (EBA) published today an Opinion addressed to the EU Commission with recommendations to ensure that disclosure requirements in EU law take account of the increasing use of digital marketing channels for financial services and the resultant issues potentially affecting consumers. The recommendations relate primarily to the scope and consistency of disclosure rules, the timing of disclosure, the presentation format and accessibility of information. In addition, they cover advertisements, pre-contractual information, rights of withdrawal, complaints handling and post sale information.**

In order for consumers to make informed decisions about their financial products and services, they should have access to high-quality information, which should be provided at the appropriate time, via suitable means, and explaining the features and costs across the lifetime of the service.

In the EU, relevant requirements for the marketing of services that are bought at a distance are set out in the Distance Marketing of Financial Services Directive (2002/65/EC, DMFSD). The European Commission is currently evaluating the effectiveness of this Directive. Today’s opinion aims at providing input to the Commission’s evaluation, by providing recommendations as to how the Directive could be amended in order to ensure that it takes account of the increasing use of digital marketing channels and the resultant issues that potentially arise for consumers.

Legal basis

The EBA’s competence to deliver this opinion is based on Article 34(1) of Regulation (EU) No 1093/2010 (the EBA Regulation), as information requirements under the DMFSD relates to the EBA’s area of competence.[[1]](https://eba.europa.eu/eba-publishes-opinion-disclosure-consumers-buying-financial-services-through-digital-channels" \l "_ftn1" \o ") In addition, Article 9(1)(d) requires the EBA to take a leading role in promoting transparency, simplicity and fairness in the market for consumer financial products or services across the internal market, inter alia by contributing to the development of common disclosure rules.

Furthermore, the Opinion is based on Article 9(2), which mandates the EBA to monitor new and existing financial activities and to adopt guidelines and recommendations with a view to promoting the safety and soundness of markets and convergence of regulatory practice, and on Article 9(4), which mandates the EBA to provide advice to the European Parliament, the Council and the Commission on new or innovative financial activities.

[[1]](https://eba.europa.eu/eba-publishes-opinion-disclosure-consumers-buying-financial-services-through-digital-channels" \l "_ftnref1" \o ") Regulation (EU) No 1093/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Banking Authority) amending Decision No 716/2009/EC and repealing Commission Decision 2009/78/EC (OJ L 331, 15.12.2010, p. 12).