

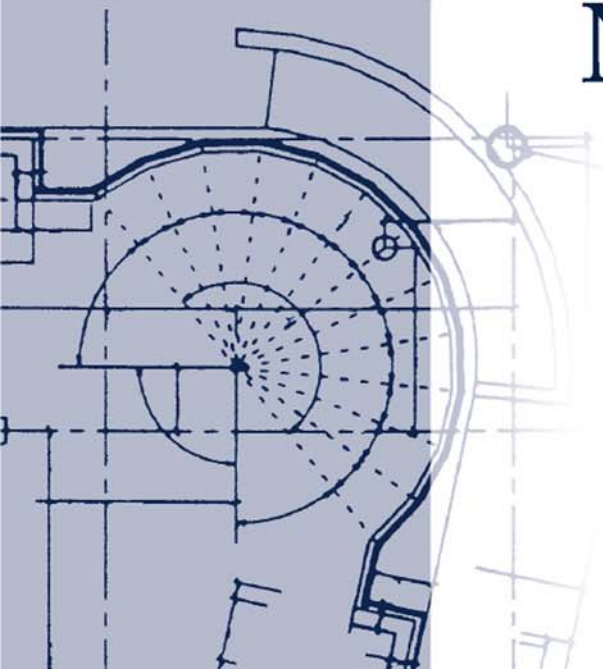
*N°39*

*April 2004*



# CSSF NEWSLETTER

COMMISSION de SURVEILLANCE  
du SECTEUR FINANCIER



## Banks

### Banks' balance sheet total as at 29 February 2004 practically unchanged

As at 29 February 2004, the balance sheet total of the banks established in Luxembourg reached EUR 654.45 billion as compared to EUR 657.44 billion as at 31 January 2004, which is a slight decrease of 0.46%.

The number of credit institutions registered on the official list as at 31 March 2004 amounted to 168 entities following the withdrawal of Schmidtbank KgaA, Luxembourg branch.

## Professionals of the financial sector (PFS)

### Decrease in the balance sheet total

According to the data provided as at 29 February 2004, the balance sheet total of all the professionals of the financial sector (141 active businesses) amounted to EUR 2.472 billion against EUR 2.622 billion as at 31 January 2004, which represents a decrease of 5.73%.

The net profit for all the professionals of the financial sector amounts to EUR 39.37 million at the end of February 2004.

### Distribution of the professionals of the financial sector according to their status

(as at 31 March 2004)

Category		Number
<i>Investment firms</i>		
Commission agents	COM	17
Private portfolio managers	GF	46
Professionals acting for their own account	PIPC	15
Distributors of units of investment funds	DIST	41
Underwriters	PF	3
Professional custodians of securities or other financial instruments	DEP	3
Registrar and transfer agents	ATR	5
<i>PFS other than investment firms</i>		
Financial advisors	COF	11
Brokers	COU	4
Market makers	TM	2
Professionals performing credit offering	POP	4
Domiciliation agents of companies	DOM	33
Client communication agents	ACC	2
Administrative agent of the financial sector	AA	1
IT systems and communication networks operator of the financial sector	IT	5
Professionals of the financial sector authorised to exercise any activity referred to in section 1 of chapter 2 of part I of the amended law of 5 April 1993 on the financial sector, with the exception of the categories of PFS also referred to in section 2 of the same chapter	ART. 13	2
Entity authorised to exercise all the activities as PFS permitted by article 28 of the law of 15 December 2000 on postal services and financial postal services	EPT	1
<b>TOTAL *</b>		<b>147</b>

\* the same establishment can appear in several categories at the same time

## Undertakings for collective investment

*Increase in UCI's total net assets at the end of February 2004  
(press release of 26 March 2004)*

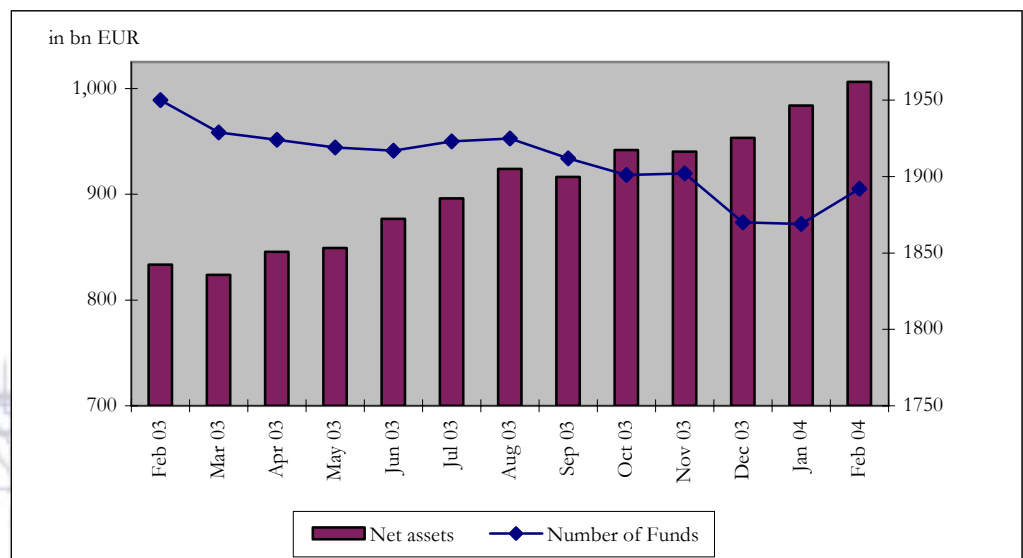
### Total net assets amount to 1,006,102,351,979 euros

*As at 29 February 2004, the total net assets of undertakings for collective investment reached EUR 1,006.102 billion compared to EUR 987.655 billion as at 31 January 2004. Consequently, the Luxembourg undertakings for collective investment sector increased by 1.87% compared to January 2004. In February 2004, the sector increased by 5.54% compared to 31 December 2003 when the total net assets amounted to EUR 953.302 billion. Over the last twelve months, the volume of net assets increased by 20.70%.*

*The continuous increase in the total net assets of the undertakings for collective investment over the last three months is attributable to several factors. The recovery of the main financial markets contributed to the growth in the value of the assets of the undertakings for collective investment and to promote the influx of new capital while investor confidence in financial markets recovered. Another factor is that the principal promoters of the financial centre, having finalised the restructuring of their product range, have been able to market new funds by means of the existing units as well as by means of the recently created units.*

*During the month of February 2004, the net capital investment amounted to EUR 9.343 billion. Compared to 31 December 2003, the net capital investment amounts to EUR 25.218 billion.*

*The number of undertakings for collective investment taken into consideration totals 1,892 as against 1,869 the previous month. 1,200 UCIs have adopted the multiple compartment structure, which represents 6,832 compartments. When adding 692 UCIs with a traditional structure, a total of 7,524 compartments are active in the financial centre.*



# Pension funds

## **Creation of a SEPCAV under the Luxembourg pension funds law**

An eleventh pension fund denominated THE RAPALA GROUP SEPCAV, constituted in the legal form of a sepcav has been registered on the official list of pension funds governed by the law of 8 June 1999 creating pension funds in the form of pension savings companies with variable capital (sepcav) and pension savings associations (assep) as amended.

THE RAPALA GROUP SEPCAV has been created on the initiative of the Finnish company Rapala VMC Corporation.

The purpose of the pension savings company with variable capital is to organise a pension fund designed for executives of the Group Rapala.

# Management companies

## **Approval of six new management companies under chapter 13 of the law of 20 December 2002 concerning undertakings for collective investment**

Six new management companies have been registered on the official list of management companies governed by chapter 13 of the law of 20 December 2002 concerning undertakings for collective investment.

The following entities are concerned:

- ALLIANZ DRESDNER ASSET MANAGEMENT LUXEMBOURG S.A.. The company will be active in the field of collective management.
- DEXIA ASSET MANAGEMENT LUXEMBOURG S.A.. The company will be active in the field of collective management, discretionary management and investment advice.
- FORTIS INVESTMENT MANAGEMENT LUXEMBOURG S.A.. The company will be active in the field of collective management, discretionary management and investment advice.
- IKANO FUND MANAGEMENT S.A.. The company will be active in the field of collective management, discretionary management and investment advice.
- IPCONCEPT FUND MANAGEMENT S.A.. The company will be active in the field of collective management.
- NORDEA INVESTMENT FUNDS S.A.. The company will be active in the field of collective management.

Following the approval of these companies, the number of management companies subject to chapter 13 of the law of 20 December 2002 concerning undertakings for collective investment and able to benefit from the European passport by way of free establishment or free provisions of services in another Member State of the European Union as of 13 February 2004 amounts to 10 at 1<sup>st</sup> April 2004.

### **Round table on the access to capital of small- and medium-sized firms**

Within the scope of the Round table on the access to capital of small- and medium-sized firms organised by the Luxembourg socialist labour party (POSL) on 11 March 2004, Mr Claude SIMON, head of the department for the Supervision of Banks made a speech on the granting of loans taking into account the Basel II restraints, introducing the characteristics of the New Basel Accord as well as the major changes and impacts for small- and medium-sized firms.

The speech is available on the CSSF website at [www.cssf.lu/fr/publications/bale.html?cat\\_num=34](http://www.cssf.lu/fr/publications/bale.html?cat_num=34).

### **Fourth general meeting of the “Association Luxembourgeoise des Compliance Officers du Secteur Financier” (ALCO)**

On the occasion of the fourth general meeting of the “Association Luxembourgeoise des Compliance Officers du Secteur Financier” (ALCO), which was held on 23 March 2004, Mr Claude SIMON presented “The draft circular on the compliance function”, explaining the context in which the draft has been prepared by the CSSF, as well as the main principles and requirements proposed by the draft circular.

The logo for 'International co-operation' features the words in a stylized, blue, 3D font with a shadow effect. Below it, the words 'international co-operation' are written in a smaller, gold, lowercase font.

### **Second meeting of the Committee of European Banking Supervisors (CEBS)**

#### **Good progress made on organisational and substantive issues**

The second meeting of CEBS was held on 31 March 2004, at the Guildhall in London.

At the meeting, CEBS took some important steps forward with respect to the establishment of its Secretariat, which will be based in London. Organisational issues relating to the Secretariat are close to being resolved, including the rental of premises for the Secretariat. CEBS aims to have the Secretariat fully up-and-running by September 2004.

A number of substantive issues were discussed at the meeting, among which significant progress was particularly made on two papers:

- a draft statement of CEBS’ consultation practices, demonstrating CEBS’ firm commitment to be open and transparent in its operations and reflecting the need for flexibility in the procedures to be used, according to the circumstances;
- a set of draft high-level principles on outsourcing, addressed both to institutions and to supervisory authorities.

CEBS will release these papers over the next weeks for public consultation.

Other issues discussed at the meeting included:

- a set of guidelines on information exchange between supervisory authorities, which will be fine-tuned within the next weeks;
- the work programme for convergence of supervisory practices;
- the review of capital requirements, with a particular focus on the areas of national discretion foreseen in the draft Directive, cross-border issues and validation of Internal Ratings Based (IRB) models and Advanced Measurement Approaches (AMA) for operational risk;
- accounting, auditing and reporting issues;
- organisational restructuring in cross-border banking.

### **CESR publishes a consultation paper on the role of CESR under the level 3 of the Lamfalussy procedure**

CESR submitted a consultation paper presenting how CESR defines its role under level 3 of the Lamfalussy procedure in order to obtain greater consistency in the process of implementation of regulations and establish greater convergence through the application of EU legislation. The document encompasses a description of the organisation of the work currently undertaken by CESR under level 3, as well as proposals for new responsibilities under this level.

In order to allow all interested parties to express their views, CESR will hold an open hearing at its offices in Paris on 11 May 2004. The document is available on the CESR website at [www.cesr-eu.org](http://www.cesr-eu.org) and comments should be addressed to the Secretariat General of the CESR by 1 June 2004.

### **European Parliament approval of proposed Transparency Directive**

The proposal for a directive, tightening the transparency requirements for securities issuers, presented by the European Commission a year ago within the scope of the financial services action plan, has been approved by the European Parliament.

Among the key achievements of this directive, which aims to make the European financial market more attractive, by upgrading the information available to investors and helping them to allocate their funds more efficiently, are the following:

- publication of interim management statements from those share issuers who do not publish quarterly reports and half-yearly financial reports from securities issuers of new bonds;
- publication by all securities issuers of their annual financial reports within four months after the end of the financial year;
- better dissemination of information on issuers across Member States;
- establishment of a mechanism for assessing at EU level the equivalence between international accounting standards and third country accounting standards;

- swifter and better information on major shareholders' interests;
- particular emphasis on the advantages of electronic communication between companies and shareholders.

## **European Parliament approval of the proposed Directive on investment services**

The proposed directive, as adopted by the European Parliament, maintains all the key principles and objectives of the European Commission's original proposal. The future directive which is a crucial part of the financial services action plan, aims to give investment firms an effective "single passport", which would allow them to operate throughout the EU on the basis of authorisation in their home Member State. Moreover, the proposed directive will require all Member States to allow investment firms to process client orders outside regulated exchanges and make sure investors enjoy a high level of protection, wherever they are located in the EU. The directive aims to set up a comprehensive regulatory framework governing the execution of investor transactions by exchanges, other trading systems and investment firms.

Discussions in the Parliament centred on the "internalisation" by investment firms of client orders (i.e. in-house processing of orders without going through a regulated market such as a stock exchange). The European Parliament maintained the principle of a pre-trade transparency obligation whereby "internalisers" are obliged to disclose the prices at which they will be willing to buy from and/or to sell to their clients. This disclosure obligation is however limited to transactions up to "standard market size". A set of protective measures (such as updating and withdrawal of quotes) will accompany the "internalisers" who are obliged to quote in order to preserve them from excessive risks.

## Regulation

### **Circular CSSF 04/132 concerning the repeal of circular CaB 91/3**

Circular CSSF 04/132 of 29 March 2004 draws the attention of the persons and companies under the supervision of the CSSF on the fact that following the decision of the Government in Council of 19 December 2003 to revoke the decision of the Government in Council of 4 March 1988 on the admission to the Luxembourg Stock Exchange of UCIs not subject to a supervision abroad, circular CaB 91/3 of 17 July 1991 is repealed.

## LIST OF BANKS

### Withdrawal:

**Schmidtbank KgaA**, Luxembourg branch  
Withdrawal on 31 March 2004.

### Change of address:

**Banque Raiffeisen**  
48-50, rue Charles Martel, L-2134 Luxembourg-Merl

## LIST OF PROFESSIONALS OF THE FINANCIAL SECTOR (PFS)

### **AMICORP LUXEMBOURG S.A.**

14, rue du Marché aux Herbes, L-1728 Luxembourg  
authorised as domiciliation agent of companies  
Ministerial authorisation of 8 March 2004

### **AUXILIAIRE GENERALE D'ENTREPRISES S.A.**

58, rue Glesener  
L-1630 Luxembourg  
authorised as debt recovery  
Authorisation of 1 April 2004

### **CETREL S.C.**

10, Parc d'Activité Syrdall  
L-5365 Munsbach  
authorised as administrative agent of the financial sector and IT systems and  
communication networks operator of the financial sector  
Ministerial authorisation of 30 March 2004

### **CONTINENTAL FUND SERVICES S.A.**

52, Esplanade  
L-9227 Diekirch  
authorised as registrar and transfer agent and financial advisor  
Ministerial authorisation of 29 March 2004

### **CREDITREFORM LUXEMBOURG S.A.**

188, route de Trèves  
L-6940 Niederanven  
authorised as debt recovery  
Authorisation of 1 April 2004

### **EURAZEO SERVICES S.A.**

11, boulevard Prince Henri  
L-1724 Luxembourg  
authorised as domiciliation agent of companies  
Ministerial authorisation of 29 March 2004



**EUROLEASE-FACTOR S.A.**

14, rue Aldringen  
L-1118 Luxembourg  
authorised as professional specialised in credit offering  
Ministerial authorisation of 29 March 2004

**EUROPAY LUXEMBOURG S.C.**

10, Parc d'Activité Syrdall  
L-5365 Munsbach  
authorised as professional of the financial sector authorised to exercise any activity referred to in section 1 of chapter 2 of part I of the law of 5 April 1993 on the financial sector as amended, with the exception of the categories of PFS also referred to in section 2 of the same chapter  
Ministerial authorisation of 30 March 2004

**IBM SERVICES FINANCIAL SECTOR LUXEMBOURG S.à r.l.**

Um Schlass 1  
L-5880 Hesperange  
authorised as IT systems and communication networks operator of the financial sector  
Ministerial authorisation of 27 February 2004

**ING LEASE LUXEMBOURG S.A.**

50, route d'Esch  
L-1470 Luxembourg  
authorised as professional specialised in credit offering  
Ministerial authorisation of 29 mars 2004

**LE RECOURS S.A R.L.**

86, rue du Golf  
L-1638 Senningerberg  
authorised as debt recovery  
Authorisation of 1 April 2004

**PK AIRFINANCE S.A R.L.**

6D, route de Trèves  
L-2633 Senningerberg  
authorised as professional specialised in credit offering  
Ministerial authorisation of 29 March 2004

**SOCIETE LUXEMBOURGEOISE DE RECOUVREMENT S.A.**

in abbreviated form "SLR"  
1D, Wasserklapp  
L-5681 Dalheim  
authorised as debt recovery  
Authorisation of 1 April 2004

**TRAVELEX BELGIUM N.V., Brugge (Belgium)**

Luxembourg branch  
authorised as currency exchange dealer  
Aéroport de Luxembourg  
L-1110 Findel  
Authorisation of 1 April 2004

## **VISALUX S.C.**

10, Parc d'Activité Syrdall  
L-5365 Munsbach

authorised as professional of the financial sector authorised to exercise any activity referred to in section 1 of chapter 2 of part I of the law of 5 April 1993 on the financial sector as amended, with the exception of the categories of PFS also referred to in section 2 of the same chapter  
Ministerial authorisation of 30 March 2004

### Withdrawals:

## **DEXIA ASSET MANAGEMENT S.A.**

Withdrawal on 2 April 2004.

## **FORTIS INVESTMENT MANAGEMENT LUXEMBOURG S.A.**

Withdrawal on 4 March 2004.

## **NORDEA INVESTMENT FUNDS S.A.**

Withdrawal on 1 March 2004.

## **TRADITION S.A. (LAUSANNE), (Luxembourg branch)**

Withdrawal on 1 January 2004.

### Changes of status:

## **INTERNATIONAL FINANCIAL DATA SERVICES (LUXEMBOURG) S.A.**

47, avenue J.F. Kennedy  
L-1855 Luxembourg

was authorised as **distributor of units/shares of investment funds not authorised to accept and effect payments** and has changed its status to **IT systems and communication networks operator of the financial sector**, on 29 March 2004.

## **FUND ADMINISTRATION SERVICES & TECHNOLOGY NETWORK (LUXEMBOURG) S.A.**

in abbreviated form "FASTNET"

31-33, avenue Pasteur  
L-2310 Luxembourg

was authorised as **distributor of units/shares of investment funds authorised to accept and effect payments** and has changed its status to **register and transfer agent and domiciliation agent of companies**, on 30 March 2004.

### Extension of status:

## **EUROPEAN FUND ADMINISTRATION S.A.**

was authorised as **commission agent and distributor of units/shares of investment funds not authorised to accept and effect payments** and has extended its status to **commission agent and distributor of units/shares of investment funds not authorised to accept and effect payments and IT systems and communication networks operator of the financial sector**, on 8 March 2004.

## **FIDELITY INVESTMENTS LUXEMBOURG S.A.**

Kansallis House  
Place de l'Etoile  
L-1479 Luxembourg

was authorised as **commission agent** and **distributor of units/shares of investment funds not authorised to accept and effect payments** and has extended its status to **commission agent** and **distributor of units/shares of investment funds not authorised to accept and effect payments**, as well as **registrar and transfer agent**, on 8 March 2004

## **GESTADOR S.A.**

282, route de Longwy  
L-1940 Luxembourg

was authorised as **domiciliation agent of companies** and has extended its status to **registrar and transfer agent** and **domiciliation agent of companies**, on 30 March 2004.

### Changes of name:

DEWAAY LUXEMBOURG S.A. has become on 13 February 2004  
**HSBC DEWAAY LUXEMBOURG S.A.**

VONTOBEL LUXEMBOURG S.A. has become on 10 March 2004  
**VONTOBEL EUROPE S.A.**

### Changes of address:

## **MOVENTUM S.A.**

12, rue Eugène Ruppert, L-2453 Luxembourg

## **TRIMAR MANAGEMENT S.A.**

25C, boulevard Royal, L-2449 Luxembourg

## **LIST OF MANAGMENT COMPANIES**

### New companies:

## **ALLIANZ DRESNER ASSET MANAGEMENT LUXEMBOURG S.A.**

6A, route de Trèves, L-2633 Senningerberg  
Registration on the official list on 16 March 2004

## **DEXIA ASSET MANAGEMENT LUXEMBOURG**

283, route d'Arlon, L-1150 Luxembourg  
Registration on the official list on 1 April 2004

## **FORTIS INVESTMENT MANAGEMENT LUXEMBOURG S.A.**

14, rue Aldringen, L-1118 Luxembourg  
Registration on the official list on 4 March 2004

## **IKANO FUND MANAGEMENT S.A.**

1, rue Nicolas Welter, L-2740 Luxembourg  
Registration on the official list on 4 March 2004

## **IPCONCEPT FUND MANAGEMENT S.A.**

4, rue Thomas Edison, L-1445 Luxembourg - Strassen  
Registration on the official list on 18 February 2004

## **NORDEA INVESTMENT FUNDS S.A.**

672, rue de Neudorf, L - 2220 Luxembourg  
Registration on the official list on 13 February 2004

## LIST OF PENSION FUNDS

New funds (sepcav):

### **THE RAPALA GROUP SEPCAV**

Airport Center  
2, route de Trèves  
L-2633 Senningerberg

## **LIST OF UNDERTAKINGS FOR COLLECTIVE INVESTMENT (UCI)**

Registrations on and withdrawals from the official list of the Luxembourg undertakings for collective investment which fall under the law of 30 March 1988, the law of 20 December 2002 and the law of 19 July 1991, during the **month of February 2004**

### Registrations

- ACTIVEST LUX EUROPROTECT, 4, rue Alphonse Weicker, L-2721 Luxembourg
- ALLIANZ DRESDNER HEDGEFONDS, 6A, route de Trèves, L-2633 Senningerberg
- AMERICAN EXPRESS ALTERNATIVE INVESTMENT FUND (LUX), 49, avenue J-F Kennedy, L-1855 Luxembourg
- ANDBANC GLOBAL FUND, 1A, Heienhaff, L-1736 Senningerberg
- ASTRA SICAV, 1A, Heienhaff, L-1736 Senningerberg
- AVIVA MULTIMANAGER FUND, 34, avenue de la Liberté, L-1930 Luxembourg
- BERENBERG EURO STRATEGIE AKTIEN FONDS V, 4, rue Thomas Edison, L-1445 Luxembourg-Strassen
- BETA INDEX FUND, 6a, Circuit de la Foire Internationale, L-1347 Luxembourg
- CARAVAGGIO SICAV, 12, avenue de la Liberté, L-1930 Luxembourg
- CFD CAPITAL MANAGEMENT SICAV, 12, rue Eugène Ruppert, L-2453 Luxembourg
- CREDIINVEST SICAV, 1A, Heienhaff, L-1736 Luxembourg
- DEKASTRUKTUR: 4, 5, rue des Labours, L-1912 Luxembourg
- DWS FLEX SICAV, 2, boulevard Konrad Adenauer, L-1115 Luxembourg
- EURO GLOBAL SELECT SICAV, 2, place de Metz, L-1930 Luxembourg
- H & A LUX GLOCAP LONG/SHORT, 21, avenue de la Liberté, L-1931 Luxembourg
- ING (L) SELECTED STRATEGIES, 52, route d'Esch, L-1470 Luxembourg
- LUXALPHA SICAV, 291, route d'Arlon, L-1150 Luxembourg
- MIRINVEST FUND, 23, avenue de la Porte-Neuve, L-2227 Luxembourg
- MULTI-ASSET PLATFORM FUND (LUX), 5, rue Jean Monnet, L-2180 Luxembourg
- OFI MULTISELECT, 5, rue Plactis, L-2338 Luxembourg
- OFI SELECT, 5, rue Plactis, L-2338 Luxembourg
- OMEGA PRESERVATION FUND, 2, boulevard Konrad Adenauer, L-1115 Luxembourg
- OUTLET MALL FUND, 69, route d'Esch, L-1470 Luxembourg
- POLARIS FUND, 39, allée Scheffer, L-2520 Luxembourg
- SECURIALIS, 1, boulevard Royal, L-2449 Luxembourg
- STRUCTURA, 39, allée Scheffer, L-2520 Luxembourg
- TORRUS FUNDS, 1A, Heienhaff, L-1736 Senningerberg
- UNIEUROKAPITAL II, 308, route d'Esch, L-1471 Luxembourg
- UNIGARANTTOP: EUROPA, 308, route d'Esch, L-1471 Luxembourg
- WILLIAM BLAIR SICAV, 1A, Heienhaff, L-1736 Senningerberg

### Withdrawals

- ABATON SICAV, 8, avenue de la Liberté, L-1930 Luxembourg
- BSI SHORT TERM INVESTMENT, 291, route d'Arlon, L-1150 Luxembourg
- DAB ADVISER II FUNDS, 50, avenue J-F Kennedy, L-1855 Luxembourg
- HSBC TRINKAUS INVESTFUNDS SICAV, 1-7, rue Nina et Julien Lefèvre, L-1952 Luxembourg
- MERRILL LYNCH ACTIVE STERLING TRUST, 6D, route de Trèves, L-2633 Senningerberg
- NIELSEN SICAV, 11, rue Aldringen, L-1118 Luxembourg
- OPPENHEIM OBLIGATIONEN EUROPA, 4, rue Jean Monnet, L-2180 Luxembourg

# Financial centre

Main updated figures regarding the financial centre:

Number of banks: **168** (31 March 2004)

Balance sheet total: **EUR 654.450 billion** (29 February 2004)

Net profit: **EUR 2.882 billion** (31 December 2003)

Employment: **22,529 people** (31 December 2003)

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Number of UCIs: **1,902** (14 April 2004)

Total net assets: **EUR 1,006.102 billion** (29 February 2004)

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Number of pension funds: **11** (31 March 2004)

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Number of management companies: **9** (31 March 2004)  
(Chapter 13 of the Law of 20 December 2002)

Employment: **280 people** (31 March 2004)

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Number of PFS: **147** (31 March 2004)

Balance sheet total: **EUR 2.472 billion** (29 February 2004)

Net profit: **EUR 39.37 million** (29 February 2004)

Employment: **4,455 people** (31 December 2003)

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Total employment in the supervised establishments: **27,699 people** (31 Dec. 2002)

Total employment in the supervised establishments: **27,082 people** (31 Dec. 2003)

## CSSF Newsletter

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