



PRESS RELEASE

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Review of EU financial markets legislation has a significant impact on data protection

The European Data Protection Supervisor (EDPS) today published a package of four opinions on Commission proposals for the reform of the financial sector in the EU. The four proposals all concern monitoring of financial data, which has a significant impact on the fundamental right to protection of personal data.

Giovanni Buttarelli, Assistant EDPS: *"In the financial sector, I am particularly concerned about the data protection issues raised by the new powers of the supervisory authorities, especially in relation to access to communication data and inspection of private premises. The reform presents a golden opportunity for the legislator to guarantee the fundamental right of data protection while taking the specific needs of the financial sector into account. This opportunity should not be missed".*

The opinions on 1) the legislative package for the revision of the banking legislation, 2) the market abuse directive and regulation (MAD/MAR), 3) the regulation and the directive on markets in financial instruments (MiFID/MIFIR) and 4) the revision of the credit rating agencies regulation (CRA) all raise similar data protection concerns. The EDPS therefore recommends:

- inserting substantive provisions emphasising the **applicability of existing data protection legislation**;
- adding **specific safeguards to the provisions concerning transfer of data to third countries**;
- limiting **access to private premises and records of telephone and data traffic to identified and serious violations** of the proposed legislation and clearly specifying the **categories of telephone and data traffic records which are required to be retained** by financial institutions and/or provided to supervisory authorities;
- assessing the **necessity and proportionality of the proposed provisions on publications of sanctions**. The publication obligation should be **supported by adequate safeguards**;
- ensuring that the **identity of whistleblowers** is protected;
- guaranteeing that appropriate procedures to ensure **the right of the accused person to defence** and to be heard as well as **the right to seek effective judicial remedy** against any decision or measure concerning him are put into place.

The European Data Protection Supervisor (EDPS) is an independent supervisory authority devoted to protecting personal data and privacy and promoting good practice in the EU institutions and bodies. He does so by:

- monitoring the EU administration's processing of personal data;
- advising on policies and legislation that affect privacy;
- cooperating with similar authorities to ensure consistent data protection.

The [four opinions](#) are available on EDPS website. For more information: press@edps.europa.eu

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