

Dear Sir/Dear Madam,

The MiFID review represents an important opportunity to ensure European investors are better protected. As the MiFIR/D trilogue negotiations are about to begin, we would like to bring to your attention an important point if MiFID 2 is to genuinely protect European investors.

At CFA Institute, we represent more than 100,000 investment professionals worldwideⁱ. We believe that the education of investment professionals is essential to best serve the interests of investors especially in today's markets in which investors are being offered an even more complex and wide ranging set of services and instruments.

All investment professionals providing advisory services to clients in the European Union should be subject to equivalent minimum standards in terms of training and certification, as is proposed by the European Parliament in its MiFID new article 25.1. Requiring pan-European Level 2 standards (EP article 25.6) to harmonise the criteria to assess knowledge and competence throughout the 28 member states will also further the level-playing field of investor protection throughout the Union.

European Parliament – MiFID new article 25.1 states:

“Member States shall require investment firms to ensure and demonstrate that natural persons giving investment advice or information about investment products, investment services or ancillary services to clients on behalf of the investment firm possess the necessary knowledge and competence to fulfill their obligations under Article 24 and this Article and shall publish the criteria used to assess knowledge and competence.”

This requirement will also advance market integrity - which ultimately is crucial to restore and sustain investors' trust and confidence, which in turn is needed for long term investment in our economy. We therefore urge Member States to support this European Parliament's proposal to further investor protection.

Given our long experience in educating finance professionals, we would of course be delighted to engage in further discussions in the future on assessing knowledge and competence as we believe that the competency requirements should not only ensure that investment professionals master investment theory and practice but also acquire a solid grounding in high ethical principles and standards of professional conduct.

We thank you in advance for the attention you will give to this important topic for European investors.

Yours sincerely,

Matteo Cassiani, CFA (President, CFA Society Italy) & Claire Fargeot (Head of Standards and Financial Market Integrity EMEA, CFA Institute)

ⁱ Our Italian CFA Institute society has 341 members (www.cfasocietyitaly.it). The majority of our members has taken the rigorous CFA Charter, which not only tests professionals' competency in finance but also provides them with a solid grounding in ethical principles of professional conduct. For more information on our programs, please visit our website <http://www.cfainstitute.org/programs/Pages/index.aspx>