

ESMA publishes MiFID II Supervisory Briefing on Suitability

This supervisory briefing covers the following topics:

- determining situations where the suitability assessment is required;
- information to clients about the purpose of the suitability assessment;
- obtaining information from clients;
- arrangements necessary to understand investment products;
- arrangements necessary to understand the suitability of an investment;
- suitability report;
- qualifications of firm staff; and
- record keeping.

Background

This supervisory briefing is aimed at competent authorities as defined in MiFID II. It is also meant to give market participants indications of compliant implementation of the MiFID II suitability provisions. The purpose of this supervisory briefing is to promote common supervisory approaches and practices in the application of the MiFID II suitability rules.