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Anasf response to ESMA consultation Paper regarding

draft technical Advice to the European Commission on the amendments to the research provisions in the MiFID II Delegated Directive in the context of the Listing Act

Question 1: Do you agree with the proposed approach? Or would you prefer a more or less detailed approach? Please state the reasons for your answer.

Answer 1: We support the use of an approach based on high-level principles, as proposed by the Authority. The promotion of regulatory simplification, in the clarity of objectives, is essential.

Question 2: Do you agree with the introduction of new paragraph 1b in Article 13 of Commission Delegated Directive (EU) 2017/593? Please explain why.

Answer 2: The adjective used in both the original and the modified text is as strong as it is indefinite. Indeed, the concept of 'robust' is vague. Quality in itself is already a parameter; it makes no sense to place other limitations. If the criterion to be used is to be generic and based on high-level principles, it is in fact sufficient to use higher or lower quality as a benchmark for evaluating research.

Question 3: If you do not agree with the introduction of new paragraph 1b in Article 13 of Commission Delegated Directive (EU) 2017/593, please provide alternative suggestions and/or explain how investment firms operating a research payment account currently assess the quality of research purchased (Article 13, point 1(b)(iv) Delegated Directive).

Answer 3: See previous answer.

Question 4: Do you agree that, when conducting the annual assessment provided in new Article 24(9a)(c) of MiFID II, an investment firm could be required to include a comparison with potential alternative research providers? Please state the reasons for your answer. Please also provide feedback on the availability of free trials for research services and why they may or may not be appropriate for investment firms to fulfil their obligations under Article 24(9a)(c). If free trials are not appropriate, which other methods could be used for comparison?

Answer 4: It is normal for business areas in a firm to be subject to quality assessment: if services are improvable, it is the firm itself that on its own initiative seeks to improve them. We believe it is incorrect to reason only in terms of cost to define the quality of a service. Moreover, it tends to be the case that better quality may be associated with a higher cost of service for the end user. In general, however, a procedure should be defined for investment firms to follow, ensuring transparency of individual steps for the benefit of users. For example, the firm should indicate what offers it has received from research firms and the criteria used by the firm to make the final choice.

Question 5: Do you agree with the introduction of new paragraph 10 in Article 13 of Commission Delegated Directive (EU) 2017/593? Please state the reasons for your answer.

Answer 5: Yes, we agree. We believe that the market has already adjusted or will fully adjust to this level of equivalence: indeed, it is normal market practice that, when offering two or more services jointly, the costs of those services tend to be lower than for individually opted services or, at most, equivalent.

Question 6: Do you think that any further requirements or conditions applicable to investment research provided by third parties to investment firms should be introduced in the proposed amendments to Commission Delegated Directive (EU) 2017/593? Please state the reasons for your answer.).

Answer 6: We believe that it is not useful to place additional constraints or caps on the cost of investment services. Rather, the method of calculating this cost should be, and rightly so, regulated, making it clear to the client. ESMA could make public the examples found during audits by national regulators, without requiring compliance (no research benchmarks).