

Central Bank Statement for MiFID investment firms authorised to provide the MiFID investment services of dealing on own account or underwriting of financial instruments on a firm commitment basis (MiFID activities (3) or (6))

On 7 June 2021 the EBA launched a [second consultation](#) on the draft regulatory technical standards (RTS) on the calculation of the threshold set out in Article 8a(1) of Directive 2013/36/EU as amended by Article 62(6) of the Directive 2019/2034 above which MiFID investment firms are required to seek re-authorisation as credit institutions which runs until 17 July 2021 (EBA CP). To assess the impact of the proposals set out in this draft RTS the EBA, together with relevant competent authorities, is carrying out a data collection exercise.

All MiFID investment firms authorised to provide the MiFID investment services of dealing on own account or underwriting of financial instruments on a firm commitment basis (MiFID activities (3) or (6)) should give due regard to this draft RTS and engage in the EBA data collection exercise as communicated to them directly by their supervisory team.

Additionally, the Central Bank expects MiFID investment firms authorised for MiFID activities (3) or (6) to re-confirm their classification under the Investment Firms Directive and the Investment Firms Regulation taking into account the revised draft RTS, to their usual supervisory team by end August 2021.

In line with the [Opinion published by the EBA](#) MiFID investment firms that anticipate meeting the threshold triggering the requirement to seek re-authorisation as a credit institution are expected to engage with the Central Bank regarding their re-authorisation within 3 months of the date of entry into force of the Delegated Act adopted by the European Commission. All such firms are expected to submit an application for re-authorisation as a credit institution within 6 months of the date of entry into force of the Delegated Act.

In line with Article 58 of the Investment Firms Regulations and as set out in the [Statement by the European Commission](#), MiFID investment firms impacted by the revised draft RTS continue to be subject to the prudential capital requirements under Regulation (EU) No 575/2013 (CRR) and to Directive 2013/36/EU (CRD IV) as they stood on the day prior to the application date of Investment Firms Directive and the Investment Firms Regulation pending re-authorisation as credit institutions.

Notwithstanding the above paragraph, any MiFID investment firm which, prior to the publication of the EBA CP, was preparing to comply with the prudential framework under CRR (as amended by Regulation (EU) No 2019/876 (CRRII)) and CRDIV (as amended by Directive 2019/878/EU (CRDV)) including Part VI liquidity requirements (“the steady state prudential framework”) as a Class One or Class One Minus firm shall do so by the end Q3 2021 reporting date.

Finally within three months of the Delegated Act entering into force, or by end Q1 2022, whichever is later, all MiFID investment firms impacted by the Delegated Act which will be required to submit an application for re-authorisation as credit institutions are required to engage with their usual supervisory team setting out a reasonable plan to bring the respective firm into compliance as soon as possible with the steady-state prudential framework as referred to in the previous paragraph.