

MEMO# 33175

March 9, 2021

Draft Response to EBA Consultation on Remuneration Guidelines Under the IFD; Comments Requested by COB March 12

[33175]

March 9, 2021 TO: ICI Global Investing Subcommittee
ICI Global Regulated Funds Committee RE: Draft Response to EBA Consultation on Remuneration Guidelines Under the IFD; Comments Requested by COB March 12

As we previously informed you, on December 17, 2020, the European Banking Authority (EBA) issued a consultation on guidelines on sound remuneration policies under the Investment Firms Directive (Guidelines).^[1] Responses are due by March 17. The final Guidelines are expected to be published before the end of June 2021, and Member States will need to notify the EBA regarding whether they will comply with the Guidelines or explain their non-compliance.

The key points of the proposed Guidelines are described in Memorandum No. 33093.^[2] Overall, they draw heavily from the remuneration guidelines that have been issued under the CRD IV/V regime.

A draft response to the consultation for your review is attached. Please provide feedback to me at emykolenko@ici.org by COB Friday, March 12.

The draft response addresses the following issues:

- The date of the application of the remuneration structure requirements;
- The definition of retention bonus;
- The requirements to document job descriptions for purposes of monitoring that the firm's remuneration policy is gender neutral;
- The requirements for the composition of the remuneration committee (gender balance and independence); and
- The application of the requirements in a group context, particularly where sectoral remuneration requirements apply.

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Attachment

endnotes

[1] The consultation is *available at* https://www.eba.europa.eu/sites/default/documents/files/document_library/Publications/Consultations/2021/Consultation%20on%20Guidelines%20on%20remuneration%20policies%20for%20investment%20firms/961607/CP%20on%20GL%20on%20remuneration%20policies%20under%20IFD.pdf.

[2] Memorandum No. 33093, issued February 5, 2021, *available at* <https://www.iciglobal.org/iciglobal/pubs/memos/ci.memo33093.global>.

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