

Circular: ESMA MiFID II / MiFIR Investor Protection Q&As

Background

MiFID II applies from 3 January 2018 and will strengthen the protection of investors by introducing new requirements and reinforcing existing ones. The purpose of this [MiFID II Q&As](#) is to promote common supervisory approaches and practices in the application of MiFID II/MiFIR for investor protection topics.

It provides responses to questions posed by the general public, market participants and competent authorities in relation to the practical application of MiFID II and MiFIR.

The new Q&As cover the topics of *record keeping*, *post-sale reporting*, and *inducements*.

The overall [MiFID II Q&As](#) provide clarifications on the following topics:

- Best execution;
- Suitability and appropriateness;
- Recording of telephone conversations and electronic communications;
- Post-sale reporting;
- Record keeping;
- Investment advice on an independent basis;
- Inducements (research);
- Information on charges and costs;
- Underwriting and placement of a financial instrument; and
- Client categorisation.

Target Audience

The content of this document is aimed at competent authorities and investment firms by providing clarity on the application of the MiFID II and MiFIR requirements. It should be noted that the content of this document is not exhaustive and it does not constitute new policy.

Next Steps

ESMA will continue to develop this Q&A on investor protection topics under MiFID II in the coming months, both adding questions and answers to the topics already covered and introducing new sections for other MiFID II investor protection areas not yet addressed in this Q&A.

ESMA will periodically review these Q&As on a regular basis to update them where required and to identify if, in a certain area, there is a need to convert some of the material into ESMA Guidelines and recommendations.

Contacts

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