



**TO** : Cyprus Investment Firms

**FROM** : Cyprus Securities and Exchange Commission

**DATE** : 10 July 2019

**CIRCULAR No** : C328

**SUBJECT** : Country-by-country reporting as required by paragraph 18 of CySEC's Directive 144-2014-14 for the prudential supervision of Investment Firms (the 'Directive')

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The Cyprus Securities and Exchange Commission ("the CySEC") wishes herein to provide further guidance to the Cyprus Investment Firms ('CIFs') with regards to country-by-country reporting, which it is provided in paragraph 18 of the Directive. More specifically:

1. According to paragraph 18 of the Directive:

*«... CIFs are required to disclose annually, specifying, by Member State and by third country in which it has an establishment, the following information on a consolidated basis for the financial year:*

- (a) Name, nature of activities and geographical location*
- (b) Turnover;*
- (c) Number of employees on a full time equivalent basis;*
- (d) Profit or loss before tax;*
- (e) Tax on profit or loss;*
- (f) Public subsidies received'»*

2. As stated in CySEC's Circular [C213](#), the term 'establishment' referred in paragraph 18 of the Directive should be read as:

- i. Subsidiaries
- ii. Branches
- iii. Any other relevant entities through which a CIF has a physical presence in a particular country.

3. It is clarified that tied agents fall under point 2(iii) above and therefore CIFs should take them into consideration when applying paragraph 18(1) of the Directive.

On the other hand, representative offices (offices which represent the head office of a CIF in another Member State and do not themselves provide investment services or activities) do not fall under point 2(iii) above.

Sincerely,

Demetra Kalogerou  
Chairman Cyprus Securities and Exchange Commission