

10 May 2023

## Update to The Nature and Art of Financial Supervision – Conduct Supervision – The Demands and Needs Assessment

Reference is made to the Nature and Art of Financial Supervision – Conduct Supervision – The Demands and Needs Assessment (“the Circular”) originally issued by the Malta Financial Services Authority (“the Authority”) on 24 May 2022.

Kindly note that following the Demands and Needs Assessment workshop that was held on the 23 November 2022, the Authority has updated the Circular in order to address and further clarify certain aspects on the manner in which a demands and needs assessment is to be conducted.

The amendments carried out to the Circular clarify that the scope of the circular is to provide guidance and outline best practices in the context of the demands and needs assessment which insurance distributors are required to carry out in accordance with their regulatory requirements.

Regulated entities are kindly required to refer to the latest version of the document available on the MFSA website on this [link](#).

In case of queries with respect to the Circular, please do not hesitate to contact the Authority on [csuinsurance@mfsa.mt](mailto:csuinsurance@mfsa.mt).