



Circular CSSF 21/784

Periodic prudential
reporting of investment
firms

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Re: Periodic prudential reporting of investment firms

Luxembourg, 1 October 2021

Ladies and Gentlemen,

To all investment firms

New regulatory provisions applicable to investment firms entered into force following

- the publication of the Law of 21 July 2021 amending the Law of 5 April 1993 on the financial sector (the "LFS") in order to transpose, among others, Directive (EU) 2019/2034 of the European Parliament and of the Council of 27 November 2019 on the prudential supervision of investment firms and amending Directives 2002/87/EC, 2009/65/EC, 2011/61/EU, 2013/36/EU, 2014/59/EU and 2014/65/EU (the "IFD"); and
- the entry into force of Regulation (EU) 2019/2033 of the European Parliament and of the Council of 27 November 2019 on the prudential requirements of investment firms and amending Regulations (EU) No 1093/2010, (EU) No 575/2013, (EU) No 600/2014 and (EU) No 806/2014 (the "IFR") on 26 June 2021.

The IFD and the IFR together constitute the "IFD package" whose aim is to subject investment firms to a dedicated framework, which is better suited and harmonised at European level with respect to the prudential supervision.

The IFD package introduces, among others, a European prudential reporting framework (the "IFR reporting") to report information regarding the level, composition, requirements and calculation of the requirements of own funds, the level of activity, the concentration risk and the liquidity requirements.

The purpose of this Circular is to introduce the document entitled "[Reporting Handbook for Investment Firms](#)" (the "Reporting Handbook"). The periodic reporting requirements for investment firms hence include two elements:

- the IFR reporting formalised in the draft technical standards specifying the formats as well as the dates, definitions and instructions regarding these reports, drawn up by the EBA in consultation with ESMA¹ and pending the adoption of the European Commission; and

¹ The European Banking Authority published, on 5 March 2021, [Final Draft Implementing Technical Standards on reporting requirements for investment firms under Article 54\(3\) and on disclosures requirements under Article 49\(2\) of Regulation \(EU\) 2019/2033](#) (commonly known as "ITS on reporting") which defines the implementing technical standards with regard to the prudential information to be provided by investment firms in accordance with the above-mentioned regulation.



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- the national reporting according to [Circular CSSF 05/187](#) on financial information to be submitted to the CSSF by the “other professionals of the financial sector” (PFS) on a periodic basis, as amended by Circular CSSF 10/433.

This Reporting Handbook combines, in one single document, the details regarding the content as well as the technical specifications of the periodic prudential reporting of investment firms. It applies to all Class 2 and Class 3 investment firms. The notion of investment firm includes investment firms incorporated under Luxembourg law as well as branches established in Luxembourg of investment firms having their head office outside the European Union which are considered as Class 2 or Class 3, respectively. Some national reporting requirements apply to branches established in Luxembourg by an investment firm having its head office in an EU Member State.

The Reporting Handbook does not apply to large investment firms which are systemically important or exposed to the same type of risks as credit institutions (Class 1 investment firms), referred to in point (1)(b) of Article 4(1) of Regulation 575/2013. These entities are governed by banking regulations and must comply with [Circular CSSF 14/593](#) regarding supervisory reporting requirements applicable to credit institutions.

Yours faithfully,

Claude WAMPACH
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