EUROPEAN UNION (INVESTMENT FIRMS) (NO. 2) REGULATIONS 2021
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2021

I, PASCHAL DONOHUE, Minister for Finance, in exercise of the powers conferred on me by section 3 of the European Communities Act 1972 (No. 27 of 1972) and for the purpose of giving full effect to Regulation (EU) 2019/2033 of the European Parliament and of the Council of 27 November 2019\(^1\), hereby make the following regulations:

Citation

1. These Regulations may be cited as the European Union (Investment Firms) (No. 2) Regulations 2021.

Interpretation

2. (1) In these Regulations, “Investment Firms Regulation” means Regulation (EU) 2019/2033 of the European Parliament and Council of 27 November 2019\(^2\);

   (2) A word or expression which is used in these Regulations and is also used in the Investment Firms Regulation has, unless the context otherwise requires, the same meaning in these Regulations as it has in the Investment Firms Regulation.

Investment policy

3. (1) Subject to paragraph (3), an investment firm which does not meet the criteria referred to in Regulation 29(8)(a) of the European Union (Investment Firms) Regulations 2021 (S.I. No. 355 of 2021) shall publicly disclose the following in accordance with Article 46 of the Investment Firms Regulation:

   (a) the proportion of voting rights attached to the shares held directly or indirectly by the investment firm, broken down by Member State and sector;

   (b) a complete description of voting behaviour in the general meetings of companies the shares of which are held in accordance with paragraph (3), an explanation of the votes, and the ratio of proposals put forward by the administrative or management body of the company which the investment firm has approved;

   (c) an explanation of the use of proxy advisor firms;

   (d) the voting guidelines regarding the companies the shares of which are held in accordance with paragraph (3).


Notice of the making of this Statutory Instrument was published in “Iris Oifigiúil” of 24th September, 2021.
(2) The requirement to disclose the information referred to in paragraph (1)(b) of the first subparagraph shall not apply if the contractual arrangements of all shareholders represented by the investment firm at the shareholders’ meeting do not authorise the investment firm to vote on their behalf unless express voting orders are given by the shareholders after receiving the meeting’s agenda.

(3) An investment firm referred to in paragraph (1) shall comply with that paragraph only in respect of each company whose shares are admitted to trading on a regulated market and only in respect of those shares to which voting rights are attached, where the proportion of voting rights that the investment firm directly or indirectly holds exceeds the threshold of 5 per cent of all voting rights attached to the shares issued by the company.

(4) For the purposes of paragraph (3), voting rights shall be calculated on the basis of all shares to which voting rights are attached, even if the exercise of those voting rights is suspended.

Amendment of Central Bank Act 1942

4. The Central Bank Act 1942 is amended—
   (a) in section 2(2A)—
      (i) in paragraph (bd), by the substitution of “5 December 2019;” for “5 December 2019.”, and
      (ii) by the insertion of the following paragraph after paragraph (bd):
            “(be) Regulation (EU) 2019/2033 of the European Parliament and of the Council of 27 November 2019\(^3\).”, and
   (b) in Part 2 of Schedule 2, by the insertion of the following item:
          “

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Amendment of European Union (Capital Requirements) Regulations 2014

5. The European Union (Capital Requirements) Regulations 2014 (S.I. No. 158 of 2014) are amended, in Regulation 3(1), by the substitution of the following definition for the definition of “Regulation (EU) No 1093/2010”:


(a) Regulation (EU) No 1022/2013 of the European Parliament and of the Council of 22 October 2013⁵,

(b) Directive 2014/17/EU of the European Parliament and of the Council of 4 February 2014⁶,

(c) Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014⁷,

(d) Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014⁸,


(f) Regulation (EU) 2018/1717 of the European Parliament and of the Council of 14 November 2018¹⁰,

(g) Regulation (EU) 2019/2033 of the European Parliament and of the Council of 27 November 2019¹¹, and


Amendment of European Union (Bank Recovery and Resolution) Regulations 2015

6. The European Union (Bank Recovery and Resolution) Regulations 2015 (S.I. No. 289 of 2015) are amended, in Regulation 3(1), by the substitution of the following definition for the definition of “Regulation (EU) No 1093/2010”:


(a) Regulation (EU) No 1022/2013 of the European Parliament and of the Council of 22 October 2013¹⁴,

(b) Directive 2014/17/EU of the European Parliament and of the Council of 4 February 2014¹⁵,

(c) Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014¹⁶,

⁵ OJ No. L. 287, 29.10.2013, p. 5.
⁶ OJ No. L. 60, 28.2.2014, p. 34.
⁹ OJ No. L. 337, 23.12.2015, p. 35.
¹⁵ OJ No. L. 60, 28.2.2014, p. 34.


(g) Regulation (EU) 2019/2033 of the European Parliament and of the Council of 27 November 2019\textsuperscript{20}, and

(h) Regulation (EU) 2019/2175 of the European Parliament and of the Council of 18 December 2019\textsuperscript{21};”.

Amendment of European Union (Deposit Guarantee Schemes) Regulations 2015

7. The European Union (Deposit Guarantee Schemes) Regulations 2015 (S.I. No. 516 of 2015) are amended, in Regulation 3(1), by the substitution of the following definition for the definition of “Regulation (EU) No 1093/2010”:


(a) Regulation (EU) No 1022/2013 of the European Parliament and of the Council of 22 October 2013\textsuperscript{23},


\textsuperscript{17} OJ No. L. 225, 30.7.2014, p. 1.
\textsuperscript{18} OJ No. L. 337, 23.12.2015, p. 35.
\textsuperscript{22} OJ No. L. 331, 15.12.2010, p. 12.
\textsuperscript{23} OJ No. L. 287, 29.10.2013, p. 5.
\textsuperscript{24} OJ No. L. 60, 28.2.2014, p. 34.
\textsuperscript{25} OJ No. L. 173, 12.6.2014, p. 190.
\textsuperscript{26} OJ No. L. 225, 30.7.2014, p. 1.
\textsuperscript{27} OJ No. L. 337, 23.12.2015, p. 35.
Amendment of European Union (Payment Accounts) Regulations 2016

8. The European Union (Payment Accounts) Regulations 2016 (S.I. No. 482 of 2016) are amended, in Regulation 2(1), by the substitution of the following definition for the definition of “Regulation (EU) No 1093/2010”:


(g) Regulation (EU) 2019/2033 of the European Parliament and of the Council of 27 November 2019\(^{38}\), and


Amendment of European Union (Payment Services) Regulations 2018

9. The European Union (Payment Services) Regulations 2018 (S.I. No. 6 of 2018) are amended, in Regulation 2(1), by the substitution of the following definition for the definition of “Regulation (EU) No 1093/2010”:

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\(^{32}\) OJ No. L. 287, 29.10.2013, p. 5.
\(^{33}\) OJ No. L. 60, 28.2.2014, p. 34.
\(^{34}\) OJ No. L. 173, 12.6.2014, p. 190.
\(^{36}\) OJ No. L. 337, 23.12.2015, p. 35.


(g) Regulation (EU) 2019/2033 of the European Parliament and of the Council of 27 November 2019\(^{47}\), and


GIVEN under my Official Seal,
21 September, 2021.

PASCHAL DONOHOE,
Minister for Finance.

\(^{40}\) OJ No. L. 331, 15.12.2010, p. 12.
\(^{41}\) OJ No. L. 287, 29.10.2013, p. 5.
\(^{42}\) OJ No. L. 60, 28.2.2014, p. 34.
\(^{45}\) OJ No. L. 337, 23.12.2015, p. 35.
EXPLANATORY NOTE

(This note is not part of the Instrument and does not purport to be a legal interpretation.)

These Regulations give full effect to Regulation (EU) 2019/2033 of the European Parliament and of the Council of 27 November 2019 on the prudential supervision of investment firms (the “Investment Firms Regulation”). The Investment Firm Directive (IFD) and Regulation (IFR) puts in place a new prudential framework for Investment Firms authorised under Directive 2014/65/EU, the Markets in Financial Instruments Directive (MiFID II). These Regulations make consequential amendments to the disclosure requirements of certain firms, ensures that breaches of the Regulations falls within the remit of the Central Bank’s administrative sanctions procedure, and updates references and definitions in key Irish financial services legislation.