

ESMA updates Q&As on MiFID II and MiFIR investor protection and intermediaries

The new Q&As are on the topics of inducements (research) and provision of investment services by third country firms. The overall MiFID II Q&A provide clarifications on the following topics:

- Best execution;
- Suitability and appropriateness;
- Recording of telephone conversations and electronic communications;
- Post-sale reporting;
- Record keeping;
- Investment advice on an independent basis;
- Inducements (research);
- Information on charges and costs;
- Underwriting and placement of a financial instrument;
- Client categorisation;
- Inducements;
- Provision of investment services and activities by third country firms;
- Application of MiFID II after 3 January 2018, including issues of *late transposition*; and
- Other issues.

MiFID II came into force on 3 January 2018 and aims at strengthening the protection of investors by both introducing new requirements and reinforcing previous ones. The purpose of this Q&A is to promote common supervisory approaches and practices in the application of MiFID II/MiFIR for investor protection topics.

Next steps

ESMA will continue to develop this Q&A on investor protection topics under MiFID II in the coming months, both adding questions and answers to the topics already covered and introducing new sections for other MiFID II investor protection areas not yet addressed in this Q&A.