



28 January 2008

## **AIFA Launches Manifesto for Advice at House of Commons Parliamentary Reception**

The Association of Independent Financial Advisers (AIFA) is today (28 January 2008) launching its Manifesto for Advice. The Manifesto sets out AIFA's vision for the future of the advice profession. The Manifesto is being launched at a Parliamentary event with Pensions Minister, Mike O'Brien Q.C. M.P. and the Rt. Hon. John Gummer MP, Chairman of AIFA. The event is with industry leaders, consumer groups, politicians, press and regulators.

The Manifesto for Advice is an important step forward for the advice profession and consumers. AIFA's vision sets out guiding principles, which will deliver a more skilled, professional and ethical adviser community. The Manifesto calls for cooperation between the industry, advisers, consumers, providers and regulators to build a robust future based on the good practice that already exists.

Mike O'Brien Q.C. M.P Said:

"I very much welcome the Manifesto for Advice. This is really good stuff from AIFA. It represents an important step in the debate, setting a vision for IFAs giving advice in the future, and I look forward to seeing the progress IFA's make over the coming years as they put this manifesto into practice."

AIFA's core Manifesto principles are:

- Professional financial advice is focused on the client. The guiding light is to do well by the client.
- Advisers have an obligation to deliver the most suitable advice in the interest of their clients.
- Advice firms should be free to operate commercially in whatever way best meets the needs of their business and clients, within the regulatory and legal framework.
- Consumers should be able to obtain fair, expert advice from financial advisers in order to become well-informed about the decisions and actions they need to take to improve their long-term financial situation. Providers of financial services and products have an obligation to support the market for fair and high-quality financial advice. Advisers have the right to expect a consistent,

cost-justifiable and fair approach to their regulation.

Chris Cummings, Director General of AIFA, said:

“AIFA plays an important role informing UK and European Government, as well as the FSA and other regulatory bodies. The Manifesto sets out our guiding principles for the future of advice, which we believe should be embedded across the industry. For the principles to work in practice we need the support of regulators, Government and from consumers.

“Advisers have always put their client’s interests at the heart of their business. The Manifesto will seek to endorse the extraordinary profession we have and recognise the exceptional value we as an industry provide.

“The Manifesto fits well with the FSA’s move to principles based regulation. The Retail Distribution Review has set in motion the appetite for change. However, we do not believe in change for changes sake. We must ensure that any change has a direct and tangible benefit to the consumer.”

The outcomes of the manifesto will see:

- Higher levels of qualifications become the norm: both at entry level and beyond.
- Individual advisers’ professional behaviour underpinned by a code of ethics and membership of a professional body.
- Firms, the regulator, trade bodies and consumer groups working together to find market solutions that benefit consumers.
- Well capitalised, more robust, better managed financial advice firms flourish.
- Technology utilised to improve client service and harness the opportunities presented by platforms and wrap based business models.
- A transition to businesses built on recurring income that focuses on long term client relationships.
- The establishment of more “advice practices” where different types of consumer advice need are met by suitably qualified advisers – through holistic, full, or focused advice.
- Firms take account of their environmental and social responsibilities.

The Manifesto for Advice is available to view at <http://www.aifa.net/news/aifa-in-parliament/resource.php>.

**ENDS**

**For further information please contact:**

Tracy Elwick Director of Public Relations and Marketing AIFA - 0207 826 9030  
Simon Maule/Tony Cox, Linstock Communications – 020 7089 2080

## **Notes to Editors**

The Association of Independent Financial Advisers was launched in September 1999. Our role is to effectively lobby the Treasury, FSA, government, the EU and other opinion formers and policymakers to ensure the regulatory and business environment is positive toward members. It is AIFA's objective to play a critical but constructive role within the regulation process - offering insights from the "front line" of the market. AIFA is a non-commercial, not-for-profit trade body. We exist solely to campaign for light touch and proportionate regulation and work for a positive market for members.

