



Newsletter

No 223 - August 2019

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NEWS

Signature of IOSCO's Administrative Arrangement for the transfer of personal data

On 8 August 2019, the CSSF signed IOSCO's Administrative Arrangement for the transfer of personal data between the supervisory authorities of the financial sector of the EEA and the supervisory authorities of the financial sector of non-EEA countries. In this context, the CSSF also updated its webpage relating to data protection (<http://www.cssf.lu/en/privacy-policy/>).

WARNINGS

CSSF Warnings

- [Warning regarding the activities of an entity named Zeus Tech & Trading Group Ltd \(www.fibonetix.com\)](#)
- [Warning regarding the activities of an entity named Cryptominingoptionsignal](#)
- [Warning regarding the activities of an entity named Webnet Ltd](#)

Warnings issued by another authority

- [Warning issued by the UK authority \(FCA\) regarding the activities of an entity named LIB Group Asset Management](#)
- [Warning issued by the Dutch authority \(AFM\) regarding the activities of an entity named UM Capital \(only in Dutch\)](#)

Warnings published by IOSCO

Several warnings have been published on the IOSCO website at:

http://www.iosco.org/investor_protection/?subsection=investor_alerts_portal.

NATIONAL REGULATION

Circular CSSF 19/723 - Definitions of commodity derivatives

The purpose of the circular is to implement ESMA's Guidelines on the application of the definitions of commodity derivatives in Sections C6 and C7 of Annex I of MiFID II (ref.: ESMA-70-156-869).

Circular CSSF 19/724 - Submission to the CSSF of documents under Regulation (EU) 2017/1129 and the Prospectus Law

Prospectus Regulation (EU) 2017/1129, which is directly applicable in all Member States, establishes the framework for the drawing-up, approval and dissemination of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market situated or operating within a Member State. The Prospectus Law implements certain provisions of Prospectus Regulation (EU) 2017/1129 and provides for other requirements covering the national prospectus regime.

The first part of the circular presents the regulatory framework governing prospectuses and the CSSF's competences and missions in this context. The second part specifies the technical procedures governing the submission of documents to the CSSF for the purpose of approval, notification or filing in

the context of offers of securities to the public and admissions of securities to trading on a regulated market.

Circular CSSF 19/725 - Dematerialisation of requests to the CSSF

The purpose of this circular is to inform the Luxembourg credit institutions and investment firms and the Luxembourg branches of credit institutions and investment firms that have their registered office in an EU country or in a third country of the creation of the eDesk portal which must be used for certain requests and procedures to be made with the CSSF.

Circular CSSF 19/726 - New reporting for IORPs

The circular implements a new annual and half-annual reporting for institutions for occupational retirement provision (IORPs) to be sent to the European Investment and Occupational Pensions Authority (EIOPA), the European Central Bank (ECB), the BCL and the CSSF.

Circular CSSF 19/727 - Transmission of documents required under Circular CSSF 12/544

The purpose of the circular is to define the new arrangements for the transmission of documents required under Circular CSSF 12/544. For the purpose of optimising the supervision and process simplification, it has been decided that the required documents must be sent electronically. The circular includes a file naming convention. Moreover, it restates the documents that must be sent in the context of the Risk Assessment Report, the Descriptive Report and the account closing.

Circular CSSF 19/728 - Non-significant benchmarks

The circular implements ESMA's Guidelines on non-significant benchmarks under the Benchmarks Regulation (ref.: ESMA70-145-1209).

Law of 16 July 2019 - EuVECA, EuSEF, MMF, ELTIF and STS securitisation regulations

The law operationalises the European regulations that have been adopted over the last years in the areas of investment funds and securitisation.

CSSF COMMUNIQUES

Date	Publications
19 July 2019	New quarterly publication: Real Estate Market Overview
19 July 2019	Communication regarding Article 26 (obligation to report transactions) of MiFIR
19 July 2019	Application of the Prospectus Regulation and entry into force of the Prospectus Law (only in French)
22 July 2019	IFRS 9 - Impact assessment at transition date 31 December 2017 - 1 January 2018
25 July 2019	Temporary suspension of the provision of services by CYBERservices Europe S.A.

29 July 2019	Communication regarding PRIIPs assessment
1 August 2019	Global situation of undertakings for collective investment at the end of June 2019 (only in French)
2 August 2019	Launch of the eDesk portal for the purpose of the mandatory notification in the context of Brexit
2 August 2019	IFRS 16 - Impact assessment at transition date 31 December 2018 - 1 January 2019
14 August 2019	Publication of the EBA Report on the application of the Guidelines on Product Oversight and Governance (POG) arrangements for retail banking products

WITHDRAWALS DECIDED BY THE CSSF

A decision to withdraw the specialised investment fund LOG CAPITAL MANAGEMENT SIF-SICAV from the official list of specialised investment funds was taken by the CSSF on 2 July 2019.

A decision to withdraw the specialised investment fund LFP I SICAV-SIF S.A. from the official list of specialised investment funds was taken by the CSSF on 3 July 2019.

A decision to withdraw the investment firm ARKESSE SICAV from the official list of undertakings for collective investment was taken by the CSSF on 18 July 2019.

A decision to withdraw the specialised investment fund VERSAILLES III from the official list of specialised investment funds was taken by the CSSF on 1 August 2019.

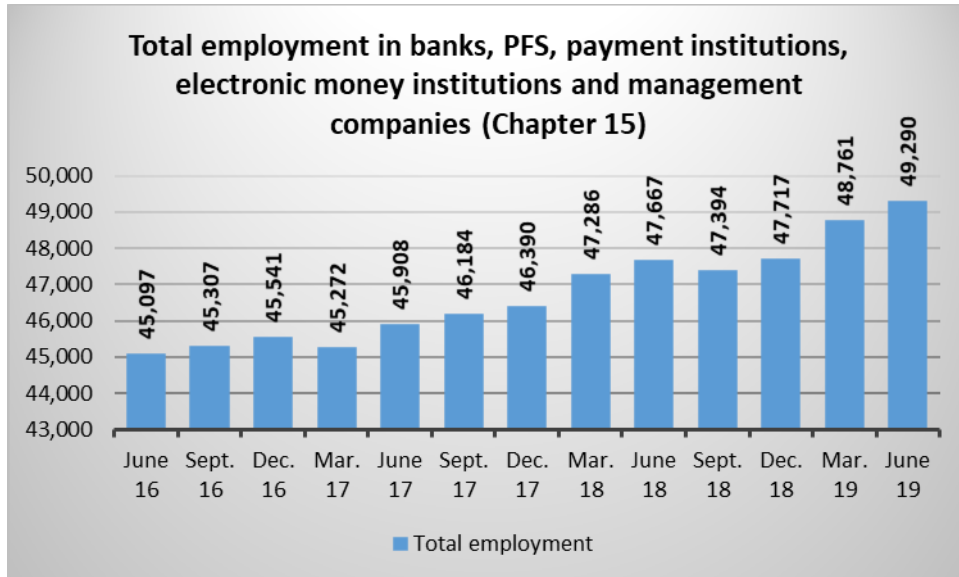
A decision to withdraw the specialised investment fund IRIS FUND SICAV-FIS from the official list of specialised investment funds was taken by the CSSF on 1 August 2019.

A decision to withdraw the specialised investment fund RIVA ABSOLUTE RETURNS S.C.A. SICAV-SIF from the official list of specialised investment funds was taken by the CSSF on 2 August 2019.

STATISTICS

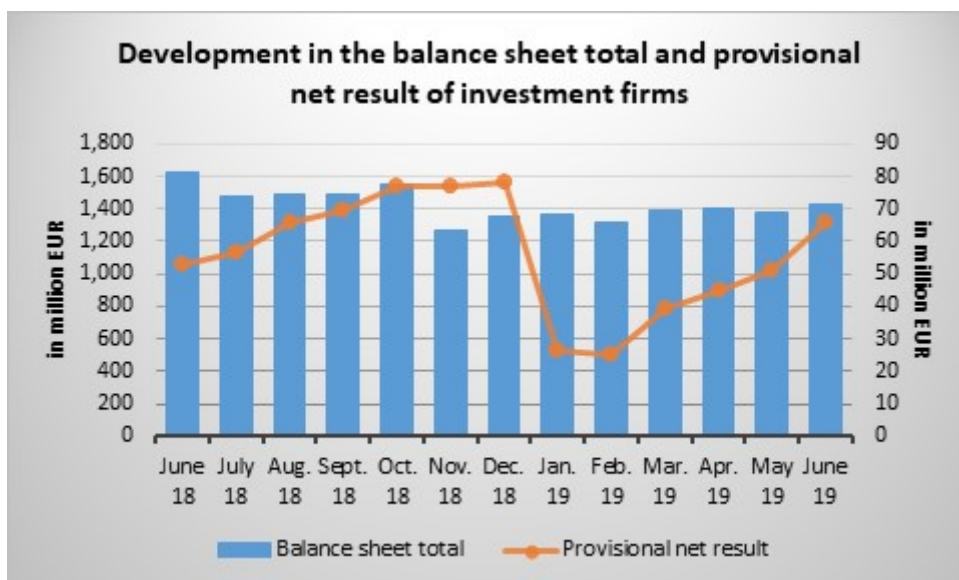
Total employment in banks, PFS, management companies (Chapter 15), payment institutions and electronic money institutions

Total employment as at 30 June 2019



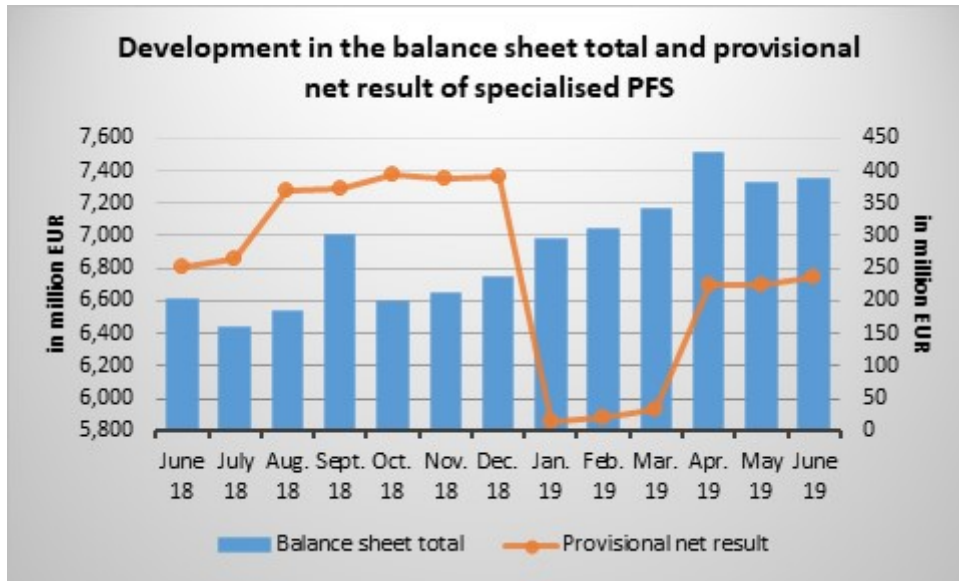
Investment firms

Increase in the balance sheet total as at 30 June 2019



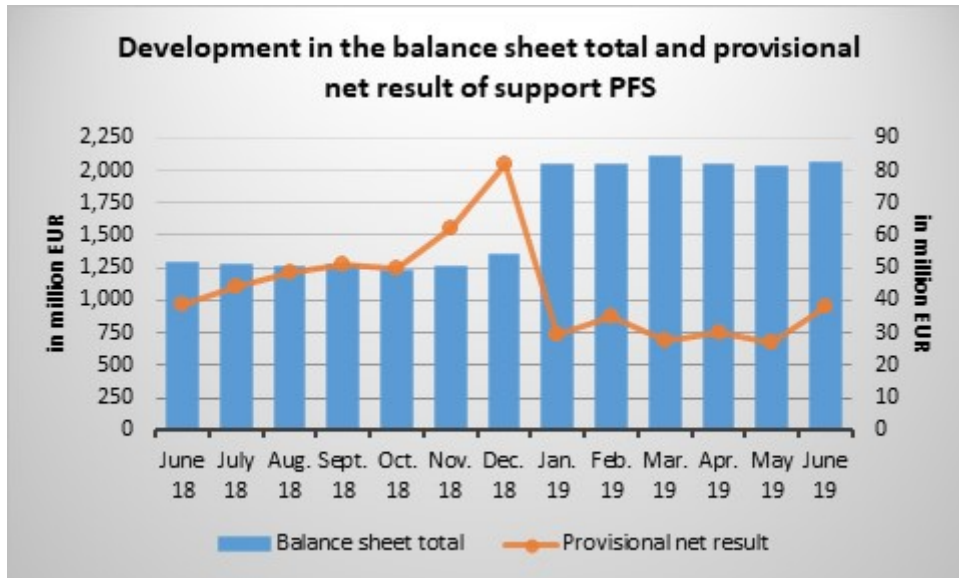
Specialised PFS

Increase in the balance sheet total as at 30 June 2019



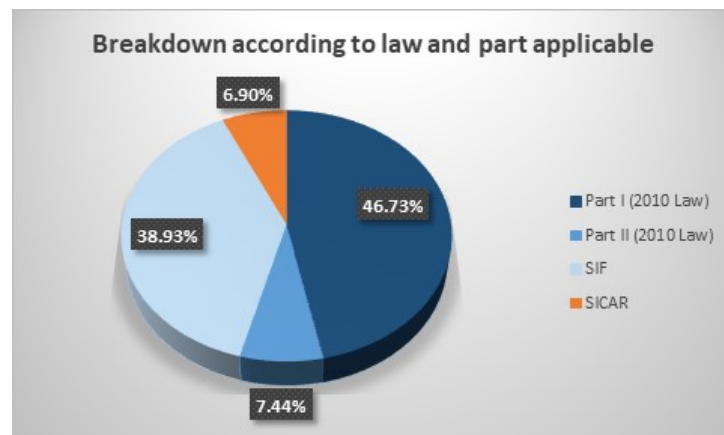
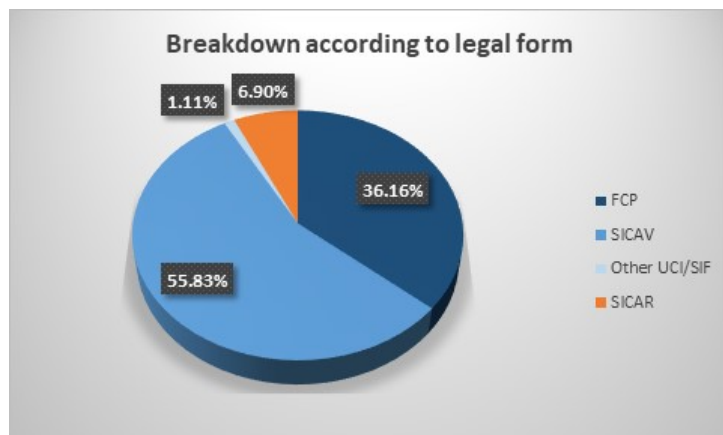
Support PFS

Increase in the balance sheet total as at 30 June 2019



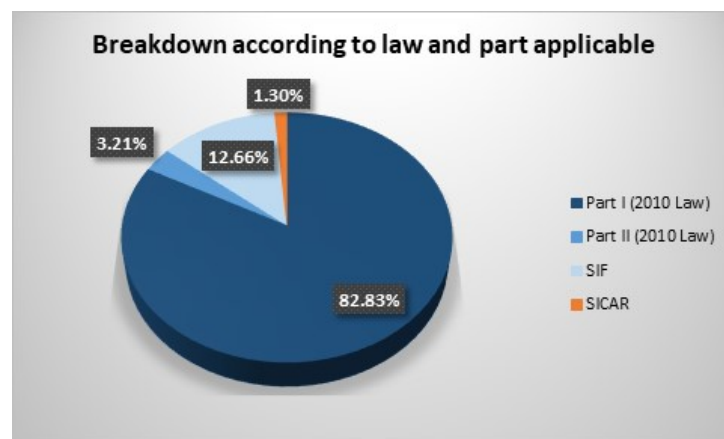
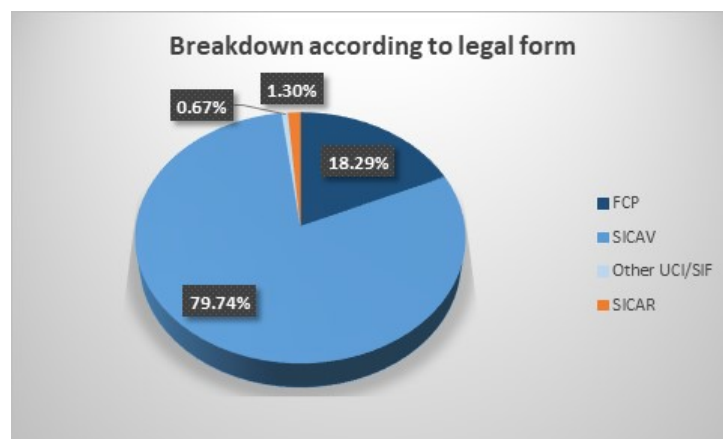
UCIs (Situation as at 30 June 2019)

Number of UCIs



Law, part/legal form	FCPs	SICAVs	Other UCIs/SIFs	SICARs	Total
Part I (2010 Law)	932	871	0	0	1,803
Part II (2010 Law)	142	143	2	0	287
SIFs	321	1,140	41	0	1,502
SICARs	0	0	0	266	266
TOTAL	1,395	2,154	43	266	3,858

Net assets of UCIs



Law, part/legal form (in bn EUR)	FCPs	SICAVs	Other UCIs/SIFs	SICARs	Total
Part I (2010 Law)	581.594	3,072.356	0.000	0.000	3,653.950
Part II (2010 Law)	47.134	94.128	0.443	0.000	141.705
SIFs	178.141	351.042	29.056	0.000	558.239
SICARs	0.000	0.000	0.000	57.494	57.494
TOTAL	806.869	3,517.526	29.499	57.494	4,411.388

Breakdown according to investment policy

Breakdown according to investment policy	Net assets (in bn EUR)	Number of fund units ¹
Fixed-income securities	1,323.660	3,136
Variable-yield transferable securities	1,310.387	4,055
Mixed transferable securities	936.241	3,949
Funds of funds	250.757	2,109
Money market instruments and other short-term securities	331.788	223
Cash	6.428	18
Private equity	39.688	220
Venture capital	2.250	30
Real estate	78.058	322
Futures and/or options	11.354	116
Other assets	63.283	270
Public-to-Private	0.125	3
Mezzanine	2.976	13
Venture Capital (SICARs)	7.930	80
Private Equity (SICARs)	46.463	307
TOTAL	4,411.388	14,851

Breakdown of net assets according to investment policy

Breakdown according to investment policy	NET ASSETS (in bn EUR)	NUMBER OF FUND UNITS	SUBSCRIPTIONS (in bn EUR)	REDEMPTIONS (in bn EUR)	NET SUBSCRIPTIONS (in bn EUR)
PART I					
Fixed-income transferable securities	1,210.384	2,610	83.130	68.520	14.610
Variable-yield transferable securities	1,240.153	3,699	58.113	57.222	0.891
Mixed transferable securities	750.012	2,842	21.995	27.347	-5.352
Funds of funds	126.509	914	3.370	4.038	-0.668
Money market instruments and other short-term securities	310.783	179	147.553	144.928	2.625
Cash	6.284	13	2.200	1.915	0.285
Futures and/or options	6.797	55	0.451	0.245	0.206
Other assets	3.028	9	0.122	0.149	-0.027
TOTAL PART I:	3,653.950	10,321	316.934	304.364	12.570
PART II					
Fixed-income transferable securities	18.663	94	0.719	0.584	0.135
Variable-yield transferable securities	13.553	60	0.414	0.134	0.280
Mixed transferable securities	52.733	195	1.181	1.064	0.117
Funds of funds	26.889	247	0.334	0.569	-0.235
Money market instruments and other short-term securities	16.248	36	1.433	1.012	0.421
Cash	0.069	2	0.000	0.001	-0.001
Private equity	6.761	16	0.136	0.039	0.097

¹ "Fund units" refers to both traditionally structured UCIs and sub-funds of umbrella funds.

Venture capital	0.000	0	0.000	0.000	0.000
Real estate	1.469	19	0.040	0.007	0.033
Futures and/or options	1.707	21	0.010	0.072	-0.062
Other assets	3.613	15	0.035	0.034	0.001
TOTAL PART II:	141.705	705	4.302	3.516	0.786
SIFs					
Fixed-income transferable securities	94.613	432	4.538	3.365	1.173
Variable-yield transferable securities	56.681	296	0.383	0.390	-0.007
Mixed transferable securities	133.496	912	2.831	2.631	0.200
Funds of funds	97.359	948	1.751	0.439	1.312
Money market instruments and other short-term securities	4.757	8	0.917	0.573	0.344
Cash	0.075	3	0.002	0.003	-0.001
Private equity	32.927	204	0.965	0.200	0.765
Venture capital	2.250	30	0.032	0.000	0.032
Real estate	76.589	303	0.607	1.161	-0.554
Futures and/or options	2.850	40	0.020	0.087	-0.067
Other assets	56.642	246	2.090	0.896	1.194
TOTAL SIFs:	558.239	3,422	14.136	9.745	4.391
SICARs					
Public-to-Private	0.125	3	0.000	0.000	0.000
Mezzanine	2.976	13	0.000	0.000	0.000
Venture capital	7.930	80	0.000	0.000	0.000
Private equity	46.463	307	0.083	0.183	-0.100
TOTAL SICARs	57.494	403	0.083	0.183	-0.100
TOTAL LUXEMBOURG UCIs	4,411.388	14,851	335.455	317.808	17.647

Origin of the initiators of Luxembourg UCIs

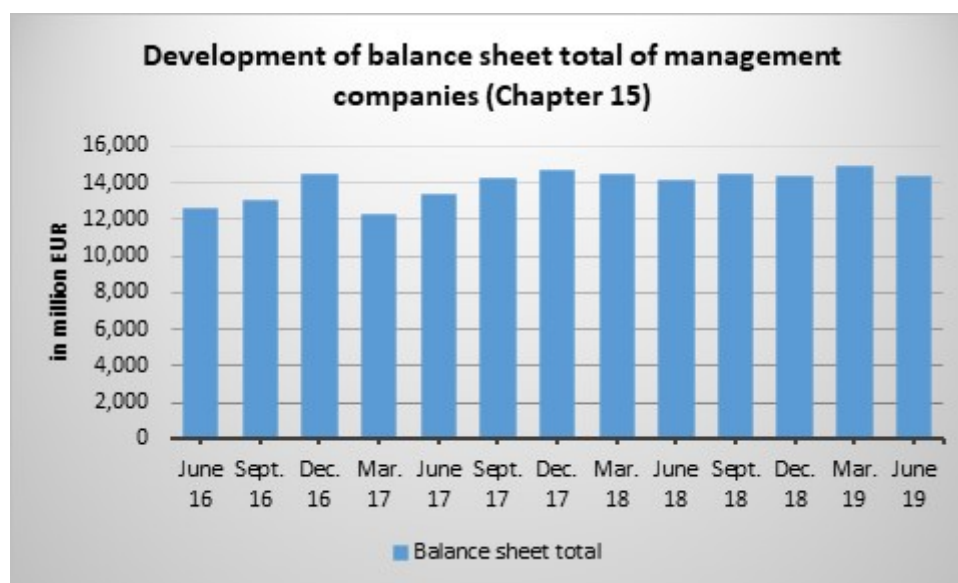
Country	Net assets (in bn EUR)	in %	Number of UCIs	in %	Number of fund units	in %
United States	895.692	20.3%	174	4.5%	1,118	7.5%
United Kingdom	812.687	18.4%	270	7.0%	1,632	11.0%
Germany	624.722	14.2%	1,295	33.6%	2,646	17.8%
Switzerland	606.036	13.7%	571	14.8%	2,759	18.6%
France	431.199	9.8%	298	7.7%	1,591	10.7%
Italy	310.247	7.0%	142	3.7%	1,225	8.3%
Belgium	191.804	4.4%	162	4.2%	897	6.0%
Luxembourg	108.667	2.5%	235	6.1%	684	4.6%
Netherlands	98.903	2.2%	49	1.3%	260	1.8%
Denmark	88.788	2.0%	23	0.6%	212	1.4%
Others	242.643	5.5%	639	16.5%	1,827	12.3%
TOTAL	4,411.388	100.0%	3,858	100.0%	14,851	100.0%

Breakdown of UCI fund units registered in Luxembourg by reference currency

Currency	Net assets (in bn EUR)	in %	Number of fund units	in %
AUD	6.107	0.138%	27	0.181%
CAD	2.754	0.062%	20	0.134%
CHF	46.024	1.043%	271	1.819%
CNH	2.181	0.050%	25	0.168%
CNY	0.281	0.006%	4	0.027%
CZK	1.353	0.031%	67	0.463%
DKK	2.016	0.046%	16	0.074%
EUR	2,366.991	53.656%	9,400	63.307%
GBP	141.156	3.200%	330	2.234%
HKD	4.996	0.113%	10	0.067%
HUF	0.368	0.008%	31	0.208%
JPY	57,990	1.315%	204	1.389%
NOK	5.139	0.117%	33	0.221%
NZD	0.754	0.017%	4	0.027%
PLN	0.259	0.006%	12	0.080%
RON	0.482	0.011%	4	0.027%
SEK	43.319	0.982%	159	1.094%
SGD	0.847	0.019%	6	0.040%
TRY	0.004	0.000%	1	0.007%
USD	1,728.343	39.179%	4,226	28.426%
ZAR	0,024	0.001%	1	0.007%
TOTAL	4,411.388	100.000%	14,851	100.000%

Management companies authorised according to Chapter 15 of the 2010 Law

Decrease in the balance sheet total as at 30 June 2019



Pension funds

As at 16 August 2019, **12 pension funds** in the form of pension savings companies with variable capital (SEPCAVs) and pension savings associations (ASSEPs) were registered on the official list of pension funds subject to the Law of 13 July 2005.

On the same date, the number of professionals authorised to act as **liability managers** for pension funds subject to the Law of 13 July 2005 amounted to **18**.

Securitisation undertakings

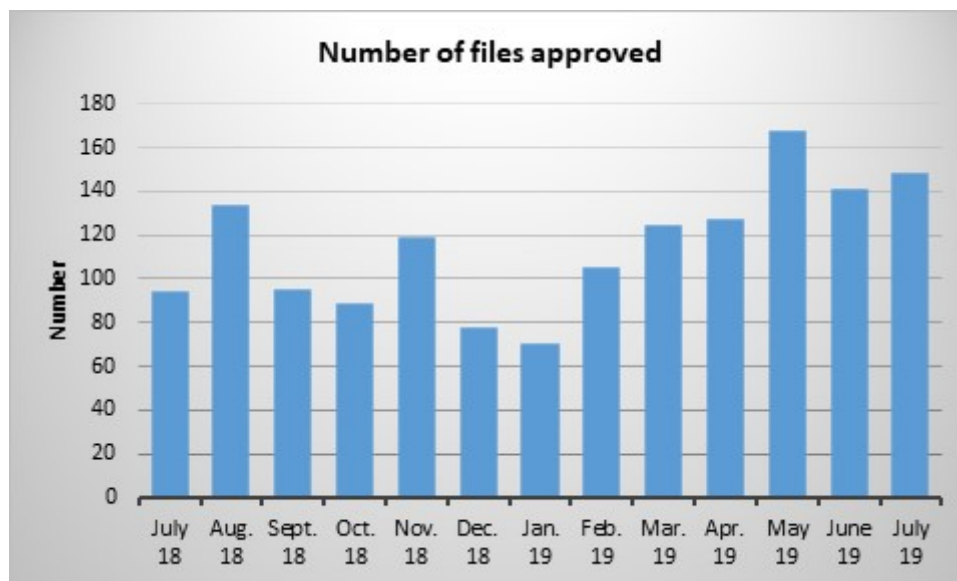
The number of securitisation undertakings authorised by the CSSF in accordance with the Law of 22 March 2004 on securitisation amounted to **32 entities** as at 14 August 2019.

Public oversight of the audit profession

The public oversight of the audit profession covered **60 cabinets de révision agréés** (approved audit firms) and **316 réviseurs d'entreprises agréés** (approved statutory auditors) as at 31 July 2019. The oversight also included **24 third-country auditors and audit firms** duly registered in accordance with the Law of 23 July 2016 concerning the audit profession.

Prospectuses for securities relating to offers to the public or admissions to trading on a regulated market

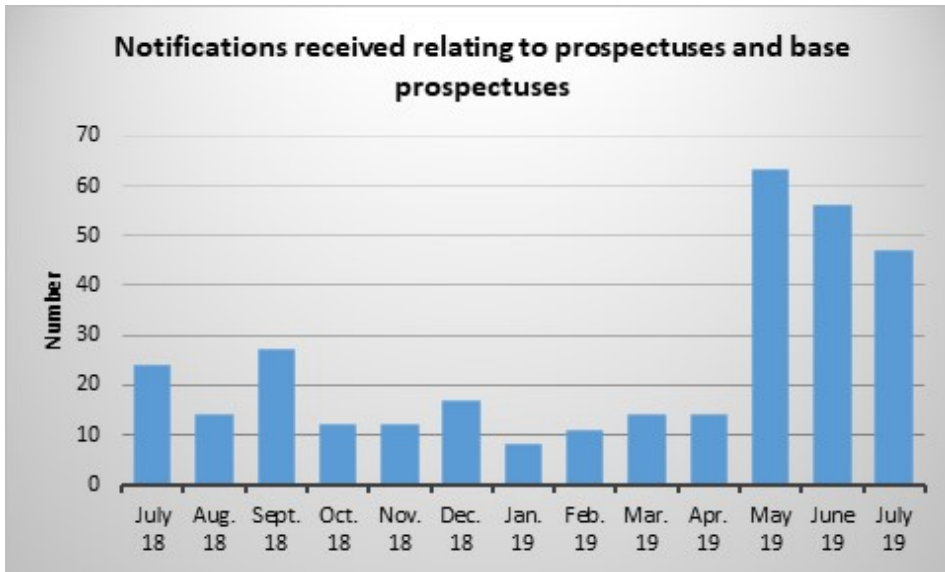
CSSF approvals



In July 2019, the CSSF approved a total of 148 documents pursuant to the Prospectus Law, which break down as follows:

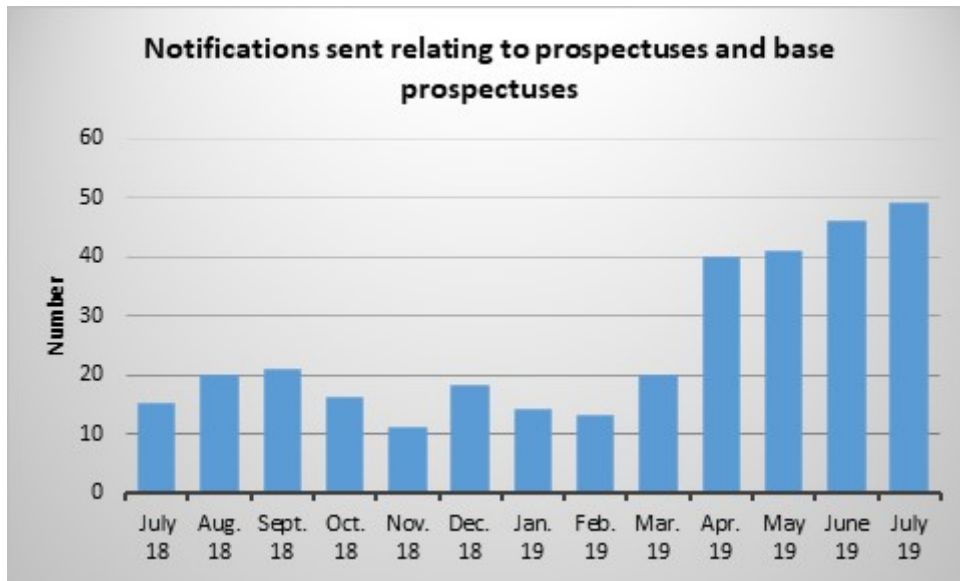
base prospectuses:	70	(47.30 %)
other prospectuses:	27	(18.24 %)
registration documents:	0	(0 %)
supplements:	51	(34.46 %)

Notifications received by the CSSF from competent authorities of other EEA Member States



In July 2019, the CSSF received 47 notifications relating to prospectuses and base prospectuses and 33 notifications relating to supplements from competent authorities of other EEA Member States.

Notifications sent by the CSSF to competent authorities of other EEA Member States



In July 2019, the CSSF sent 49 notifications relating to prospectuses and base prospectuses and 34 notifications relating to supplements to competent authorities of other EEA Member States².

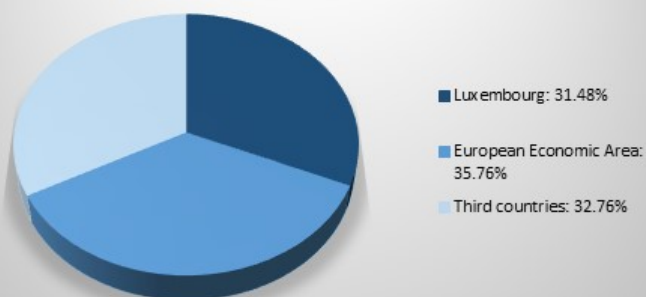
² These figures reflect the number of prospectuses, base prospectuses and supplements for which the CSSF sent one or several notifications. Where notifications have been sent at different dates and/or in several Member States, only the first notification is included in the statistical calculations. Each document notified in one or several Member States is thus only counted once.

Issuers of securities whose home Member State is Luxembourg pursuant to the Law of 11 January 2008 on transparency requirements for issuers (the "Transparency Law")

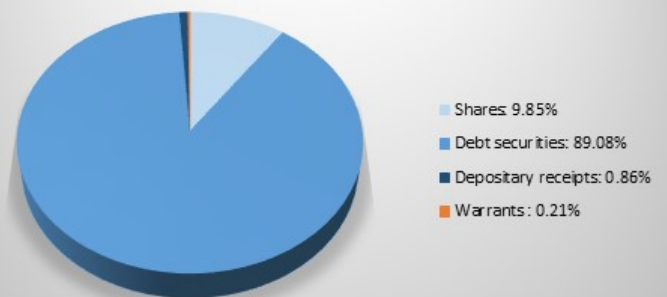
Since 9 July 2019, six issuers have chosen Luxembourg as home Member State for the purposes of the Transparency Law. Moreover, one issuer was deregistered from the list due to the fact that they no longer fall within the scope of the Transparency Law.

As at 8 August 2019, **467 issuers** subject to the supervision of the CSSF were included in the list of issuers whose home Member State is Luxembourg pursuant to the Transparency Law.

Breakdown of issuers according to countries



Breakdown of issuers according to type of securities admitted to trading



HUMAN RESOURCES

In order to increase its staff, the CSSF hired two employees and now counts, as at 1 August 2019, following the departure of one agent, a total of 884 agents, 472 men and 412 women. They have been assigned to the following departments:

On-site inspection

Celi BORGES

Accounting, auditing and transparency

Lucie DETAILLE

EUROPEAN/INTERNATIONAL NEWS - JULY 2019

BANKING REGULATION AND SINGLE SUPERVISORY MECHANISM
Single Supervisory Mechanism (SSM) - European Central Bank (ECB)

Date	Publications	Description
03.07.2019	Letter from the Chair of the Supervisory Board to members of the European Parliament	The ECB has released a letter from the Chair of the Supervisory Board to members of the European Parliament in response to a written request relating to additional staff recruitment for stress tests.
03.07.2019	Letter to banks	The ECB has published a letter on the bank's preparation with regard to interest rate benchmark reforms and the use of risk-free rates.
05.07.2019	List of supervised entities (as of 1 June 2019)	<p>The ECB has updated the list containing the name of each supervised entity and supervised group which is directly supervised by the ECB ("significant supervised entity" and "significant supervised group", as defined in Article 2, points (16) and (22) of the SSM Framework Regulation). It has also published the list of entities supervised by a national competent authority.</p> <p>In Luxembourg, the number of significant institutions at the highest level of consolidation that are directly supervised by the ECB has remained unchanged at 5 institutions, and the number of less significant institutions has remained unchanged at 64 institutions.</p>
08.07.2019	ECB finalises guide to harmonise rules on banks' internal models	The ECB has published final chapters of the guide to internal models, covering credit risk, market risk and counterparty credit risk. The guide intends to ensure uniform understanding of the legal framework.
11.07.2019	New members of the Supervisory Board appointed	The ECB has announced that the Governing Council appointed Edouard Fernandez-Bollo, Kerstin af Jochnick and Elizabeth McCaul as the new ECB representatives on the Supervisory Board, each for a five-year non-renewable term.
12.07.2019	Supervisory banking statistics - first quarter 2019	The ECB has published the Supervisory Banking Statistics for the first quarter 2019.

Date	Interviews and speeches	Description
10.07.2019	Andrea Enria: Interview with OPEN TV	Interview with Andrea Enria, Chair of the Supervisory Board of the ECB, conducted by Eleftheria Arlapanou and Spyros Dimitrelis on 9 July and published on 10 July 2019.
07.07.2019	Andrea Enria: Interview with Kathimerini Cyprus	Interview with Andrea Enria, Chair of the Supervisory Board of the ECB, conducted by Panagiotis Rougkalas and published on 7 July 2019.
04.07.2019	Andrea Enria: Is less more? Profitability and consolidation in the European banking sector	Presentation by Andrea Enria, Chair of the Supervisory Board of the ECB, at the CIRSIF Annual International Conference, Lisbon, 4 July 2019.

European Commission

Date	Regulatory development	Description
29.07.2019	Financial services: Commission sets out its equivalence policy with non-EU countries	The European Commission is taking stock of its overall approach to equivalence in the area of financial services. This Communication sets out the EU's approach and recent legislative improvements in terms of how the Commission grants equivalence to non-EU countries. It also describes how the Commission and the European Supervisory Authorities (ESAs) monitor the situation in those countries after equivalence decisions have been taken, to ensure that these continue to fulfil EU objectives. It also provides an overview of how recent EU legislative changes should strengthen the equivalence framework, both in terms of initial assessments and ex-post monitoring, in particular with an increased role for the ESAs.

European Banking Authority (EBA)

Date	Publications	Description
02.07.2019	EBA presents the results of its Basel III implementation assessment	The EBA has presented the results of its Basel III implementation assessment during a public hearing. The assessment includes a quantitative impact study (QIS) based on data from 189 EU banks, and a comprehensive set of policy recommendations in the area of credit and operational risk, output floor and securities financing transactions. This work is a response to the Commission's call for advice.
04.07.2019	EBA publishes Risk Dashboard summarising the main risks and vulnerabilities in the EU/EEA banking sector	The Risk Dashboard includes for the first time IFRS 9 related data on asset quality and banks' fair valued positions, as well as information about their sovereign exposures. Together with the Risk Dashboard, the EBA has published the results of its Risk Assessment Questionnaire (RAQ), which includes banks' and market analysts' expectations for future trends and developments.
05.07.2019	EBA publishes report on implementation of the Guidelines on Product Oversight and Governance arrangements	The report focuses on the Guidelines on Product Oversight and Governance Arrangements (POG), which the EBA issued in 2015 to address large-scale retail conduct failure and mis-selling that was observed in the banking sector at the time. The report identifies a number of good and bad practices and outlines the next steps the EBA will take to fulfil its supervisory convergence mandate.
08.07.2019	EBA assesses impact of FinTech on payment institutions' and e-money institutions' business models	The EBA has published a thematic report on the impact of FinTech on payment institutions' (PIs) and electronic money institutions' (EMIs) business models. The report highlights the EBA's key observations on PIs' and EMIs' strategies and business model changes, in particular focusing on the current trends and drivers, the different approaches to FinTech, including their interaction with BigTech firms, and the level of implementation of innovative technologies.
09.07.2019	EBA publishes report on progress made on its roadmap to repair IRB models	The report updates on progress made on the roadmap set out in 2016 to repair internal models used to calculate own funds requirements for credit risk under the Internal Ratings Based (IRB) approach. The roadmap aims to address the concerns about undue variability of own funds requirements and to restore trust in IRB models by ensuring comparability of the estimates of risk parameters, while retaining their risk sensitivity.

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- 10.07.2019** [EBA acknowledges publication of ECA special report on EU-wide stress test](#) The European Court of Auditors (ECA) has published a special report on the EU-wide stress test titled "EU-wide stress tests for banks: unparalleled amount of information on banks provided but greater coordination and focus on risks needed". The EBA has acknowledged the efforts made by the ECA in providing valuable insights to improve the efficiency of the EU-wide stress test in the future.
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- 12.07.2019** [EBA reports on the monitoring of the LCR implementation in the EU](#) The EBA has published its first Report on the monitoring of liquidity coverage ratio (LCR) implementation in the EU. The report highlights areas in which further guidance is deemed useful for banks and supervisors in order to foster a common understanding and harmonisation of the application of the liquidity standard, while at the same time reducing some issues on the level playing field. In addition, the Report has identified areas that may need further attention from supervisors in their ongoing supervision of liquidity risks.
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- 16.07.2019** [EBA amends implementing technical standards on supervisory reporting with regard to financial information \(FINREP\)](#) The EBA has published amendments to the Implementing Technical Standards (ITS) on supervisory reporting with regard to FINREP. The amendments concern the reporting requirements on non-performing exposures (NPE) and forbearance to allow monitoring of reporting institutions' NPE strategies, the reporting requirements on profit and loss items and the implementation of the new International Financial Reporting Standard on leases (IFRS 16).
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- 16.07.2019** [EBA publishes updated ITS package for 2020 benchmarking exercise](#) The EBA has published an update to its Implementing Technical Standards (ITS) on benchmarking of internal approaches. The ITS include all benchmarking portfolios that will be used for the 2020 benchmarking exercise.
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- 19.07.2019** [EBA publishes Report on regulatory perimeter, regulatory status and authorisation approaches in relation to FinTech activities](#) The EBA has published the findings of its analysis on the regulatory framework applicable to FinTech firms when accessing the market. The report illustrates the developments on the regulatory perimeter across the EU, the regulatory status of FinTech firms, and the approaches followed by competent authorities when granting authorisation for banking and payment services.
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- 22.07.2019** [EBA updates on monitoring of CET1 capital instruments](#) The EBA has published an updated list of Common Equity Tier 1 (CET1) instruments of EU institutions. This list is accompanied by an updated CET1 report, which includes information on the underlying objectives of the monitoring as well as on the consequences of including or excluding instruments
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		in or from the CET1 list. The EBA's monitoring of capital instruments is aimed to contribute to the enhancement of the quality of institutions' capital across the EU.
23.07.2019	EBA publishes its roadmap on IFRS 9 deliverables and launches IFRS 9 benchmarking exercise	The EBA has published its IFRS 9 roadmap providing an overview of planned monitoring activities on IFRS 9 implementation. The EBA also launched an IFRS 9 benchmarking exercise on a sample of institutions aimed at analysing the different modelling practices followed by institutions and how IFRS 9 implementation impacts the amount of expected credit losses in terms of own funds and regulatory ratios.
24.07.2019	EBA calls for communication to credit institutions about the relevance of AML/CFT concerns from a prudential perspective	The EBA has published an Opinion on the link between money laundering and terrorist financing concerns and prudential objectives. This opinion forms part of the EBA's ongoing work to strengthen the fight against money laundering and terrorist financing in Europe and responds to a request in the Council Anti Money Laundering Action Plan of 2018.
26.07.2019	EBA publishes clarifications to the fourth set of issues raised by its Working Group on APIs under PSD2	The EBA has published clarifications to a fourth set of issues that had been raised by participants of its Working Group (WG) on APIs under PSD2. The clarifications respond to issues raised on the confirmation of payment execution, biometrics and authentication on mobile apps, access to non-payment account information, stress testing, qualified eIDAS certificates for Account Servicing Payment Service Providers (ASPSPs), the 4 times per day access by Account Initiation Service Providers (AISPs), and the Sharing of payment account number with Payment Initiation Service Providers (PISPs).

Date	Consultation	Description
31.07.2019	EBA launches consultation on the methodology to determine the weighted average maturity of contractual payments due under the tranche of a securitisation transaction	<p>The EBA launched a public consultation on draft Guidelines (GLs) on the determination of the weighted average maturity (WAM) of the contractual payments due under the tranche, as per the Capital Requirements Regulation (CRR) Article 257(1)(a). These draft GLs aim at ensuring that the methodology applicable for the determination of the WAM for regulatory purposes is sufficiently harmonised in order to increase consistency and comparability in the own funds held by institutions.</p> <p>The consultation runs until 31 October 2019.</p>

European Supervisory Authorities (ESAs)

Date	Publication	Description
09.07.2019	ESA Joint Committee publishes recommendations on supervision of retail financial services provided across borders	The Joint Committee of the ESAs has published a report on the cross-border supervision of retail financial services. In the report, the ESAs identified the main issues that national competent authorities (NCAs) face when supervising financial institutions that provide cross-border retail financial services within the EU and make recommendations to both NCAs and EU institutions on how to address them.

Basel Committee of Banking Supervision (BCBS)

Date	Publications	Description
23.07.2019	Margin requirements for non-centrally cleared derivatives	<p>The BCBS and the International Organization of Securities Commissions (IOSCO) have revised the framework for margin requirements for non-centrally cleared derivatives.</p> <p>Relative to the <u>2015 framework</u>, the revisions extend by one year the final implementation of the margin requirements. With this extension, the final implementation phase will take place on 1 September 2021. To facilitate this extension, the Basel Committee and IOSCO have also introduced an additional implementation phase that begins on 1 September 2020.</p>

Macroprudential fora

European Systemic Risk Board (ESRB)

Date	Publications	Description
04.07.2019	ESRB risk dashboard, June 2019 (Issue 28)	<p>The risk dashboard is a set of quantitative indicators of systemic risk in the EU financial system. Unless otherwise indicated: a) all EU indicators relate to the 28 Member States of the EU (the EU28) and b) all data series relate to the Euro 19 (i.e. the euro area) for the whole time series.</p> <p>The risk dashboard is accompanied by the following supplementary documents:</p> <p>Overview note</p> <p>Annex I</p> <p>Annex II</p>

17.07.2019 [EU Non-bank Financial Intermediation Risk Monitor 2019](#)

This report considers a range of systemic risks and vulnerabilities related to non-bank financial intermediation, including those related to interconnectedness, liquidity and leverage. Its monitoring universe includes all investment funds (IFs) and so-called other financial institutions (OFIs).

According to the ESRB, some non-bank financial institutions remain vulnerable to a repricing of risk, with potential spillovers to funding conditions of other financial sectors and the real economy. The ESRB also finds that the use and reuse of financial collateral in derivatives and securities financing transactions (SFTs) can create intermediation chains which can spread funding liquidity shocks. Finally, it is concluded that further work is needed to address remaining data gaps and to develop appropriate risk metrics to measure liquidity, leverage and interconnectedness.

29.07.2019 [ESRB Annual Report 2018](#)

The eighth Annual Report of the European Systemic Risk Board (ESRB) covers the period between 1 April 2018 and 31 March 2019. This period was characterised by a high level of policy uncertainty and by faster than expected moderation of economic growth. Economic sentiment indicators decreased in most EU Member States and public and private sector forecasters revised their projections of output growth.

Against this backdrop, the ESRB identified four main risks to EU financial stability which are interlinked: (i) repricing of risk premia in global financial markets; (ii) weaknesses in financial institutions' balance sheets; (iii) debt sustainability challenges in the public and private sectors; and (iv) vulnerabilities in the investment fund sector and risks from shadow banking activities. Compared with 2017 the ranking of these threats remained unchanged during 2018.

Countercyclical capital buffer (CCyB)

The list of applicable CCyB rates in EU/EEA countries is available on the [website of the ESRB](#). The following countries have announced a CCyB rate different from 0%:

Country	CCyB rate	Application as from
Belgium	0.5%*	01/07/2020
Bulgaria	0.5%*	01/10/2019
	1%*	01/04/2020
Czech Republic	1.5%	01/07/2019
	1.75%*	01/01/2020

	2%*	01/07/2020
Denmark	0.5%	31/03/2019
	1%*	30/09/2019
	1.5%*	30/06/2020
France	0.25%*	01/07/2019
	0.5%*	02/04/2020
Germany	0.25%*	01/07/2020
Iceland	1.75%	15/05/2019
	2%*	01/02/2020
Ireland	1%*	05/07/2019
Lithuania	1%	30/06/2019
Luxembourg	0.25%*	01/01/2020
Norway	2%	31/12/2017
	2.5%*	31/12/2019
Slovakia	1.25%	01/08/2018
	1.5%*	01/08/2019
Sweden	2%	19/03/2017
	2.5%*	19/09/2019
United Kingdom	1%	28/11/2018

Pending CCyB rates are followed by an asterisk (“*”).

The list of applicable CCyB rates in non-EU/EEA countries can be consulted on [the website of the Bank of International Settlements](#).

The Financial Stability Board (FSB)

Date	Publications	Description
02.07.2019	Review of the Technical Implementation of the Total Loss-Absorbing Capacity (TLAC) Standard	<p>This report sets out a technical review of the implementation of the Total Loss-Absorbing Capacity (TLAC) Standard.</p> <p>The review concludes that progress has been steady and significant in both the setting of external TLAC requirements by authorities and the issuance of external TLAC by G-SIBs. This has been instrumental in enhancing the resolvability of G-SIBs, strengthening cooperation between home and host authorities and boosting market confidence in authorities’ capabilities to address too-big-to-fail risks.</p>

The FSB will continue to monitor implementation of the TLAC Standard and issuance of TLAC instruments and report at least annually on progress.

11.07.2019 [Cyber Incident Response and Recovery: Survey of Industry Practices](#)

The FSB is developing a toolkit of effective practices relating to a financial institution's response to, and recovery from, a cyber incident. The toolkit aims to provide financial institutions and authorities with a set of effective practices and will be based on the shared experience and diversity of perspectives gathered by the FSB, including through responses to its [survey of industry practices](#).

The survey closes on 28 August 2019.

19.07.2019 [FSB adjusts implementation timelines for its policy recommendations to address financial stability risks in securities financing transactions](#)

The Financial Stability Board (FSB) has decided to adjust the implementation timelines for its recommendations on securities financing transactions (SFTs), specifically those related to minimum haircut standards for non-centrally cleared SFTs. □

For example, the implementation timelines for the policy recommendations related to the framework of numerical haircut floors will be extended to January 2022 (instead of end-2018) for bank-to-non-bank transactions and to January 2024 (instead of end-2019) for non-bank-to-non-bank transactions. The implementation timelines for other recommendations remain unchanged.

19.07.2019 [Regulatory framework for haircuts on non-centrally cleared securities financing transactions](#)

This document sets out the finalised policy recommendations in the framework for haircuts on certain non-centrally cleared securities financing transactions (SFTs), based on the public consultation findings. The framework aims to address financial stability risks associated with SFTs. This work, which was earlier published in October 2014, sets out numerical haircut floors to apply to non-bank-to-non-bank SFTs and updates the implementation dates of the FSB's recommendations on SFTs.

NEWS OF THE EUROPEAN SECURITIES AND MARKETS AUTHORITY (ESMA)

Date	Publications	Description
01.07.2019	ESMA issues opinions on product intervention measures by Cyprus, France, Malta and Sweden	ESMA has issued four positive opinions on product intervention measures taken by the National Competent Authorities (NCAs) of Cyprus, France, Malta and Sweden. ESMA's opinion finds that the proposed measures are justified and proportionate and that it is necessary for NCAs of other Member States to take product intervention measures that are at least as stringent as ESMA's measures.
01.07.2019	ESMA updates the CSDR Q&As	ESMA has updated its Questions and Answers (Q&As) regarding the implementation of the Central Securities Depository Regulation (CSDR).
01.07.2019	ESMA ceases renewal of product intervention measure relating to binary options	ESMA will not renew the temporary prohibition of the marketing, distribution or sale of binary options to retail clients in the European Union (EU).
02.07.2019	ESMA withdraws the registration of Moody's Investors Service EMEA LTD	ESMA has withdrawn the credit rating agency (CRA) registration of Moody's Investors Service EMEA Limited (MIS EMEA - UK).
02.07.2019	ESMA issues opinions on product intervention measures by Sweden, France and the United Kingdom	ESMA has issued three opinions on product intervention measures taken by the National Competent Authorities (NCAs) of Sweden, France and the United Kingdom. ESMA's opinion finds that the proposed measures are justified and proportionate and that it is necessary for NCAs of other Member States to take product intervention measures that are at least as stringent as ESMA's measures.
02.07.2019	ESMA broadens scrutiny of multiple withholding tax reclaim schemes	ESMA has published a report on its preliminary findings on multiple withholding tax (WHT) reclaim schemes, following a European Parliament (EP) request, and has launched a formal inquiry to gather further evidence from national competent authorities (NCAs) on the supervisory practices regarding those schemes across the European Union (EU).
02.07.2019	ESMA publishes responses to its Consultation on draft RTS under the ELTIF Regulation	ESMA has published the responses received to its Consultation on draft regulatory technical standards under Article 25 of the ELTIF Regulation.
04.07.2019	Authorisation of EURIBOR under the Benchmark Regulation	The Financial Services and Markets Authority (FSMA) of Belgium, on 2 July 2019, has authorised EMMI as the administrator of EURIBOR under the Benchmark Regulation (BMR), following positive advice of the EURIBOR College of Supervisors.

		EURIBOR is now considered BMR-compliant and was added to the ESMA benchmark register.
05.07.2019	Beyond Ratings SAS' CRA registration withdrawn	ESMA has withdrawn the credit rating agency (CRA) registration of the French Beyond Ratings S.A.S.
05.07.2019	MiFID II: ESMA issues latest double volume cap data	ESMA has updated its public register with the latest set of double volume cap (DVC) data under the Markets in Financial Instruments Directive (MiFID II).
07.07.2019	Update of annual equity transparency calculations – application of the tick size regime for third-country shares	On 21 June 2019, ESMA has published the updated results of the annual equity transparency calculations. The updated results are due to apply from 8 July 2019. The updated results are due to apply from 8 July 2019.
11.07.2019	ESMA updates its Q&As regarding the Benchmark Regulation	ESMA has issued an update of its Question and Answers (Q&As) on the European Benchmarks Regulation (BMR).
11.07.2019	ESMA reappoints three members of its Management Board	ESMA has reappointed three current members of its Management Board for a further 2½ year term that will begin on 1 October 2019. The members current terms will expire on 30 September 2019.
11.07.2019	ESMA appoints a new member to its SMSG	ESMA has appointed a new member to its Securities and Markets Stakeholder Group (SMSG).
11.07.2019	ESMA updates Q&As on MiFID II and MiFIR investor protection and intermediaries	ESMA has updated its Questions and Answers on the implementation of investor protection topics under the Market in Financial Instruments Directive and Regulation (MiFID II/ MiFIR).
11.07.2019	ESMA updates the CSDR Q&As	ESMA has updated its Questions and Answers (Q&As) regarding the implementation of the Central Securities Depository Regulation (CSDR).
12.07.2019	ESMA warns CFDs providers on application of product intervention measures	ESMA has published a statement addressed to providers marketing, distributing or selling contracts for differences (CFDs) to retail clients. The statement is in response to various practices and situations observed in the market, which raise concerns of non-compliance with the legal requirements applicable when providing services to retail clients.
12.07.2019	ESMA updates its Q&As on MiFID II and MiFIR market structure and transparency topics	ESMA has updated its Questions and Answers regarding market structures and transparency issues under the Market in Financial Instruments Directive (MiFID II) and Regulation (MiFIR).

12.07.2019	ESMA publishes report on the licensing of FinTech firms across Europe	ESMA published a report on the status of licensing regimes of FinTech firms across the European Union. The report is based on two surveys conducted by ESMA since January 2018, which gathered evidence from national competent authorities (NCAs) on the licensing regimes of FinTech firms in their jurisdictions.
12.07.2019	ESMA publishes responses to its Call for evidence on position limits in commodity derivatives	ESMA has published the responses received to its Call for evidence on position limits in commodity derivatives.
12.07.2019	ESMA updates the ESEF Reporting Manual	ESMA has published an update of its European Single Electronic Format (ESEF) Reporting Manual.
12.07.2019	ESMA launches consultation on cost of market data and consolidated tape	<p>ESMA has launched a public consultation on the development in prices for pre- and post-trade data and on the post-trade consolidated tape (CT) for equity instruments. MiFID II/MiFIR aims at ensuring fair access to and lowering the cost of market data and has established the legal framework for the provision of a CT. However, to date, no CT has emerged and, based on ESMA's analysis, it appears that MiFID II has so far not delivered on its objective to lower the prices of market data.</p> <p>The consultation runs until 6 September 2019.</p>
12.07.2019	ESMA updates its Q&As relating to the Prospectus Regulation	ESMA has included 25 new Q&As relating to Regulation (EU) 2017/1129 (the Prospectus Regulation).
12.07.2019	ESMA consults on disclosure guidelines under the Prospectus Regulation	<p>ESMA has launched a public consultation concerning its draft Guidelines on disclosure requirements under the Prospectus Regulation.</p> <p>The consultation runs until 4 October 2019.</p>
12.07.2019	ESMA publishes responses to its Consultation on indices and recognised exchanges under the CRR	ESMA has published responses to its Consultation on indices and recognised exchanges under the Capital Requirements Regulation.
12.07.2019	ESMA addresses derivatives trading obligation concerns following entry into force of EMIR Refit	ESMA has published a public statement addressing the misalignment between the scope of counterparties subject to the EMIR clearing obligation (CO) and those subject to the MiFIR derivatives trading obligation (DTO).
15.07.2019	ESMA consults on MiFID II compliance function requirements	ESMA has launched a consultation on draft guidelines on certain aspects of the compliance function requirements under MiFID II.

		The consultation runs until 15 October 2019 .
15.07.2019	ESMA fines Regis-TR S.A. €56,000 for data access failures	ESMA has fined the trade repository Regis-TR S.A. €56,000, and issued a public notice, for negligently failing to provide to regulators direct and immediate access to details of derivative contracts.
15.07.2019	ESMA amends enforcement decisions for Nordic banks following appeal	ESMA has published amended enforcement decisions regarding Nordea Bank, Svenska Handelsbanken, SEB, and Swedbank following a decision by the Board of Appeal of the European Supervisory Authorities (BoA).
15.07.2019	ESMA sets out expectations regarding application of IAS 12	ESMA has published a Public Statement on IAS 12 Income Taxes, setting out its expectations regarding the application of the requirements relating to the recognition, measurement and disclosure of deferred tax assets (DTAs) arising from unused tax losses in IFRS financial statements.
15.07.2019	ESMA updates its EMIR Q&A	ESMA has issued an update of its Q&A on practical questions regarding the European Markets Infrastructure Regulation (EMIR).
16.07.2019	ESMA consults on performance fee guidelines for retail funds, seeking greater harmonisation	ESMA launched a public consultation on draft guidelines on performance fees under the UCITS Directive. The consultation runs until 31 October 2019 .
16.07.2019	ESMA publishes the 23rd extract from the EECS database	ESMA has published an extract from its confidential database of enforcement decisions on financial statements.
17.07.2019	ESMA issues an opinion on product intervention measures by the Czech Republic	ESMA has issued a positive opinion on product intervention measures taken by the National Competent Authority (NCA) of the Czech Republic.
17.07.2019	ESMA reports on NCAs' use of sanctions under MiFID II	ESMA has published its first report concerning sanctions and measures imposed under MiFID II by National Competent Authorities (NCAs).
17.07.2019	ESMA launches call for evidence on certain investor protection topics in the context of the reports to be submitted by the EC under Article 90 of MiFID II	ESMA has published a call for evidence on certain investor protection topics included in the EC mandate to ESMA on the reports to be submitted by the EC under Article 90 of MiFID II. The call for evidence runs until 6 September 2019 .
17.07.2019	ESMA provides updated Q&As, XML schema and	ESMA has published several additional resources to assist market participants in the implementation of

	validation rules for securitisation reporting	ESMA's draft technical standards on disclosure requirements for the Securitisation Regulation.
18.07.2019	ESMA advises on credit rating sustainability issues and sets disclosure requirements	ESMA has published its technical advice on sustainability considerations in the credit rating market and its final guidelines on disclosure requirements applicable to credit ratings.
19.07.2019	ESMA readies stress testing requirements for money market funds	ESMA has issued two sets of guidelines regarding the stress testing of money market funds and reporting on money market funds to national competent authorities (NCAs), aimed at ensuring a coherent application of the Money Market Fund (MMF) Regulation.
22.07.2019	ESMA publishes its annual peer review report on EU CCPs supervision	ESMA has published its annual peer review report on the overall supervision of EU Central Counterparties (CCPs) by National Competent Authorities (NCAs).
23.07.2019	ESMA updates register of derivatives to be traded on-venue under MiFIR	ESMA has updated the public register of those derivative contracts that are subject to the trading obligation under the Markets in Financial Instruments Regulation (MiFIR).
24.07.2019	ESMA issues opinions on product intervention measures by Bulgaria, Denmark and Croatia	ESMA has issued four positive opinions on product intervention measures taken by the National Competent Authorities (NCAs) of Bulgaria, Denmark and Croatia.
29.07.2019	ESMA updates Q&As on MiFIR data reporting	ESMA has updated its Questions and Answers (Q&As) on data reporting under the Market in Financial Instruments Regulation (MiFIR).
31.07.2019	ESMA issues opinions on product intervention measures by Germany, Hungary, Malta and Poland	ESMA has issued four opinions on product intervention measures taken by the following National Competent Authorities (NCAs) of Germany, Hungary, Malta and Poland.
31.07.2019	ESMA publishes responses to its Consultation on reporting guidelines under SFTR	ESMA publishes responses to its Consultation on Guidelines for reporting under Articles 4 and 12 SFTR.
31.07.2019	ESMA publishes responses to its EMIR 2.2 Consultations	ESMA has published the responses received to its Consultations on tiering, comparable compliance and fees under EMIR 2.2.
31.07.2019	ESMA ceases renewal of product intervention measures relating to contracts for differences	ESMA will not renew the temporary restriction on the marketing, distribution or sale of contracts for differences to retail clients in the European Union (EU).

MAIN UPDATED FIGURES REGARDING THE FINANCIAL CENTRE

			Annual comparison
Banks	Number (16/08/2019)	131	↘ 7 entities
	Balance sheet total (31/03/2019)	EUR 821.791 bn	↗ EUR 75.685 bn
	Profit before provisions (31/03/2019)	EUR 1.012 bn	↘ EUR 266 m
Payment institutions	Number (16/08/2019)	11	↗ 1 entity
Electronic money institutions	Number (16/08/2019)	9	↗ 4 entities
UCIs	Number (16/08/2019)	Part I 2010 Law: 1,788	↘ 51 entities
		Part II 2010 Law: 285	↘ 16 entities
		SIFs: 1,493	↘ 52 entities
		TOTAL: 3,566	↘ 119 entities
	Number (08/08/2019)	SICARs: 262	↘ 17 entities
	Total net assets (30/06/2019)	EUR 4,411.388 bn	↗ EUR 174.306 bn
Management companies (Chapter 15)	Number (31/07/2019)	205	no variation
	Balance sheet total (30/06/2019) ³	EUR 14.327 bn	↗ EUR 218 m
Management companies (Chapter 16)	Number (31/07/2019)	164	no variation
AIFMs	Number (16/08/2019)	253	↗ 18 entities
Pension funds	Number (16/08/2019)	12	↘ 1 entity
Authorised securitisation undertakings	Number (14/08/2019)	32	↗ 1 entity
Investment firms	Number (16/08/2019)	97 of which 5 branches	↘ 3 entities
	Balance sheet total (30/06/2019)	EUR 1.432 bn	↘ EUR 195 m
	Provisional net profit (30/06/2019)	EUR 65.65 m	↗ EUR 12.73 m
Specialised PFS	Number (16/08/2019)	108	↘ 3 entities
	Balance sheet total (30/06/2019)	EUR 7.349 bn	↗ EUR 738 m
	Provisional net profit (30/06/2019)	EUR 235.939 m	↗ EUR 15.366 m
Support PFS	Number (16/08/2019)	75	↘ 1 entity
	Balance sheet total (30/06/2019)	EUR 2.058 bn	↗ EUR 761 m
	Provisional net profit (30/06/2019)	EUR 38.21 m	↗ EUR 0.59 m
Issuers of securities whose home Member State is Luxembourg pursuant to the Transparency Law	Number (08/08/2019)	467	↘ 76 entities
Public oversight of the audit profession	Number (31/07/2019)	60 <i>cabinets de révision agréés</i>	↗ 1 entity
		316 <i>réviseurs d'entreprises agréés</i>	↗ 10 people
		24 third-country auditors and audit firms	↘ 7 entities
Employment (30/06/2019)	Banks	26,650 people	↗ 167 people
	Management companies (Chapter 15) ³	4,871 people	↗ 319 people
	Investment firms	2,516 people	↗ 432 people
	Specialised PFS	4,660 people	↗ 319 people
	Support PFS	10,037 people	↘ 170 people
	Payment institutions	334 people	N/A
	Electronic money institutions	222	N/A
	Total	49,290 people	↗ 1,067 people ⁴

³ Preliminary figures

⁴ This development does not mean a net creation or loss of jobs, but includes the transfer of existing jobs from the non-financial sector to the financial sector and vice versa. The comparison does not take into account the payment institutions and electronic money institutions.