

**ESMA**

201 203 rue de Bercy  
75012 Paris

April 25, 2022

Consultation Paper: Guidelines on certain aspects of the MiFID II suitability requirements  
SFAF Response

Dear Madam, Dear Sir

The French Society of Financial Analysts, SFAF (Société Française des Analystes Financiers), is pleased to submit its contribution as part of the “Guidelines on certain aspects of the MiFID II suitability requirements”.

SFAF represents more than 1,300 members in France and is itself a member of the European Federation of Financial Analysts Societies (EFFAS), which comprises 18 member organizations representing more than 15,000 investment professionals.

SFAF fully supports the response sent by EFFAS on behalf of all financial analyst associations in Europe and makes a complementary contribution.

The SFAF Extra-Financial Analysis Commission (<https://www.sfaf.com/les-travaux-et-commissions/commission/99-commission-analyse-extra-financiere>) has over 70 people working in all areas of expertise, analysis and management in the various E, S and G sectors. Its work is supported by 5 working groups (Governance, Impact Investing, Integrated Performance Analysis, ESG Barometer, Purpose, Integrated Report and ESG-CESGA Certificate Training).

For these reasons, our Society, through its Extra-Financial Analysis Commission, is keen to respond to your Consultation Paper.

However, its response will be limited to the only *General guideline 11: Qualifications of firm staff*.

SFAF notes that sustainability regulation is constantly evolving and is not structurally fixed. One of the three key objectives of Capital Market Union is to strengthen investor confidence in the financial markets.

For this, the training of professionals in the control of knowledge is the key vector of the protection of the final customer. In addition to this control of legal and technical terms, it is necessary to be able to ensure a watch on the protean regulatory evolution.

In sum, staff in contact with the client, including anyone involved in the material aspects of the matching process, is required :

- to understand the texts and what is at stake,
- but also to be intelligible
  - to transmit in everyday language the technical documents that are themselves highly regulated,
  - to identify the client's ESG expectations.

Staff must have an adequate level of skills, knowledge and expertise.

For SFAF, this staff must first receive basic training to which annual refresher courses would be added.

The objective of this training is to acquire skills that are uniform at the European level.

The minimum skills to be acquired in terms of objectives may be:

- Master the European regulation of sustainable finance,
- Ensure the regulatory monitoring of sustainable finance,
- Knowing how to identify the different SRI approaches,
- To be able to understand technical documents on financial instruments in terms of sustainability,
- Be able to transcribe technical documents into non-financial terms that can be easily assimilated by the investor client, whatever his level of mastery of the subject,
- Know how to identify the client's expectations in order to define his investor profile in terms of sustainability,
- To ensure that the client has the keys to understanding in order to make responsible investment choices.

In order to ensure that financial advisers have mastered their skills in all EU countries, SFAF would like these skills to be assessed and recognised by a European certification.

**We thank you for the opportunity given to us to provide our view on such important aspects related to the training of financial and asset management advisors. If you would like to further discuss the views expressed in this letter please do not hesitate to contact us.**

Yours faithfully,

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Consultant

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