

Submission Date

16/12/2016

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Additional Information

Level 1 Regulation

Markets in Financial Instruments Directive II (MiFID II) Directive 2014/65/EU- Investor Protection and Intermediaries

Topic

Inducements (research)

Subject Matter

Inducements

Question

Can investment firms accept research from third country providers that are not subject to the MiFID II requirements?

ESMA Answer

16-12-2016

Original language

[ESMA 35-43-349 MiFID II Q&As on Investor protection Ch. 7, question 4]

EU/EEA firms subject to MiFID II inducements rules must comply with these requirements (Article 24, paragraphs (7), (8) and (9), and the relevant level two provisions) irrespective of the status or geographical location of the research provider. Alternatively, they could receive research using the paying arrangements set out in Article 13 of the MiFID II Delegated Directive.

Firms should therefore treat research from a third country provider in the same way as any other third party benefits (see Q&A 3 above). [Q&A 1791]