

Report

On the 2025 Cross-border provision of investment services to retail clients
in the EU and EEA

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Executive Summary

Reasons for publication

In light of the importance of supervising cross-border investment services, the ESMA Board of Supervisors agreed to conduct on an annual basis a structured data collection exercise on the cross-border provision of investment services to retail clients in the EU/EEA. As in previous years, the collection and analysis of data was carried out jointly by ESMA and national competent authorities (NCAs). The outcome of the data collection and analysis is summarised in this Report.

The Report aims at describing the state of cross-border investment services in the EU/EEA, with particular focus on the analysis of firms' retail clients and complaints data, including an overview by both home Member State (exporting of investment services) and by host Member State (destination of those investment services). The results ultimately enhance NCAs' and ESMA's understanding of the state-of-play of cross-border investment services towards retail clients in the EU/EEA in accordance with MiFID II and constitute a first necessary evidence base for more effective monitoring of financial markets, with particular emphasis on the investor protection objective of NCAs and ESMA.

Content

This ESMA Report aims to provide a detailed analysis of the cross-border activity of passported investment firms and credit institutions ("firms") across the EU and EEA Member States for 2025 (reference year). It specifically focuses on services and activities provided on a "freedom to provide services" basis and excludes data on services provided by firms in their Home Member State or through branches under the freedom of establishment. The Report includes only firms which provide cross-border services to more than 50 retail clients in a Host Member State.

Building upon the accumulated expertise of previous data collection exercises and various methodological improvements, the present Report provides a high-level analysis of various aspects of the EU/EEA market for cross-border investment services.

Based on the analysis of 2025 data, the present Report finds that:

- The 2025 market for cross-border investment services in the EU/EEA comprised about 15.5 million retail clients, 47% above the 2024 figure (10.5 million clients) and 94% above the 2023 figure (8 million clients). In other words, the market has almost doubled in 2 years.

- Compared to 2024, the number of firms providing cross-border investment services in the EU/EEA remained stable, with limited increase from 370 to 379 firms.
- The total number of complaints reported by firms (10,945) remained stable compared with 2024 (10,968) and is relatively decreasing when considering the sharp increase in the number of clients. This stabilization follows the increase recorded in 2024.
- A relatively high concentration of firms with cross-border investment activity in a few EU countries was observed, in line with previous findings, with three (3) countries being home to about half the number of firms providing services across the EU/EEA (177 of all 379 firms): Cyprus (21%), Luxembourg (14%), Germany (12%).
- In line with 2024, retail client activity was also highly concentrated by number of clients: firms based in Lithuania, Cyprus, Germany, and Ireland served 85% of all EU/EEA retail clients receiving services on a cross-border basis (31%, 27%, 19% and 8%, respectively).
- In 2025, Lithuania overtook Cyprus as the Member State with the highest number of retail clients served on a cross-border basis, with 4.9 million and 4.2 million clients, respectively.
- One jurisdiction (Romania) reported no domestic firms with cross-border activity, while twenty (20) other jurisdictions reported less than ten (10) firms with cross-border activity.
- Twenty (20) Member States are home to firms providing cross-border investment services to retail clients in a rather large number of host Member States (10 or more). Firms based in Austria, Cyprus, Ireland, and Lithuania reported that their firms provide services to retail clients in all other Member States.
- Similar to previous years, investment firms dominate the market for cross-border provision of investment services (59% investment firms versus 41% credit institutions).
- The four (4) most important destinations of investment services cumulatively account for 52% of the total number of retail clients receiving services by incoming firms: France (2.1 million clients), Spain (2.1 million clients), Germany (2 million clients), and Italy (1.8 million clients).
- The average number of cross-border clients per firm increased to approximately 41,000, compared to 28,000 in 2024. The top five firms, in terms of number of retail clients, providing services cross-border in the EU/EEA are based in Lithuania,

Cyprus (2 firms), Germany and Ireland and serve between 1 million and 4.9 million clients each.

Next steps

ESMA intends to continue carrying out the cross-border data collection exercise on an annual basis. The exercise will be reviewed and adapted, as necessary, in light of the new MiFID II reporting framework for cross-border investment services and activities, as required by the “Retail investment strategy” (RIS).

1 Background

1. The monitoring of financial activities across the EU is a cornerstone of the founding Regulation of the European Securities and Markets Authority (ESMA). Under the freedom to provide investment services and activities, any investment firm and credit institution authorised and supervised by the competent authorities of another Member State may freely provide investment services and activities and ancillary services within the EU/EEA¹. Home NCAs are responsible for the supervision of cross-border investment services and for communicating any necessary information to the host NCAs.
2. In addition, the strategic priority on enhancing the protection of retail investors, envisaged in the 2023-2028 ESMA Strategy, foresees the reinforcement of ESMA's convergence work, *"particularly with regards to the supervision of cross-border activities, aiming to prevent significant consumer detriment by fostering a common supervisory culture and consistent supervisory outcomes for investors"*.
3. Due to the importance of the topic of supervision of cross-border investment services, ESMA decided to promote and oversee an annual data collection exercise on key aspects of cross-border investment services, which are of particular importance for ESMA's investor protection mandate. The information submitted by NCAs has resulted in annual ESMA reports on the cross-border provision of investment services in the EU/EEA.
4. Following the full participation of all EU/EEA NCAs in the ESMA-coordinated Cross-Border Data Collection (CBDC) exercise in 2025 (reference year: 2024)², the 2026 exercise once again achieved complete participation across all Member States. This Report summarises the main results of the 2026 CBDC exercise and is based on the data provided to ESMA by NCAs on the 2025 activity of credit institutions (CIs) and investment firms (IFs) across 30 EU/EEA Member States.
5. The CBDC reflects the importance of the cross-border perspective in the provision of investment services in the EU/EEA and the challenges that it may pose to the supervision of these services:
 - 1) Firstly, the development of the ever-closer single market in financial services and the parallel digitalisation of these services render their provision easier in a cross-border context.
 - 2) Secondly, a wider choice among financial services providers may benefit retail investors through price and product competition. This enhanced level of competition

¹ Article 34 of Directive 2014/65 (MiFID II)

² [ESMA35-335435667-6654 Report on the 2024 Cross-border provision of Investment Services to Retail Clients in the EU and EEA](#)

urges firms to innovate in order to offer improved services which would attract more consumers in the single market.

- 3) Thirdly, supervisory concerns have emerged in past ESMA discussions and analysis in the context of the freedom to provide services, underlining the importance of continued monitoring and appropriate supervisory responses.
6. ESMA and NCAs continue to improve methodological checks and data validation processes, with ongoing efforts to enhance data quality and consistency over time. This Report aims to give a picture of the EU/EEA market (30 Member States) for cross-border investment services. Nevertheless, even though reporting has been designed to reduce the risk of misinterpretation, there might be minor discrepancies in some interpretations, requiring assessing some figures with a note of caution. This Report is structured as follows. The next two sub-sections (1.1 and 1.2) present the main features of the data collection exercise and the reporting by NCAs to ESMA, as well as the exercise coverage. The subsequent section (2) provides the results of the data analysis and compares the information provided in terms of number and type of firms providing cross-border investment services per country (2.1), number of retail clients (2.2), and complaints numbers and reasons (2.3).

1.1 Data collection and reporting to ESMA

7. Between February and April 2026, ESMA and NCAs launched the collection of necessary information from firms operating with a passport in 30 EU/EEA jurisdictions (27 EU Member States and 3 EEA Member States) and providing cross-border investment services to retail clients during the 2025 reporting year. The NCAs validated the data submitted by firms and provided the information to ESMA in the form of raw firm-level data.
8. Similar to the past, the analysis of the cross-border activity of passported investment firms and credit institutions (“firms”) across the EU and EEA Member States for 2025 specifically focuses on services and activities provided on a “freedom to provide services” basis and excludes data on services provided by firms in their Home Member State or through branches under the freedom of establishment. The Report includes only firms which provide cross-border services to more than 50 retail clients in a Host Member State (including those treated as professionals on request according to Section II of Annex II of MiFID II)³. Firms below the materiality threshold in all jurisdictions were not required to provide any data. This approach has allowed for clear proportionality in conducting the exercise, with no burden for firms below the materiality threshold.

³ This Report only summarises and represents a comparative and aggregate analysis of the information collected by NCAs and self-reported by firms across 30 jurisdictions.

9. To ensure data accuracy and given their more complete view on national markets, NCAs were asked to conduct the necessary checks and validation prior to confirming the completeness of information received from firms in a non-anonymised form. Firm-level data were subsequently analysed by ESMA staff, and the results of the analysis are included in the sections below.
10. ESMA received responses from all 30 EU/EEA NCAs. As shown in Table 1. Summary statistics on NCA coverage in 2026 and 2025 reports, the 2026 CBDC exercise⁴ showed an increase of 9 firms compared to the 2025 exercise. The total number of firms with cross-border activity above the retail clients' threshold in 2024 was 370 firms, including both credit institutions and investment firms, down from 386 in 2023.

1.2 NCA participation

11. In 2025, the number of participating NCAs remained unchanged and the distribution of firms engaged in cross-border activity across Member States remained concentrated (see sections below for further details on firm distribution by home Member State).
12. Table 1 summarises the overall number of firms providing services in the EU/EEA in 2025 as well as the average number of firms by Home Member State and the average number of host jurisdictions served by those firms (both statistics are substantially stable).

Table 1. Summary statistics on NCA coverage in 2026 and 2025 reports

Report	Reference Year	Nr of Participating NCAs	Nr of Firms	Average Nr of Firms by Home MS	Average Nr of Host MSs by Home MS
2026	2025	30	379	13.1	17.2
2025	2024	30	370	12.3	17.5

Source: ESMA Staff calculations based on reporting by NCAs

2 Analysis of results

13. On average, firms of each EU/EEA Member State provided cross-border investment services towards retail clients in 17 other countries. Four NCAs reported cross-border activity of firms of their jurisdictions in all other EU/EEA Member States (29). These were the NCAs of Austria (in 1 firm), Cyprus (in 2 firms), Ireland (in 1 firm) and Lithuania (in 1

⁴ The 2026 ESMA exercise refers to data concerning cross-border investment services provided to retail clients during the 2025 reporting year.

firm). On the other hand, retail clients based in Germany, Italy, Spain, and Sweden were recipients of cross-border services from firms in the largest number of other EU/EEA jurisdictions (22). Retail clients in Austria, and France followed, being recipients of cross-border services from firms homed in 21 Member States each.

14. The sections below provide breakdown information and more detail on each of the topics covered hereby.

2.1 Number and type of firms

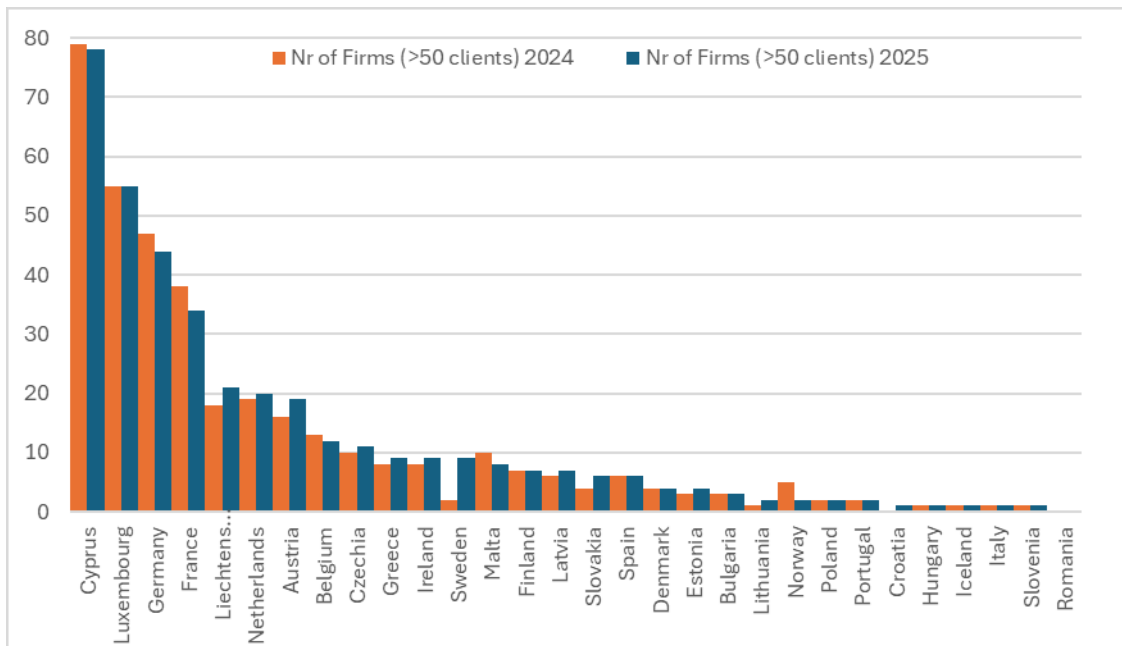
15. A total of **379 firms** – homed in 29 out of the 30 EU/EEA Member States – provided cross-border investment services to retail clients in 2025. Most EU/EEA countries (20 of them) were home to less than 10 firms providing cross-border investment services, while 9 NCAs reported being home to more than 10 firms. One NCA (RO) reported no firms providing such services.
16. Out of the 379 firms, 24 firms are homed in the 3 EEA Member States (Iceland, Liechtenstein and Norway), with no change compared to 2024.
17. The reporting and description below allow for a split of the firms' number by home Member State, as well as an analysis by host Member State. We also calculate, analyse and report aggregate figures at EU/EEA level.

The EU/EEA market for cross-border investment services remains highly concentrated.

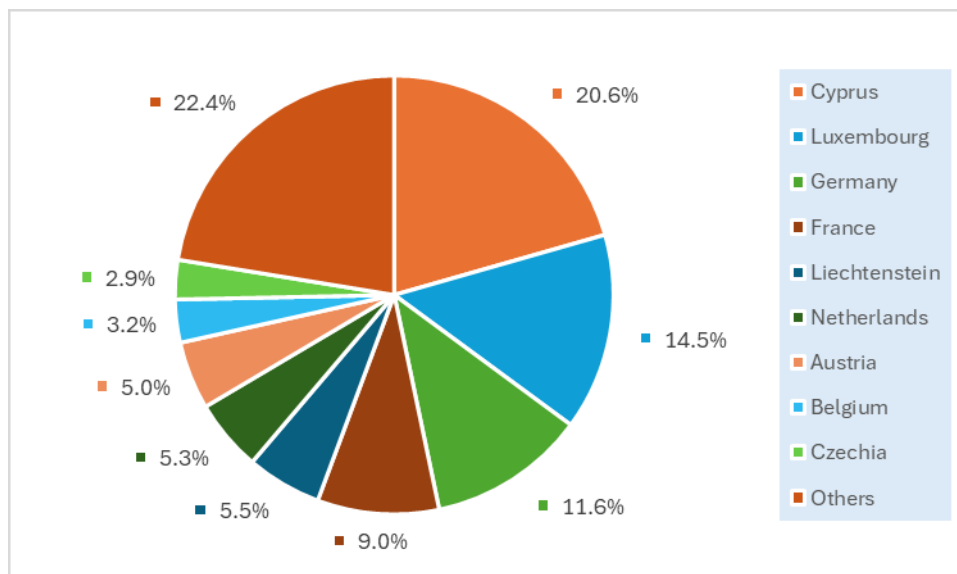
18. The distribution of firms by home Member State remains relatively uneven. Out of the thirty (30) EU/EEA countries, Cyprus, Luxembourg, and Germany accounted for about 47% of the 379 firms, being home to 78, 55 and 44 firms respectively (see figure 1). This is broadly consistent with the number of firms homed in these jurisdictions in previous years (they accounted for 49% of all firms in 2024). Cyprus reported in 2025 one (1) firm less than in 2024 (78 vs. 79 firms), while Luxembourg reported the same number of firms (55). Germany, in third place, has confirmed a declining trend in the number of firms for the second consecutive year (44 in 2025, 47 in 2024, and 55 in 2023). In terms of annual change, France reported the largest decrease in the number of firms between 2024 and 2025 (from 38 to 34).

Figure 1. Number of firms providing cross-border investment services by home Member State, 2024–2025 comparison

- a. Distribution of firms across EU/EEA Member States



b. Shares of firms by home Member State



Source: ESMA Staff calculations based on reporting by NCAs

19. As shown in figure 1a above, five (5) countries reported cross-border activity for more than 20 firms from their jurisdiction. Four (4) other NCAs reported between 10 and 20 firms of their jurisdictions offering services to cross-border retail clients above the materiality threshold.
20. The average number of firms by home Member State increased from 12.3 firms in 2024 to 13.06 firms in 2025. Out of the 30 NCAs in the 2025 sample, 12 NCAs reported an

increase in the number of firms in 2025 compared to 2024, 6 NCAs reported a decrease, 12 NCAs reported no change in the number of firms.

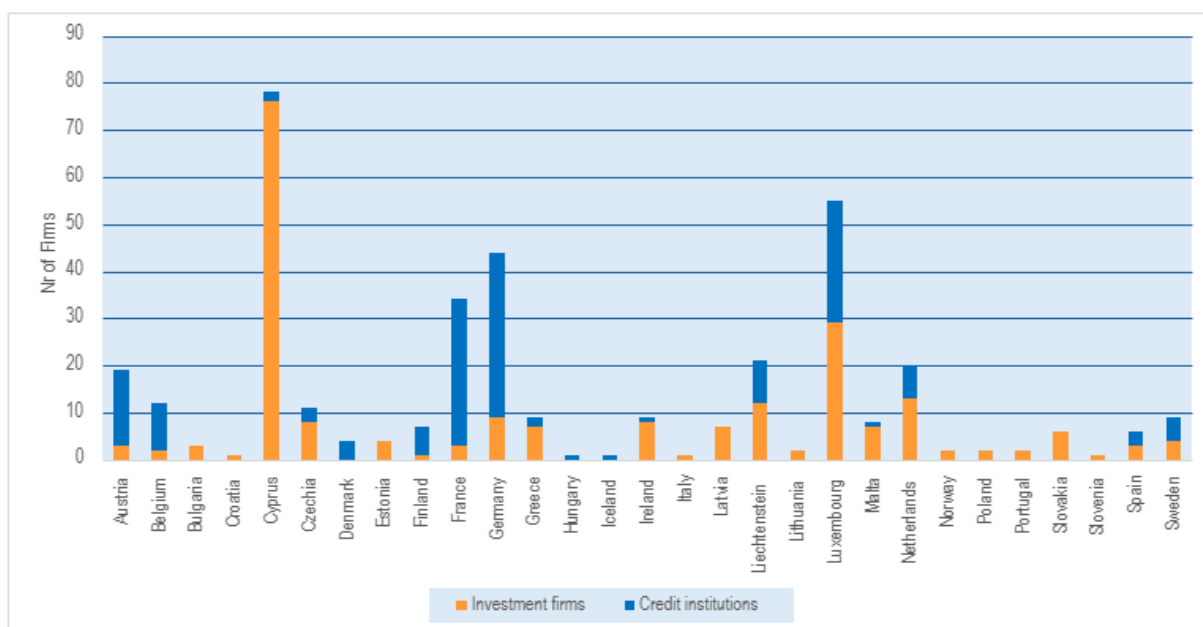
21. Most home Member States reported that their firms provided cross-border investment services towards retail clients across many destinations. In this regard, 20 NCAs reported that their firms provide services to retail clients in ten (10) or more EU/EEA Member States. The other nine (9) NCAs reported that their firms provide services to retail clients in less than ten (10) EU/EEA Member States and accounted in total for about 11% of the total number of firms (40 out of 379 firms in total).
22. Cyprus reported two firms providing investment services towards retail clients in all other EU/EEA Member States, i.e., towards 29 EU/EEA Member States. Austria, Ireland, and Lithuania had only one firm in each jurisdiction in the same position. They were followed by Estonia (28 countries), Denmark, Latvia, and Malta (27 countries). To put these figures into perspective, on average each firm provided investment services in six (6) Member States in 2025, with only 31 firms providing services to 20 or more host Member States, and 75 firms providing services to 10 or more host Member States. At the other end of the spectrum, 139 firms (37%) reported providing services to only one host Member State.
23. Croatia, Iceland, Italy, Norway and Slovenia were home to firms that have concentrated their cross-border provision of investment services to less than four (4) destination countries. It should be noted that the same countries are also home to a small number of firms with cross-border investment activity (Norway reported 2 firms, while each of the other countries reported one).

Investment firms account for 57% of the market for cross-border investment services.

24. Information also allows to distinguish between the provision of investment services by investment firms (IFs) and credit institutions (CIs). Out of a total population of 379 firms, the majority (57%, or 216 entities) are investment firms, while the remaining (43%, or 163 entities) are credit institutions, with no major change in these proportions compared to the previous year.
25. Similarly to 2024, about a fifth (20%) of all firms (CIs and IFs) providing cross-border investment services in 2025 were Cyprus-based firms (78 firms). Cyprus is home to the largest number of investment firms (76 in 2025, down from 77 in 2024), while Germany and Luxembourg are home to the largest number of credit institutions (35 and 29 respectively, compared to 34 and 26 respectively in 2024) providing cross-border investment services.

26. Regarding investment firms, Cyprus-based firms also represented more than one third (35%) of the EU/EEA total number of IFs. Luxembourg (29 IFs), the Netherlands (13 IFs), and Liechtenstein (12 IFs) followed, regarding numbers of IFs. Taken together, these four Member States were home to about 60% of all EU/EEA investment firms providing cross-border investment services (130 out of 216 IFs in total).
27. Specifically on credit institutions that provided cross-border investment services, 56% of them (92 out of 163 in total) were located in three other jurisdictions: Germany (35 CIs), France (31 CIs) and Luxembourg (26 CIs). (see figure 2)

Figure 2. Number of firms by home Member State and by type of entity



Source: ESMA Staff calculations based on reporting by NCAs

2.2 Number of retail clients

28. As per the information reported, the 2025 market for cross-border investment services in the EU/EEA comprised about **15.5 million retail clients**⁵, 47% above the 2024 figure (10.5

⁵ This figure does not necessarily represent the number of unique retail investors, as individuals may have multiple accounts or receive services from more than one firm. The data collected do not allow for the removal of possible duplicates.

million clients) and 94% above the 2023 figure (8 million clients), meaning that the number of retail clients has almost doubled in two years.

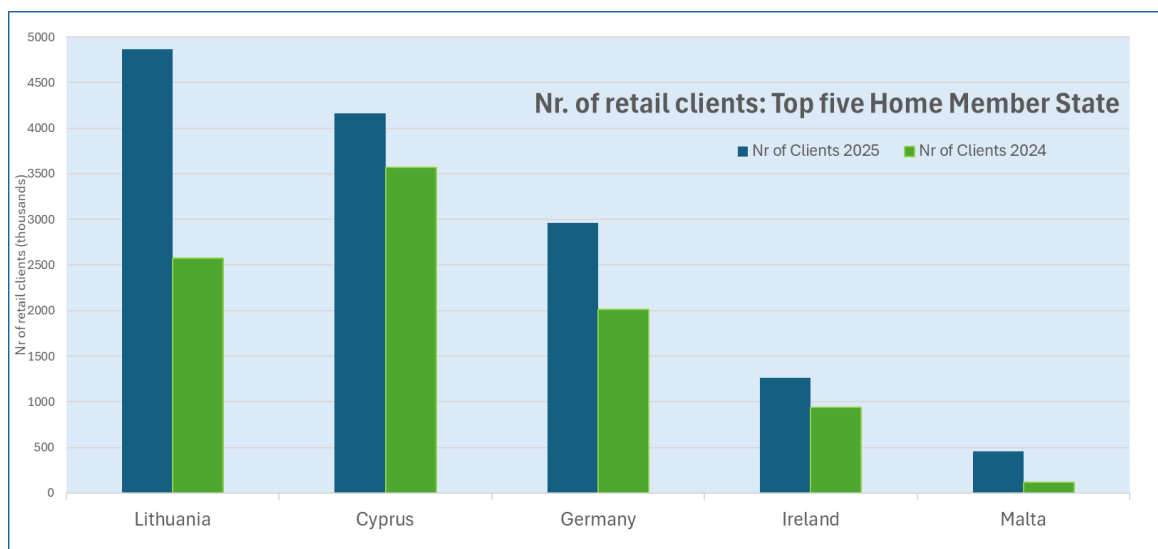
29. Lithuania, Germany, Cyprus, Malta and Ireland were the top five Member States with the largest increase in the number of cross-border retail clients served by firms homed in these Member States. They aggregately reported about 13.7 million clients in 2025 (up from 9.2 million in 2024). By contrast, firms in Belgium, Denmark, Norway, Czechia, and Greece reported the largest decreases in the number of cross-border clients. They aggregately reported about 256 thousand clients in 2025 (down from 345 thousand in 2024).

Firms in five countries account for almost 90% of the total EU/EEA retail clients.

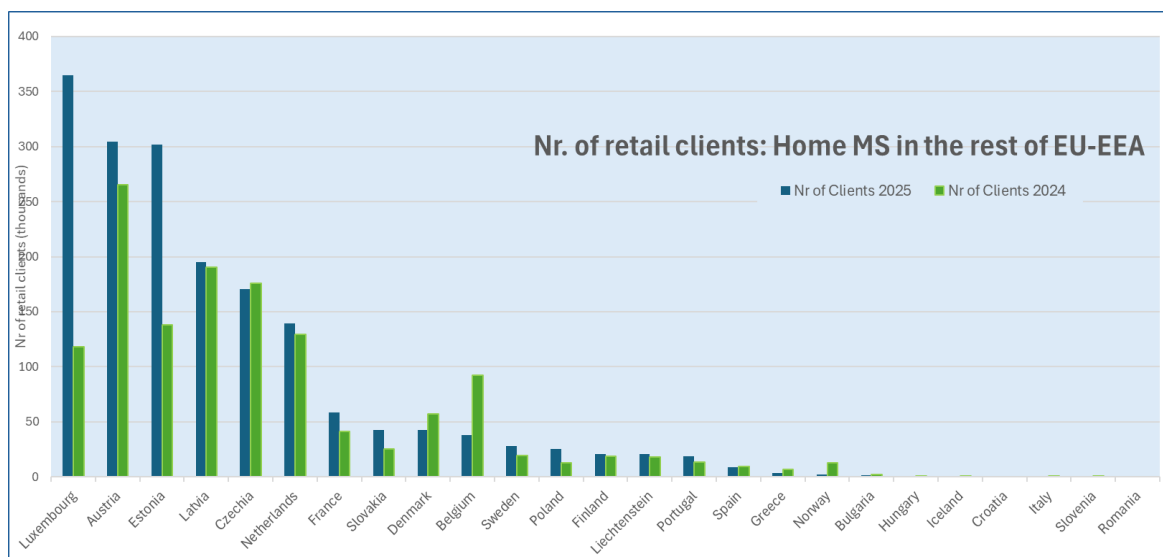
30. Lithuania-homed firms (2 in total) reported activity towards 4.9 million cross-border retail clients (up from 2.6 million in 2024). They were followed by Cyprus (78 firms with about 4.2 million clients, up from 3.6 million clients in 2024), Germany (44 firms with 3 million clients, up from 2 million clients in 2024), Ireland (9 firms with about 1.3 million clients, up from 939 thousand clients in 2024), and Malta (8 firms with about 0.5 million clients, up from 118 thousand clients in 2024). (see figure 3a).
31. Taken together, firms in these five countries accounted for about 88.5% of the total client number (about 13.7 out of 15.5 million EU/EEA retail clients of firms providing cross-border investment services). In terms of number of firms (141 out of the 379 firms), they accounted for 37% of all EU/EEA firms with cross-border services. All other firms (i.e., 238 firms based in 24 Member States) reported a total of 1.8 million cross-border retail clients, accounting for about 11.5% of the total client number.
32. The top five (5) firms, in terms of number of retail clients, providing services cross-border in the EU/EEA are based in Lithuania, Cyprus (2 firms), Germany and Ireland and serve between 1 million and 4.9 million clients each, and 10.9 million clients considered together, accounting for 70% of the total retail clients. In addition, the top ten (10) firms serve 12.8 million retail clients, accounting for 82% of the total retail clients, while the top twenty (20) firms serve 14.1 million, meaning 91%. Finally, the top fifty (50) and the top hundred (100) account for 96% and 99% of total retail clients respectively (see figure 3c).
33. Consequently, firms show a high concentration of retail clients: all the top twenty (20) firms had more than 100,000 retail clients each, except one (1). Conversely, and excluding the top fifty (50) firms, the remaining 329 firms together account for less than 4% of all retail clients, which enables NCAs to adopt a more targeted and risk-based supervisory approach.
34. The average number of cross-border retail clients per firm varied across countries, ranging from 79 (Slovenia) to about 2.4 million (Lithuania), reflecting the wide variety of business models that firms engage in.

Figure 3. Number of firms' cross-border retail clients, by home Member State

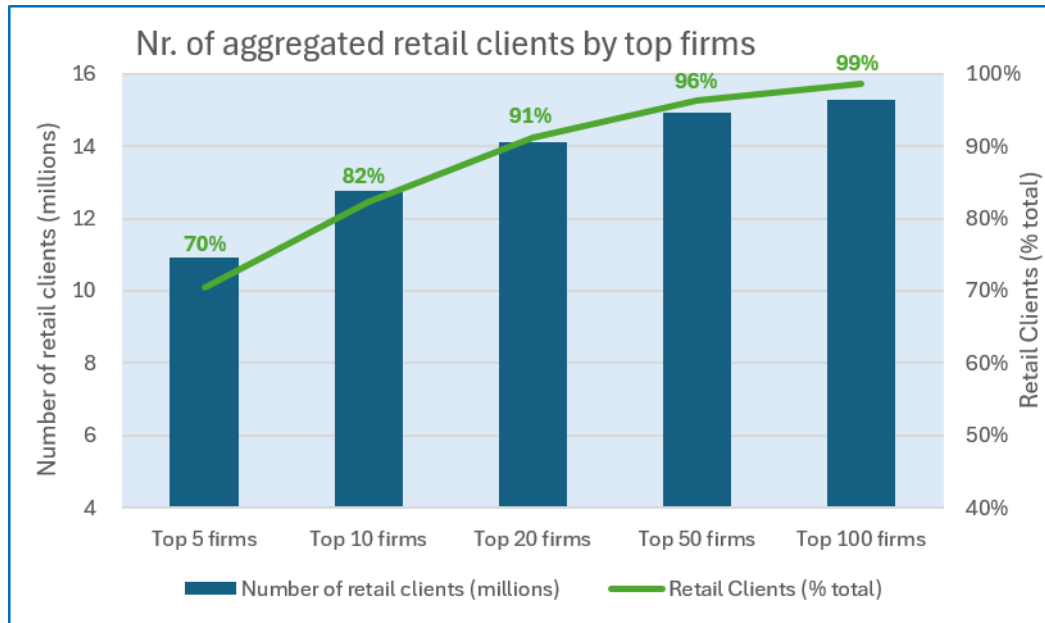
a. Top five home Member State by number of clients



b. Rest of the home Member State by number of clients

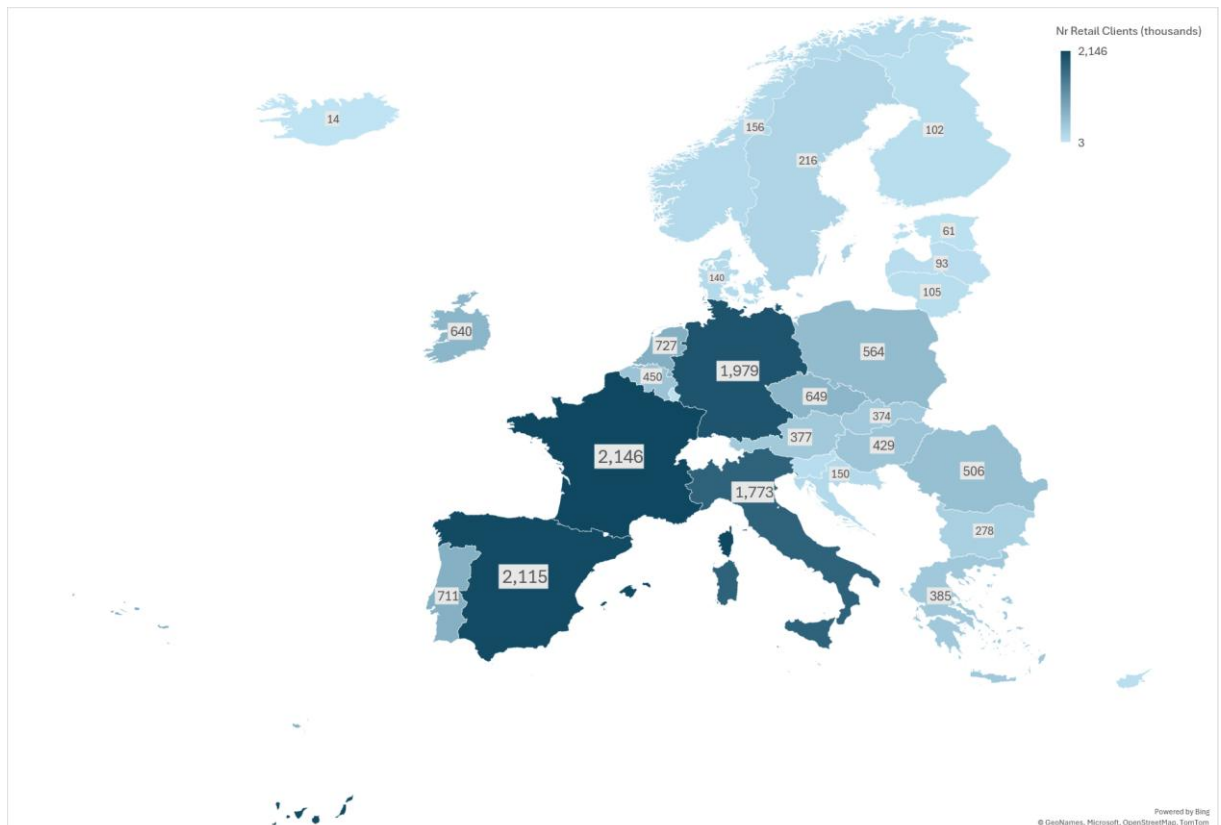


c. Top cross-border firms by number of retail clients in 2025



Source: ESMA Staff calculations based on reporting by NCAs

Figure 4. Number of retail clients by host Member State - map

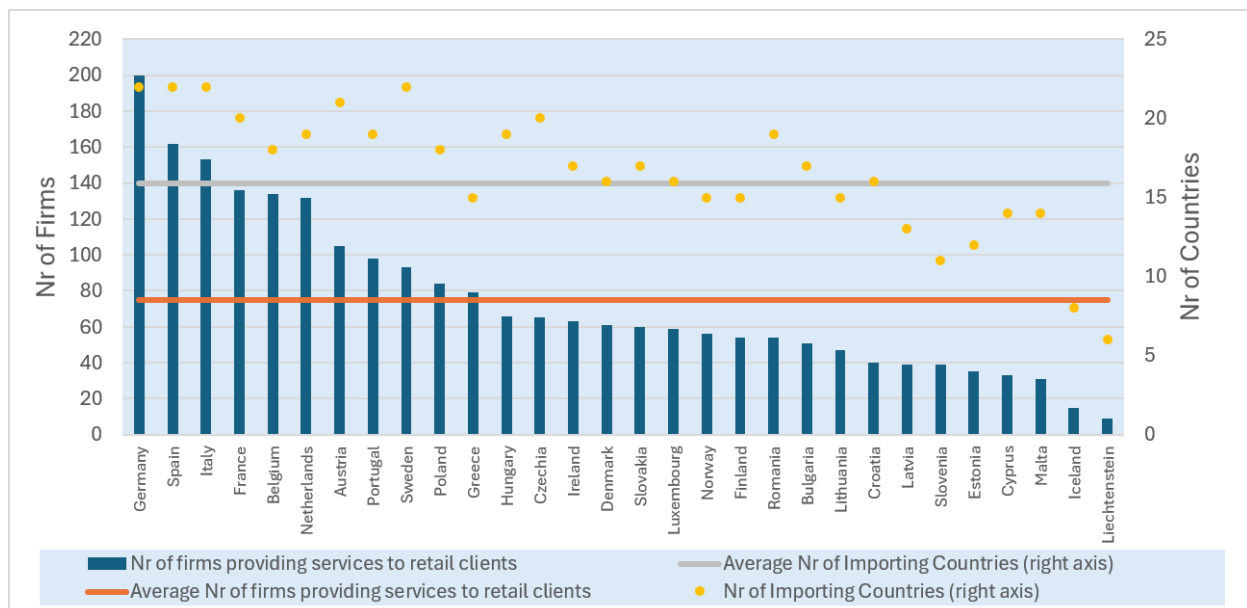


Source: ESMA Staff calculations based on reporting by NCAs

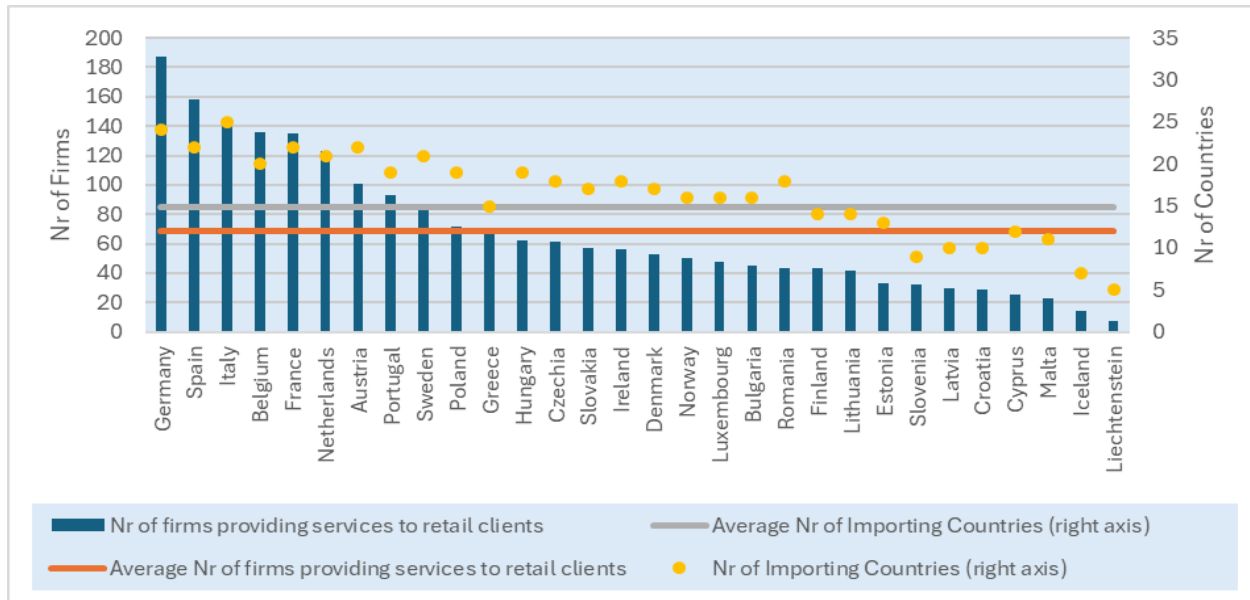
35. France-based retail clients represented the largest number of cross-border investment services recipients (see figure 4). Out of the 379 firms operating cross-border under the passporting regime in 2025 in the EU/EEA, 136 reported offering services to about 2.15 million France-based clients (up from 1.5 million in 2024). Spain, Germany and Italy followed in terms of client numbers by host Member State, with a combined total of about 8 million retail clients receiving cross-border services in 2025, or about 52% of the total number of EU/EEA retail clients receiving such services.
36. When comparing the number of cross-border investment services recipients with the population of each country, Malta shows the highest ratio at 15%, meaning that approximately 15 out of every 100 Maltese residents received cross-border investment services from EU/EEA firms under the freedom to provide services. Ireland and Luxembourg, follow with ratios of 12% and 11%, respectively.
37. Germany, Spain and Italy were also the most popular destinations by number of cross-border firms (same as in 2024), with 200,162 and 153 firms respectively, each receiving investment services from firms established in 22 different countries. The average number of firms providing services to cross-border clients in host Member States in the EU/EEA was 75 in 2025, while the average number of importing countries by host Member State was 17, being both figures very similar to 2024. (see figure 5)

Figure 5. Number of firms and countries providing services to cross-border retail clients, by host Member State

a. 2025



b. 2024



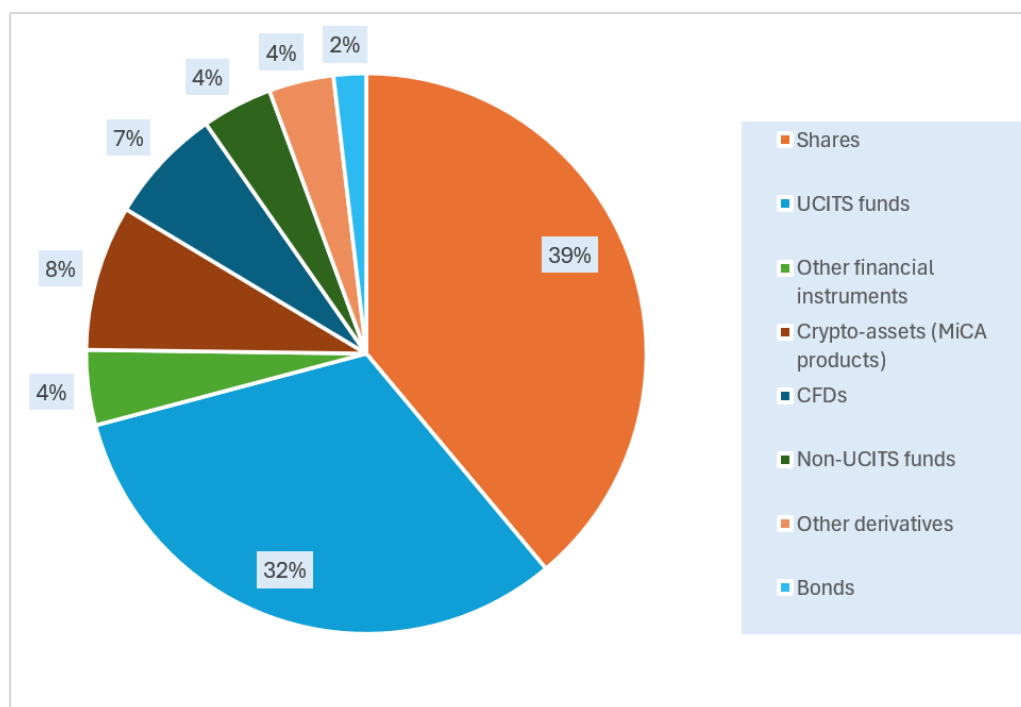
Source: ESMA Staff calculations based on reporting by NCAs

38. While each country reported cross-border links with 17 other countries on average, each of the 379 firms providing cross-border investment services in 2025 across the EU/EEA did so – on average – towards 41 thousand retail clients in other EU/EEA countries⁶ (above the average of 28 thousand clients per firm in 2024). This highlights the importance of home-host co-operation in terms of NCAs supervising the provision of cross-border investment services.
39. Regarding the distribution of retail clients by product type (see figure 6 below), shares remain the most widely used financial product, with 7.3 million clients in 2025 (up from 4.6 in 2024), representing around 38.9% of all product holdings. UCITS funds follow, with 6 million clients (32.0%). Crypto-assets regulated under MiCA⁷ account for nearly 1.6 million clients (8.4%), while CFDs reach approximately 1.3 million clients (6.7%). Other financial instruments and non-UCITS funds represent 4.3% and 4.1% of the total, respectively.

Figure 6. Total number of retail clients by product type, 2025

⁶ That is about 15,5 million cross-border clients for 379 firms in total (10,5 million for 370 firms in 2024). The figure may double count cross-border clients in case that the same clients are offered services by more than one firm based abroad.

⁷ This report considers only CIs and IFs and does not include Crypto-Asset Service Providers (CASPs). As such, it covers only a portion of the crypto market—specifically, traditional financial actors offering crypto-related products classified as non-financial instruments.



Source: ESMA Staff calculations based on reporting by NCAs and firms

40. Firms reported that, among all clients receiving services related to shares and bonds, 74% also held these instruments in fractional form⁸.
41. The distribution of retail clients by investment service showed that the cross-border business model was mainly focused on execution services, which were provided to 87% of active clients. Portfolio management was offered to 11% of active clients, while only 0.8% received investment advice. None of the top five firms by number of clients offered investment advice.

2.3 Complaints

42. This section outlines the key findings regarding the origin and destination of complaints related to cross-border investment services, along with the primary reasons behind these complaints from retail clients. The analysis covers both the home and host country perspectives, specifically, data on firms receiving complaints from cross-border retail clients, and data on retail clients submitting complaints about cross-border services provided by firms.

⁸ Figures reflect data as reported by firms to NCAs/ESMA. For the purposes of this report, no verification has been carried out regarding the legal classification of the instruments concerned.

43. Based on reporting to ESMA, a total of **10,945 complaints** have been submitted by retail clients to firms providing cross-border investment services in 2025. The figure remains stable (-0,2%) compared to the number of complaints reported in 2024 (10,968 complaints). Figure 7 below shows the repartition of complaints by home Member State of the firms. Consequently, the average number of complaints per 100,000 retail clients decreased (due to the increased number of overall clients), changing from 104 in 2024 to 71 in 2025, representing a 31,7% decrease in relative terms⁹.
44. The substantial increase in the number of retail clients in 2025 (around five million more than in 2024) did not immediately result in a higher volume of complaints. However, this development should be interpreted with caution. Due to the inherent limitations of the dataset, the underlying drivers of this trend cannot be clearly identified. A possible time lag between client growth and a corresponding increase in complaints might also occur and, therefore, no definitive positive conclusion should be drawn¹⁰.
45. Irish-based firms received the largest share of complaints related to cross-border investment services, accounting for 24% of all EU/EEA-firms, increased by 75% in 2025, with 2,640 complaints¹¹ received by 6 firms, up from 1,509 complaints reported by 5 firms in 2024. Lithuania (accounting for 21%) with only 2 firms receiving 2,251 complaints, and Cyprus (17%) with 78 firms receiving 1,908 complaints, reported significant increases of 44% and 73% from 2024 respectively. Other notable rises were observed in Luxembourg (501 total complaints in 2025) and Austria (444). On the other hand, Germany (accounting for 20% of the total) with 2,142 complaints reported by 44 firms, and the Netherlands (3%) reported a notable reduction of 57% and 56% from 2024 respectively.
46. Compared with 2024, Ireland overtook Germany's first position in the complaints ranking. Thus, Germany passed from the first position to being the third one, while Lithuania remained in the second position. However, overall, complaints remain concentrated in few key markets, with Ireland, Lithuania, Germany and Cyprus leading the number of complaints in 2025 in this order, with these four countries accounting for 82% of the total number of complaints filed for cross-border services in 2025 in the EU/EEA.

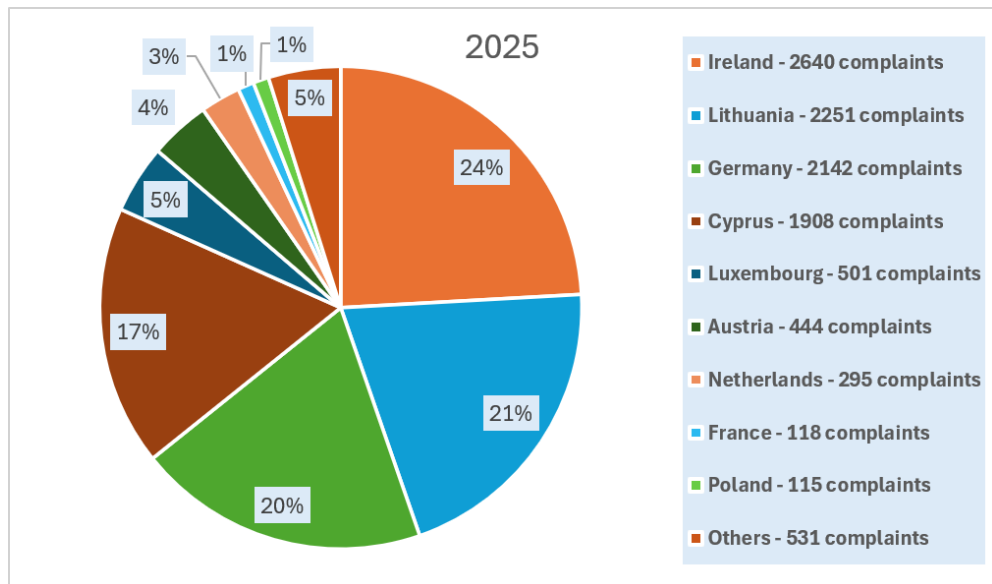
⁹ See more detailed information on the relative numbers under paragraphs 45-47.

¹⁰ For instance, it cannot be excluded that part of the client growth occurred late in the year 2025 (Q3 and Q4), which would reduce the likelihood of clients submitting complaints related to the investment services received during 2025. Furthermore, it is worth mentioning, as in previous years, that the definition of a complaint ('a statement of dissatisfaction by the client') is relatively broad, possibly leading to different interpretations by firms on what to report as a complaint. This issue was also identified by the Joint Committee of the European Supervisory Authorities when assessing the application of the Guidelines on complaints-handling in 2021: *'The most relevant issue for NCAs arising from the implementation of the Guidelines seems to be that the definition and interpretation of the term complaint is not sufficiently clear and precise'*.

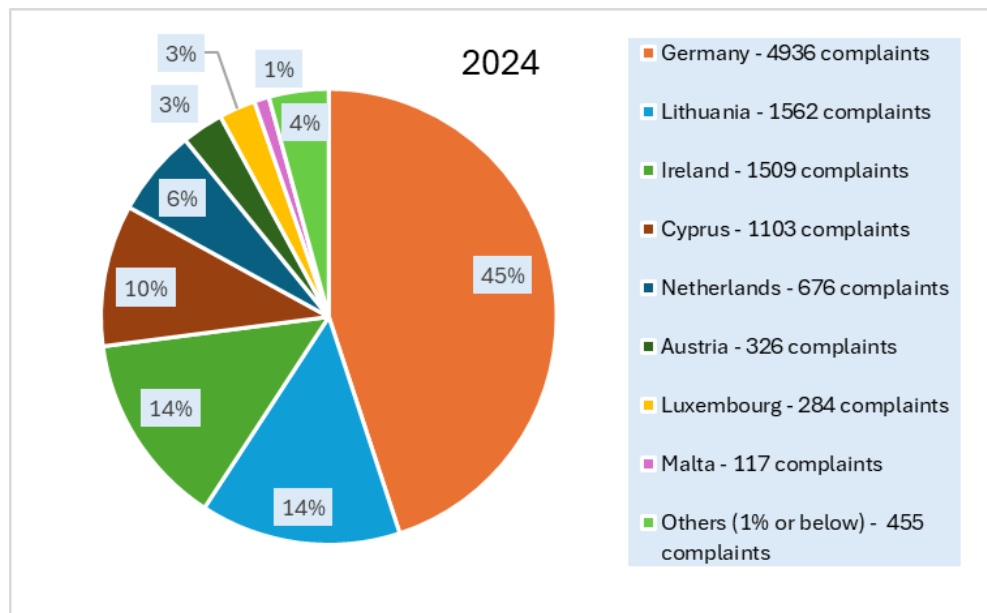
¹¹ Firms with Ireland as their Home Member State reported a 34% increase in the number of retail clients compared to 2024. Approximately 47% of the complaints received by Irish-based firms relate to general administrative and customer service issues.

Figure 7. Complaints by home Member State

a. 2025 data



b. 2024 data



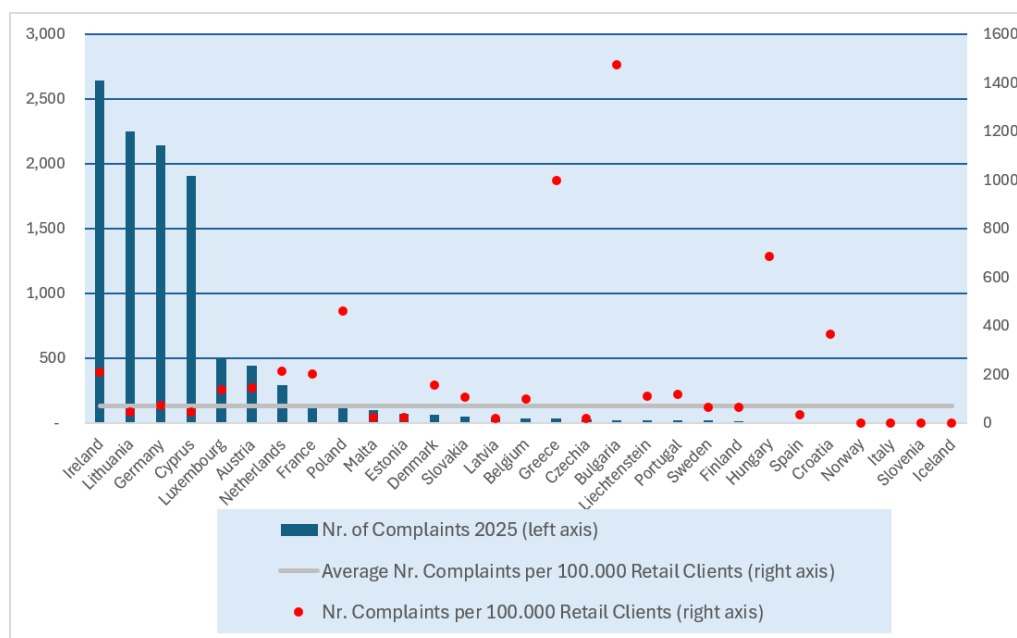
Source: ESMA Staff calculations based on reporting by NCAs and firms

47. Similar to 2024, most NCAs (20 out of 29) reported that their firms received in 2025 less than 100 complaints in total. Nine (9) NCAs reported that their firms received more than

100 aggregated complaints, while four (4) NCAs reported their firms to have received more than 1,000 complaints, with three (3) of them reporting more than 2,000. Four (4) NCAs reported that no complaints have been received at all by their firms.

48. In order to investigate the relation between the overall number of complaints received and potential investor protection concerns, figure 8 shows the number of complaints per hundred thousand (100,000) retail clients by home country of firms. For purely statistical purpose, the EU/EEA firms providing cross-border services received, on average, almost 71 complaints per 100,000 retail clients, down from 104 in 2024. In other words, they receive, on average, one complaint for every 1,416 clients.
49. This ratio varies significantly across countries. While, in some cases, home Member States with significant numbers of retail clients also account for a considerable portion of the total number of cross-border complaints, the number of complaints per 100,000 retail clients calculated below shows that firms in Bulgaria have received the highest number of complaints per client (1,470 complaints per 100,000¹²).
50. On the contrary, firms based in Iceland, Italy, Slovenia and Norway reported 0 aggregate complaints numbers, while the 26 firms based in Czechia, Latvia and Malta reported the lowest number of complaints per retail clients served, i.e., 18, 21 and 22 complaints per 100,000 retail clients respectively.

Figure 8. Retail clients and complaints, by home Member State



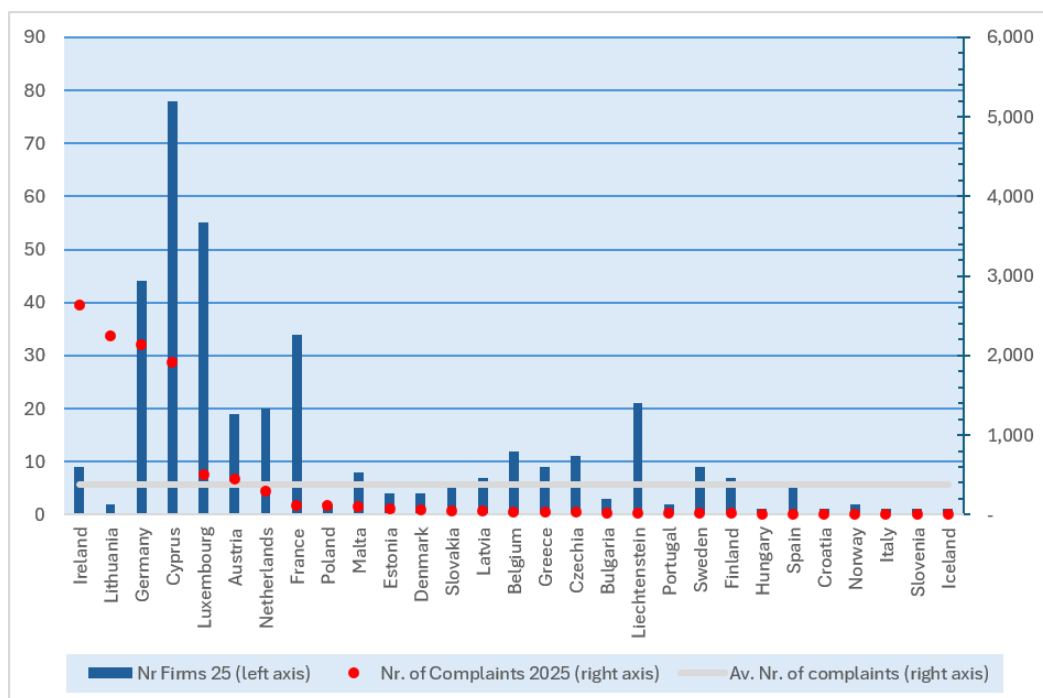
Source: ESMA Staff calculations based on reporting by NCAs

¹² A total of 24 complaints reported by 3 firms in Bulgaria, with a total number of about 1,628 cross-border retail clients.

51. Likewise, it could be contended that countries with a significant number of firms providing cross-border services would likely also register a proportionately high number of complaints. As shown in figure 9 below, the number of complaints (weakly) correlates to the number of firms providing cross-border investment services from a given country. The average number of complaints per country slightly decreased¹³ from 392 in 2024 to 377 in 2025 (see figures 9a and 9b).
52. The average number of complaints per firm varies very significantly across EU/EEA Member States, with Lithuania being an outlier with 1,126 complaints per firm, followed by Ireland with 293 complaints per firm, which suggests that complaints are concentrated in certain significant firms, supporting the need for investor protection initiatives that place risk-based supervision at their core.
53. Concentration is also observed at firm level: 3 firms reported more than 1,000 complaints in 2025, with two (2) of them reporting more than 2,000. In addition, other 13 firms reported more than 100 complaints each. On the other hand, it is also worth noting that 194 firms (51% of the total universe) reported no complaints. Figure 10 below shows graphically this phenomenon.

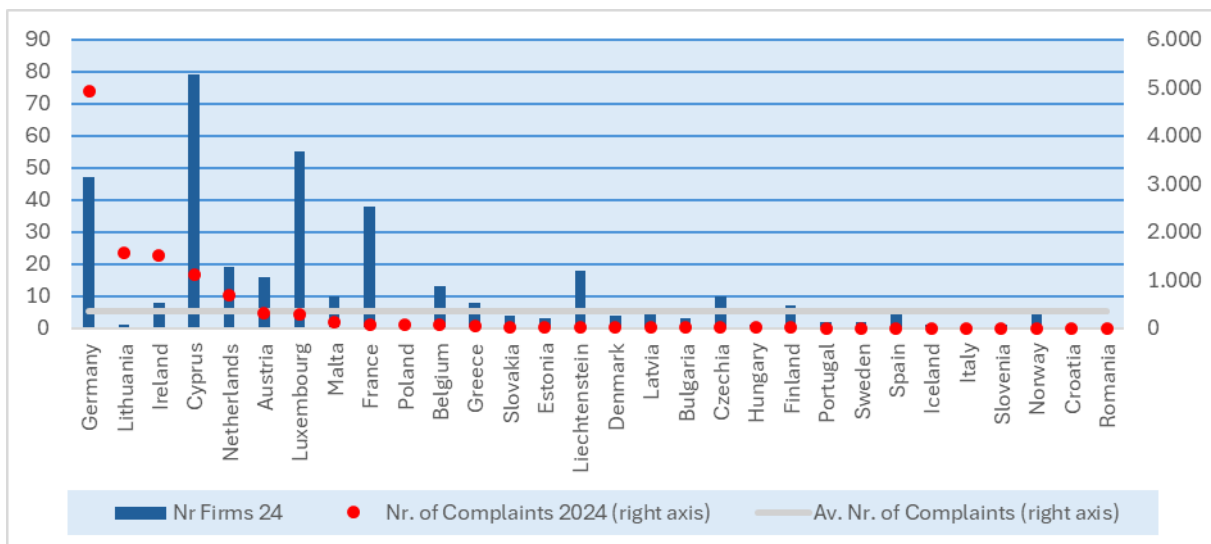
Figure 9. Complaints and number of firms by home Member State

a. 2025 data



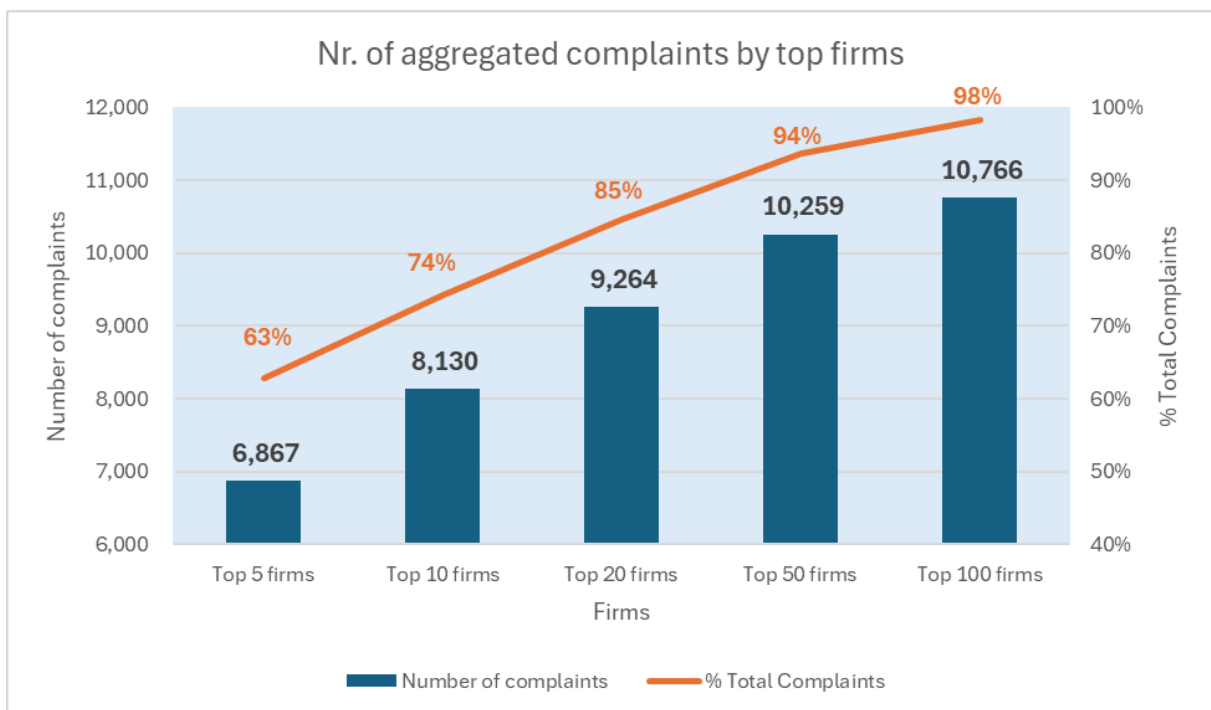
¹³ Figures consider 28 and 29 Member States for 2024 and 2025, as the ones which were home to firms.

b. 2024 data



Source: ESMA Staff calculations based on reporting by NCAs

Figure 10. Aggregated number of complaints and percentages among top 5, 10, 20, 50 and 100 firms



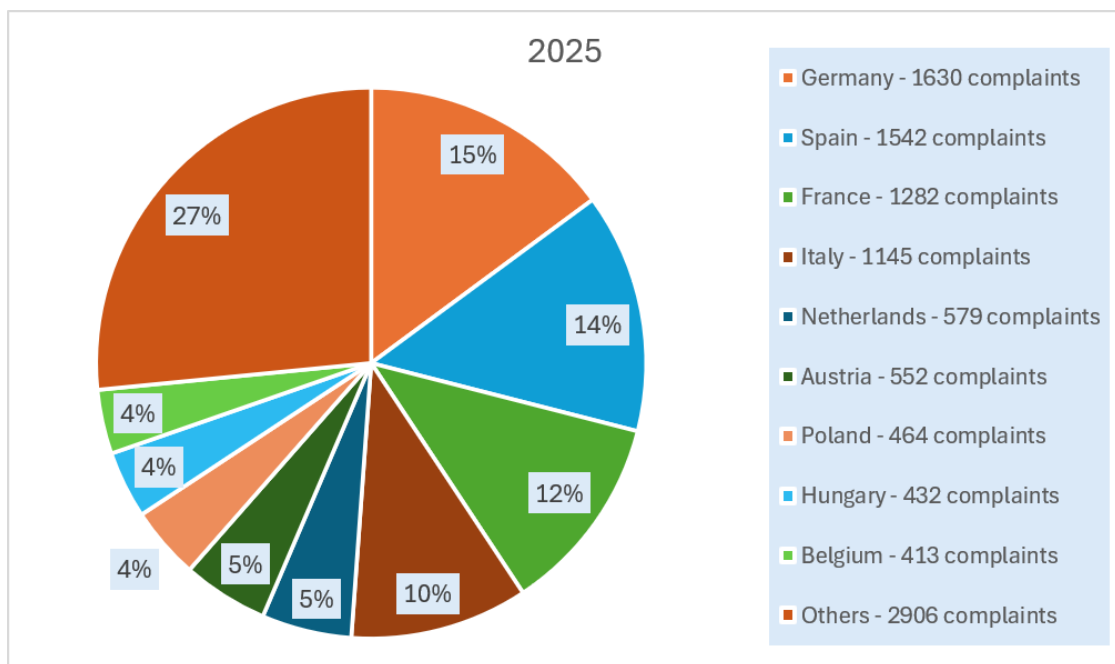
Source: ESMA Staff calculations based on reporting by NCAs

German, Spanish, French and Italian based-retail clients lodged the highest number of complaints in 2025, collectively representing more than half of the total complaints in the EU/EEA.

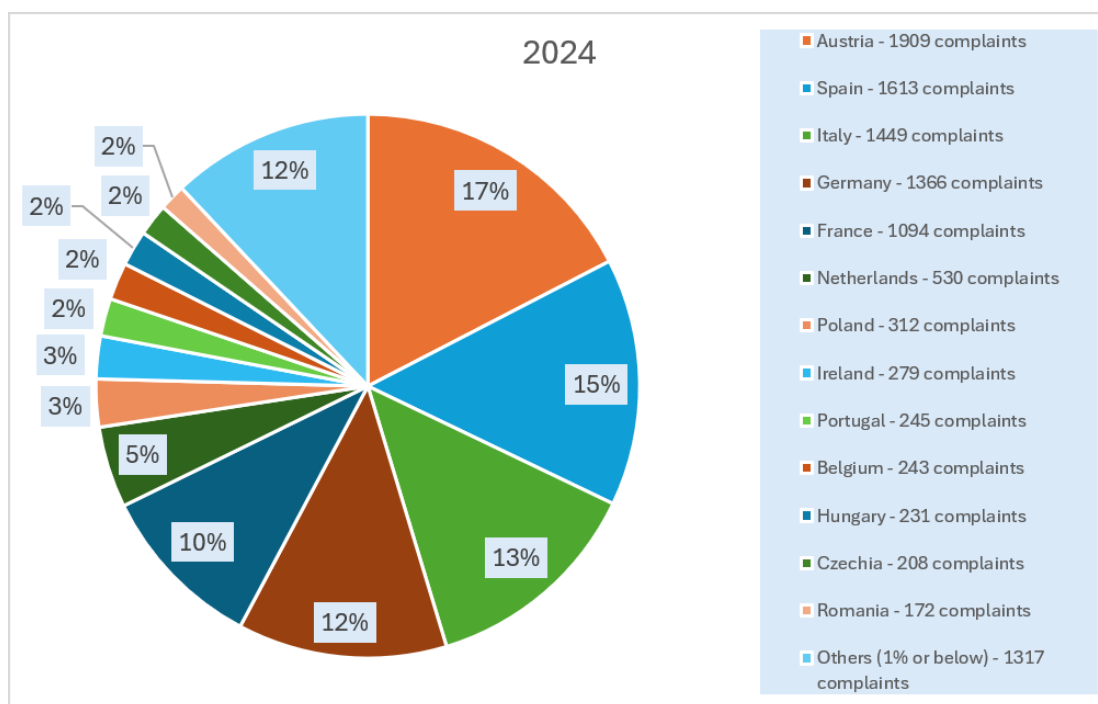
54. To shed light on the side of retail clients complaining about received cross-border services, it is also worth investigating the host country perspective of complaints. In that regard, figure 11 shows the repartition of complaints by host Member State, i.e., the final recipients of cross-border investment services. Understandably, due to higher number of clients, Germany, Spain, France and Italy were the top four countries whose retail clients filed the largest number of complaints in 2025 regarding cross-border services provided by foreign firms. Taken jointly, retail clients in these four countries accounted for about 51% of the total number of complaints filed for cross-border services in 2025 in the EU/EEA.

Figure 11. Complaints by host Member State

a. 2025 data



b. 2024 data



Source: ESMA Staff calculations based on reporting by NCAs

Admin. customer services remain the key topic of concern for investors.

55. Seeking to identify the main reasons triggering the filing of complaints by retail clients, the ESMA/NCA questionnaire also asked firms to note the number of complaints by topic, as they received them by cross-border retail clients. The figure 12 below identifies the most frequently reported complaint reasons. In this figure, the top ten (10) home Member States by number of total complaints are represented, together with the top five (5) topics reported. The bars within each country also show the aggregated number of complaints by these topics received and reported by firms in each jurisdiction. For each home country, the figure shows in a different colour the relative importance of complaint topics reported.

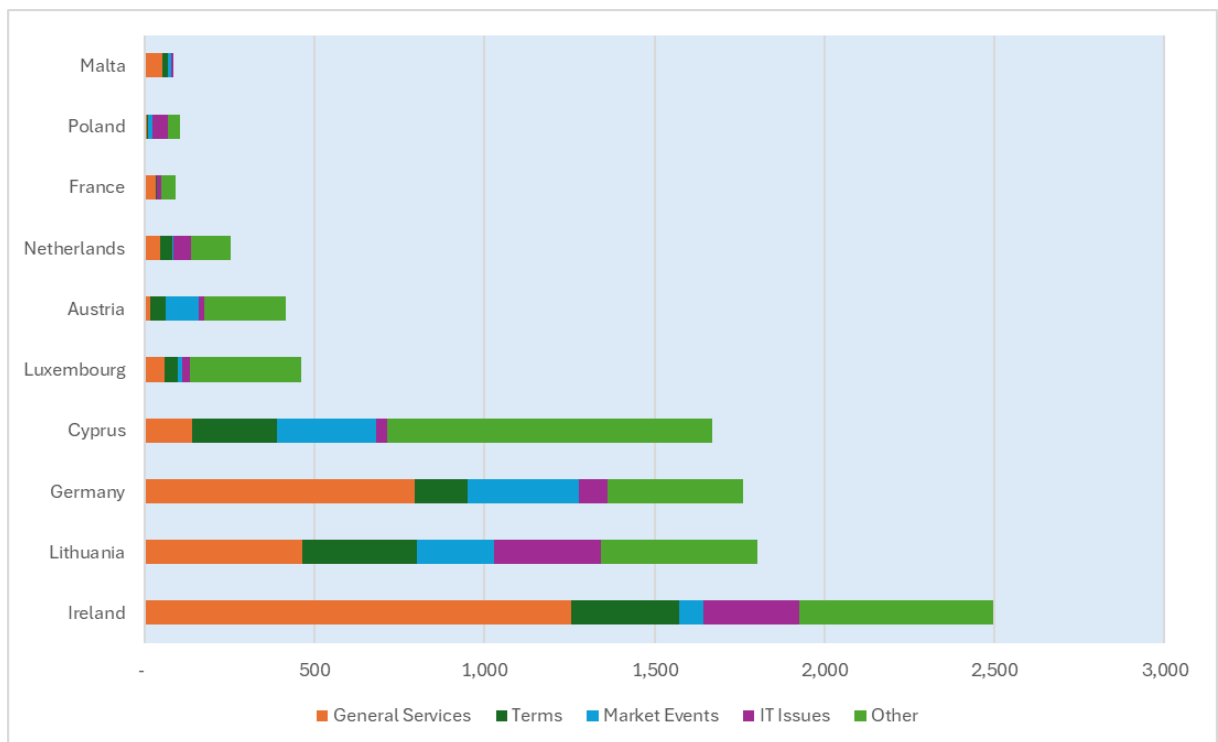
56. The complaint reasons asked in the firm-level questionnaire, included:

- 1) Quality or lack of information provided to the client,
- 2) Investment product not appropriate/suitable for the client,
- 3) Terms of contract/fees/charges,
- 4) General administrative/customer services (including custody/safekeeping services),
- 5) Issue in relation to withdrawal of investor's funds from an account / issue connected to exit from the investment and redemption of funds,
- 6) Market event related,

- 7) IT issues,
- 8) Greenwashing,
- 9) Copy trading and
- 10) Other complaints¹⁴.

57. The analysis of complaint reasons shows that complaints classified by firms as “Other” represent the largest share in 2025, followed by those related to “general services” and “Terms”. This pattern suggests two things: i) on the one hand, the reliability of the reported complaint topics may be limited, as some firms might not be applying consistent or careful classification criteria; ii) on the other hand, it indicates that clients mainly raised concerns linked to general administrative or customer service issues, including custody and safekeeping services.

Figure 12. Most frequently reported reasons of complaints by top 10 home Member State with highest number of complaints

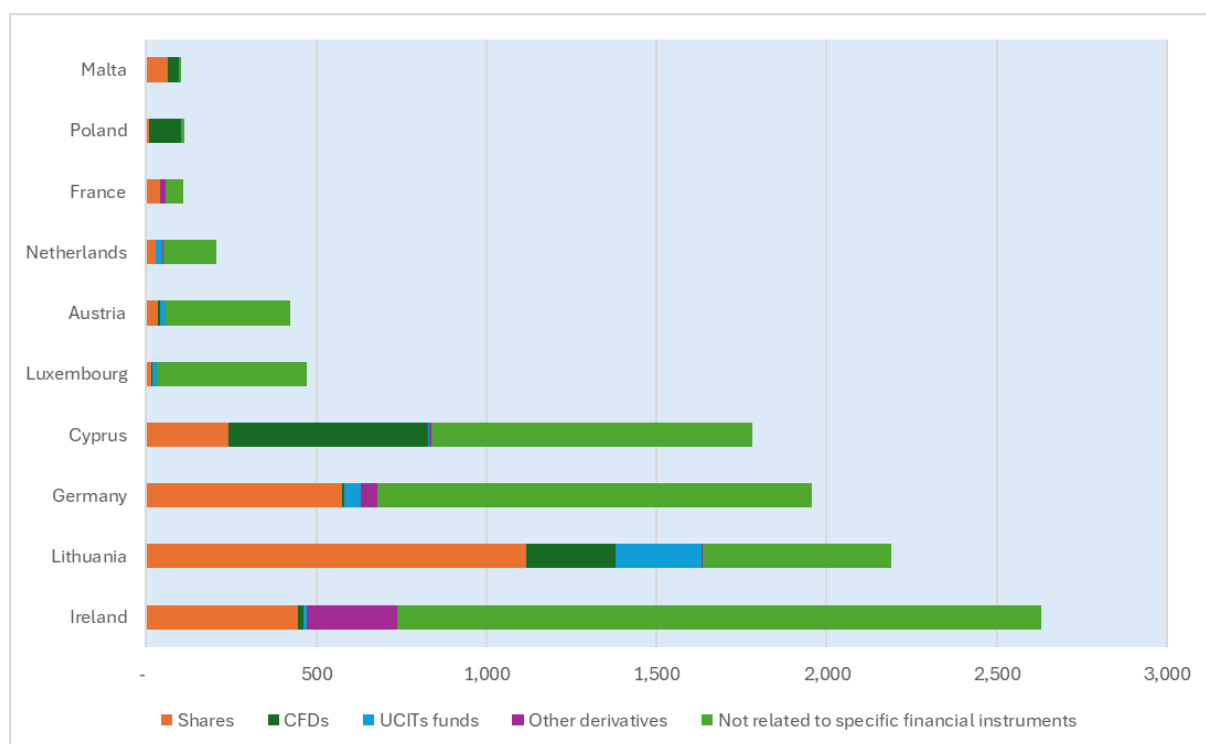


Source: ESMA Staff compilation based on reporting by NCAs

¹⁴ The category “Other complaints” includes – inter alia – emerging topics such as greenwashing and copy trading. Given their recent inclusion into this report, the reliability and consistency of the data remain uncertain, and figures may not represent the broader reality of client concerns.

58. Building on the approach used to identify complaint topics, the questionnaire also requested firms to report the number of complaints by product type. Figure 14 below uses the same approach as in Figure 13, this time to highlight the financial products most frequently associated with complaints. The bars within each country represent the aggregate number of complaints for the most reported product categories. For each home country, the figure shows in a different colour the relative importance of the products reported in the complaints.
59. The analysis of complaints by product type indicates that, in over half of the cases (54%), the reporting to ESMA did not include a reference to a specific financial product. Among the remaining complaints (those referring to a specific product), shares accounted for the largest proportion, representing 52% of those linked to a particular product. Shares were followed by CFDs (23%), as the next most frequently cited product.

Figure 13. Most frequently reported specific products in complaints for the top 10 home Member States with highest number of complaints



Source: ESMA Staff compilation based on reporting by NCAs

