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The European Securities and Markets Authority (ESMA) Issues a [Notification Statement](#) Covering the Launch of the 2023 Common Supervisory Action (CSA) on the Application of MiFID II Disclosure Rules with Regards to Marketing Communications

Background and Scope

The European Securities and Markets Authority, the EU's securities markets regulator, is launching a common supervisory action with national competent authorities (NCAs) on the application of MiFID II disclosure rules with regards to marketing communications, across the European Union (EU). The CSA will be conducted during 2023 and shall form part of the MFSA's Supervisory Priorities for this year. This action will allow ESMA and the NCAs to assess the application by firms of the MiFID II requirements on marketing communications.

As part of the CSA, all participating NCAs will review whether marketing communications (including advertisements) are fair, clear and non-misleading and how firms select the target audience for the marketing communications, especially in the case of riskier and more complex investment products.

ESMA is also aware that younger, less experienced investors, are particularly vulnerable when they operate online. For this reason, the CSA will also closely consider marketing and advertising by firms through distribution channels including applications, websites, social media and collaborations with affiliates, such as influencers.

Finally, the 2023 CSA will also be an opportunity to collect information about possible 'greenwashing practices' observed in marketing communications and advertisements.

ESMA believes this initiative and the related sharing of practices across NCAs, will help ensure consistent implementation and application of EU rules and enhance the protection of investors in line with ESMA's objectives. The CSA contributes to fulfilling ESMA's mandate on building a common supervisory culture among NCAs to promote sound, efficient, and consistent supervision throughout the EU. ESMA's promotion of supervisory convergence is done in close cooperation with NCAs.

Target Audience

This circular is addressed to Investment Firms and Credit Institutions when providing investment services activities.

Next Steps

The Conduct Supervision Function within the Malta Financial Services Authority (MFSA) will be getting in touch with the selected firms with the aim of conducting a focused inspection in order to assess the implementation of MiFID II disclosure rules on marketing communication.

Contacts

Should you have any queries regarding the above, please do not hesitate to contact: csuinvestments@mfsa.mt.