

Report

On the 2024 Cross-border provision of investment services to retail clients
in the EU and EEA

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Executive Summary

Reasons for publication

Further to past exercises, and 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, as well as for each Member State on a home-host basis. These are key pieces of information which are necessary to carry out NCAs' supervisory mandate on firms' cross-border activities. 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 2024 (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 2024 data, the present Report finds that:

- The European market for cross-border provision of investment services in 2024 comprised 370 firms across 30 EU/EEA Member States providing services to about 10.5 million retail clients in other Member States. Firms also reported to have received a total of about 10,968 complaints from cross-border retail clients.

- Compared to 2023, the cross-border market for investment services in the EU/EEA saw a 4% decrease in the number of firms. The number of retail clients rose by 32%, and complaints increased by 46%.
- 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 (181 of all 370 firms): Cyprus (21%), Luxembourg (15%), Germany (13%). Additionally, retail client activity was heavily concentrated: firms based in Cyprus, Lithuania, Germany, and Ireland served 86% of all EU/EEA retail clients receiving services on a cross-border basis (34%, 24%, 19% and 9%, respectively).
- Two (2) jurisdictions reported no domestic firms with cross-border activity (HR, RO), while eighteen (18) other jurisdictions reported less than ten (10) firms with cross-border activity (1-9 firms each).
- Twenty-two (22) 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). Some firms based in Austria, Cyprus, Ireland, and Lithuania reported that services are provided to retail clients in all other Member States.
- Similar to 2023, 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: DE (1.6 million clients), FR (1.5 million clients), ES (1.4 million clients) and IT (1 million clients).
- The average number of cross-border clients per firm is about 28,000 clients. 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 700 thousand and 2.6 million clients each.
- While the total number of complaints rose by 46% in 2024 compared to 2023, the average number of complaints per 100,000 retail clients increased at a slower pace (due to the increased number of overall clients), changing from 94 in 2023 to 104 in 2024, representing an 9.6% rise in relative terms. In other words, given the concurrent growth in the number of retail clients, the increase in complaints is considerably less significant when viewed proportionally than it appears in absolute terms.
- Countries with significant cross-border activity also recorded higher numbers of complaints. Firms based in Germany (46%), Lithuania (15%) and Ireland (14%)

received the majority of complaints pertaining to cross-border investment services in 2024.

Next steps

ESMA aims to continue performing the data collection exercise on an annual basis.

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 analysis of the submitted information would be subsequently analysed by ESMA, and the results would feed in annual 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 2024 (reference year: 2023)², the 2025 exercise once again achieved complete participation across all Member States. This Report summarises the main results of the 2025 CBDC exercise and is based on the data provided to ESMA by NCAs on the 2024 activity of credit institutions (CIs) and investment firms (IFs) across 30 EU/EEA Member States.
5. The CBDC reflects a combination of factors that pertain to the importance of the cross-border perspective in the provision of investment services in the EU/EEA and the particular challenges that it may pose to the EU supervision of financial services:
 - 1) Firstly, the development of the ever-closer single market in financial services and the parallel digitalisation of financial services render the provision of financial services easier in a cross-border context.

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

² [ESMA35-335435667-5928 Report on the 2023 Cross-border Provision of Investment Services to Retail Clients in the EU and EEA](#)

- 2) Secondly, the acknowledgment that a wider choice among financial services providers may benefit retail investors through price and product competition. This enhanced level of competition 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 regime. In particular, following a peer review on the supervision of cross-border activity of investment firms (2022), ESMA identified the need for home supervisors to significantly improve their approach in the authorisation, ongoing supervision and enforcement work, relating to investment firm's cross-border activities to retail clients³.
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, some country specific figures may have to be interpreted with a note of caution, as the firm-level reporting did not always follow the ESMA reporting instructions.
 7. 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 by the NCAs 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

8. Between April and June 2025, ESMA and NCAs launched the collection of necessary information from firms operating with a passport in 30 EU/EEA jurisdictions and providing cross-border investment services to retail clients in the course of the 2024 reporting year. The NCAs validated the data submitted by firms and provided the information to ESMA in the form of raw firm-level data.
9. 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 2024 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

³ ESMA (2022), [Peer review on supervision of cross-border activities of investment firms](#)

includes only firms which provide cross-border services to more than 50 retail clients in a Host Member State (including those treated as professionals according to Section II of Annex II of MiFID II)⁴. 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.

10. To ensure data accuracy and, given the more complete view they have on national markets, NCAs were asked to conduct the necessary checks and validation prior to confirming to ESMA 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.
11. ESMA received responses from all 30 EU/EEA NCAs (27 EU Member States and 3 EEA Member States). As shown in Table 1 below, the 2025 CBDC exercise⁵ showed a decrease of 16 firms compared to the 2024 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

12. In 2024, 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).
13. Table 1 summarises the overall number of firms providing services in the EU/EEA in 2024 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).

⁴ 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.

⁵ The 2025 ESMA exercise refers to data concerning cross-border investment services provided to retail clients during the 2024 reporting year.

Table 1. Summary statistics on NCA coverage in 2025 and 2024 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
2025	2024	30	370	12.3	17.5
2024	2023	30	386	13	17

Source: ESMA Staff calculations based on reporting by NCAs

2 Analysis of results

14. On average, firms of each EU/EEA Member State provided cross-border investment services towards retail clients in 17.5 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 1 firm), Ireland (in 1 firm) and Lithuania (in 1 firm). On the other hand, retail clients based in Italy and Germany, were recipients of cross-border services from firms in the largest number of other EU/EEA jurisdictions (25 and 24 countries respectively). Retail clients in Austria, France and Spain followed, being recipients of cross-border services from firms homed in 22 Member States each.
15. The sections below provide breakdown information and more detail on each of the topics covered hereby.

2.1 Number and type of firms

16. As per the information reported to ESMA, a total of **370 firms** – homed in 28 out of the 30 EU/EEA Member States covered by the 2025 ESMA exercise – provided cross-border investment services to retail clients in 2024. Most EU/EEA countries (18 of them) were home to less than 10 firms providing cross-border investment services, while 10 NCAs reported being home to more than 10 firms. Two NCAs⁶ reported no firms providing such services.
17. Out of the 370 firms, 24 firms are homed in the 3 EEA Member States (Iceland, Liechtenstein and Norway). To put figures into perspective compared to the previous

⁶ Those of Croatia and Romania.

year, EU countries were home to 380 firms providing cross-border services in 2023, while 6 firms were homed in the three EEA countries.

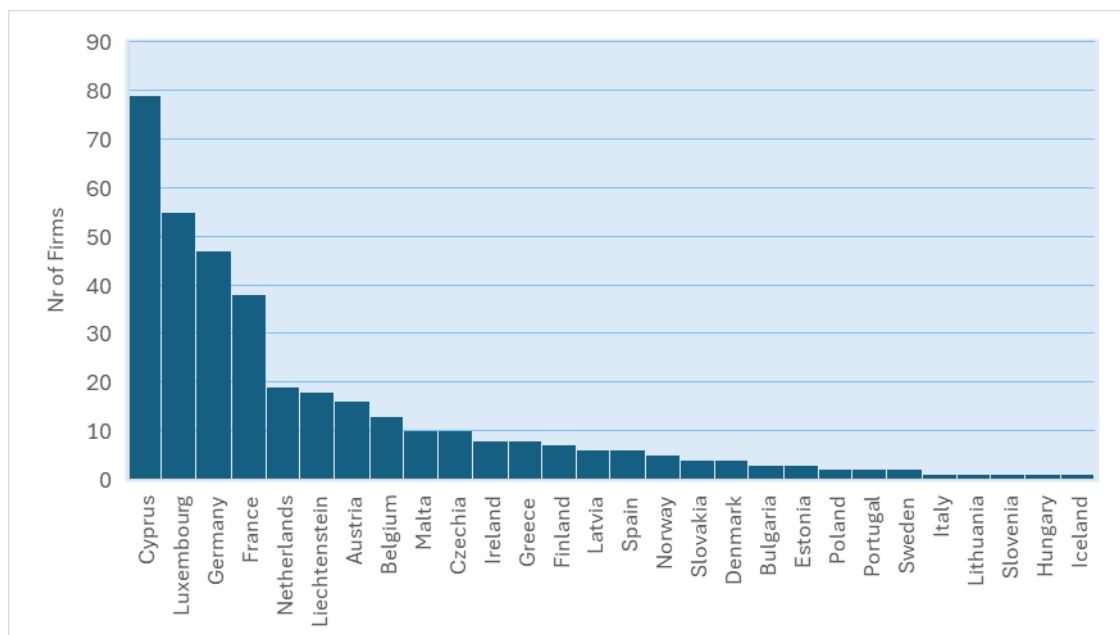
18. The reporting and description below allow for a split of the firms' number by home Member State, as well as an analysis by host Member State. We also calculate, analyse and report aggregate figures at EU/EEA level.

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

19. The distribution of firms by home Member State is found to be relatively uneven. Out of the thirty (30) EU/EEA countries, Cyprus, Luxembourg, and Germany accounted for about 49% of the 370 firms, being home to 79, 55 and 47 firms respectively (see figures 1a and 1b). This is broadly consistent with the number of firms homed in these jurisdictions in previous years (they accounted for 50% of all firms in 2023). Cyprus reported in 2024 one (1) firm more than in 2023 (79 vs. 78 firms), while Luxembourg reported in 2024 four (4) firms less than in 2023 (55 vs. 59 firms). Germany, in the third place, reported eight (8) less firms in 2024 compared to 2023 (47 vs. 55 firms). In terms of annual change, Austria and Sweden, reported the largest decreases in terms of firm numbers between 2023 and 2024 (a fall of 11 and 10 firms respectively between the two reporting years).

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

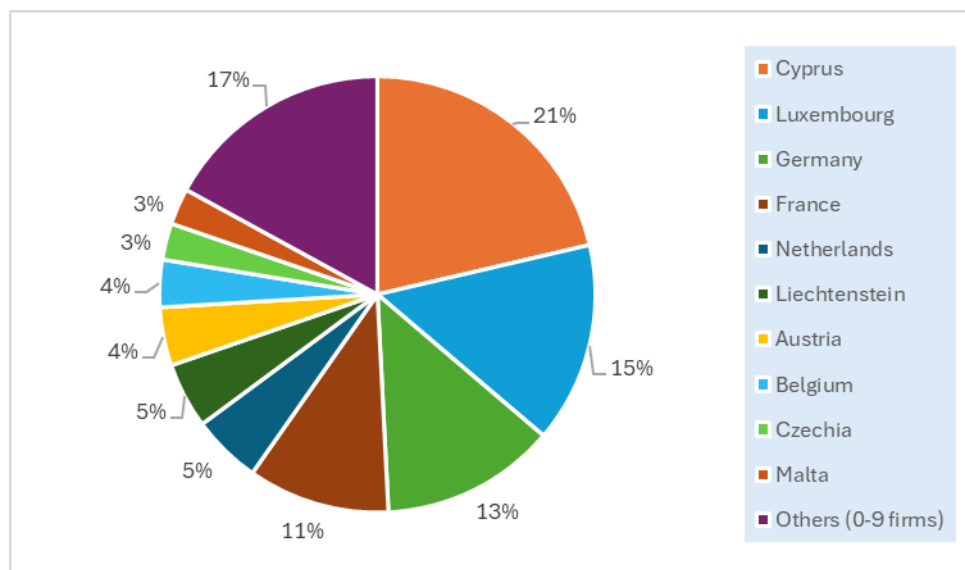
a. Distribution of firms across EU/EEA Member States



a.1 Distribution of firms across EU/EEA Member States – Map



b. Shares of firms by home Member State



Source: ESMA Staff calculations based on reporting by NCAs

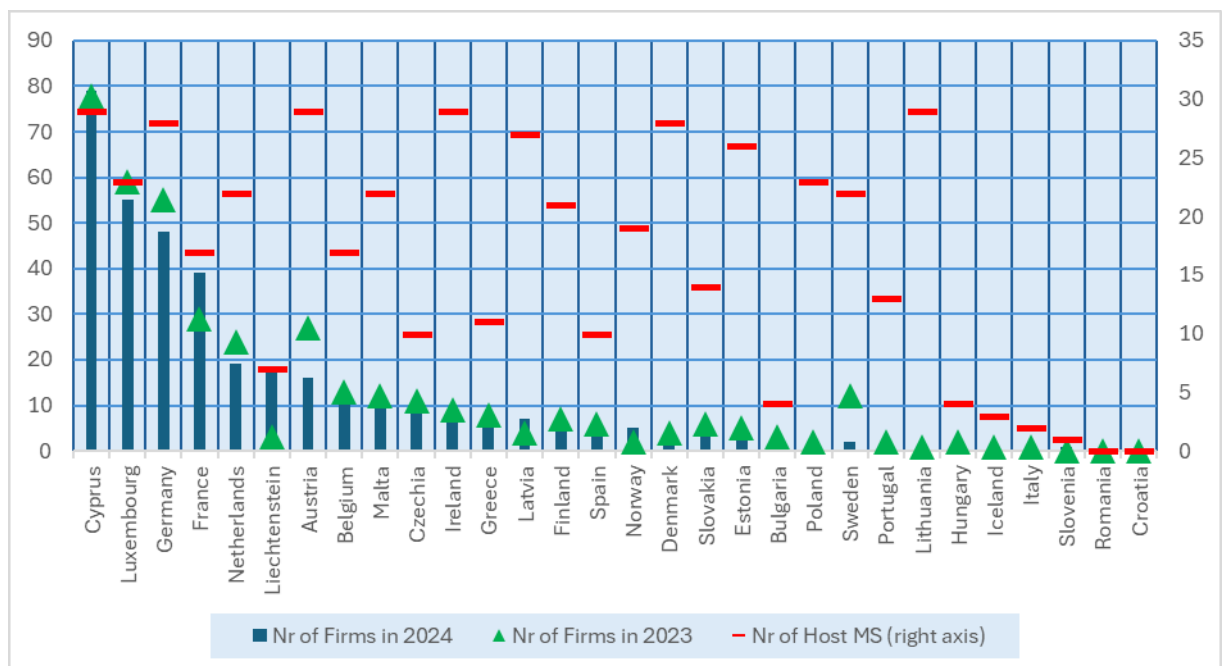
20. As shown in figure 1a above, only four (4) countries reported cross-border activity for more than 20 firms from their jurisdiction. Six (6) other NCAs reported between 10 and 20 firms of their jurisdictions offering services to cross-border retail clients above the materiality threshold.

21. The average number of firms by home Member State decreased from 14.3 firms in 2023 to 13.2 firms in 2024⁷. While the total number of firms providing cross-border investment services in the EU/EEA decreased by 4% between 2023 and 2024, some NCAs reported an increase in the number of firms providing services from their jurisdiction. Out of the 30 NCAs in the 2024 sample, 6 NCAs reported an increase in the number of firms in 2024 compared to 2023, 11 NCAs reported a decrease, 13 NCAs reported no change in the number of firms.

In most home Member States, firms providing cross-border investment services tend to diversify in terms of host Member States.

22. Figure 2 below shows the number of firms by home Member State in 2024 and 2023, as well as the number of host Member States in 2024, i.e., towards how many other Member States their firms provided investment services.

Figure 2. Number of firms by home Member State and cross-border destinations



Source: ESMA Staff calculations based on reporting by NCAs

⁷ Not taking into account Member States that reported being home to no firm with significant cross-border activity and Member Countries that did not participate in the 2024 CBDC exercise.

23. Most home Member States reported that their firms provided cross-border investment services towards retail clients across many destinations. In this regard, 22 out of 28 NCAs reported that their firms provide services to retail clients in ten (10) or more EU/EEA Member States. The other six (6) 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 6% of the total number of firms (21 out of 370 firms in total).
24. Austria, Cyprus, Ireland, and Lithuania were the only Member States reporting that one of their firms exported investment services towards retail clients in all other EU/EEA Member States, i.e., towards 29 EU/EEA Member States (see figure 2). They were followed by Denmark (28 countries), Germany (28 countries), and Latvia (27 countries).
25. A limited number of countries were home to firms that have concentrated their cross-border provision of investment services to a small number of destination countries. As per reported information, firms from Iceland, Italy and Slovenia export to retail clients situated in three (3), two (2) and one (1) host Member States respectively. It should be noted that the same countries are also home to a small number of firms with cross-border investment activity (only 1 firm each).

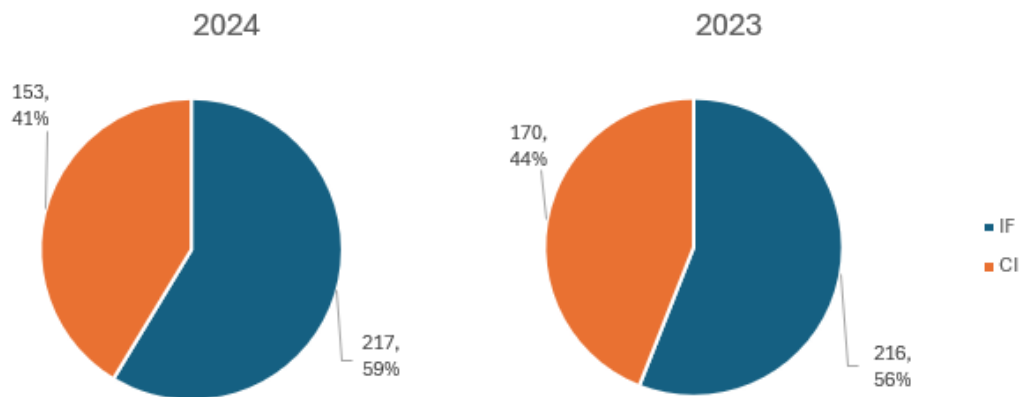
Investment firms account for 59% of the market for cross-border investment services.

26. Information also allows to distinguish between the provision of investment services by investment firms (IFs) and credit institutions (CIs). In the total population of 370 firms, the majority (59%) consists of investment firms, while 41% are credit institutions (56% and 44% respectively in the 2024 exercise). This translates into a total of 217 IFs and 153 CIs in the EU/EEA (see figure 3.a).
27. Cyprus is home to the largest number of investment firms (77 in 2024, up from 76 in 2023), while France and Germany are home to the largest number of credit institutions (36 and 34 respectively, compared to 27 and 43 respectively in 2023) providing cross-border investment services (see figure 3.b).
28. About a fifth (20%) of all firms (CIs and IFs) providing cross-border investment services in 2024 were Cyprus-based firms (79 firms). They also represented a third (35%) of the EU/EEA total number of IFs. Luxembourg (29 IFs), the Netherlands (15 IFs), Germany (13 IFs) and Liechtenstein (11 IFs) followed, regarding numbers of IFs. Taken together, these five Member States were home to about 67% of all EU/EEA investment firms providing cross-border investment services (145 out of 217 IFs in total).
29. Specifically on credit institutions that provided cross-border investment services, 70% of them (108 out of 153 in total) were located in four other jurisdictions: France

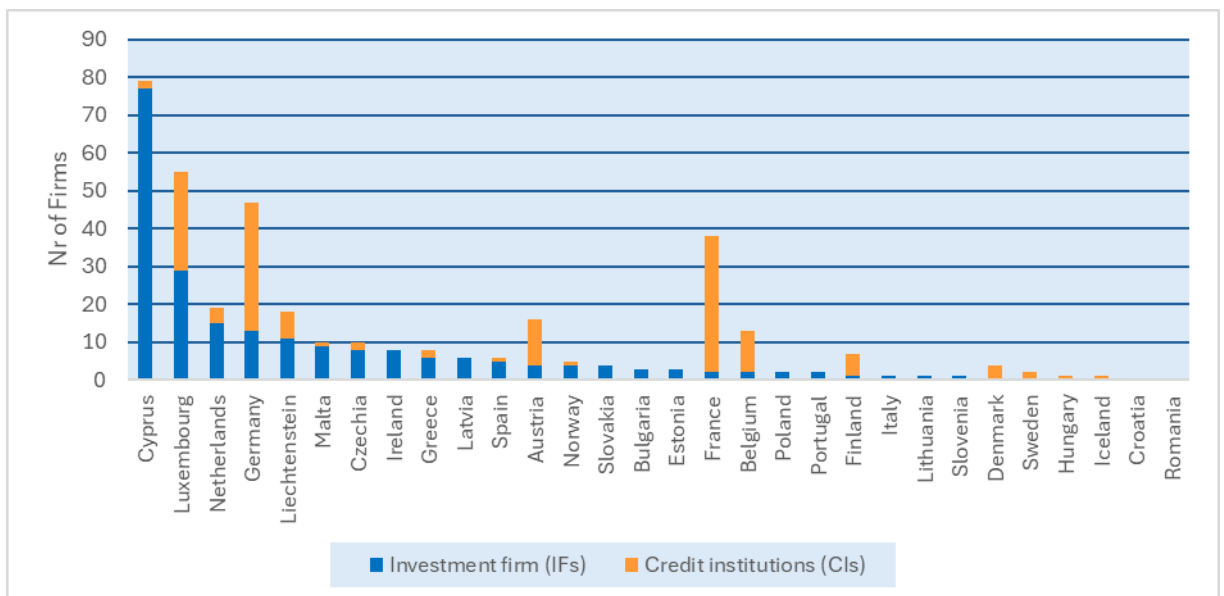
(36 CIs), Germany (34 CIs), Luxembourg (26 CIs) and Austria (12 CIs). All other Member States taken together reported an aggregate of 45 CIs, or about 30% of the total number of EU/EEA CIs that provided cross-border investment services in 2024.

Figure 3. Number of firms by home Member State and by type of entity

a. Split by type of entity across all EU/EEA countries, 2024 and 2023



b. Split by home Member State and by type of entity, 2024



Source: ESMA Staff calculations based on reporting by NCAs

2.2 Number of retail clients

30. As per the information reported, the 2024 market for cross-border investment services in the EU/EEA comprised about **10.5 million retail clients**⁸, about 32% above the 2023 figure (8 million clients).
31. Variation in the annual percentage change is evidenced between 2023 and 2024⁹, with countries like Slovakia, Lithuania, Liechtenstein, Estonia, and Finland being the top-5 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 2.8 million clients in 2024 (up from 1.1 million in 2023). On the antipode, firms in Hungary, Greece, Bulgaria and Austria shrank the most their cross-border client numbers. They aggregately reported about 275 thousand clients in 2024 (down from 722 thousand in 2023).

Firms in three countries account for more than three quarters of the total EU/EEA retail clients.

32. Cyprus-homed firms (79 in total) reported activity towards 3.6 million cross-border retail clients (up from 3.4 million in 2023). They were followed by Lithuania (about 2.6 million clients, up from 1 million clients in 2023), Germany (47 firms with 2 million clients, up from almost 1 million clients in 2023), and Ireland (8 firms with about 939 thousand clients, up from 650 thousand clients in 2023).
33. Taken together, firms in these four countries accounted for about 86% of the total client number (about 9 out of 10.5 million EU/EEA retail clients of firms providing cross-border investment services). In terms of number of firms (135 out of the 370 firms), they accounted for 36% of all EU/EEA firms with cross-border services. All other firms (i.e., 235 firms based in 24 Member States) reported a total of 1.46 million cross-border retail clients, accounting for about 14% of the total client number. The top five firms, in terms of number of clients, providing services to cross-border retail clients are based in Lithuania, Cyprus (2 firms), Germany and Ireland and serve between 700 thousand and 2.6 million clients, each.
34. Given that the number of firms providing cross-border services varied significantly across Member States, and this could have a causal effect on the total number of retail clients, we have calculated the number of retail clients per firm by home Member State. As shown in figure 4.a below, the average number of cross-border

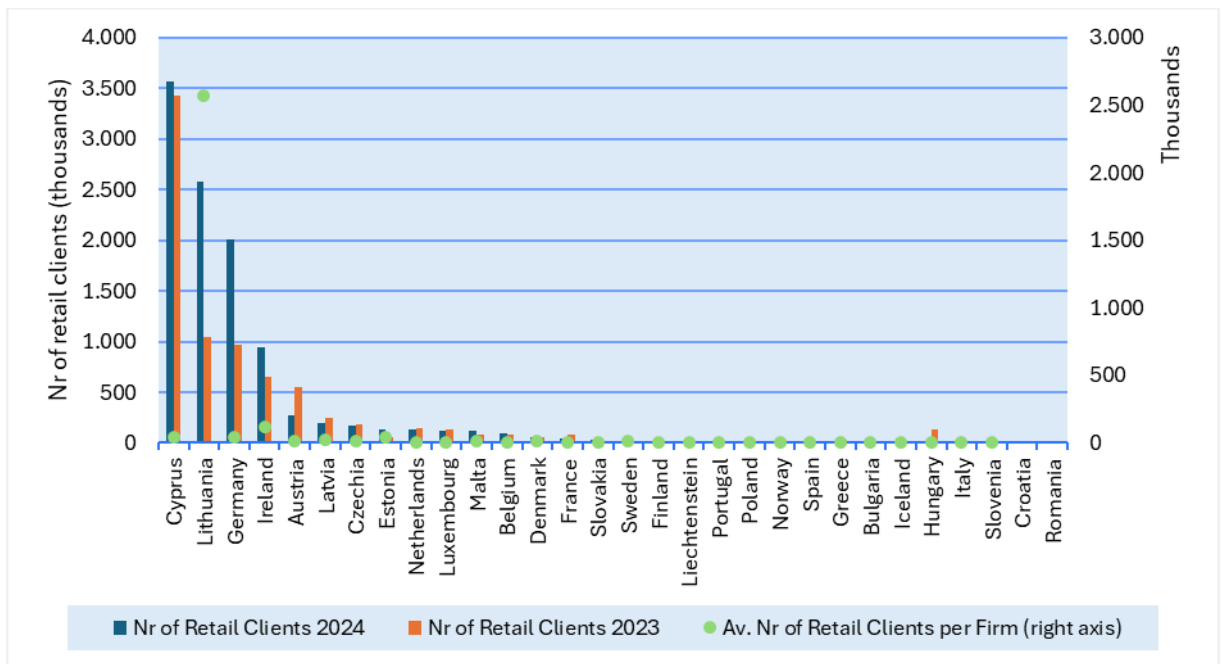
⁸ Not necessarily corresponding to the number of persons with an account, as a person may have more than one account or be provided investment services by more than one firm abroad. The level of information collected through this exercise does not allow to cater for this.

⁹ As noted in paragraph 7 and footnote 10 of this report, some country specific figures may have to be interpreted with a note of caution, due to misreporting of data or misunderstanding of the reporting requirements by a few firms.

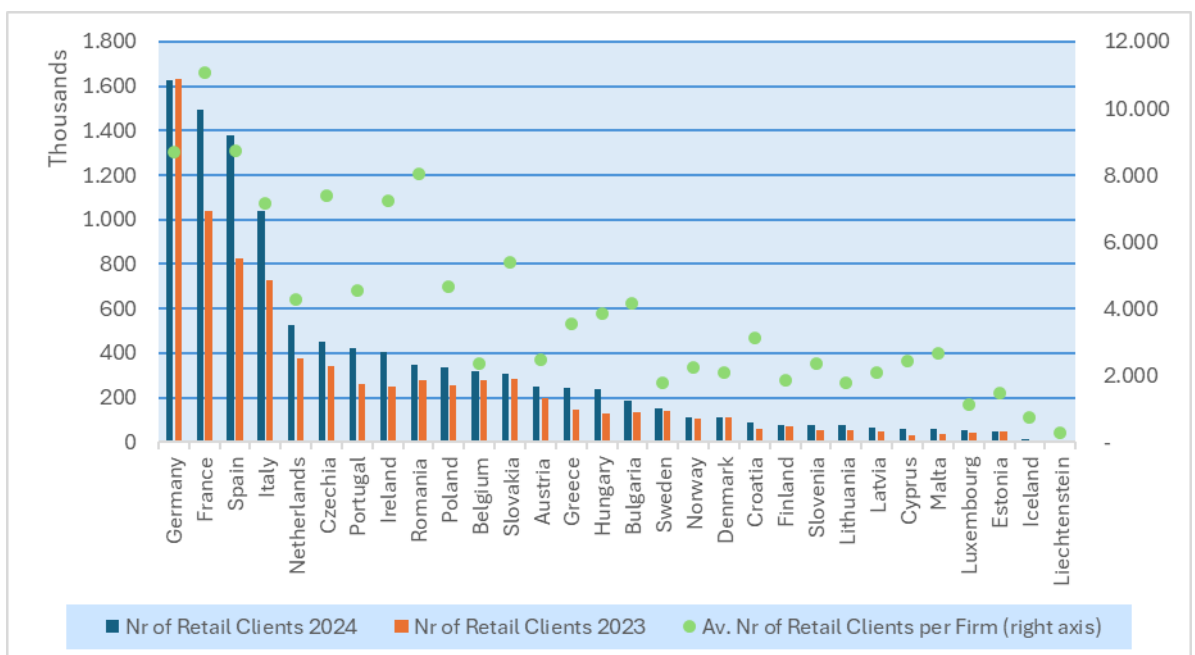
retail clients per firm varied across countries, from 51 (Slovenia) to about 2.6 million retail clients (Lithuania).

Figure 4. Number of firms' cross-border retail clients, by home and host Member State

a. Number of clients by home Member State, 2024



b. Number of clients by host Member State, 2024



b.1. Number of retail clients by host Member State 2024 – map

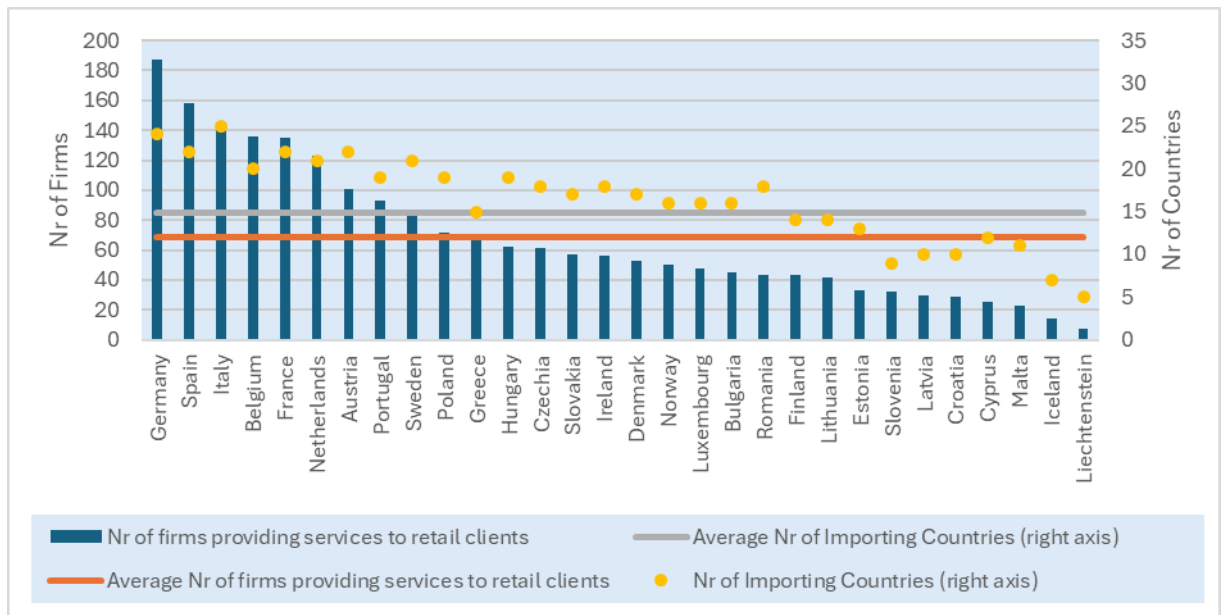


Source: ESMA Staff calculations based on reporting by NCAs

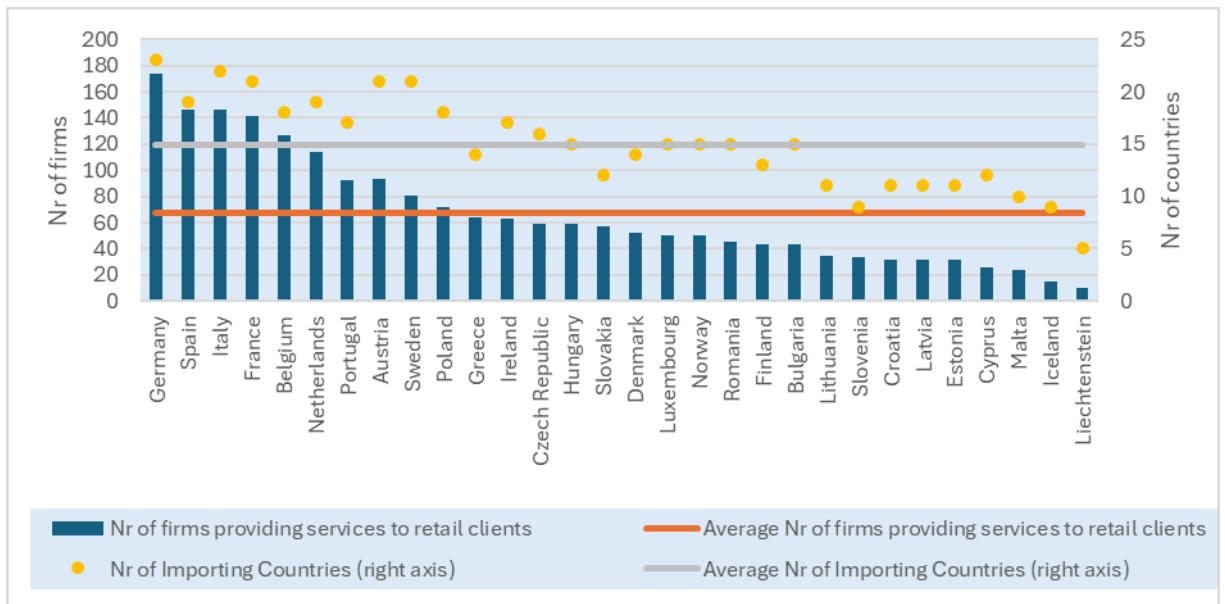
35. On the other hand, Germany-based retail clients were the main recipients of cross-border investment services (see figure 4.b). Out of the 370 firms operating cross-border under the passporting regime in 2024 in the EU/EEA, 187 reported offering services to about 1.62 million clients Germany-based clients (similar to 2023, 1.63 million). France, Spain, and Italy followed in terms of client numbers by host Member State, with a combined total of about 3.9 million retail clients receiving cross-border services in 2024 (1.3 million more than the previous year, 2023), or about 37% of the total number of EU/EEA retail clients receiving such services.

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

a. 2024



b. 2023



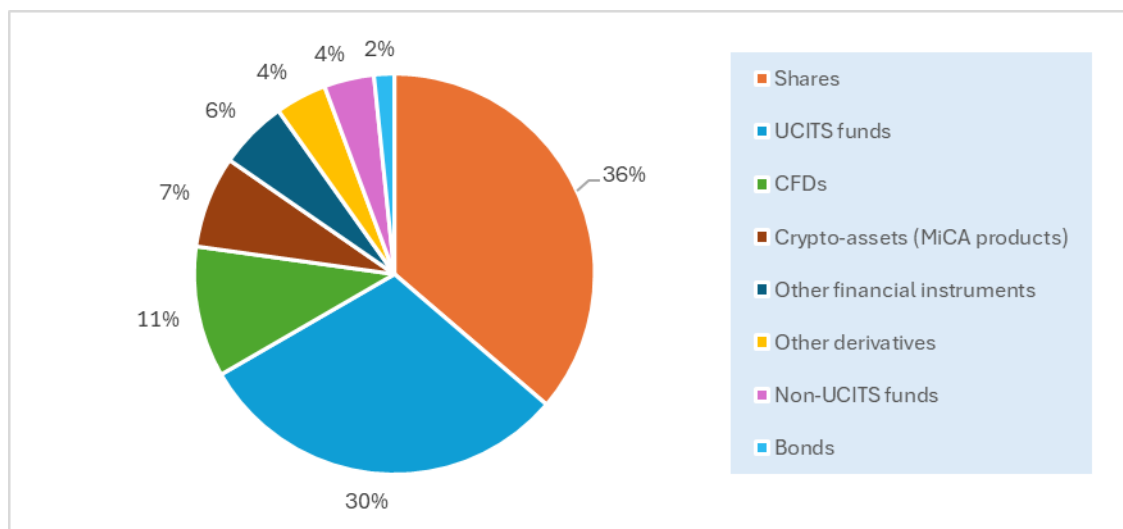
Source: ESMA Staff calculations based on reporting by NCAs

36. While each country reported cross-border links with 16 other countries on average (see figure 5a), each of the 370 firms providing cross-border investment services in 2024 across the EU/EEA did so – on average – towards 28 thousand retail clients

in other EU/EEA countries¹⁰ (above the average of 20 thousand clients per firm in 2023). This highlights the importance of home-host co-operation in terms of NCAs supervising the provision of cross-border investment services.

37. Regarding the distribution of retail clients by product type among firms (see figure 6 below), shares account for the largest portion, with 4.6 million clients in 2024, representing approximately 36% of the total, around 77% of which however are held in fractional form¹¹). UCITS funds follow closely, representing 30% of clients (3.9 million). CFDs are held by 1.4 million clients (11%), while crypto-assets (regulated under MiCA)¹² account for nearly 1 million of clients (7%). Other financial instruments and other derivatives represent 6% and 4% of the total, respectively. Non-UCITS funds are accessed by 510 thousand clients (4%), and bonds remain the least purchased product, with 207,828 clients (2%). This breakdown highlights a clear preference for equity-based and fund products among retail clients operating across borders in the EU.

Figure 6. Total number of retail clients by product type, 2024



¹⁰ That is about 10.5 million cross-border clients for 370 firms in total (8 million for 386 firms in 2023). The figure may double count cross-border clients in case that the same clients are offered services by more than one firm based abroad.

¹¹ 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.

¹² 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.

2.3 Complaints

38. 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.
39. A total of **10,968 complaints** were reported to ESMA to have been submitted by retail clients to firms providing cross-border investment services in 2024. This represents an increase of 46% compared to the number of complaints reported in 2023 (7,507 complaints). Figure 7 below shows the repartition of complaints by home Member State of the firms. Nevertheless, the average number of complaints per 100,000 retail clients increased at a slower pace (due to the increased number of overall clients), changing from 94 in 2023 to 104 in 2024, representing a 9.6% rise in relative terms¹³.
40. In interpreting these figures, it should be noted, though, that the definition of what constitutes a complaint is relatively broad ('a statement of dissatisfaction by the client'), possibly leading to different interpretations by firms on what to report as a complaint¹⁴. Therefore, the increase in complaints is always considered carefully by the relevant NCAs in their supervisory activities.
41. In 2024, Germany-based firms continued to receive the largest share of complaints related to cross-border investment services, accounting for 45% of all EU/EEA-firms (4,936 complaints¹⁵), up from 35% in 2023. Lithuania (14%) and Ireland (14%) also reported substantial increases, while Cyprus (10%) and the Netherlands (6%) recorded smaller shares.
42. Compared with 2023, the complaint distribution shifted notably: increases in Lithuania, Ireland and Germany and decreases in Cyprus and Netherlands. Hence, overall, complaints remain concentrated in a few key markets, with Germany, Ireland, and Lithuania driving the growth in 2024.

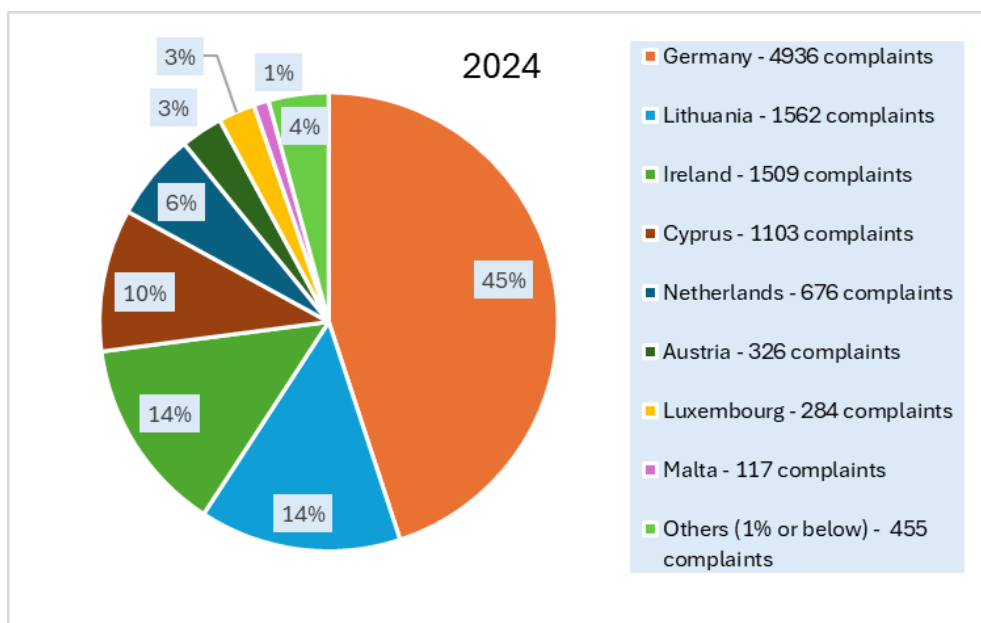
¹³ See more detailed information on the relative numbers under paragraphs 45-47.

¹⁴ 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.'

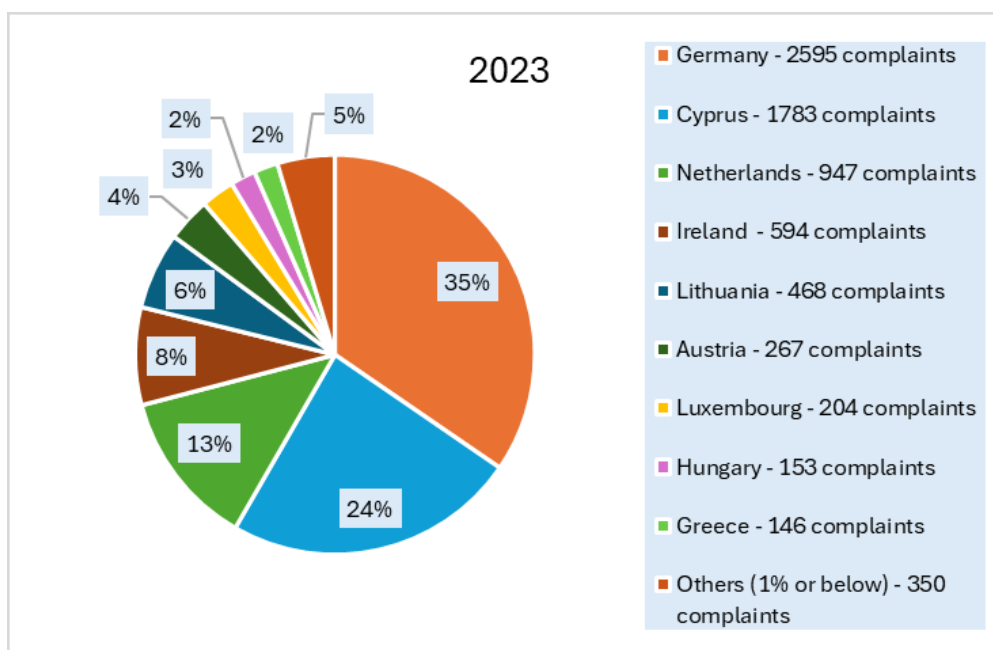
¹⁵ Approximately 42% of the complaints received by Germany-based firms relate to general administrative and customer service issues. More detail is provided below in Table 2.

Figure 7. Complaints by home Member State

a. 2024 data



b. 2023 data



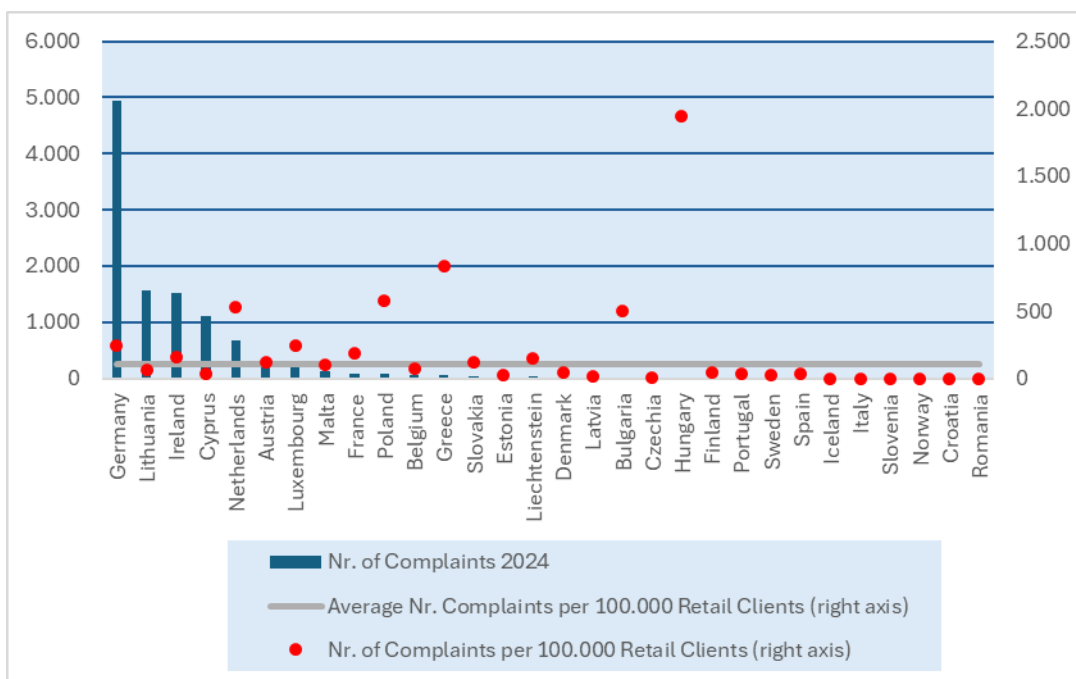
Source: ESMA Staff calculations based on reporting by NCAs and firms

43. Similar to 2023, most NCAs (22 out of 30) reported that their firms received in 2024 less than 100 complaints in total. Eight (8) NCAs reported that their firms received more than 100 complaints, while three (3) of them reported more than 1000 complaints. Six NCAs¹⁶ reported no complaints being received at all by their firms.
44. Compared to 2023, a large increase is evidenced in the total number of complaints reported by firms in Germany, where 4936 complaints were received by 47 firms in 2024, up from 2595 complaints reported by 55 firms in 2023. Irish firms also saw a sharp rise, with 8 firms receiving 1509 complaints in 2024, compared to 594 complaints reported by 9 firms in 2023. Lithuania recorded a strong increase as well, with 1562 complaints in 2024 versus 468 in 2023. Other notable rises were observed in Luxembourg (284 complaints), Austria (326), and Malta (117).
45. 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. The EU/EEA firms providing cross-border services received on average 104 complaints per 100,000 retail clients, up from 94 in 2023 (see figure 8 below). In other words, they receive, on average, one complaint for every 963 clients.
46. Therefore, even if the total number of complaints rose by 46% in 2024 compared to 2023, the average number of complaints per 100,000 retail clients increased more modestly, an 9.6% rise in relative terms. Given the concurrent growth in the number of retail clients, the increase in complaints is considerably less significant when viewed proportionally than it appears in absolute terms.
47. This ratio varies significantly across countries. While, in some cases, countries with significant numbers of retail clients with cross-border activity 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 Hungary have received the highest number of complaints per client (1942 complaints per 100,000 clients¹⁷).
48. On the contrary, firms based in Iceland, Italy, Slovenia and Norway reported 0 aggregate complaints numbers, while the 20 firms based in Estonia, Latvia, and the Czechia reported the lowest number of complaints per retail clients served, i.e., 20, 11 and 7 complaints per 100,000 retail clients respectively.

¹⁶ Two (2) of which had no firms with cross-border activity towards retail clients above the materiality threshold, while the other four (4) NCAs (Norway, Slovenia, Iceland, and Italy) reported a total of 3 firms.

¹⁷ A total of 8 complaints reported by 1 firm in Hungary, with a total number of about 412 cross-border retail clients. It should be noted that most the complaints reported by this firm related to general services or other reasons (please also see table 2 below).

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

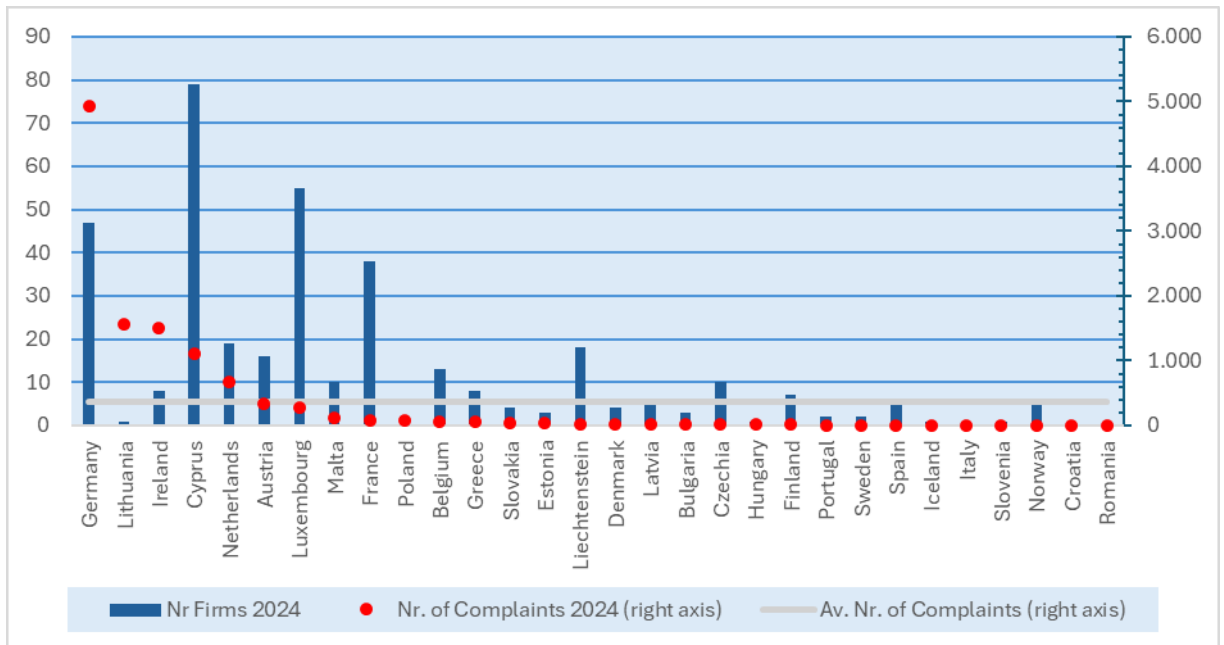


Source: ESMA Staff calculations based on reporting by NCAs

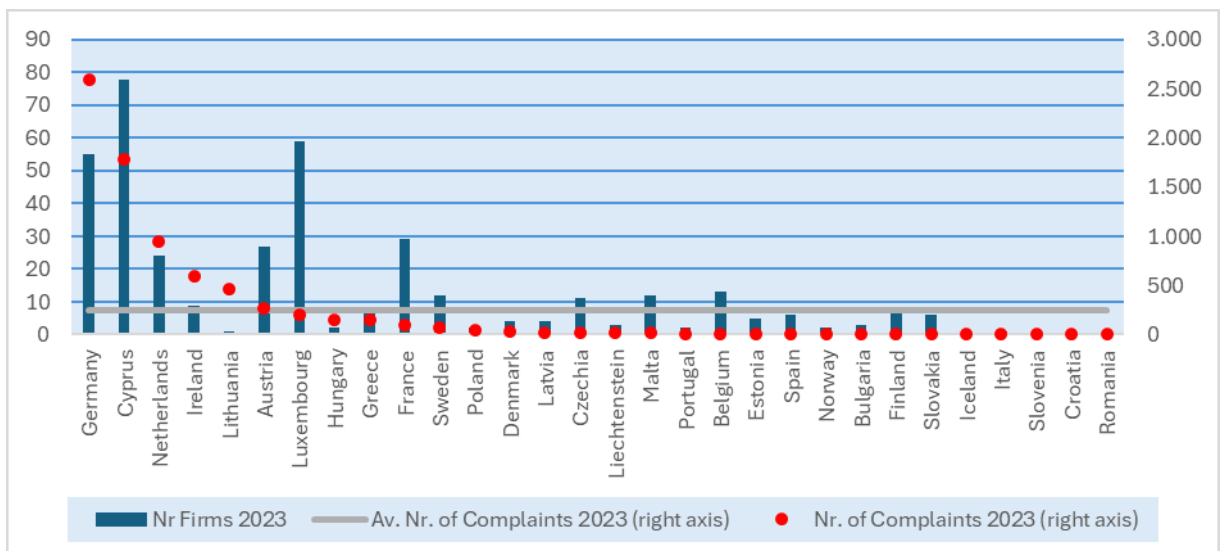
49. Likewise, it could be contended that countries with a significant number of firms within their borders would likely also register a proportionately high number of complaints. As shown in figure 9 below, the number of complaints (weakly) correlated to the number of firms providing cross-border investment services from a given country. The average number of complaints per country increased from 250 in 2023 to 366 in 2024 (see figures 9a and 9b).
50. The average number of complaints per firm varies significantly across EU/EEA Member States (see figure 9c), which shows that complaints are concentrated in certain regions, supporting the need for investor protection initiatives that place risk-based supervision at their core.

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

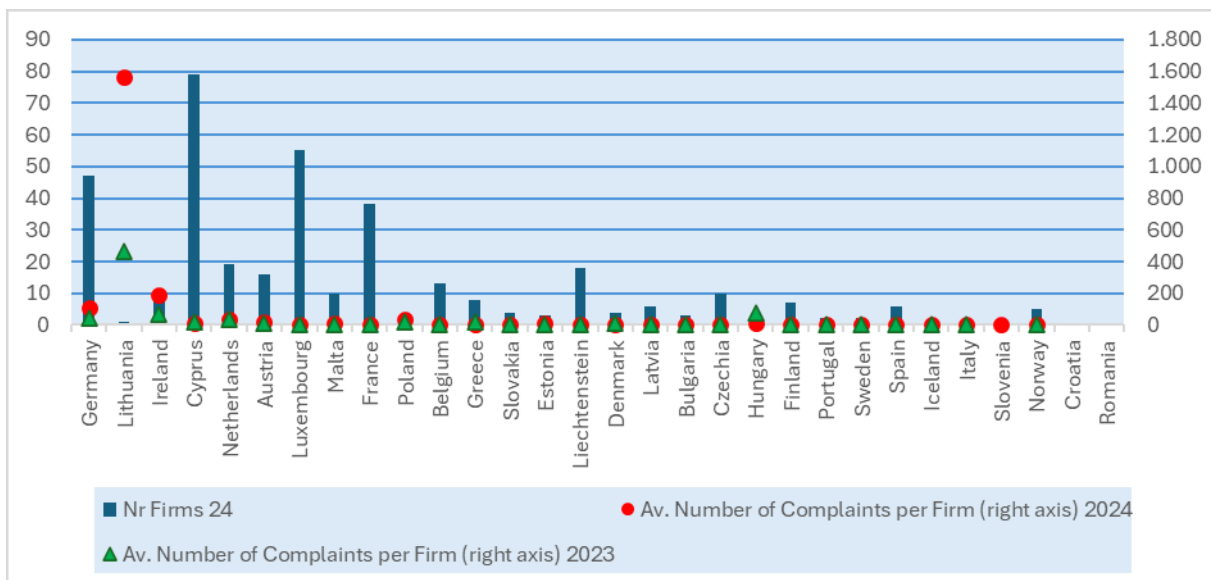
a. 2024 data



b. 2023 data



c. Complaints per firm, 2024 and 2023 data



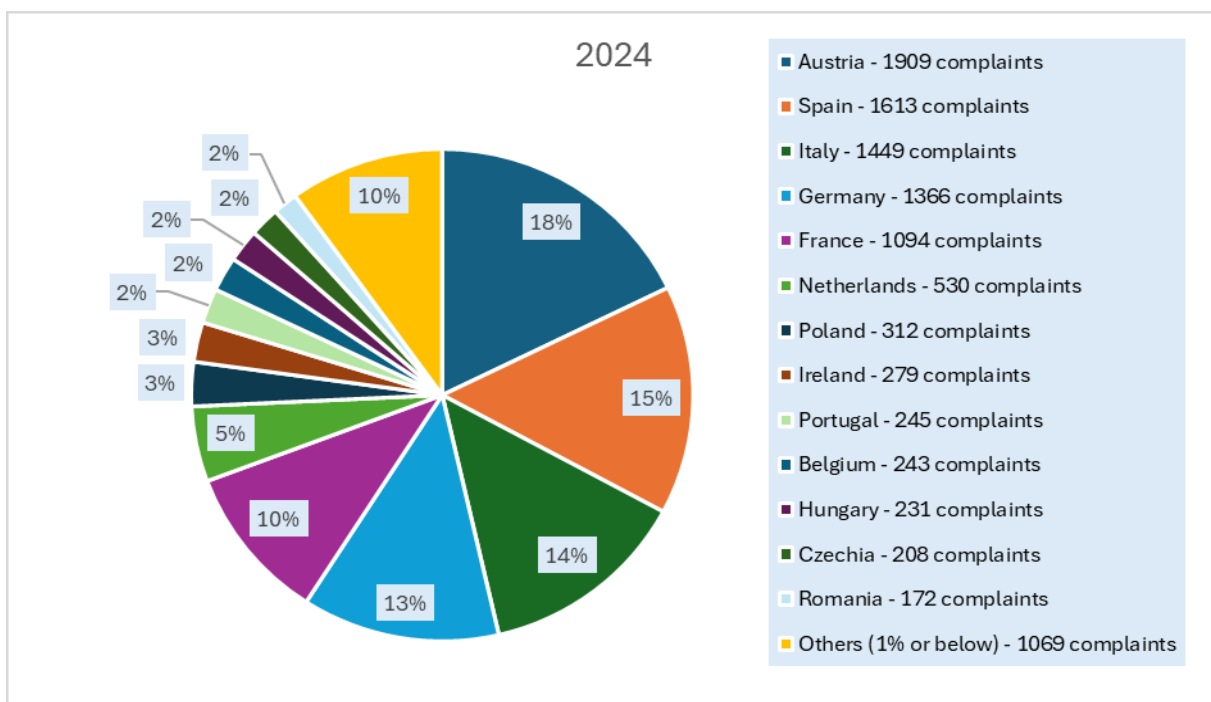
Source: ESMA Staff calculations based on reporting by NCAs

Austrian, Spanish, and Italian based-retail clients lodged the highest number of complaints in 2024, collectively representing almost a half of the total complaints in the EU/EEA.

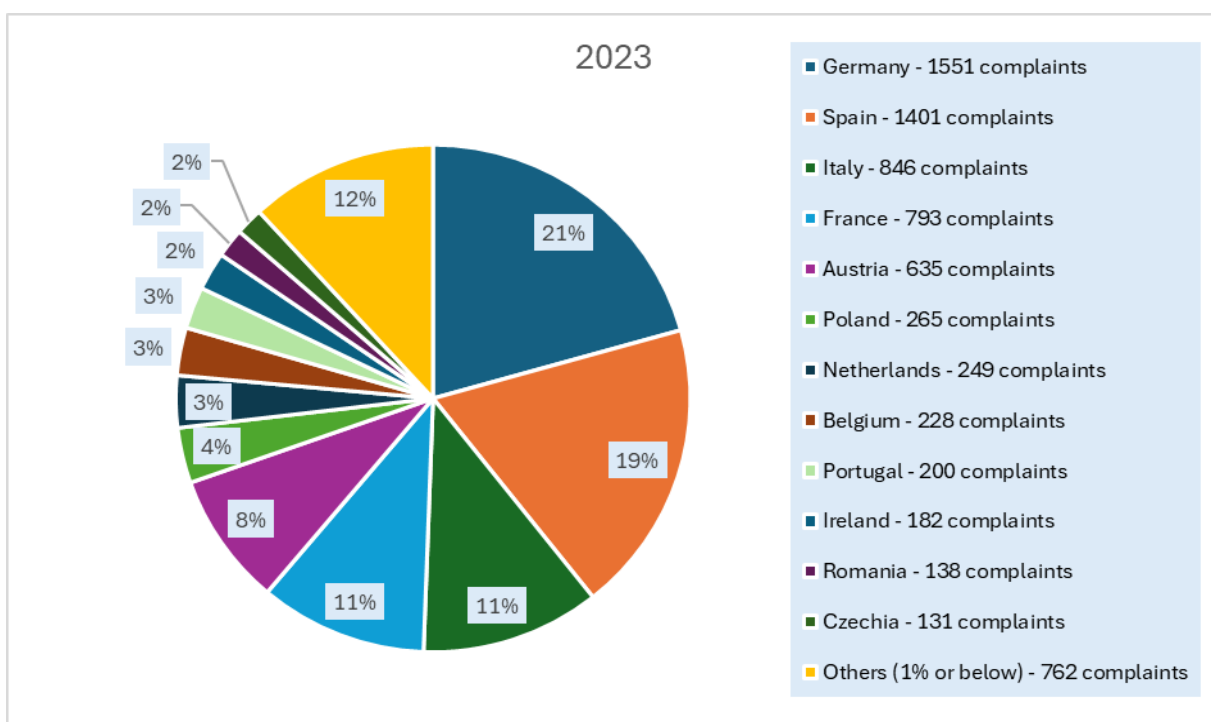
51. To shed light on the side of retail clients complaining about received cross-border services, it is also worth investigating the host country perspective of complaints. In that regard, figure 10 shows the repartition of complaints by host Member State, i.e., the final recipients of cross-border investment services. Austria, Spain, and Italy were the top three countries whose retail clients filed the largest number of complaints in 2024 regarding cross-border services provided by foreign firms. Taken jointly, retail clients in these three countries accounted for about 46% of the total number of complaints filed for cross-border services in 2024 in the EU/EEA.

Figure 10. Complaints by host Member State

a. 2024 data



b. 2023 data



Source: ESMA Staff calculations based on reporting by NCAs

52. The 248 thousand Austrian-based retail clients filed a total of 1909 complaints, or about 7674 complaints per million clients (up from 635 complaints in 2023). This figure was about 656% above the EU/EEA average of 1015 complaints per million clients (up from 941 in 2023), being the highest number of complaints per million retail clients.

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

53. 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 “heatmap” in table 2 below identifies the most frequently reported complaint reasons. In this table, the bars within each cell also show the absolute number of complaints by topic received and reported by firms in each jurisdiction. For each home country, the table shows in shades of red-yellow-green the relative importance of complaint topics reported, where red refers to the most commonly reported complain reason for firms providing cross-border investment services from that country.

54. 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, and
- 8) Other complaints¹⁸.

55. The analysis of complaint reasons shows that “general services” dominate firm responses concerning the most pertinent issue faced by their cross-border retail investors, followed by “other complaints”. This suggests that these clients primarily

¹⁸ 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.

raised concerns about issues related to general admin/customer services (including custody/safekeeping services).

Table 2. Most frequently reported reasons of complaints by home Member State

Complaint Reasons								
Home MS	Information	Suitability	Terms	General services	Withdrawals	Market event	IT issues	Other
AT	29	1	93	47	16	39	13	93
BE	15	3	15	21	6	0	0	4
BG	2	2	10	0	0	0	0	0
CY	106	6	189	90	56	164	18	229
CZ	1	0	2	1	3	3	2	0
DE	236	18	246	2058	625	297	438	1020
DK	3	0	9	2	1	0	0	11
EE	1	0	15	2	4	0	1	5
EL	0	0	0	47	3	0	0	7
ES	0	0	0	0	0	0	0	3
FI	0	0	0	8	0	0	0	0
FR	6	0	4	3	1	0	27	39
HR	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
HU	0	0	0	4	0	0	0	4
IE	122	0	173	859	62	34	194	346
IS	0	0	0	0	0	0	0	0
IT	0	0	0	0	0	0	0	0
LI	0	0	10	10	0	0	4	3
LT	106	0	55	0	303	76	529	545
LU	20	3	40	28	22	2	11	158
LV	1	0	4	8	4	2	1	0
MT	0	0	7	45	3	11	26	25
NL	28	8	25	91	30	5	268	221
NO	0	0	0	0	0	0	0	0
PL	0	0	3	0	4	1	29	37
PT	0	0	0	0	0	0	5	0
RO	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
SE	0	0	1	0	0	0	3	1
SI	0	0	0	0	0	0	0	0
SK	5	11	2	3	2	0	1	5
SUM	681	52	903	3327	1145	634	1570	2756

Source: ESMA Staff compilation based on reporting by NCAs

Note 1: Zero number of complaints (0 values) were reported by firms in Iceland, Italy, Norway and Slovenia. Croatia and Romania reported no firms with cross-border activity in their jurisdictions.

56. Building on the approach used to identify complaint topics, the questionnaire also requested firms to report the number of complaints by product type. Table 3 below applies the same “heatmap” methodology as Table 2, this time to highlight the financial products most frequently associated with complaints. The bars within each cell represent the absolute number of complaints linked to each product category, while the red-yellow-green shading indicates the relative prominence of product-related complaints across jurisdictions (red marking the most frequently cited product for firms providing cross-border investment services from that country).
57. The analysis of complaints by product type indicates that, in over half of the cases, the reporting to ESMA did not include a reference to a specific financial product. Among the remaining complaints, shares accounted for the largest proportion, representing 40% of those linked to a particular product. Notably, 672 of these complaints concerned fractional securities. Shares were followed by CFDs as the next most frequently cited product.

Table 3. Number of complaints by product type per home Member State

Number of complaints by product type										
Home MS			Of which, fractional securities	UCITS funds	Non-UCITS funds	CFDs	Other derivatives	Other financial instruments	Crypto-assets (MICA products)	Not related to specific financial product
AT	18	8	0	14	2	3	154	0	0	114
BE	1	4	0	42	1	0	1	3	0	12
BG	0	0	0	0	0	12	0	0	0	0
CY	98	0	11	7	0	530	4	1	22	183
CZ	1	1	0	6	0	0	0	0	0	4
DE	445	14	4	166	6	3	34	58	0	4198
DK	4	0	0	0	0	1	2	2	0	15
EE	1	0	0	10	0	6	0	0	0	8
EL	0	0	0	0	0	52	0	0	0	5
ES	0	0	0	1	0	0	0	0	0	2
FI	6	0	0	0	0	0	0	0	0	2
FR	14	1	0	0	0	0	24	7	0	35
HR	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
HU	1	0	0	0	0	0	0	0	0	7
IE	366	15	11	16	0	13	145	0	0	950
IS	0	0	0	0	0	0	0	0	0	0
IT	0	0	0	0	0	0	0	0	0	0
LI	2	0	0	0	2	0	0	5	0	18
LT	633	9	642	305	0	5	0	0	0	595
LU	13	7	0	10	2	0	3	0	0	249
LV	0	0	0	0	0	0	0	10	0	10
MT	55	0	0	0	0	61	0	0	0	1
NL	35	2	2	11	0	5	4	17	0	589
NO	0	0	0	0	0	0	0	0	0	0
PO	6	0	2	1	1	53	0	0	0	11
PT	0	0	0	0	0	5	0	0	0	0
RO	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
SE	2	0	0	2	0	0	0	0	0	1
SI	0	0	0	0	0	0	0	0	0	0
SK	1	0	0	7	0	20	0	0	0	0
SUM	1702	61	672	598	14	769	371	103	22	7009

Source: ESMA Staff compilation based on reporting by NCAs

Note 1: Zero number of complaints (0 values) were reported by firms in Iceland, Italy, Norway and Slovenia. Croatia and Romania reported no firms with cross-border activity in their jurisdictions.

Note 2: Refer to footnote 12 for details concerning the figure on “Crypto-assets (MiCA products)”.

58. Table 4 and 5 below applies the same “heatmap” methodology as Table 2 and 3, this time to highlight the reasons and financial products most frequently associated with complaints submitted by retail clients in each host Member State. The bars

within each cell represent the absolute number of complaints linked to each product category, while the red-yellow-green shading indicates the relative prominence of complaints across jurisdictions (red marking the most frequently cited reason/product for clients receiving cross-border investment services in that country).

59. Similar to the analysis by home Member State above, the most common reason for complaints submitted by retail clients based in host Member States regarding cross-border investment services was “general services”, followed by “other” and “IT issues”.

Table 4. Most frequently reported reasons of complaints by host Member State

Complaint Reasons by Host Member State									
Host MS	Information	Suitability	Terms	General services	Withdrawals	Market event	IT issues	Other	
AT	66	5	86	1018	200	88	164	287	
BE	24	4	21	47	11	5	18	122	
BG	11	0	16	44	16	10	21	40	
CY	5	0	7	50	11	5	20	28	
CZ	29	11	13	49	24	10	37	44	
DK	6	0	5	14	5	1	7	21	
DE	83	3	189	284	69	82	287	436	
EE	3	0	4	14	8	4	10	4	
EL	8	0	13	17	10	9	23	41	
ES	107	13	109	498	191	98	197	428	
FI	3	0	2	7	3	3	6	6	
FR	93	6	99	221	145	61	150	339	
HR	9	0	2	14	9	4	13	16	
HU	18	2	22	92	20	10	39	52	
IE	26	0	19	24	47	20	49	95	
IS	0	0	0	0	0	0	2	0	
IT	56	4	136	468	223	124	207	246	
LI	0	0	1	2	0	0	0	4	
LT	3	0	5	14	2	5	4	7	
LU	6	0	7	37	4	5	8	24	
LV	2	0	2	10	0	0	7	17	
MT	3	0	2	15	16	2	7	13	
NL	39	1	61	135	52	23	59	177	
NO	6	0	4	10	4	4	10	19	
PL	21	3	19	93	15	13	80	80	
PT	23	0	24	66	21	17	71	87	
RO	15	0	5	25	15	16	51	53	
SE	1	0	8	22	10	5	8	28	
SI	7	0	14	9	3	1	7	11	
SK	8	0	8	28	11	9	8	31	
SUM	681	52	903	3327	1145	634	1570	2756	

Source: ESMA Staff compilation based on reporting by NCAs

60. Regarding the complaints linked to specific product types, 62% were not related to any financial product. Among the remaining complaints, the most frequent product was “shares”, followed by “CFDs”. This pattern is consistent with the breakdown of complaints received by firms in the home Member States.

Table 5. Number of complaints by product type per host Member State

Number of complaints by product type (Host Member State)											
Host MS	Shares	Bonds	Of which, fractional securities	UCITS funds	Non-UCITS funds	CFDs	Other derivatives	Other financial instruments	Crypto-assets (MiCA products)	Not related to specific financial product	
AT	107	1	5	44	0	9	15	17	0		1715
BE	43	4	12	10	1	0	9	11	0		162
BG	40	0	30	12	0	12	2	1	0		79
CY	32	0	15	5	0	1	1	0	0		65
CZ	60	3	38	7	0	46	5	2	0		84
DE	167	11	32	69	5	128	140	8	0		825
DK	11	0	5	1	0	4	1	2	0		37
EE	11	0	4	5	0	3	1	0	0		23
EL	26	3	20	15	1	6	3	1	0		62
ES	300	5	75	115	0	75	50	18	4		1037
FI	12	0	2	1	0	3	1	0	0		10
FR	129	5	46	83	0	69	35	17	5		748
HR	16	0	10	5	0	5	2	0	0		33
HU	61	4	29	11	0	42	6	0	0		108
IE	84	3	56	40	0	17	2	1	1		130
IS	0	0	0	0	0	0	0	0	0		2
IT	192	7	57	70	2	155	37	15	1		966
LI	3	0	1	0	0	0	1	0	0		3
LT	4	0	0	0	0	12	3	2	0		16
LU	12	0	9	16	0	6	1	0	1		50
LV	9	0	6	3	0	2	2	0	0		19
MT	9	0	6	12	0	1	0	0	0		33
NL	73	8	25	38	2	35	24	0	3		340
NO	19	0	13	1	0	8	3	2	0		22
PL	94	2	61	1	0	80	8	1	1		113
PT	59	3	26	11	1	11	6	4	1		148
RO	78	1	69	10	1	18	4	0	0		60
SE	18	0	8	3	1	8	2	1	4		42
SI	9	0	4	2	0	1	2	0	0		32
SK	24	1	8	8	0	12	5	0	1		45
SUM	1702	61	672	598	14	769	371	103	22		7009

Source: ESMA Staff compilation based on reporting by NCAs

Note 1: Refer to footnote 12 for details concerning the figure on “Crypto-assets (MiCA products)”.