

Regulation (EU) 2019/2033 of the European Parliament and of the Council of 27 November 2019 on the prudential requirements of investment firms and amending Regulations (EU) No 1093/2010, (EU) No 575/2013, (EU) No 600/2014 and (EU) No 806/2014 (Text with EEA relevance)

PART SEVEN

REPORTING BY INVESTMENT FIRMS

Article 54

Reporting requirements

1 Investment firms shall report on a quarterly basis to the competent authorities all of the following information:

- a level and composition of own funds;
- b own funds requirements;
- c own funds requirement calculations;
- d the level of activity in respect of the conditions set out in Article 12(1), including the balance sheet and revenue breakdown by investment service and applicable K#factor;
- e concentration risk;
- f liquidity requirements.

By way of derogation from the first subparagraph, investment firms that meet the conditions for qualifying as small and non#interconnected investment firms set out in Article 12(1) shall submit such reports on an annual basis.

2 The information specified in point (e) of paragraph 1 shall include the following levels of risk and shall be reported to the competent authorities at least on an annual basis:

- a the level of concentration risk associated with the default of counterparties and with trading book positions, both on an individual counterparty and aggregate basis;
- b the level of concentration risk with respect to the credit institutions, investment firms and other entities where client money is held;
- c the level of concentration risk with respect to the credit institutions, investment firms and other entities where client securities are deposited;
- d the level of concentration risk with respect to the credit institutions where the investment firm's own cash is deposited;
- e the level of concentration risk from earnings;
- f the level of concentration risk as described in points (a) to (e) calculated taking into account assets and off#balance#sheet items not recorded in the trading book in addition to exposures arising from trading book positions.

For the purposes of this paragraph, the terms 'credit institution' and 'investment firm' include private or public undertakings, including the branches of such undertakings, provided that those undertakings, if they were established in the Union, would be credit institutions or investment firms as defined in this Regulation, and provided that those undertakings have been authorised in a third country that applies prudential supervisory and regulatory requirements at least equivalent to those applied in the Union.

By way of derogation from paragraph 1 of this Article, an investment firm that meets the conditions for qualifying as a small and interconnected investment firm set out in Article 12(1) shall not be required to report the information specified in point (e) of paragraph 1 of this Article and, insofar as an exemption has been granted in accordance with the second subparagraph of Article 43(1), in point (f) of paragraph 1 of this Article.

3 For the purposes of the reporting requirements laid down in this Article, EBA, in consultation with ESMA, shall develop draft implementing technical standards to specify:

- a the formats;
- b reporting dates and definitions and associated instructions which shall describe how to use those formats.

The draft implementing technical standards referred to in the first subparagraph shall be concise and proportionate to the nature, scope and complexity of the activities of the investment firms, taking into account the differences in the level of detail of information submitted by an investment firm that meets the conditions for qualifying as a small and non-interconnected investment firm set out in Article 12(1).

EBA shall develop the draft implementing technical standards referred to in the first subparagraph by 26 December 2020.

Power is conferred on the Commission to adopt the implementing technical standards referred to in this paragraph in accordance with Article 15 of Regulation (EU) No 1093/2010.

Article 55

Reporting requirements for certain investment firms, including for the purposes of the thresholds referred to in Article 1(2) of this Regulation and in point (1)(b) of Article 4(1) of Regulation (EU) No 575/2013

1 Investment firms which carry out any of the activities referred to in points (3) and (6) of Section A of Annex I to Directive 2014/65/EU shall verify the value of their total assets on a monthly basis and shall report quarterly that information to the competent authority if the total value of the consolidated assets of the investment firm is equal to or exceeds EUR 5 billion, calculated as an average of the previous 12 months. The competent authority shall inform EBA thereof.

2 Where an investment firm referred to in paragraph 1 is part of a group in which one or more other undertakings is an investment firm which carries out any of the activities referred to in points (3) and (6) of Section A of Annex I to Directive 2014/65/EU, all such investment firms in the group shall verify the value of their total assets on a monthly basis if the total value of the consolidated assets of the group is equal to or exceeds EUR 5 billion, calculated as an average of the previous 12 months. Such investment firms shall inform each other of their total assets on a monthly basis and report their consolidated total assets to the relevant competent authorities on a quarterly basis. The competent authorities shall inform EBA thereof.

3 Where the average of monthly total assets of the investment firms referred to in paragraphs 1 and 2 reaches any of the thresholds set out in Article 1(2) of this Regulation or in point (1)(b) of Article 4(1) of Regulation (EU) No 575/2013, calculated as an average of the previous 12 months, EBA shall notify those investment firms and the competent authorities, including the authorities competent for granting authorisation in accordance with Article 8a of Directive 2013/36/EU thereof.

4 Where a review pursuant to Article 36 of Directive (EU) 2019/2034 shows that an investment firm referred to in paragraph 1 of this Article may pose a systemic risk as referred to in Article 23 of Regulation (EU) No 1093/2010, competent authorities shall inform EBA of the results of that review without delay.

5 EBA, in consultation with ESMA, shall develop draft regulatory technical standards to specify further the obligation to provide information to the relevant competent authorities referred to in paragraphs 1 and 2 in order to allow effective monitoring of the thresholds set out in points (a) and (b) of Article 8a(1) of Directive 2013/36/EU.

EBA shall submit those draft regulatory technical standards to the Commission by 26 December 2020.

Power is delegated to the Commission to supplement this Regulation by adopting the regulatory technical standards referred to in this paragraph, in accordance with Articles 10 to 14 of Regulation (EU) No 1093/2010.