

Directive (EU) 2019/2034 of the European Parliament and of the Council
of 27 November 2019 on the prudential supervision of investment
firms and amending Directives 2002/87/EC, 2009/65/EC, 2011/61/EU,
2013/36/EU, 2014/59/EU and 2014/65/EU (Text with EEA relevance)

TITLE IV

PRUDENTIAL SUPERVISION

CHAPTER 1

Principles of prudential supervision

Section 2

Professional secrecy and duty to report

Article 15

Professional secrecy and exchange of confidential information

1 Member States shall ensure that competent authorities and all persons who work or who have worked for those competent authorities, including the persons referred to in Article 76(1) of Directive 2014/65/EU, are bound by the obligation of professional secrecy for the purposes of this Directive and of Regulation (EU) 2019/2033.

Confidential information which such competent authorities and persons receive in the course of their duties may be disclosed only in summary or aggregate form, provided that individual investment firms or persons cannot be identified, without prejudice to cases covered by criminal law.

Where the investment firm has been declared bankrupt or is being compulsorily wound up, confidential information which does not concern third parties may be disclosed in civil or commercial proceedings, where such disclosure is necessary for carrying out those proceedings.

2 Competent authorities shall use the confidential information collected, exchanged or transmitted pursuant to this Directive and to Regulation (EU) 2019/2033 only for the purpose of carrying out their duties, and in particular for the following purposes:

- a to monitor the prudential rules set out in this Directive and in Regulation (EU) 2019/2033;
- b to impose sanctions;
- c in administrative appeals against decisions of the competent authorities;
- d in court proceedings initiated under Article 23.

3 Natural and legal persons and other bodies, other than competent authorities, that receive confidential information pursuant to this Directive and to Regulation (EU) 2019/2033

Status: EU Directives are being published on this site to aid cross referencing from UK legislation. After IP completion day (31 December 2020 11pm) no further amendments will be applied to this version.

shall use that information only for the purposes for which the competent authority expressly provides or in accordance with national law.

4 Competent authorities may exchange confidential information for the purposes of paragraph 2, may expressly state how that information is to be treated and may expressly restrict any further transmission of that information.

5 The obligation referred to in paragraph 1 shall not prevent competent authorities from transmitting confidential information to the Commission when that information is necessary for the exercise of the powers of the Commission.

6 Competent authorities may provide EBA, ESMA, the ESRB, central banks of the Member States, the European System of Central Banks (ESCB) and the European Central Bank in their capacity as monetary authorities, and, where appropriate, public authorities responsible for overseeing payment and settlement systems, with confidential information where that information is necessary for the performance of their tasks.

Article 16

Cooperation arrangements with third countries for the exchange of information

For the purpose of performing their supervisory tasks pursuant to this Directive or to Regulation (EU) 2019/2033, and for the purpose of exchanging information, competent authorities, EBA and ESMA in accordance with Article 33 of Regulation (EU) No 1093/2010 or Article 33 of Regulation (EU) No 1095/2010, as applicable, may conclude cooperation arrangements with third#country supervisory authorities as well as with third#country authorities or bodies responsible for the following tasks, provided that the information disclosed is subject to guarantees of professional secrecy that are at least equivalent to those laid down in Article 15 of this Directive:

- (a) the supervision of financial institutions and financial markets, including the supervision of financial entities licensed to operate as central counterparties, where central counterparties have been recognised under Article 25 of Regulation (EU) No 648/2012 of the European Parliament and of the Council⁽¹⁾;
- (b) the liquidation and bankruptcy of investment firms and similar procedures;
- (c) oversight of the bodies involved in the liquidation and bankruptcy of investment firms and similar procedures;
- (d) the carrying out of statutory audits of financial institutions or institutions which administer compensation schemes;
- (e) oversight of persons charged with carrying out statutory audits of the accounts of financial institutions;
- (f) oversight of persons active on emission allowance markets for the purpose of ensuring a consolidated overview of financial and spot markets;
- (g) oversight of persons active on agricultural commodity derivatives markets for the purpose of ensuring a consolidated overview of financial and spot markets.

Article 17

Duties of persons responsible for the control of annual and consolidated accounts

Member States shall provide that any person who is authorised in accordance with Directive 2006/43/EC of the European Parliament and of the Council⁽²⁾ and who performs in an investment firm the tasks described in Article 73 of Directive 2009/65/EC or in Article 34 of Directive 2013/34/EU, or any other statutory task, has a duty to report promptly to the competent authorities any fact or decision concerning that investment firm, or concerning an undertaking that has close links with that investment firm which:

- (a) constitutes a material breach of the laws, regulations or administrative provisions laid down pursuant to this Directive;
- (b) may affect the continuous functioning of the investment firm; or
- (c) may lead to a refusal to certify the accounts or can lead to the expression of reservations.

Status: EU Directives are being published on this site to aid cross referencing from UK legislation. After IP completion day (31 December 2020 11pm) no further amendments will be applied to this version.

- (1) Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories ([OJ L 201, 27.7.2012, p. 1](#)).
- (2) Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006 on statutory audits of annual accounts and consolidated accounts, amending Council Directives 78/660/EEC and 83/349/EEC and repealing Council Directive 84/253/EEC ([OJ L 157, 9.6.2006, p. 87](#)).