

Consumer Investments  
Distribution Policy  
Financial Conduct Authority  
12 Endeavour Square  
London E20 1J

By email

27 May 2025

Dear Sir/Madam,

**CP25/9: Further proposals on product information for Consumer Composite Investments**

The Panel supports the principles of the consultation but remains concerned that the information requirements set out in the proposals and draft rules will not achieve the aim of more concise documents and clarity for consumers. There appears to be a mismatch of FCA expectations of what the proposals will achieve and industry perception, and we would encourage FCA to proceed with workshops and policy sprint sessions with industry participants to try and close the gap.

From our perspective the rules are still lacking clarity in some areas, and we are keen to build a common understanding of the practical implications of the requirements, particularly as changes would be costly to implement in an already tough market and may not necessarily result in improved outcomes. We particularly highlight the following:

- **Transaction costs** – We support the proposed approach in respect of removing the requirement for implicit cost disclosure, though some reporting differences will remain in the market e.g. pension scheme reporting. The industry would prefer an entirely consistent calculation methodology, if possible, to promote simplicity and better consumer understanding. We also expect that firms would generally remain concerned that including transaction costs within the costs and charges section will draw undue prominence to cost without emphasising the benefits of active management.
- **Transitional provisions** – We welcome the clarification that distributors will not be able to create or amend product summaries during the transitional period, which has helped alleviate some concerns about additional confusion. There is still a view however that introducing product summaries alongside the existing disclosure regime will still be complex and costly for firms and will create more complexity and confusion for customers. A sensible single effective date (and aligning the date for open and closed ended products to reduce unnecessary cost and complexity) is necessary, ensuring this is set sensitively to allow distributors to plan appropriately and begin to prepare customers for the changes.

- **Digital aspirations** - These require much more clarity of implementation approach. Without resolving some of the practicality issues raised above it will be difficult for firms to commit to timelines. Distributors who are expected to put digital journeys in place will also need clarity on timing in order to deliver validated (to a common regulatory standard) product summaries after the end of the transitional period. The proposed review processes are not small, and systems builds to ingest and display the information required will be time consuming to build, particularly without a clearer regulatory minimum standard or standardised format/template.

We would be happy to discuss any of these points further.

Yours faithfully,

[signed]

Matt Hammerstein  
Chair, FCA Practitioner Panel