
TO : **Regulated Entities**

- i. **Cyprus Investment Firms ('CIFs')**
- ii. **Alternative Investment Fund Managers ('AIFMs')**
- iii. **Internally Managed Alternative Investment Funds**
- iv. **UCITS Management Companies**
- v. **Internally Managed UCITS**
- vi. **Internally Managed Alternative Investment Funds with Limited Number of Persons ('AIFLNP')**
- vii. **Companies with sole purpose the management of AIFLNP**
- viii. **Small AIFMs**
- ix. **Crowdfunding Service Providers ('CSPs')**
- x. **Crypto Asset Service Providers ('CASPs')**
- xi. **Cyprus Stock Exchange ('CSE')**

FROM : **Cyprus Securities and Exchange Commission ('CySEC')**

DATE : **June 03, 2025**

CIRCULAR No : **C709**

FILE No : **E.K. 02.03.001, E.K. 01.03.001 and E.K. 01.13.001.002.002**

SUBJECT : **ESMA Survey on the level of Artificial Intelligence (AI) adoption by financial institutions in the Securities Sector**

The Cyprus Securities and Exchange Commission ('CySEC') wishes to inform you that the European Securities and Markets Authority ('ESMA') has launched a **voluntary survey** (the 'Survey') **to assess the level of Artificial Intelligence (AI) adoption** by financial institutions in the Securities Sector. The Survey has been developed by ESMA for NCAs to distribute among their Regulated Entities ('REs') and for the entities directly supervised by ESMA.

The objective is to gain a better understanding of how these entities are using Artificial Intelligence (AI), including their AI strategies and policies, levels of investment, and details of specific use cases (e.g. the AI technologies used, materiality, security and explainability).

Important information

1.1 Participation is voluntary. However, CySEC encourages all Regulated Entities to participate in the Survey, regardless of the maturity of AI use cases in their organisation.

1.2 The Survey, prepared by ESMA, is available for completion and submission directly through the following web link:

https://ec.europa.eu/eusurvey/runner/AI_survey_EU

1.3 Guidance for completing the survey is available in the link above

1.4 All responses will be used only in aggregated and anonymised form, for analytical purposes.

1.5 The deadline for the completion of the survey is the **29th of August 2025**.

Yours sincerely,

Dr George Theocharides
Chairman, Cyprus Securities and Exchange Commission