



FAQ Money Market Funds Regulation (MMFR)

Version 5 – 2 June 2026

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Update information

02/06/2026	Version 5. Deletion of Questions 1.C & 5.D
05/06/2025	Version 4. Deletion of Question 2.A
08/01/2025	Version 3. Publication of the List of abbreviations. Modification of Questions 3.C & 3.D
03/11/2021	Version 2. Publication of Question 2.F
28/08/2018	Version 1. First publication

This document will be updated when necessary and the CSSF reserves the right to adapt its approach to any matter covered by the FAQ at any time.

You should regularly check the website of the CSSF in relation to any matter of importance to you to see if questions have been added and/or positions have been adapted.

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Context

The following Frequently Asked Questions (FAQs) aim at highlighting some of the key aspects of the Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on Money Market Funds (“Money Market Funds Regulation”) from a Luxembourg perspective. The FAQs are therefore primarily addressed to managers of money market funds and money market funds (“MMFs”) that are established in Luxembourg.

List of abbreviations

ABCP	Asset-Backed Commercial Paper
AIF	Alternative Investment Fund
AIFM	Alternative Investment Fund Manager
CESR	Committee of European Securities Regulators
CNAV	Constant Net Asset Value
LVNAV	Low Volatility Net Asset Value
MMF	Money Market Fund
MMFR	Money Market Funds Regulation
MMI	Money Market Instrument
NAV	Net Asset Value
VNAV	Variable Net Asset Value
WAL	Weighted Average Life
WAM	Weighted Average Maturity

1. General provisions

A. Does the distribution policy (accumulating/distributing) at the level of the share classes impact on the type of MMF (VNAV MMF, public debt CNAV MMF, LVNAV MMF) as referred to in Article 3(1) of the MMFR?

Published on 28 August 2018

No.

All types of MMFs can have accumulating/distributing share classes. The type of MMF is not determined by the distribution policy of its share classes, but by a number of specific rules as defined in the MMFR, including valuation rules (Articles 29 to 33).

B. Does Circular CSSF 08/356 on certain techniques and instruments relating to transferable securities and money market instruments (securities lending, repurchase agreements, reverse repurchase agreements) still apply to MMF authorised under the MMFR?

Published on 28 August 2018

No.

C. Given the changes to be operated at the level of existing funds as a result of the entry into force of the MMFR, will the CSSF impose a one month prior notice with redemptions free of charge?

Deleted on 2 June 2026

D. Do all AIFs that are to be authorised under the MMFR have to designate an authorised AIFM? Does a Luxembourg AIF to be authorised under the MMFR and managed by a third country manager have to designate an EU authorised AIFM?

Published on 28 August 2018

Yes.

In accordance with Article 5(1) of the MMFR, an AIF can be authorised as MMF if its AIFM has been authorised to manage MMFs. Therefore, an AIF managed by a non-EU AIFM will have to appoint an EU authorised AIFM to manage the MMF as the non-EU AIFM regime under AIFMD is currently not applicable.

E. Does a non-EU fund that is i) managed by a non-EU investment fund manager delegating portfolio management to an investment firm or a bank established in the EU and ii) not marketed in the EU fall under the scope of the MMFR?

Published on 28 August 2018

No.

F. Does the MMFR apply to a Luxembourg AIF qualifying as MMF in accordance with Article 1(1) of the MMFR that is marketed exclusively outside Luxembourg?

Published on 28 August 2018

Yes.

2. Obligations concerning the investment policies of MMFs

A. Question deleted.

Deleted on 5 June 2025

B. Does the CSSF authorise Luxembourg MMFs to invest more than 10% of its assets in deposits with the same credit institution as foreseen under certain conditions under Article 17(1)(b) of the MMFR?

Published on 28 August 2018

No.

The CSSF considers that the conditions as laid down in Article 17(1)(b) of the MMFR are not met for Luxembourg domiciled MMFs because:

- there are sufficient viable credit institutions in Luxembourg;
- it is economically feasible for the MMF to make deposits in another Member State.

C. The MMFR allows an MMF to invest, in accordance with Article 17(7) of the MMFR, up to 100% of its assets in different MMIs complying with the provisions of that article. Is this limitation based on total assets or net assets?

Published on 28 August 2018

Investment restrictions applicable to MMF, including the limits foreseen under Article 17 of the MMFR, apply on the basis of the net assets.

D. Does the limit of Article 18(1) of the MMFR: "An MMF shall not hold more than 10% of the money market instruments, securitisations and ABCPs issued by a single body.", apply on a consolidated group basis?

Published on 28 August 2018

No.

This limitation applies on a single issuer basis in accordance with Article 18(1) of the MMFR.

E. In relation to the disclosure requirements laid down in Article 21(3) of the MMFR, do MMFs also have to detail the internal credit quality assessment procedure in the sales prospectus?

Published on 28 August 2018

Yes.

The CSSF considers that the sales prospectus should provide information on the internal credit quality assessment procedure.

F. Does the 10% limit in deposits made with the same credit institution under Article 17(1)(b) of the MMFR apply to the holding of ancillary liquid assets under Article 9(3) of the MMFR?

Published on 3 November 2021

Yes. As ancillary liquid assets are limited to deposits at sight with banks, the 10% limit applicable to deposits under Article 17(1)(b) MMFR applies to ancillary liquid assets. The maximum holding of ancillary liquid assets by an MMF is limited to 20% of its net assets.

3. Obligations concerning the risk management of MMFs

A. Can deposits with a one week or one month term be considered as daily maturing assets pursuant to Articles 24(1) and 25(1) of the MMFR when they can be withdrawn by giving prior notice of one working day?

Published on 28 August 2018

Yes.

B. Can reverse repos with a fixed term that can be terminated by giving prior notice of one working day be considered as daily maturing assets under Articles 24(1) and 25(1) of the MMFR?

Published on 28 August 2018

Yes.

C. Do non-compliance issues with WAL and WAM limits fall within the scope of Circular CSSF 24/856 concerning the protection of investors in case of a NAV calculation error, an instance of non-compliance with the investment rules and other errors at UCI level?

Modified on 8 January 2025

Yes.

D. Do non-compliance issues with the daily and weekly minimum liquidity thresholds fall within the scope of Circular CSSF 24/856 concerning the protection of investors in case of a NAV calculation error,

an instance of non-compliance with the investment rules and other errors at UCI level?

Modified on 8 January 2025

Yes.

4. Valuation rules

A. With respect to the valuation rules laid down in Article 29 of the MMFR, can different sub-funds of the same MMF umbrella use different methods to price the same security on the ground that those sub-funds are public debt CNAV MMF, LVNAV MMF or VNAV MMF?

Published on 28 August 2018

Yes.

5. Transparency requirements

A. Can the information under Article 36(2) (e.g. maturity breakdown of the portfolio of MMF, credit profile of the MMF) of the MMFR be provided by means of a website indicated in the sales prospectus?

Published on 28 August 2018

Yes.

B. Can the MMF/manager decide at its discretion on the timing (e.g. each Monday) for the weekly disclosure of Article 36(2) (e.g. maturity breakdown of the portfolio of MMF, credit profile of the MMF) of the MMFR?

Published on 28 August 2018

Yes.

The MMFR does only require to have at least a weekly disclosure with regard to the information laid down.

C. In relation to the information item “the credit profile of the MMF” that has to be made available to investors pursuant to Article 36(2) of the MMFR, has the MMF/manager to provide information relating to the internal credit quality assessment?

Published on 28 August 2018

Yes.

However, the manager of an MMF may complement this information by external ratings provided by a registered and certified credit rating agency.

D. Shall the information disclosure requirement of Article 36(2) of the MMFR apply as of 21 July 2018 to all funds to be authorised under the MMFR?

Deleted on 2 June 2026