
TO : Cyprus Investment Firms (CIFs)
FROM : Cyprus Securities and Exchange Commission
DATE : 6 February 2024
CIRCULAR NO. : C620
SUBJECT : Adoption of the European Banking Authority (the ‘EBA’) Guidelines on the monitoring of the threshold and the procedural aspects on the establishment of intermediate EU undertakings under Article 21b of Directive 2013/36/EU

A. EBA Guidelines

1. The Cyprus Securities and Exchange Commission (the “CySEC”) wishes to bring to the attention of the Cyprus Investment Firms (the “CIFs”) the following EBA Guidelines which were issued on July 28, 2021, [on the monitoring of the threshold and the procedural aspects on the establishment of intermediate EU undertakings under Article 21b of Directive 2013/36/EU](#) (the “Guidelines”) and the [EBA Decision concerning supervisory reporting for IPU threshold monitoring \(EBA/DC/441\) issued on May 13, 2022](#).
2. CySEC has adopted the Guidelines, under section 80(7) of the [Law to provide for the capital adequacy of investment firms 97\(I\)/2021](#), which transposes [Article 21b\(6\) of the Directive 2013/36](#) by its incorporation into the supervisory practices and regulatory approach.

B. Scope and addresses

3. The Guideline applies to **all CIFs, which belong to a third country group**, meaning a group of which the parent undertaking is established in a third country ([Article 3\(64\) of the Directive 2013/36](#)).

C. Application and reporting

4. The Guidelines specify:
 - a threshold of combined total value of assets of the third country group in the Union, equal to or greater than EUR 40 billion (IPU threshold) for the obligation to establish an intermediate EU parent undertaking according to Article 21b of Directive 2013/36/EU and
 - the information to be provided to the competent authorities.

5. The Guidelines determine a common methodology for calculating the total value of assets in the Union as well as consistent supervisory expectations which are essential for ensuring consistent application of the IPU requirement.
6. CIFs which belong to a third country group are required to provide on a quarterly basis to CySEC via [Template for IPU threshold monitoring](#) after completing the tabs 'General information' and **U_01.00 (Annex II)**:
 - An assessment of the obligation to establish an intermediate EU parent undertaking (IPU) as per Article 21b Directive 2013/36/EU.
 - The total amount of assets in the Union of the group calculated in accordance with Article 21b(5) of Directive 2013/36/EU.

CySEC will collect and submit the information to EBA including the average of the total value of assets of the third country group's entities over the four quarters of the previous calendar year. The information to be submitted to EBA will include:

- The names of parent companies and CIFs included in the third country group.
 - The consolidated total assets in the Union of the third country group.
 - The consolidated total liabilities in the Union of the third country group.
7. Therefore, **CIFs, which belong to a third country group** as defined above, should on a quarterly basis, commencing from the 31st of December 2023, submit to CySEC the [Template for IPU threshold monitoring](#) through **CySEC's XBRL portal**, as follows:

Reporting reference dates	Reporting remittance dates
31 March (Q1)	12 May (Q1)
30 June (Q2)	11 Aug. (Q2)
30 September (Q3)	11 Nov. (Q3)
31 December (Q4)	11 Feb. (Q4)

Kindly note that ONLY for the submission with reference date 31/12/2023 the deadline is extended to 29/02/2024.

Sincerely,

Dr. George Theocharides
Chairman
Cyprus Securities and Exchange Commission