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Additional Information

Level 1 Regulation
Central Securities Depositories Regulation (CSDR) Regulation (EU) No 909/2014- PTR-CSDR

Topic
Internalised settlement - Scope

Additional Legal Reference
Article 9

Subject Matter
Change of beneficial ownership

Question

Should changes in the beneficial ownership on a client account (irrespective of how this is done from a technical perspective) be reported under Article 9 of CSDR?

ESMA Answer

06-01-2025

Original language

Yes. Article 9(1) of CSDR provides that settlement internalisers shall report to the competent authorities of their place of establishment on a quarterly basis the aggregated volume and value of all securities transactions that they settle outside securities settlement systems. Article 2(1), point (11) of CSDR defines settlement internalisers as any institution which executes transfer orders on behalf of clients or on its own account other than through a securities settlement system. Point (9) of this same Article defines transfer orders by referring to the second indent of point (i) of Article 2 of Directive 98/26/EC on settlement finality in payment and securities settlement systems (SFD). Point (i) of Article 2 of SFD clarifies that an instruction by a participant to transfer the title to, or interest in, a security or securities by means of a book entry on a register, or otherwise, is a transfer order. Consequently, any change in the beneficial ownership on a client account that entails a transfer of the title to, or interest in, a security or securities should be reported under Article 9 of CSDR when effected outside a securities settlement systems.

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