

ESMA clarifies position on call taping under MiFID II

ESMA reminds firms of the MiFID II requirements in this area. ESMA also recognises that, considering the exceptional circumstances created by the COVID-19 outbreak, some scenarios may emerge where, notwithstanding steps taken by the firm, the recording of relevant conversations required by MiFID II may not be practicable. If firms, under these exceptional scenarios, are unable to record voice communications, ESMA expects them to consider what alternative steps they could take to mitigate the risks related to the lack of recording.

Firms are expected to deploy all possible efforts to ensure that the above measures remain temporary and that recording of telephone conversations is restored as soon as possible.

ESMA, in coordination with national competent authorities, continues to monitor developments in financial markets, including the application of relevant EU requirements by market participants, as a result of the COVID-19 situation and is prepared to use its powers to ensure financial stability, orderly functioning of EU markets and investor protection.