

CNMV APPROVES THE TECHNICAL GUIDE ON TRAINING STAFF OF FINANCIAL INSTITUTIONS

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- The objective is to improve investment services client protection
- Entity employees will be better trained so that clients can make informed investment decisions

The National Securities Market Commission (CNMV) has approved today [the Technical Guide for evaluating the knowledge and skills of the staff that report to and advise financial institutions](#).

The Technical Guide contains the criteria for assessing the knowledge and skills of the staff who inform and advise on sales networks of financial institutions (in particular credit institutions, investment services companies and collective investment institution management companies), one of the new areas to which MiFID II refers.

The main objective of the Guide is to improve the level of staff training for the benefit of clients or investors, entities and their employees:

1. Clients will be more aware of the risks of products when receiving correct information and advice and will be able to make better informed decisions.
2. Entities will have more guarantees that their staff will be properly trained to perform their duties and obligations in accordance with the regulations.
3. The staff offering investment services will have the necessary knowledge and experience to perform their duties and responsibilities correctly.

Last April, CNMV presented a draft Guide that was widely commented during the public hearing period. Based on these comments, clarifications have been introduced, such as the application of the guide to outsourced sales networks (telemarketing, call centres, etc.); the inclusion of the degree of complexity of the financial instruments for the proportionate application of the criteria; or the specification that the number of hours of the guide are training hours.

Content of the Guide

The Technical Guide, which will enter into force on 1 January 2018,

contains the minimum knowledge that sales network staff must acquire in order to inform or advise clients. In addition, it specifies the minimum number of hours of training, which will be 80 for the staff offering information and 150 for the ones giving advice, as well as ongoing training. However, on the basis of the principle of proportionality, taking into account the complexity of the service to be provided and the instruments on which information and advice are given, a lower number of hours may be established under the responsibility of the financial institution.

It also establishes the need for a minimum of 6 months full-time experience in order to be able to give information or perform advisory activities, autonomously, to clients and organizational requirements and companies' responsibility in staff training.

Finally, it provides entities with three possibilities to prove that their employees have the right expertise: a certificate included in the list to be drawn up by CNMV; another external qualification, being under the responsibility of the entity to verify the equivalence of the training and evaluation with the requirements of the guide; or an internal qualification of the entity that fulfils the requirements of the Guide.

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