



Commission de Surveillance  
du Secteur Financier

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### CHANGES IN THE INSTITUTIONAL ARCHITECTURE OF THE DEPOSIT GUARANTEE AND INVESTOR COMPENSATION SCHEMES IN LUXEMBOURG

The CSSF draws your attention to the changes in the institutional architecture of the deposit guarantee and investor compensation schemes in Luxembourg following the entry into force of the law of 18 December 2015 on the failure of credit institutions and of certain investment firms ("the law of 18 December 2015").

The law of 18 December 2015 aims at implementing European Union directives. It has transformed the private *ex post* financed deposit guarantee scheme into a public *ex ante* financed scheme. In this context, the new public deposit guarantee scheme "Fonds de garantie des dépôts Luxembourg" ("FGDL") has replaced the non-profit association "Association pour la Garantie des Dépôts, Luxembourg" ("AGDL") and has taken over the functions exercised in the past by the AGDL. The FGDL is a public institution which collects the contributions due from the credit institutions, manages the collected assets and compensates depositors in case of a bank failure or substitutes itself to covered depositors in case the bail-in tool is used in a bank resolution. The body of the FGDL is the management committee whose composition is laid down in the law of 18 December 2015.

The law of 18 December 2015 has also created the "Conseil de protection des déposants et des investisseurs" ("CPDI") carrying out in Luxembourg the functions of the designated authority pursuant to directive 2014/49/EU on deposit guarantee schemes, i.e. the body which administers the deposit guarantee scheme. The CPDI is an internal body of the CSSF whose composition is laid down in the law of 23 December 1998 establishing a financial sector supervisory commission as amended by the law of 18 December 2015.

In parallel, the law of 18 December 2015 has adapted the investor compensation scheme in Luxembourg to the new institutional architecture by creating the "Système d'indemnisation des investisseurs au Luxembourg" ("SIIL") which has taken over the functions carried out in the past by the AGDL in the field of investor compensation. The SIIL is also administered by the CPDI. It should be noted that the SIIL is now a public system, which remains financed *ex post*.

A new website dedicated to the information of depositors and investors is under construction and will provide more detailed information on the functioning of the new deposit guarantee and investor protection schemes in Luxembourg as well as on procedures and conditions relating to the guarantee of deposits and claims resulting from investment operations.

Any questions in relation to the new deposit guarantee and investor protection schemes can be addressed by e-mail to [cpdi@cssf.lu](mailto:cpdi@cssf.lu).

Luxembourg, 25 February 2016