



**EUROPEAN COMMISSION**

DIRECTORATE-GENERAL FOR FINANCIAL STABILITY, FINANCIAL SERVICES AND CAPITAL  
MARKETS UNION

The Director-General

Brussels  
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Mr José Manuel Campa  
Chairperson  
**European Banking Authority**  
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Ms Verena Ross  
Chairperson  
**European Security and Markets Authority**  
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**Subject: Call for advice to the EBA and ESMA for the purposes of the reports on the prudential requirements applicable to investment firms**

Dear Mr Campa, Dear Ms Ross,

Since 26 June 2021, a new prudential framework for investment firms applies in the EU. With Regulation (EU) 2019/2033 (henceforth ‘the Investment Firms Regulation’ or ‘IFR’) and Directive (EU) 2019/2034 (henceforth ‘the Investment Firms Directive’ or ‘IFD’), most investment firms were carved out from the CRR/CRD framework and have become subject to a bespoke prudential regime that is aimed to be more proportionate to the nature, size, and complexity of their activities.

In accordance with Article 60 of IFR and with Article 66 of IFD, the Commission is required to submit two reports to the European Parliament and the Council by 26 June 2024. In preparing these reports, the Commission is required to consult with the EBA and ESMA. The Call for Advice, which is enclosed to this letter, sets out the areas on which the Commission would welcome EBA’s and ESMA’s expert advice.

EBA and ESMA are asked to allocate the topics of this Call for Advice among each other, based on their respective areas of competence and expertise and decide about the suitable working arrangements to finalise their assessment.

My services stand ready to support the EBA and ESMA in completing their technical advice as efficiently as possible. The invaluable input from the EBA and ESMA will be key in informing the Commission's decision on the need for a revision of the prudential framework for investment firms. To this end, I would ask the EBA and ESMA to deliver their analysis to the Commission services by 31 May 2024.

Thank you in advance for your cooperation and I look forward to receiving the EBA's and ESMA's advice.

Yours sincerely,

(e-signed)

John BERRIGAN

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c.c.: Martin Merlin (FISMA D), Benoit Mesnard (FISMA), Almorò Rubin de Cervin (FISMA D.1), Stan Maes (FISMA D.1), Tommy De Temmerman (CAB McGUINNESS)