

30 September 2022

## Revisions to the MiFID Firms Quarterly Reporting

Reference is made to the MIFID Firms Quarterly Reporting, submitted by Investment Firms on a quarterly basis.

Kindly note that the Authority has revised the Part A of the MiFID Firms Quarterly Reporting, with major changes involving different tabs.

Regulated entities are kindly required to refer to the latest version of the document available on the MFSA website.

The Authority is also issuing an amended Guidance Document to be referred to by the relevant entities when compiling the Return. The documents can be accessed via [this link](#), under the 'MiFID Firms Reporting Requirements' tab within the 'Investment Firms' section.

### **List of Amendments**

a) Validation Sheet

A new tab has been included, indicating whether the Return has been compiled correctly. Before submitting the Return, Licence Holders shall ensure that all the checks included in the Validation Sheet turn green.

b) Financial Innovation

- Survey renamed in 'Innovation Survey'
- Question 1 makes now reference to innovation to 'product', 'process' or 'no innovation.'
- The Survey is now fully displayed
- Question 3 has been expanded to include further financial products (i.e. Derivatives, CFDs, ETFs).
- Question 4 has been expanded to include 'no technology used'.

Licence Holders are expected to report any innovation, defined as the act of creating and distributing new financial instruments, processes, business models and markets, including the new application of existing ideas in a different market context.

c) Cross-border activity

An additional column has been added, wherein Licence Holders are required to indicate the total number of clients serviced in the jurisdiction.

d) Retail Investor Trends

- ETFs has been added to Question 2
- The list of methods of communication and media channel in Question 4 has been updated to include YouTube and Emails/Newsletters.
- Question 5 and 5.1 have been deleted.
- A new Question 5 has been added. Licence Holders are now required to indicate the percentage of clients onboarded through digital means (i.e. non face-to-face basis).

e) Complex Products

The Survey has been deleted and will be included in the List of Financial Instrument. The Authority will provide more details in due course.

f) Complaints

Licence Holders are required to distinguish between the number of new complaints received from clients residing in Malta, from clients residing in EU/EEA and from clients residing in the rest of the world. Furthermore, Licence Holders are required to indicate the top 3 countries (outside Malta) where the complaints were received during the reporting period.

g) Online & social media presence

- An additional column has been added, aimed at collecting information on the languages used in websites and social media of the Company.
- Questions 3 and 4 on Introducing Brokers and/or Affiliates have been moved to the 'Additional details' tab

h) Branches

The new tab has been added, aimed at collecting information in relation to branches in EU/EEA.

### **Compilation and submission of the MiFID Firms Quarterly Reporting**

The Authority expects authorised representatives of Licence Holders to compile the MiFID Firms Quarterly Reporting with diligence and due care, after carefully considering the investment firm's actual business model. The MFSA will adopt a dim view in those circumstances wherein the information as disclosed in the Financial Return is not in line with the discussion held with the Authority during on-site inspections and/or any other supervisory meetings.

The MiFID Firms Quarterly Reporting is to be submitted within 42 days after the end of the applicable reporting period, through the 'Investment Firms reporting' project on the LH Portal, using the naming convention: CODE\_JAN2019\_MFREP.zip.

In such cases where the 'Investment Firms reporting' project is not available on the LH Portal, kindly send an email to [investmentfirms@mfsa.mt](mailto:investmentfirms@mfsa.mt).

## **Contacts**

In case of any queries in relation to the Conduct-Related Data (i.e. Part A of the Return), an email can be sent to [financialpromotion@mfsa.mt](mailto:financialpromotion@mfsa.mt).

In case of queries in relation to the Prudential Data (i.e. Part B of the Return), you may wish to contact [investmentfirms@mfsa.mt](mailto:investmentfirms@mfsa.mt).

In case of queries in relation to Part C – Exposure to Maltese Banks, you may wish to contact [statistics@mfsa.mt](mailto:statistics@mfsa.mt).