

du SECTEUR FINANCIER

In case of discrepancies between the French and the English text, the French text shall prevail.

CSSF Regulation N°10-02 on the establishment of a consultative commission for the access to the audit profession

(Mémorial A – No. 65 of 28 April 2010)

The Executive Board of the *Commission de Surveillance du Secteur Financier*,
Having regard to Article 108a of the Constitution;
Having regard to the amended Law of 23 December 1998 establishing a financial sector supervisory commission (“Commission de surveillance du secteur financier”) and in particular Article 9(2);
Having regard to the Law of 18 December 2009 concerning the audit profession and in particular Article 7 and Article 57(3)(a) and (4);
Having regard to the opinion of the consultative committee for the audit profession;
Having regard to the opinion of the consultative committee for prudential regulation;

Decides:

Art. 1. (1) The Commission de Surveillance du Secteur Financier (hereinafter “CSSF”) shall establish a consultative commission entrusted with verifying the academic and professional qualification of candidates for access to the audit profession in Luxembourg, as well as that of providers who are nationals from other Member States wishing to practise under the freedom to provide services.

This shall apply to candidates wishing to benefit from the provisions:

- of Article 1, sections A to D of the Grand-Ducal regulation of 15 February 2010 determining the requirements for the professional qualification of *réviseurs d’entreprises* (statutory auditors);
- of Article 8(3)(a) and (b) of the Law of 18 December 2009 concerning the audit profession;
- of Article 7 of the Law of 18 December 2009 concerning the audit profession.

(2) The consultative commission shall consist of two representatives from the CSSF, one representative from the Ministry of Justice, two representatives from the Ministry responsible for higher education and two representatives from the *Institut des Réviseurs d’Entreprises* (IRE).

Art. 2. (1) The CSSF shall establish by means of a CSSF regulation, adopted following an opinion by the consultative commission referred to in Article 1, a list of Master’s degrees or diplomas corresponding to equivalent training which fully or partially satisfy the requirements referred to in paragraphs (1) and (2) of Article 2 of the Grand-Ducal regulation of 15 February 2010 determining the requirements for the professional qualification of *réviseurs d’entreprises* (statutory auditors) and shall mention, if applicable, the subject or subjects which will have to be supplemented by one or more certificates attesting to the fact that the holder has successfully passed an

examination or tests in the subject or subjects in question.

(2) The list of Master's degrees or diplomas corresponding to equivalent training referred to in the previous paragraph shall be periodically submitted to the consultative commission for review and updated when necessary.

(3) The list of Master's degrees or diplomas corresponding to equivalent training shall be published in the *Mémorial* and on the website of the CSSF.

Art. 3. (1) The CSSF shall establish by means of a CSSF regulation, adopted following an opinion by the consultative commission referred to in Article 1, a list of the approvals referred to in Article 1, sections B and D of the Grand-Ducal regulation of 15 February 2010 determining the requirements for the professional qualification of *réviseurs d'entreprises* (statutory auditors).

(2) The list of approvals referred to in the preceding paragraph shall be periodically submitted to the above-mentioned consultative commission for review and updated when necessary.

(3) The list of approvals shall be published in the *Mémorial* and on the website of the CSSF.

Art. 4. The consultative commission shall establish an internal rule of procedure that lays down its operating guidelines and shall appoint, upon proposal by the Executive Board, its Secretary from among the CSSF agents.

Art. 5. This regulation shall be published in the *Mémorial* and on the website of the CSSF.

Luxembourg, 6 April 2010

COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER

Claude SIMON
Director

Andrée BILLON
Director

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Director

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COMMISSION de SURVEILLANCE du SECTEUR FINANCIER

EXPLANATORY MEMORANDUM

The objective of the present CSSF draft regulation is to institute a consultative commission appointed by the CSSF. It is based on the provisions of the repealed Grand-Ducal regulation of 29 January 1993 determining the requirements for the professional qualification of *réviseurs d'entreprises* (statutory auditors) (hereinafter “repealed GDR of 29 January 1993”), and in particular Article 2(6) in which the Minister of Justice appoints a commission with the task of giving its opinion on the list of diplomas of higher education fully or partially satisfying the requirements of academic qualifications referred to in the above-mentioned Grand-Ducal regulation.

The regulatory power of the CSSF is based on Article 108a of the Constitution, which foresees that the law may attribute to a public establishment the power of adopting regulations within the scope of its speciality. This power is foreseen by the Law of 23 December 1998 establishing a financial sector supervisory commission, as amended in particular by the Law of 24 October 2008 on the improvement of the legislative framework of the Luxembourg financial centre. In accordance with this law, the CSSF executive board adopts the CSSF regulations in the context of its statutory mission of prudential supervision.

The CSSF having been entrusted with the responsibility of the public oversight of the audit profession, it is henceforth the responsibility of the CSSF to draw up the list of Master's degrees or diplomas corresponding to equivalent training in accordance with the academic qualifications referred to in the Grand-Ducal regulation of 15 February 2010 determining the requirements for the professional qualification of *réviseurs d'entreprises* (statutory auditors).

Directive 2006/43/EC places a number of demands on Member States in terms of the approval of statutory auditors and third-country auditors (subject to reciprocity). These provisions have been included in Article 1, sections B and D of the Grand-Ducal regulation of 15 February 2010 determining the requirements for the professional qualification of *réviseurs d'entreprises* (statutory auditors). Under the repealed RGD of 29 January 1993, no such list of approvals has been drawn up for this population. The responsibilities entrusted to the CSSF in terms of approval therefore introduce a new task for the consultative commission that consists in submitting its opinion to the CSSF on this matter.

Similarly, the CSSF may be assisted, if it so desires, by the consultative commission in the context of the verification of the professional qualifications of a provider who is a national from a Member State of the European Union or of a State that is party to the agreement on the European Economic Area, wishing to carry out the activities referred to in Article 1, point (29)(b) of the Law of 18 December 2009 concerning the audit profession under the freedom to provide services. This is also a new development with regard to the old regulations governing the audit profession.

COMMISSION de SURVEILLANCE du SECTEUR FINANCIER

COMMENTARIES OF ARTICLES

Commentary regarding Art. 1:

Article 1 of the present CSSF regulation draws on paragraph (6) of Article 2 of the repealed Grand-Ducal regulation of 29 January 1993. The appointment of the consultative commission is henceforth entrusted to the CSSF and no longer the Minister of Justice. The scope of the work of the consultative commission is also specified here.

Commentary regarding Art. 2:

Paragraph (1) of Article 2 corresponds to paragraph (6) of Article 2 of the repealed Grand-Ducal regulation of 29 January 1993.

The list referred to in Article 2 is not an exhaustive list of diplomas fully or partially satisfying the requirements, but rather a list including diplomas that are most frequently presented and fully or almost fully satisfy the requirements.

Commentary regarding Art. 3:

Article 3 aims to enable the CSSF to adopt a list of approvals corresponding to sections B (statutory auditor approved in another Member State of the European Union or the European Economic Area) and D (third-country auditor approved in a country outside of other Member States) of Article 1 of the Grand-Ducal regulation of 15 February 2010 determining the requirements for the professional qualification of *réviseurs d'entreprises* (statutory auditors).

The list referred to in Article 3 is not an exhaustive list of “European” and “foreign” (third-country) approvals. This list will be adapted in accordance with the approval files handled by the CSSF in the context of its responsibility of the public oversight of the audit profession.

Commentary regarding Art. 4:

No commentaries.

Commentary regarding Art. 5:

No commentaries.