APRIL 2022

AFG response to ESMA's consultation on Guidelines on certain aspects of the MiFID II Suitability Requirements

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AFG RESPONSE TO ESMA'S CONSULTATION ON GUIDELINES ON CERTAIN ASPECTS OF THE MIFID II SUITABILITY REQUIREMENTS

GUIDELINE 1: INFORMATION TO CLIENTS ABOUT THE PURPOSE OF THE SUITABILITY ASSESSMENT AND ITS SCOPE

Question 1: Do you agree with the suggested approach on the information to clients about the purpose of the suitability assessment and its scope? Please also state the reasons for your answer.

AFG agrees with the overall approach to inform clients of the purpose of the suitability assessment. Nevertheless, paragraph 16 of supporting guideline 1, requires firms to explain what environmental, social and governance aspects. We understand from second bullet point of paragraph 26 that asking client if they have a focus on either environmental, social or governance criteria is a possibility and not a binding requirement. Therefore, it should also be made clear in paragraph 16 that providing information on E, S and G aspects to the client should not be mandatory:

> 16. In order to help clients understand the concept of "sustainability preferences" and the choices to be made in this context, firms should explain the term and the distinction between the different elements of the definition of sustainability preferences under a) to c) and also between these products and products without such sustainability features in a clear manner, avoiding technical language. Firms ~~should~~ **could** also explain what environmental, social and governance aspects mean.

We also have additional comments regarding the approach to sustainability preferences. We will provide more details in Q2. At this stage, we want to insist on the importance of informing clients that market is not mature in terms of product offering mapped on the MIFID criteria. The questionnaire as proposed in the draft guidelines may result in no matching between the client's sustainability preferences and the product offering. In these conditions, it is quite essential to have a one-year transitional period that will allow firms to adapt to this new framework and rely on more suitable underlying data to identify the relevant products. Therefore, **we call for ESMA to grant a forbearance period of one year**.

Question 2: Do you agree with the new supporting guideline in relation to the information to clients on the concept of sustainability preference or do you believe that the information requirement should be expanded further? Please also state the reasons for your answer.

AFG agrees that distributors should be more pedagogical than the text of the regulation to explain in non-technical terms the concepts of sustainability preferences as these are quite new and require minimum knowledge from clients. The definitions of these concepts are difficult to understand as they refer to technical terms and are not familiar at all to clients. To simplify, we propose to explain without using the exact terms of the definitions such as "Taxonomy", "Sustainability Investments" and "Principal Adverse Impact").

However, it is important to make a difference between each type of clients our members want to focus on. Professional clients do not need the same level of information as retail clients. We can assume that professionals have more knowledge (are more initiated?). This distinction will allow more flexibility in the approach. We believe that the most important thing, in the interest of the customers, is to focus on understanding their preferences rather than on the process itself.

So that clients can make an informed choice, and also so as to avoid frustration given the possible mismatches between clients' expectations and products' availability, it is also important to give to the client an overview of the market: explain where the market is in terms of taxonomy alignment and sustainable investment; and what kind of products are available. It shall be clarified that the market is meant to evolve, and that, as it matures, more data on "sustainable" products would be available in the following years to address a larger scope of expectations.

GUIDELINE 2: ARRANGEMENTS NECESSARY TO UNDERSTAND CLIENTS

Question 3: Do you agree with the suggested approach on the arrangements necessary to understand clients and specifically with how the guideline has been updated to take into account of the clients' sustainability preferences? Please also state the reasons for your answer. Are there other alternative approaches, beyond the one suggested in guideline 2, that you consider compliant with the MiFID II requirements and that ESMA should consider? Please provide examples and details.

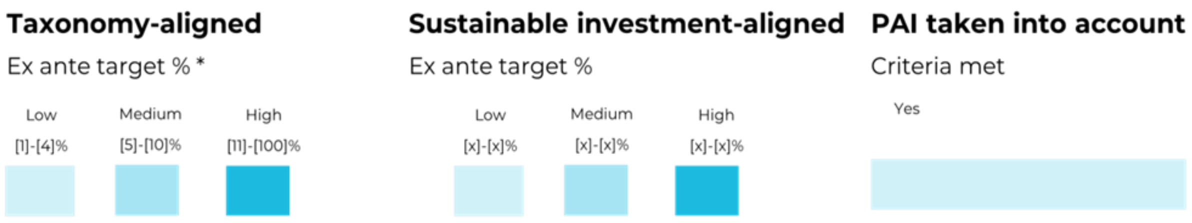
We generally understand and agree with ESMA's suggested approach on the arrangements necessary to understand clients' sustainability preferences.

More particularly, we welcome ESMA's proposal to allow firms to collect the information by ranges or sizes instead of particular percentages (as per paragraph 26).

We believe that the following approach would be practical and in line with the guidelines:

– **Taxonomy alignment**: Low / Medium / High
– **Sustainable Investments**: Low / Medium / High
– **Principal Adverse Impacts consideration**:
    1. **Climate related PAI**: Yes / No
    2. **Other Environment related PAI**: Yes /No
    3. **Social & employees and/or Human Rights related PAI**: Yes / No

It can be illustrated as follows:



* : measured with the relevant activities of the companies in the portfolio.

Source: AFG

The definition of the upper and lower limits of the % ranges should be based on observations of the real economy's sustainability levels and part of the discussion between manufacturers and distributors.

The PAI categories should help distributors to match through a clear responsible investing product governance the sustainability preferences expressed by retail-clients in an every-day language (fighting global warming, reducing gender pay gap…) with investment proposals.

For full transparency towards the client, and to prevent any greenwashing / structural deviation from the spirit of MiFID DA, the pre-contractual figures of Taxonomy alignment, Sustainable investments and the PAI effectively considered should in any case be disclosed by the distributor to the end-client.

We believe that the supporting guidelines should provide more flexibility on how a firm collects all the necessary clients' information (paragraphs 25 and 26). This means that questions could be re-arranged and/or other open-ended questions inserted if that helps facilitate the exploration process (e.g. being allowed to ask the client whether he/she has specific sustainability preferences). We believe that this flexibility is essential to understand a client's sustainability preferences as efficiently and naturally as possible, taking into account the type of client.

We welcome ESMA's proposal to allow firms to collect information on whether the client's sustainability preferences with regards b) and c) have a focus on either environmental, social or governance criteria (second bullet point of paragraph 26) and we understand that the term "could" embeds the fact that it is a possibility and not a binding requirement for the firm to do so. These concepts are easier for the client (notably retail clients) to understand and will help the firm to assess client's sustainability preferences.

AFG members have worked on a proposal that fits within ESMA's proposal while allowing for some flexibility. As such, the set of questions could be presented as follows:

- **Do you have preferences for sustainability investments?** Yes/No
    1. **if the answer is "No", the client is "sustainability-neutral"**, the firm can recommend both products with and without sustainability-related features (as per paragraph 82).
    2. **If the answer is "Yes"**, we recommend to integrate an additional question: **"do you have specific sustainability preferences ?"** Yes/No

        2. A. **If the answer is "Yes"**, the client is asked the 3 a), b), c) criteria questions accompanied by a question on ranges (Low/medium/high) for a & b.

If b) and/or c) are chosen, the firm may (optionally) ask additional question about "E" or "S" or E&S[1].

Then the client is presented with a table showing all suitable investment proposals (in terms of investment objective, risk profile,...) that are matching at least one sustainability criteria expressed:

	Client's financial profile (suitability test)	Preference expressed by the client	Product 1	Product 2	...
criteria a)		Yes Medium	Match	Don't match	
criteria b) E, S or G		Yes High + E, S	Match	Match	
criteria c) E, S or G		None	-	-	

2.B **If the answer is "No"**, there is no need to ask the client questions about the specific preferences (a, b, c). The firm can present the client with the "a-b-c" features of different product proposals which match the traditional suitability test (objective, risk profile,...):

<u>Example:</u>

	Client's financial profile (suitability test)	Product 1	Product 2	...
criteria a)		Medium	Low	
criteria b)		High	High	
criteria c) E, S or G		Climate and other environmental Environment ...	Social & Human rights Social ...	

[1] It should be noted that this question about E, S preferences could be asked also for the criteria a) when taxonomy is complete on S.

Our approach is in line with ESMA's proposal and based on client's interest. The aim of the above questions is to simplify the understanding of sustainable finance in order to bring them gradually into the process. We do not want to influence the client's answers, but simply help them with these new topics. **It should be reminded that the product matrix suggested above will be presented only after asking clients' preferences.**

The client will have all the relevant information to decide whether:

- He/she wants to buy or not one of the proposed products;
- If no product is matching the client' preferences, client has the possibility to adapt preferences and the matrix as described in 2B can be helpful to adapt.

The above approach has several advantages:

- Ask the clients' sustainability preferences on each of a / b / c as a first step;
- Once preferences are expressed, give the client an overview of available products that could match one or more of his or her preferences;
- Providing the client with a product matrix will allow the client to identify products corresponding to overlapping MiFID categories. Hence being in line with paragraph 25 requirement to ask the client whether he/she wants "a combination of the different aspects mentioned in Article 2(7) without the complexity of asking combinations in advance.

For a better understanding of investors, **we call for ESMA to grant a forbearance period of one year**.

Question 4: Do you believe that further guidance is needed to clarify how firms should assess clients' sustainability preferences?

AFG does not believe that further guidance is needed to clarify how firms should assess clients' sustainability preferences. On the contrary, AFG strongly believes that a more flexible approach should be allowed (please refer to Q3).

Nevertheless, we believe that **some aspects of paragraph 25 and 26 should be clarified or rectified**:

- <u>"Combination of one or more of the three aspects":</u>

The mention of collecting information regarding the client's sustainability preferences "with a combination of one or more of the three aspects" is not realistic, more particularly during the transition period when the market is still not mature enough. Also, there are so many possible combinations which could involve so much granularity that it is impossible to obtain at an instrument level, and that could raise diversification issues at instrument and/or portfolio level. Moreover, it adds complexity to the discussion between the client and the firm.

We believe that firms should not be required to collect information on the criteria combination. Instead, they collect information on aspects a), b) and c) and in the process of presenting suitable products to the client, they can propose products with overlapping categories.

It should be made clear that asking the client about combinations in the sustainability preferences is not mandatory upstream in the process. It should be left at the choice of the client based on the *possible* combinations.

– "PAI consideration":

The proposal included in the last bullet point of paragraph 25 about information requiring quantitative and qualitative information on the PAI consideration goes beyond the MiFID II Delegated Regulation. Indeed, level 2 states that "*a financial instrument that considers principal adverse impacts on sustainability factors where qualitative or quantitative elements demonstrating that consideration are determined by the client or potential client;*".

ESMA should amend paragraph 25 consequently:

> 25. […]
>
> • For aspect c), which principal adverse impacts (PAI) should be considered including quantitative ~~and~~ **or** qualitative criteria demonstrating that consideration.
>
> […]

This amendment should also be reflected in the fourth bullet point of paragraph 26:

> 26. […]
>
> • In case the client wishes to include a financial instrument that considers PAI, the information collected should cover the PAI and qualitative ~~and~~ **or** quantitative elements mentioned under c). […]

– "Client facing staff":

Finally, last bullet point regarding of paragraph 26 only refers to "client facing staff", we propose to add cases where testing is online (robo-advice):

> 26. […]
>
> • Firms should have policies and instructions **in place** for their client-facing staff **and online testing programs** ~~in place~~ for situations where clients answer that they do have sustainability preferences but do not state a preference with regard to any of the specific aspects mentioned under a) to c) or with regard to a minimum proportion. […]"

– « Granularity »:

Paragraph 25 states that "the information on the sustainability preferences of the client should include all aspects mentioned in the definition of "sustainability preferences" according to Article 2(7) of the MiFID II Delegated Regulation *and should be sufficiently granular to allow for a matching (…)*". We believe the regulation is granular enough when it defines sustainability preferences and would suggest that the guidelines do not go beyond the regulation in proposing further granularity.

Question 5: Where clients have expressed preference for more than one of the three categories of products referred to in letters a), b) or c) of the definition of Article 2(7) of the MiFID II Delegated Regulation, do you think that the Guidelines should provide additional guidance about what is precisely expected from advisors when investigating and prioritizing these simultaneous / overlapping preferences?

Given the lack of product offering mapped on the MIFID criteria, it is important that the guidelines do not prescribe to apply the three criteria cumulatively.

In addition, as previously said in response to Q4, the mention of collecting information regarding the client's sustainability preferences "with a combination of one or more of the three aspects" is not realistic, more particularly during the transition period when the market is still not mature enough. Also, there are so many possible combinations which could involve so much granularity that it is impossible to obtain at an instrument level, and that could raise diversification issues at instrument and/or portfolio level. Moreover, it adds complexity to the discussion between the client and the firm.

We believe that firms should not be required to collect information on the criteria combination. Instead, they collect information on aspects a), b) and c) and in the process of presenting suitable products to the client, they can propose products with overlapping categories.

It should be made clear that asking the client about combinations in the sustainability preferences is not mandatory upstream in the process. It should be left at the choice of the client based on the *possible* combinations.

Finally, if the client has not expressed any preferences, in this case the firm can recommend both products with and without sustainability-related features (cf. Q3).

Question 6: Do you agree with the proposed approach with regard to the assessment of ESG preferences in the case of portfolio approach? Are there alternative approaches that ESMA should consider? Please provide possible examples.

We agree with ESMA proposal and do not have any specific comments. We understand that in the proposed approach of sustainability preference assessment we can use the same methodology for model portfolio, and we agree with this approach. Therefore, our responses (above and below) also apply to the portfolio approach.

GUIDELINE 5: UPDATING CLIENT INFORMATION

Question 7: Do you agree with the suggested approach on the topic of 'updating client information'? Please also state the reasons for your answer.

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Commission Delegated Regulation 2021/1253 enters into application on 02 August 2022, ahead of SFDR delegated act application on 1st January 2023.

In addition, we understand the guidelines will not be published before 2 August. Firms will not have enough time to adapt their process.

Therefore, we call for ESMA to grant a forbearance period of one year.

GUIDELINE 7: ARRANGEMENTS NECESSARY TO UNDERSTAND INVESTMENT PRODUCTS

Question 8: Do you agree with the suggested approach with regards to the arrangements necessary to understand investment products? Please also state the reasons for your answer.

Yes, we agree, except for one point regarding the complexity of the product. Complexity in MIF is about the comprehension of the fund's promise, return and risk profile, not about the inner works of the fund. ESMA cannot re-interpret the notion of complexity in MiFID with regards to the construction of a fund, which is the professional's value added. AFG proposes to delete the following paragraphs, that go beyond the current context and the agreed notion of complexity:

Paragraph 70. "Firms should adopt robust and objective procedures, methodologies and tools that allow them to appropriately consider the different characteristics, including sustainability factors, and relevant risk factors (such as credit risk, market risk, liquidity risk, …) of each investment product they may recommend or invest in on behalf of clients. This should include taking into consideration the firm's analysis conducted for the purposes of product governance obligations.. ~~In this context, firms should carefully assess how certain products could behave under certain circumstances (e.g. convertible bonds or other debt instruments subject to the Bank Recovery and Resolution Directive47 which may, for example, change their nature into shares). Considering the level of 'complexity' of products is particularly important, and this should be matched with a client's information (in particular regarding their knowledge and experience). Although complexity is a relative term, which depends on several factors, firms should also take into account the criteria and principles identified in MiFID II, when defining and appropriately graduating the level of complexity to be attributed to products for the purposes of the assessment of suitability".~~

The above proposed amendment includes the removal of: "…*firms should also take into account the criteria and principles identified in MiFID II, when defining and appropriately graduating the level of complexity to be attributed to products for the purposes of the assessment of suitability.* "

Indeed, MiFID directive only distinguishes complex or not complex products. MiFID II 2014/65 (art .25.4) classifies products as complex or non-complex. UCITS are classified as non-complex (let aside structured UCITS) while AIFs can be classified as complex or non-complex under certain condition set out in article 57 of the MiFID II (2017/565) delegated regulation.

This entails different procedures for the execution service.

There are no rules nor indications about products being more or less complex that could help firms evaluate the level of complexity. We ask ESMA to delete any reference to "more or less" complexity and stick to the MiFID definition of complex products explained above. Any new concept should be part a co-legislative work in the respect of the European comitology.

Question 9: Do you believe that further guidance is needed to clarify how firms should take into consideration the investment products' sustainability factors as part of their policies and procedures?

Please refer to Q8.

GUIDELINE 8: ARRANGEMENTS NECESSARY TO ENSURE THE SUITABILITY OF AN INVESTMENT

Question 10: Do you agree with the additional guidance provided regarding the arrangements necessary to ensure the suitability of an investment concerning the client's sustainability preferences? Please also state the reasons for your answer.

AFG agrees with ESMA's approach to address sustainability preferences only after having assessed the suitability test in accordance with the criteria of knowledge and experience, financial situation and other investment objectives. **It should be made clear that the client's financial and risk profile should prevail over the sustainability preferences. The contrary would have the drawback of twisting the client's investment profile (asset classes, etc) and even non-intendedly driving clients out of participating in capital markets.**[2]

Indeed, we would like to raise ESMA's attention on the fact that client's sustainability preferences could be in contradiction with the client's financial and risk profile. For example, at this stage of the market, a product with a high taxonomy alignment will probably have a sectoral bias (as per the definition of the Taxonomy Regulation) possibly with a different risk return profile than the client's. Similarly, the more granularity and combinations into sustainability preferences, the more concentrated the product may be.

That is also why the sustainability preference adaptation procedure is essential to respect both client's sustainability preferences and client's financial and risk profile. **This adaptation procedure should be allowed and not restricted** (please refer to Q11 for our specific comments on the matter).

[2] To be clear, AFG supports any efforts to drive the economy towards a more sustainable one. AFG also supports having a MIFID journey that allows clients with genuine and knowledgeable sustainable preferences to be proposed funds that match their preferences. The issue is when the process drives clients into a journey where the prevalence of the "expressed" sustainable preferences over the risk/return profile is a de facto one and not intended by the client.

Question 11: Do you agree with the approach outlined with regards to the situation where the firm can recommend a product that does not meet the client's preferences once the client has adapted such preferences? Do you believe that the guideline should be more detailed? Please also state the reasons for your answer.

AFG disagrees with ESMA's approach with regards to the situation where the firm can recommend a product that does not meet the client's preferences.

First, **we believe that ESMA's proposal goes beyond the MiFID II Delegated Regulation**. Indeed, level 2 states that "*Where no financial instrument meets the sustainability preferences of the client or potential client, and the client decides to adapt his or her sustainability preferences, the investment firm shall keep records of the decision of the client, including the reasons for that decision.*"

In its proposal, ESMA has introduced the fact that this adaptation possibility "should not be the standard procedure" (paragraph 81). This clarification seems to go beyond level 2.

Second, **there is no definition of "standard procedure", so it remains difficult to understand how a firm would comply with this "new" requirement**.

Third, as highlighted in Q10, **a firm could face the situation where the client's sustainability preferences are in contradiction with the client's financial and risk profile**. In such situation, firms wouldn't be in the position to propose to the client a "suitable" product in line with both client's sustainability preferences and client's financial and risk profile. While firms are not able to update the client's financial and risk profile, they should be allowed to update the client's sustainability preferences. Inability to adapt sustainability preferences may lead to situations where the client is deterred from investing in capital markets (example: private equity).

Finally, it should be reminded that, **in the current state of the market, firms will probably need to use this adaptation possibility to a great extent**. Indeed, clients will probably have high expectations with regards sustainability characteristics while the market is still developing (i.e., asking for a product with a "high" range of taxonomy alignment whereas very few such products are available today). How many clients know that taxonomy is more about an objective to attain and that the current figure does not say much about the prospects to align with the taxonomy in the future (as the economy is in transition)? Not being able to use this "adaptation procedure" could lead to situations where the firm is not able to provide the client with a suitable product as it is not authorized to adapt systematically the clients' sustainability preferences.

It should be reminded that the market evolution (implementation of sustainable framework, development of sustainable products in the coming years) will reduce the use of this adaptation procedure. In the meantime, we believe that the flexibility allowed in level 2 should be maintained.

We also noted that different approaches are proposed when adapting client's sustainability preferences:

- **<u>At portfolio level (guideline 82):</u>** if the client adapts its' sustainability preferences, its' portfolio will be reassessed to evaluate the impact of the change at portfolio level and the client's profile will be updated to integrate these modifications.
- **<u>At product level (guideline 81):</u>** if the client adapts its' sustainability preferences, the adaptation only refers to the "suitability assessment" in question and should not modify the client's profile.

The approach proposed under guideline 81 to adapt sustainability preferences only for a specific transaction could cause frustration to the client who will have to adapt repeatedly its' sustainability preferences.

We believe that the approach taken in guideline 82 should be extended to guideline 81. Firms should be allowed to modify the client's profile when a client adapts its' sustainability preferences to be presented with "sustainable products" (guideline 81). This approach would also facilitate future product recommendations to the client. Indeed, the client wouldn't need to adapt repeatedly its' sustainability preferences to be sure to be proposed with "sustainable products".

We understand ESMA objective to incentive financial industry to create more sustainable products. One approach to be in line with this objective could be to subject the "sustainable" profile of the client to a periodical review based on the evolution of the market.

For all the above reasons, we believe that paragraph 81 should be amended as followed:

> "With regards to the possibility for the client to adapt the sustainability preferences referred in Article 54(10) of the MiFID II Delegated Regulation~~, firms are reminded that this possibility should not be the standard procedure. Where a client adapts the sustainability preferences, this adaption should only refer to the suitability assessment/investment advice in question and not to the client's profile in general.~~ In case of investment advice, it should also be documented in the suitability report and be subject to the regular monitoring procedures."

Question 12: Do you agree with the approach outlined with regards to the situation where the client makes use of the possibility to adapt the sustainability preferences? Please also state the reasons for your answer.

Please refer to Q11.

Question 13: Could you share views on operational approaches a firm could use when it does not have any financial instruments included in its product range that would meet the client's sustainability preferences (i.e. for the adaptation of client's preferences with respect to the suitability assessment in question/to the particular transaction and to inform the client of such situation in the suitability report)?

Please refer to Q3 and Q11.

Question 14: Do you agree with the proposed approach for firms to be adopted in the case where a client does not express sustainability preferences, or do you believe that the supporting guideline should be more prescriptive? Please also state the reasons for your answer.

We agree with ESMA's approach with regards "sustainability-neutral" clients provided that "the firm's product offer" in paragraph 83 means (and is replaced by "the products that are recommend" i.e. after the filter of the "traditional" suitability test on knowledge and risk). Supporting guideline is sufficient and there is no need to further specification.

Question 15: Do you agree with the proposed approach with regard to the possibility for clients to adapt their sustainability preferences in the case of portfolio approach? Do you envisage any other feasible alternative approaches? Please provide some possible examples.

Please refer to Q11.

Question 16: What measures do you believe that firms should implement to monitor situations where there is a significant occurrence of clients adapting their sustainability preferences? What type of initiatives do you envisage could be undertaken to address any issues detected as a result of this monitoring activity?

We do not believe that there should be a specific requirement to monitor situations where there is a significant occurrence of clients adapting their sustainability preferences. Indeed, as highlighted in Q11, in the short term, we expect a high occurrence of clients adapting their sustainability preferences. This is explained by the fact that clients' expectations are likely to be very ambitious while the "sustainable" market is still developing. Please refer to Q11 for further comments.

GUIDELINE 10: COSTS AND BENEFITS OF SWITCHING INVESTMENTS

Question 17: Do you agree with the proposed amendment to supporting guideline 10? Please also state the reasons for your answer.

We agree with ESMA proposal and do not have any specific comments.

GUIDELINE 11: QUALIFICATIONS OF FIRM STAFF

Question 18: Do you agree with the additional guidance regarding to the qualification of firms' staff or do you believe that further guidance on this aspect should be needed? Please also state the reasons for your answer.

AFG believes that knowledge and competence for staff is important and necessary in order to explain these new sustainability preferences towards clients. However, firms need flexibility in the way to implement their staff training plan, whether staff are in contact with clients or not. As said previously, we believe that professional clients will presumably have more knowledge in general than retail about sustainability MIF criteria and market status.

GUIDELINE 12: RECORD-KEEPING

Question 19: Do you agree on the guidance provided on record keeping? Please also state the reasons for your answer.

We agree with ESMA proposal and do not have any specific comments.

QUESTIONS NOT RELATED TO SPECIFIC REVISIONS

Question 20: Do you agree on the alignment of the two sets of guidelines (where common provisions exist for the assessment of suitability and appropriateness)? Please also state the reasons for your answer.

We agree with ESMA proposal and do not have any specific comments.

Question 21: Do you have any further comment or input on the draft guidelines?

We do not have further comment on the draft guidelines.

Question 22: Do you have any comment on the list of good and poor practices annexed to the guidelines?

We do have one comment with regards the notion of "complexity".

Complexity in MiFID is about the comprehension of the fund's promise, return and risk profile, not about the inner works of the fund. ESMA cannot reinterpret the notion of complexity in MiFID with regards the construction of a fund, which is the professional's value added.

AFG proposes to delete the following paragraph, that goes beyond the current context and the agreed notion of complexity:

> Annex IV – client profiling
>
> ~~Use of complementary questions aimed to more effectively assess the ability of clients to understand products (especially the more complex ones) and their related risk profile to avoid relying on self-assessment. For example, questions dedicated to one or more of the following aspects: relationship between risk and return; mechanisms/actions that may reduce the risk of investments; impact of risk diversification on investments; returns related to investments in foreign currencies and related risks; liquidity risk; key features of structured products; financial leverage and its effect on investments; key features and related risks of derivative instruments and instruments with embedded derivatives.~~

Question 23: What level of resources (financial and other) would be required to implement and comply with the guidelines (organisational, IT costs, training costs, staff costs, etc., differentiated between one off and ongoing costs)? When answering this question, please also provide information about the size, internal organisation and the nature, scale and complexity of the activities of your institution, where relevant.

We do not have any data on the level of resources needed to implement the guidelines. We are hence unable to answer this question.

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