



## **SEMINAR**

### ***Suitability versus sustainability in the EU regulation of investment services***

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**Room B4, S. Chiara Building**

Firms providing investment services to clients are mandated by EU law to consider 'sustainability preferences' in disclosures and suitability assessments. These rules raise coordination issues with the pre-existing suitability regime, as well as with other legal notions in recent EU sustainability-oriented financial regulation (such as 'sustainability factors' and 'sustainability risk') and general principles of EU financial market regulation (such as the proportionality principle employed by MiFID II organisational requirements). The complex interplay between legal notions, regulatory principles and industry practices casts doubts on the cost-effectiveness of the current legal framework, calling for careful interpretation and restrictive application of some of these notions. MiFID III, however, might offer an opportunity for their comprehensive revision.