

6 June 2019

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

Background

The European Securities and Markets Authority (ESMA) has published an updated version of its [Q&A](#) on the implementation of investor protection requirements under the Market in Financial Instruments Directive and Regulation (MiFID II/MiFIR). The updated Q&A provide new answers on best execution and information on costs and charges.

The overall MiFID II/MiFIR Q&A provide clarifications on the following topics:

Best Execution

- **Reporting for venues on the 'trading mode' according to RTS 27;**
- Reporting for venues and firms on template fields of RTS 27 and 28 if the required content is not applicable to their activities;
- **Reporting on 'passive' and 'aggressive' orders for firms using quote-driven systems to have client orders executed; and**
- RTS 28 reporting and execution venues.

Information on costs and charges

- Information on costs and charges: Ex-ante information in case of sell orders;
- Information on costs and charges: Ex-ante information in case of telephone trading;
- Information on costs and charges: Use of assumed investment amount for ex-ante information in relation to investment services and/or products with non-linear charging structures; and
- Information on costs and charges: Use of ranges and maximum amount/percentages for ex-ante information.

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 and MiFIR, 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.

Contacts

Any queries or requests for clarifications on the contents of this Circular should be addressed to the Conduct Supervision on offsiteinv@mfsa.com.mt.