

## CONSULTATION PAPER

(CP-03-2025)



**SUBJECT: CONSULTATION PAPER ON AMENDING THE LAW REGULATING COMPANIES PROVIDING ADMINISTRATIVE SERVICES AND RELATED MATTERS**

**DATE OF ISSUE: 30<sup>th</sup> JULY 2025**

## PURPOSE OF THIS CONSULTATION PAPER

This Consultation Paper helps enact effective consultation procedures with market participants and investors regarding proposed changes in the Cyprus Securities and Exchange Commission's policy.

## IMPORTANT WARNING

The submission of responses should be made no later than **22<sup>nd</sup> August 2025**. No extension will be granted on an individual basis. Therefore, unless CySEC extends the submission period with a formal announcement, any responses received after the above date **will not be considered**.

## INSTRUCTIONS FOR THE SUBMISSION OF RESPONSES

Interested parties may submit their responses to the CySEC Policy Department by email at [policy@cysec.gov.cy](mailto:policy@cysec.gov.cy).

The subject of the email should have the following form:

«CP-03-2025– [insert the *Name of Organisation, Legal or Natural Person submitting the comments or views*]»

In submitting your responses, you are requested to state whether you represent an organised group or a specific enterprise, or if you are an individual. In the case of organised groups, you are kindly requested to provide information on the number and nature of persons or enterprises you represent.

Please provide a response to the questions in the order presented in this document be concise and provide your replies in a Word document.

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## 1. INTRODUCTION

- 1.1. The Cyprus Securities and Exchange Commission (**'CySEC'**) has published this consultation paper (**'CP'**) to propose amendments to the Law Regulating Companies Providing Administrative Services and Related Matters (**'L. 196(I)/2012'**).
- 1.2. The proposed amendments aim to establish that, an authorisation for the provision of administrative services of a licensed person, does not automatically lapse in the event of an express waiver from the authorisation, as provided in article 16 of L. 196(I)/2012, but instead ceases to be in force only following a decision of withdrawal by CySEC.
- 1.3. The proposal aims to enable CySEC:
- To assess the circumstances surrounding an express waiver from an authorisation and, where necessary, instruct the licensed person to take appropriate actions to ensure the orderly cessation of its operations,
  - to examine, if it deems necessary, the reasons for waiving the authorisation and/or to assess any potential impact on third parties.
- 1.4. The proposed framework is aligned with the approach adopted for other entities under CySEC supervision, such as:
- Investment Firms (**'CIFs'**),
  - Alternative Investment Fund Managers (**'AIFMs'**),
  - UCITS Management Companies,
  - Small Alternative Investment Fund Managers (**'Small AIFMs'**) and
  - Cyprus Fund Administrators (**'CyFA'**).

## 2. WHO THIS CONCERNS

- 2.1. This consultation paper concerns the Administrative Service Providers (**'ASPs'**) who hold authorisation under L. 196(I)/2012.

### 3. PROPOSED APPROACH – AMENDEMENTS:

Article in L. 196(I)/2012	Provision in L. 196(I)/2012	Proposed amendment
14	<b>Article 14(1):</b> "(1) The Commission may withdraw an authorisation, in case it ascertains that – (a)... (b)... (c )..."	<b>Article 14(1)</b> "(1) The Commission may withdraw an authorisation, where – (a)... (b)... (c )... (d) the licensed person expressly renounces the authorisation."
16		<b>Article 16 will be deleted.</b>

**Note: The above English text is for information purposes only and is not legally binding. The legally binding wording is only in the Greek language.**

### 4. CALL FOR FEEDBACK

4.1 Interested parties are invited to submit their comments and responses to the Question listed below by no later than **22<sup>nd</sup> August 2025**.

4.2 You are kindly reminded that you should:

- Be concise; and
- Provide your replies in a Word document.

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#### Question 1:

Do you agree with the proposed approach in respect to Articles 14(1) and 16 of L. 196(I)/2012, as detailed in lines 14 and 16 of the Table of Section 3 above?

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