



Newsletter No 242

March 2021



Commission de Surveillance
du Secteur Financier

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News

The EU Commission's Digital Finance Package

Natasha Deloge, head of the CSSF's Financial innovation division, analyses the EU Commission's Digital Finance Package impact on the market.

Learn more about DORA, MICA, DLT and crypto assets regulation.

[Podcast link](#)



Claude Marx, The views of the regulator



Claude Marx, Director General of the CSSF, was the guest of the Luxembourg for Finance (LFF) for their series of podcasts "Shaping Finance".

In an interview with Nicolas Mackel, the CEO of the LFF, he addressed the challenges of financial regulation, the issue of Brexit, the future of AIFMD, as well as the issues of sustainable finance and financial education.

[Podcast link](#)

Marco Zwick on the pandemic's impact on the asset management industry

Marco Zwick, Director of the CSSF, was speaking to Citywire Selector on the pandemic's impact on liquidity management and stress testing, with a particular emphasis on how money-market funds were able to respond during periods of volatility. He also outlined how liquidity will likely sit



alongside ESG as a key consideration for any future reviews of the UCITS framework. Watch the full interview [here](#).

Marco Zwick participated in two conferences

Marco Zwick, Director of the CSSF, participated in two conferences: ALRiM Winter e-Conference and Virtual Funds Congress 2021. He discussed, among others, the impact of COVID-19 on the investment fund industry, the new ways of working, the ESG and the regulatory outlook for

2021. To view the conferences, please follow the following links:

[ALRiM Winter e-Conference](#)

[Virtual Funds Congress 2021.](#)

Isabelle Jaspert and Anne-George Kuzuhara talk about the post-Brexit regulatory framework with the LFF



On 23 February 2021, the LFF held a live stream event of its series FOCUS ON "LIFE AFTER BREXIT".

The Minister of Finance, Pierre Gramegna, provided a welcoming address for the event.

Isabelle Jaspert (Legal Department) and Anne-George Kuzuhara (Single Supervisory Mechanism (SSM) Department) were among the guests invited to discuss the new regulatory landscape post Brexit and how it may evolve.

Nicolas Mackel, CEO of the LFF, led the discussion with Ms Jaspert and Ms Kuzuhara who have touched upon what should be expected next in terms of UK equivalence post-Brexit, what has the CSSF done in this regard, what it means for London-based asset managers, whether market participants have implemented the new Brexit reality into their operations and how the relationship between the EU and the UK might evolve in the future.

The recording of this event may be replayed on the [website of the LFF](#).

Claude Marx and Françoise Kauthen reappointed to the CSSF's Executive Board

The mandates of Claude Marx as Director General of the CSSF and of Françoise Kauthen as Director of the CSSF have been renewed for a period of five years.

Their respective mandates henceforth run until:

- 04.02.2026 for Claude Marx
- 22.01.2026 for Françoise Kauthen.

For further information on the CSSF's governance, please visit the relevant pages of our website: [Governance – CSSF](#).

Latest developments in financial education



Different changes have been made on the website www.letzfîn.lu dedicated to financial education and designed to promote general

financial knowledge. First, the new categories "Sustainable Development" and "Digital Finance", which are both highly topical, have been added.

Sustainable development is playing an increasingly important role in the field of finance. For future generations, it is imperative that today's society evolves towards a society that respects our resources and our environment. This transition towards a sustainable economy requires considerable investment and therefore the support and involvement of investors.

Digitalisation offers consumers faster access to financial services and products. More and more products are being offered in digital form. Digitalisation thus opens up new perspectives in the field of finance but it must be ensured that consumers are aware of the associated risks.

New at Lëtzfîn is also a [self-assessment tool](#) that allows you to test your own level of financial knowledge and to identify possible deficits.

Further, Lëtzfîn launched a series of interviews to present the different actors in the field of financial education. A different expert will be invited each month to present his or her organisation and their priorities. This first [interview](#) is with Christian Schumacher, head of Service d'Information et de Conseil en matière de Surendettement, at the Ligue Médico-Sociale.

The number of publications on financial education is considerably increasing. Therefore, a new [library](#) was created on letzfîn.lu that provides a quick overview and accessibility to numerous documents and videos regarding financial education.

After the success of its website, Lëtzfîn is now also available on [Facebook](#) and a collaboration with Eldorado has started. Every last Thursday of the month, a CSSF representative speaks on [Eldorado](#) about a topic regarding financial education.



Coronavirus: Information for all supervised entities

Summary of the communications by the European authorities

On 1 February 2021, the ECB updated its frequently asked questions on the ECB supervisory measures in reaction to the coronavirus.

https://www.bankingsupervision.europa.eu/press/publications/html/ssm.faq_ECB_supervisory_measures_in_reaction_to_the_coronavirus~8a631697a4.en.html

On 3 February 2021, the ECB published the speech by Pentti Hakkarainen, Member of the Supervisory Board of the ECB, at the 5th Afore Conference.

<https://www.bankingsupervision.europa.eu/press/speeches/date/2021/html/ssm.sp210203~17a2ae3848.en.html>

On 4 February 2021, the ECB published the Economic Bulletin which presents the economic and monetary information which forms the basis for the Governing Council's policy decisions. This edition highlights that ample monetary stimulus remains essential to preserve favourable financing conditions over the pandemic period for all sectors of the economy. Overall, the incoming data confirm the Governing Council's previous baseline assessment of a pronounced near-term impact of the pandemic on the economy and a protracted weakness in inflation.

<https://www.ecb.europa.eu/pub/economic-bulletin/html/eb202101.en.html>

On 5 February 2021, the ECB published the speech by Andrea Enria, Chair of the Supervisory Board of the ECB, at the 20th LSE German Symposium.

<https://www.bankingsupervision.europa.eu/press/speeches/date/2021/html/ssm.sp210204~e7c2074ef8.en.html>

On 16 February 2021, the ECB published an interview with Elizabeth McCaul, Member of the Supervisory Board of the ECB, conducted by Isabella Bufacchi.

<https://www.bankingsupervision.europa.eu/press/interviews/date/2021/html/ssm.in210216~6e9da04612.en.html>

On 16 February 2021, the ESRB published a report on the financial stability implications of support measures aimed at protecting the real economy from the effects of the coronavirus. The report shows that the fiscal response designed to support the real economy has stabilised lending and that the financial system has continued to function. However, as risks still lie ahead, the report also identifies policy priorities in terms of the design and duration of the fiscal measures, enhanced transparency and reporting, and preparedness for further adverse scenarios.

<https://www.esrb.europa.eu/news/pr/date/2021/html/esrb.pr210216~4d9cec6a0b.en.html>

On 17 February 2021, the ECB published its Supervision Newsletter covering the following topics:

- Interview with Kerstin af Jochnick, Member of the ECB's Supervisory Board, who looks back at the road travelled by banks and supervisors during the pandemic.
- COVID-19 exposes weaknesses in banks' recovery plans.
- COVID-19: making decisions in uncertain times.
- Credit underwriting standards: a challenge for smaller banks.
- Digital transformation of supervision picks up pace.
- SREP results 2020: banks show resilience but weaknesses remain.

<https://www.bankingsupervision.europa.eu/press/supervisory-newsletters/html/index.en.html>

On 18 February 2021, the ECB published its 2020 Annual Accounts. In 2020 the ECB's total assets increased by €112.2 billion to €569.3 billion, mainly owing to its share of securities purchases under the new pandemic emergency purchase programme. These purchases resulted in an increase in "Securities held for monetary policy purposes", while the cash settlement of these purchases accounts led to a corresponding increase in "Intra-Eurosystem liabilities". The rise in the value of euro banknotes in circulation also contributed to this increase.

<https://www.ecb.europa.eu/pub/annual/annual-accounts/html/ecb.annualaccounts2020-0508aea2f9.en.html>

On 25 February 2021, the ECB published an interview with Andrea Enria, Chair of the Supervisory Board of the ECB, conducted by Zeljko Kardum on 19 February 2021 and broadcast on 24 February 2021.

<https://www.bankingsupervision.europa.eu/press/interviews/date/2021/html/ssm.in210225-5e0b39ebad.en.html>

On 25 February 2021, the ESAs have published a joint supervisory statement on the effective and consistent application and national supervision of the SFDR. The statement aims to achieve an effective and consistent application and national supervision of the SFDR, promoting a level playing field and protecting investors.

<https://www.esa.europa.eu/esas-issue-recommendations-application-regulation-sustainability-related-disclosures>



Warnings

Warnings of the CSSF

Since the publication of the last Newsletter, the CSSF published the following warnings:

- Warning regarding a person named Kirill Samoilov
- Warning concerning the website www.bancredeluxembourg.com
- Warning concerning the website www.obeche-invest.com
- Warning concerning the website www.access-sa.net
- Warning concerning the website www.oceangroupcapital.co.uk
- Warning concerning the website www.luxfingroup.com
- Warning regarding the activities of an entity named "DaxKapital"
- Warning concerning the website www.coinfxhub.com
- Warning regarding the activities of an entity named "International Invest Group"
- Warning concerning the website www.fil-lux.com
- Warning concerning a fraud scheme misusing the name of the management company European Capital Partners (Luxembourg) S.A.

Given the significant number of fraudulent websites recently identified, the CSSF recommends you to verify whether the entity with which you would like to do business is supervised by the CSSF by using the application "**Search Entities**". In case of doubt, please visit our [website](#) and contact the CSSF.

Warnings published by IOSCO

Several warnings have been published on the IOSCO website at:

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



National regulation

Circular CSSF 21/766

The purpose of the circular is to update Circular CSSF 19/724 on technical specifications regarding the submission to the CSSF of documents under Regulation (EU) 2017/1129 and the Law of 16 July 2019 on prospectuses for securities and general overview of the regulatory framework on prospectuses.

<https://www.cssf.lu/en/Document/circular-cssf-21-766/>

Circular CSSF 21/767

The purpose of the circular is to inform the entities supervised by the CSSF of the FATF statements concerning high-risk jurisdictions on which enhanced due diligence and, where appropriate, counter-measures are imposed, as well as jurisdictions under increased monitoring of the FATF.

<https://www.cssf.lu/en/Document/circular-cssf-21-765/>

Circular CSSF 21/768

Following the amendments made to CSSF Regulation No 12-02, this circular updates Circular CSSF 03/113 (as amended by Circular CSSF 10/486) on the practical rules concerning the role of *réviseurs d'entreprises* (statutory auditors) in investment firms and issues a communication relating to Circular CSSF 07/325 (as amended by Circular CSSF 21/765) on the provisions relating to credit institutions and investment firms of EU origin established in Luxembourg by way of branches or exercising activities in Luxembourg by way of free provision of services.

<https://www.cssf.lu/en/Document/circular-cssf-21-768/>

Law of 25 February 2021

The law amends the following laws:

1. the Law of 12 November 2004 on the fight against money laundering and terrorist financing, as amended;
2. the Law of 20 April 1977 on gambling and betting relating to sporting events, as amended;
3. the Law of 17 December 2010 relating to undertakings for collective investment, as amended;
4. the Law of 25 March 2020 establishing a central electronic data retrieval system related to IBAN accounts and safe-deposit boxes;
5. the Law of 10 July 2020 establishing a Register of *fiducies* and trusts.

The coordinated versions of the above-mentioned laws are available on the CSSF website.

<https://www.cssf.lu/en/Document/law-of-25-february-2021/>



FAQ

On 16 February 2021, the CSSF published the document “FAQ of the ABBL webinar dedicated to Circular CSSF 12/552 as amended”. The document is available at: <https://www.cssf.lu/en/Document/faq-of-the-abbl-webinar-dedicated-to-circular-cssf-12-552-as-amended/>.

On 1 March 2021, the CSSF published a new FAQ on e-Prospectus. The document is available at: <https://www.cssf.lu/en/Document/e-prospectus-faq-accounts-and-certificates/>.

On 5 March 2021, the CSSF updated two FAQs, namely “FAQ Cloud Computing Circular” (<https://www.cssf.lu/en/Document/faq-cloud-computing-circular/>) and “FAQ on the assessment of IT outsourcing materiality” (<https://www.cssf.lu/en/Document/faq-on-the-assessment-of-it-outsourcing-materiality/>).

On 11 March 2021, the CSSF updated the French version of the FAQ regarding the fight against money laundering and terrorist financing for individuals/investors (<https://www.cssf.lu/en/Document/faq/>) and the FAQ regarding persons involved in AML/CFT for a Luxembourg Investment Fund or Investment Fund Manager supervised by the CSSF for AML/CFT purposes (<https://www.cssf.lu/en/Document/faq-regarding-persons-involved-in-aml-cft-for-a-luxembourg-investment-fund-or-investment-fund-manager-supervised-by-the-cssf-for-aml-cft-purposes/>).



Fight against money laundering and terrorist financing

EBA Opinion on risk of money laundering and terrorist financing (ML/TF) affecting the European Union’s financial sector

The CSSF would like to raise awareness of the publication, on 3 March 2021, by the European Bank Authority (EBA), of its biennial Opinion on risk of money laundering and terrorist financing (ML/TF) affecting the European Union’s financial sector (<https://www.eba.europa.eu/eba-highlights-key-money-laundering-and-terrorist-financing-risks-across-eu>).

Certain risks such as divergent approaches of competent authorities to combating tax-related crimes (‘cum-ex/cum-cum’) are included in the Opinion for the first time. In particular, the EBA has noted significant divergences across the EU as regards the practices considered as tax crimes under national law and the lack of a formal protocol of cooperation with tax authorities in some Member States.

The risk arising from the COVID-19 pandemic is an example of how new ML/TF risks may emerge unexpectedly and have a negative impact on the firms’ AML/CFT compliance. The risks associated with COVID-19 are broad and include, among others, the emergence of new typologies of crime, the increase in remote on-boarding of customers, firms not adequately equipped to manage these risks and the adaptation of activities and monitoring plans by competent authorities.

Other risks identified in the two previous Opinions on ML/TF risks, such as those associated with virtual currencies and innovate financial services, continue to be included because of their relevance today.

Public Consultation on FATF Guidance on Proliferation Financing Risk Assessment and Mitigation

The FATF agreed, at its second Plenary of 22, 24 and 25 February 2021, on new guidance on proliferation financing risk assessment and mitigation for public consultation. In October 2020, the FATF significantly strengthened its measures to prevent the financing of weapons of mass destruction (WMD) proliferation financing, a serious threat to international peace and security. At the same time, the FATF committed to developing guidance to assist countries and the private sector in assessing and mitigating the proliferation financing risk. This new guidance aims to clarify the implementation of the FATF requirements, including how to prepare a risk assessment in the context of proliferation financing, risk indicators for potential breach, non-implementation or evasion of proliferation financing sanctions obligations, and commensurate risk mitigation measures needed to address the identified risks, including for low-risk entities to avoid the unintended consequences of financial exclusion. It also addresses the supervision of proliferation financing risk assessments and mitigation.

The FATF is consulting private sector stakeholders before finalising Guidance to help the implementation of new requirements to identify, assess, understand and mitigate proliferation financing risk. Deadline for a response: by 9 April 2021 (18h00 CET).

This Guidance is available on the CSSF website at: <https://www.cssf.lu/en/Document/public-consultation-on-fatf-guidance-on-proliferation-financing-risk-assessment-and-mitigation/>.



Communiqués

Date	Publications
15.02.2021	STOR Survey (2019-2020) - General findings and observations
15.02.2021	AML/CFT Market Entry Form (video)
16.02.2021	Webinar dedicated to Circular CSSF 12/552 as amended (video)
22.02.2021	Results of the enforcement of the 2019 financial information published by issuers subject to the Transparency Law
22.02.2021	Communication regarding the regulatory reporting format applicable to investment firms under the Regulation IFR
23.02.2021	Simplification of the submission process for a new sub-fund via a new questionnaire
01.03.2021	Communication on the launch of e-Prospectus – a new CSSF web platform designed for the submission of prospectuses and relating documents
01.03.2021	Global situation of undertakings for collective investment at the end of January 2021
05.03.2021	Launch of the ESMA Common Supervisory Action on the supervision of costs and fees of UCITS
09.03.2021	Publication of the Single Resolution Board addressed to FMIs
12.03.2021	Announcement on the application of Regulation (EU) 2019/2088 on the sustainability-related disclosures in the financial services sector and related technical standards
17.03.2021	Crypto-assets: ESAs remind consumers about risks
19.03.2021	Examination of professional competence for “Réviseurs d’entreprises” – 2020 Session



Withdrawals decided by the CSSF

Following the CSSF's decision to withdraw the specialised investment fund HISTORIC & TROPHY BUILDINGS FUND from the official list of specialised investment funds, the VIth Chamber of the Luxembourg *Tribunal d'arrondissement* (District Court) dealing with commercial matters, per judgement on 7 January 2021, pronounced the dissolution and ordered the liquidation of the specialised investment fund HISTORIC & TROPHY BUILDINGS FUND. The same judgement has appointed Ms Muriel Wanderscheid as official receiver (*juge-commissaire*) and Mr Philippe Thiebaud as liquidator.

Following the CSSF's decision to withdraw the investment company in risk capital LUPERCALE S.A., SICAR from the official list of investment companies in risk capital, the VIth Chamber of the Luxembourg *Tribunal d'arrondissement* (District Court) dealing with commercial matters, per judgement on 21 January 2021, pronounced the dissolution and ordered the liquidation of the investment company in risk capital LUPERCALE S.A., SICAR. The same judgement has appointed Mr Laurent Lucas as official receiver (*juge-commissaire*) and Mr Ferdinand Burg as liquidator.

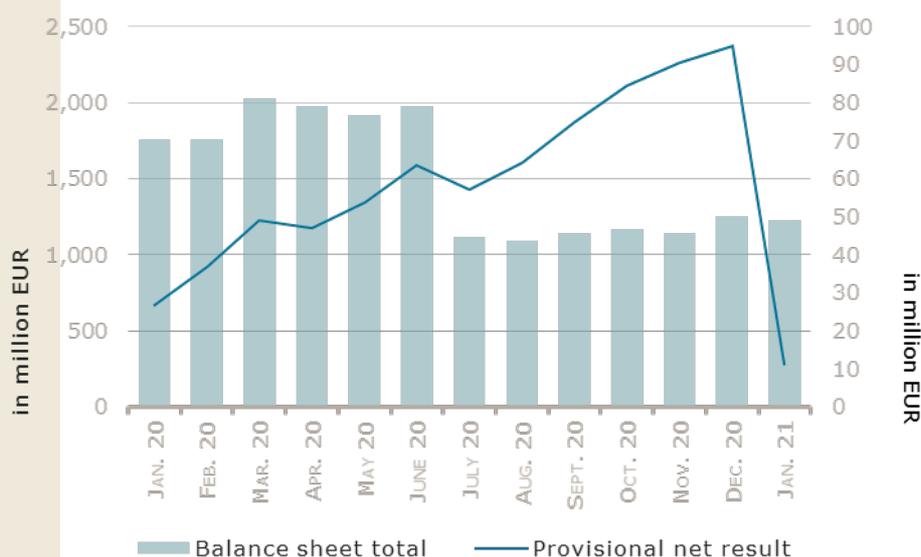
A decision to withdraw the management company BAUM MANAGEMENT from the official list of management companies authorised under Chapter 16 of the Law of 17 December 2010 relating to undertakings for collective investment was taken by the CSSF on 19 January 2021.



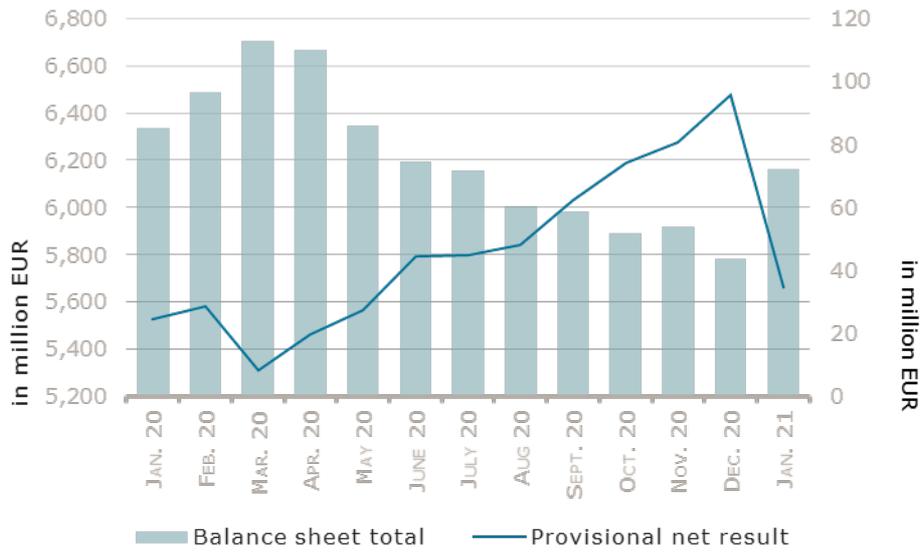
Statistics

MONTHLY STATISTICS

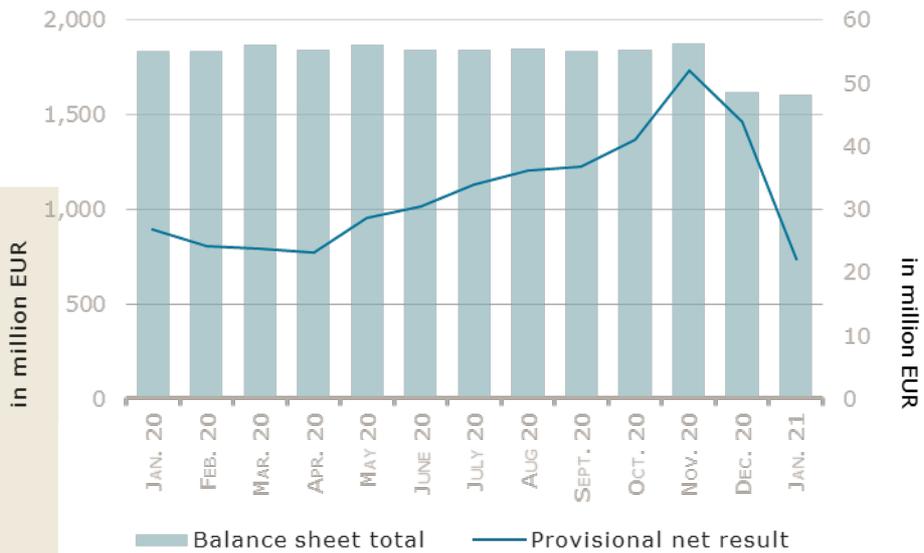
INVESTMENT FIRMS: DECREASE IN THE BALANCE SHEET TOTAL AS AT 31 JANUARY 2021



**SPECIALISED PFS:
INCREASE IN THE BALANCE SHEET TOTAL AS AT 31 JANUARY 2021**



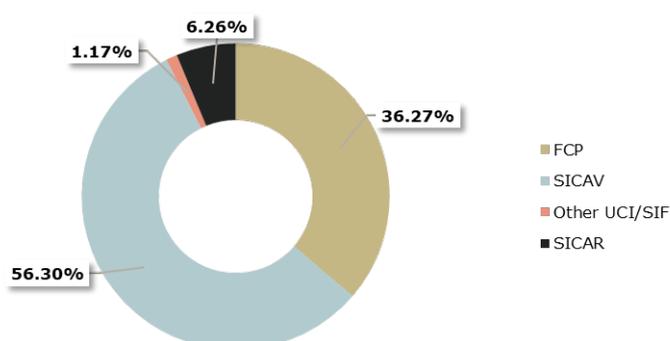
**SUPPORT PFS:
DECREASE IN THE BALANCE SHEET TOTAL AS AT 31 JANUARY 2021**



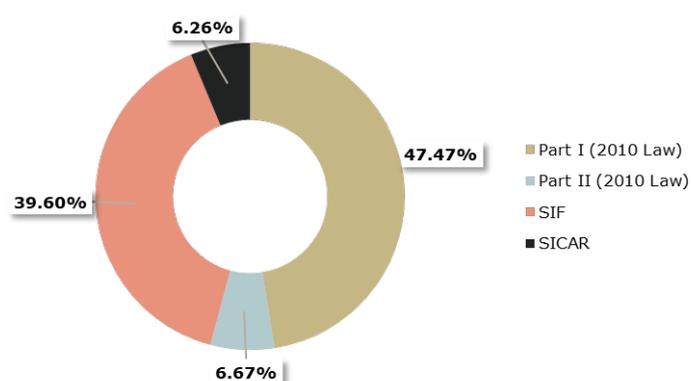
UCIS:
SITUATION AS AT 31 JANUARY 2020

NUMBER OF UCIS

Breakdown according to legal form



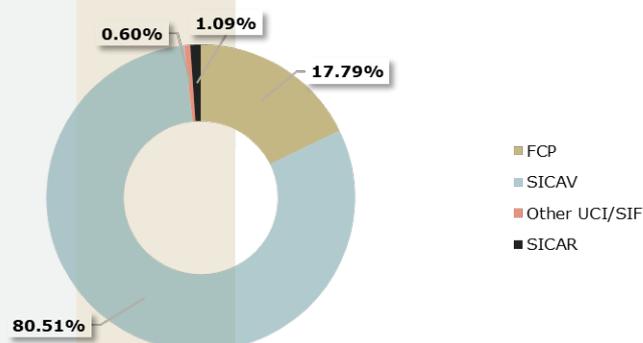
Breakdown according to law and part applicable



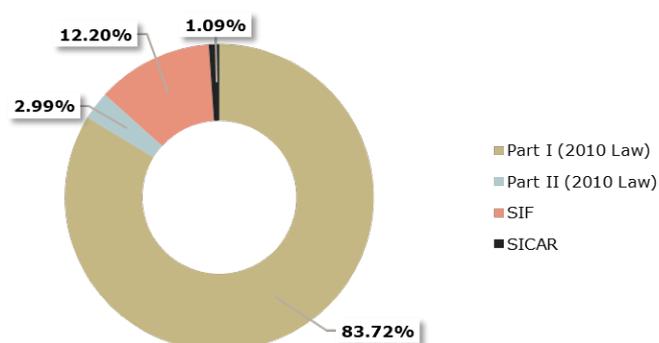
	FCP	SICAV	Other UCI / SIF	SICAR	Total
Part I (2010 Law)	875	825	0	0	1,700
Part II (2010 Law)	115	122	2	0	239
FIS	309	1,069	40	0	1,418
SICAR	0	0	0	224	224
Total	1,299	2,016	42	224	3,581

NET ASSETS OF UCIS

Breakdown according to legal form



Breakdown according to law and part applicable



	FCP	SICAV	Other UCI / SIF	SICAR	Total
Part I (2010 Law)	655.403	3,572.516	0.000	0.000	4,227.919
Part II (2010 Law)	48.196	102.068	0.503	0.000	150.767
SIF	194.962	391.395	29.927	0.000	616.284
SICAR	0.000	0.000	0.000	55.162	55.162
Total	898.561	4,065.979	30.430	55.162	5,050.132

NET ASSETS BROKEN DOWN BY INVESTMENT POLICY

Breakdown by investment policy	Net assets (in bn €)	Number of fund units
Fixed-Income Transferable Securities	1,423.328	3,228
Variable-Yield Transferable Securities	1,674.664	4,070
Mixed Transferable Securities	971.036	3,622
Funds of Funds	288.383	2,137
Money Market Instruments and Other Short-Term Securities	399.421	215
Cash	9.268	10
Private Equity	49.016	225
Venture Capital	2.994	29
Real Estate	94.813	322
Futures and/or Options	11.824	91
Other Assets	70.223	294
Public-to-Private	0.122	2
Mezzanine	1.082	11
Venture Capital (SICAR)	7.856	71
Private Equity (SICAR)	46.102	268
TOTAL	5,050.132	14,595

Breakdown by investment policy	Net assets (in bn €)	Number of fund units	Subscriptions (in bn €)	Redemptions (in bn €)	Net subscriptions (in bn €)
PART I					
Fixed-Income Transferable Securities	1,314.964	2,727	55.117	45.275	9.842
Variable-Yield Transferable Securities	1,597.622	3,738	90.081	57.964	32.117
Mixed Transferable Securities	778.596	2,609	26.214	24.414	1.800
Funds of Funds	144.125	869	3.341	2.611	0.730
Money Market Instruments and Other Short-Term Securities	373.615	178	161.675	169.011	-7.336
Cash	9.209	8	1.935	2.155	-0.220
Futures and/or Options	6.750	47	0.484	0.679	-0.195
Other Assets	3.038	9	0.155	0.045	0.110
SUB-TOTAL PART I	4,227.919	10,185	339.002	302.154	36.848
PART II					
Fixed-Income Transferable Securities	16.370	91	0.521	0.389	0.132
Variable-Yield Transferable Securities	13.816	57	0.045	0.168	-0.123
Mixed Transferable Securities	60.601	187	1.717	1.135	0.582
Funds of Funds	26.754	211	0.737	0.524	0.213
Money Market Instruments and Other Short-Term Securities	15.824	27	1.705	2.902	-1.197
Cash	0.000	0	0.000	0.000	0.000
Private Equity	8.958	20	0.352	0.036	0.316
Venture Capital	0.147	1	0.026	0.000	0.026
Real Estate	2.844	7	0.001	0.000	0.001
Futures and/or Options	1.312	15	0.211	0.132	0.079
Other Assets	4.141	19	0.050	0.113	-0.063
SUB-TOTAL PART II	150.767	635	5.365	5.399	-0.034

SIF

Fixed-Income Transferable Securities	91.994	410	2.026	1.027	0.999
Variable-Yield Transferable Securities	63.226	275	0.707	1.431	-0.724
Mixed Transferable Securities	131.839	826	2.420	2.455	-0.035
Funds of Funds	117.504	1,057	3.600	1.116	2.484
Money Market Instruments and Other Short-Term Securities	9.982	10	1.446	1.840	-0.394
Cash	0.059	2	0.002	0.002	0.000
Private Equity	40.058	205	0.538	0.171	0.367
Venture Capital	2.847	28	0.033	0.025	0.008
Real Estate	91.969	315	2.401	1.448	0.953
Futures and/or Options	3.762	29	0.040	0.088	-0.048
Other Assets	63.044	266	1.399	0.395	1.004
SUB-TOTAL SIFs	616.284	3,423	14.612	9.998	4.614

SICAR

Public-to-Private	0.122	2	0.000	0.004	-0.004
Mezzanine	1.082	11	0.000	0.000	0.000
Venture Capital	7.856	71	0.017	0.000	0.017
Private Equity	46.102	268	0.000	0.020	-0.020
TOTAL SICAR	55.162	352	0.017	0.024	-0.007
TOTAL LUXEMBOURG UCIS	5,050.132	14,595	358.996	317.575	41.421

ORIGIN OF THE INITIATORS OF LUXEMBOURG UCIS

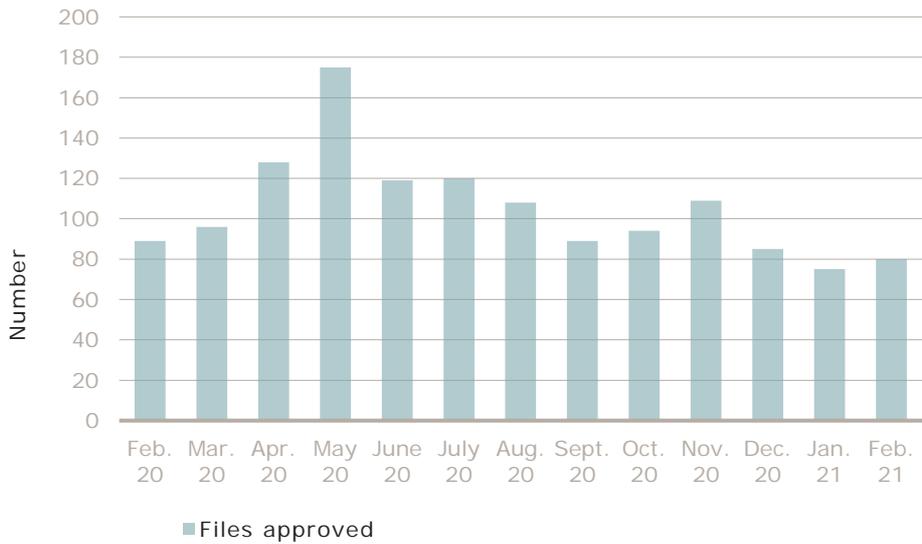
Country	Net assets (in bn EUR)	in %	Number of UCIs	in %	Number of fund units	in %
US	1,039.869	20.6%	168	4.7%	1,129	7.7%
GB	860.801	17.0%	252	7.0%	1,644	11.3%
CH	726.530	14.4%	542	15.1%	2,714	18.6%
DE	694.112	13.7%	1,168	32.6%	2,446	16.8%
FR	500.648	9.9%	275	7.7%	1,544	10.6%
IT	339.384	6.7%	132	3.7%	1,245	8.5%
BE	222.950	4.4%	150	4.2%	865	5.9%
LU	174.429	3.5%	260	7.3%	792	5.4%
NL	113.689	2.3%	40	1.1%	260	1.8%
DK	106.337	2.1%	21	0.6%	204	1.4%
OTHERS	271.383	5.4%	573	16.0%	1,752	12.0%
TOTAL	5,050.132	100.0%	3,581	100.0%	14,595	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	4.792	0.095%	25	0.171%
CAD	3.224	0.064%	18	0.123%
CHF	49.097	0.972%	260	1.781%
CNH	9.859	0.195%	27	0.185%
CNY	6.500	0.129%	4	0.027%
CZK	1.277	0.025%	74	0.507%
DKK	1.866	0.037%	12	0.082%
EUR	2,618.553	51.851%	9,111	62.426%
GBP	160.856	3.185%	319	2.186%
HKD	4.178	0.083%	9	0.062%
HUF	0.327	0.006%	25	0.171%
JPY	57.153	1.132%	176	1.206%
NOK	5.803	0.115%	37	0.254%
NZD	0.700	0.014%	3	0.021%
PLN	0.199	0.004%	5	0.034%
RON	0.530	0.011%	4	0.027%
SEK	45.473	0.900%	128	0.877%
SGD	1.089	0.022%	6	0.041%
USD	2,078.633	41.160%	4,351	29.812%
ZAR	0.023	0.000%	1	0.007%
TOTAL	5,050.132	100.000%	14,595	100.000%

PROSPECTUSES TO BE PUBLISHED WHEN SECURITIES ARE OFFERED TO THE PUBLIC OR ADMITTED TO TRADING ON A REGULATED MARKET

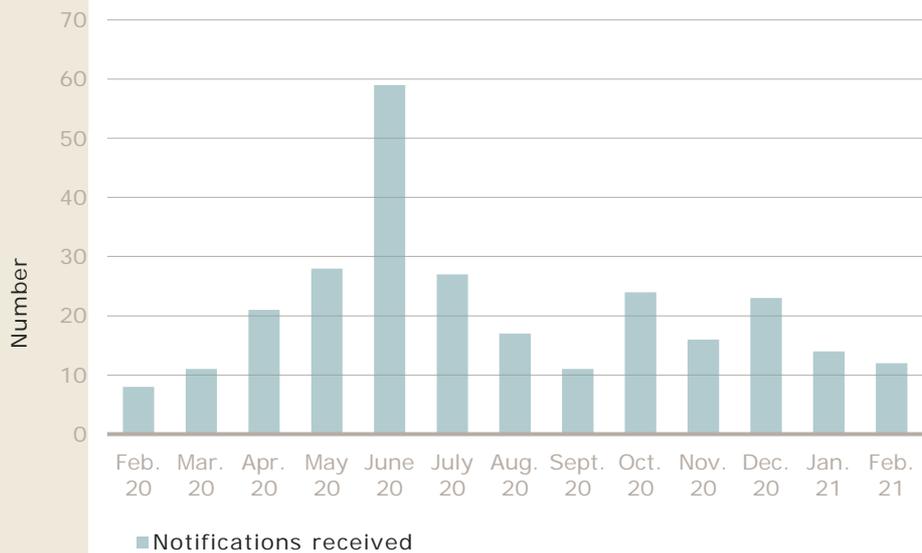
CSSF APPROVALS



In February 2021, the CSSF approved a total of 80 documents pursuant to the Prospectus Regulation, which break down as follows:

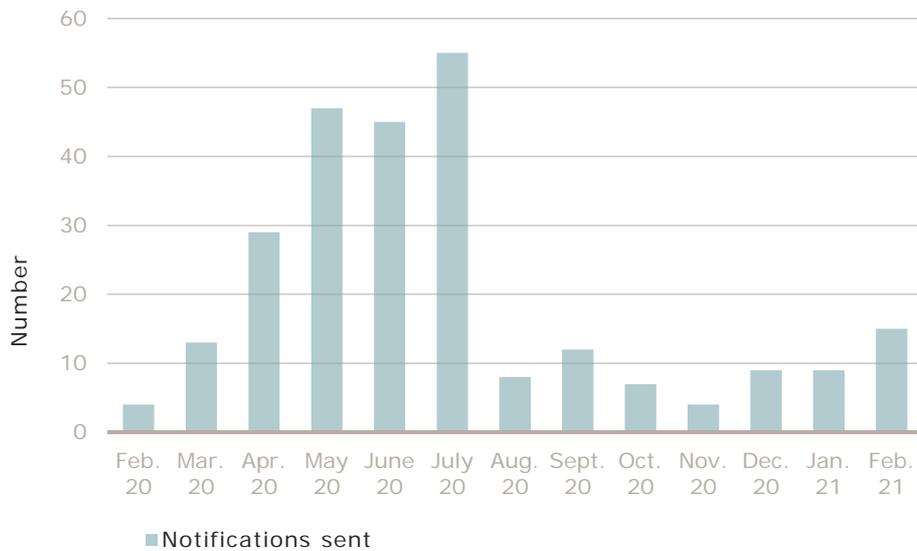
base prospectuses:	9 (11.25%)
other prospectuses:	12 (15.00%)
supplements:	59 (73.75%)

NOTIFICATIONS RECEIVED BY THE CSSF FROM THE COMPETENT AUTHORITIES OF OTHER EEA MEMBER STATES



In February 2021, the CSSF received 12 notifications relating to prospectuses and base prospectuses and 57 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



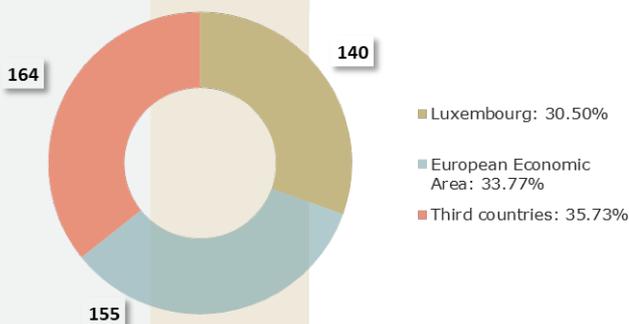
In February 2021, the CSSF sent 15 notifications relating to prospectuses and base prospectuses and 32 notifications relating to supplements to the competent authorities of other EEA Member States¹.

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")

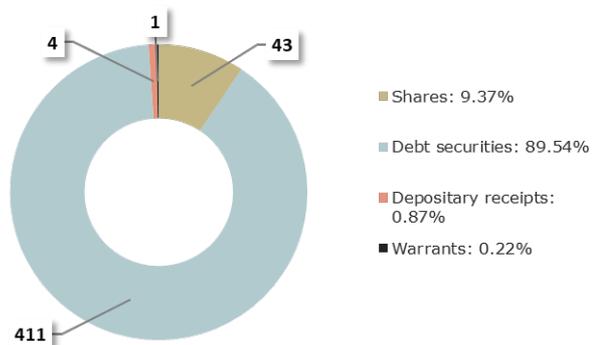
Since 31 January 2021, 16 issuers have chosen Luxembourg as home Member State for the purposes of the Transparency Law. Moreover, three issuers were deregistered from the list due to the fact that they no longer fall within the scope of the Transparency Law.

As at 28 February 2021, **459 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



¹ These figures are the number of prospectuses, base prospectuses, registration documents and supplements for which the CSSF sent one or several notifications. Where notifications were sent at different dates and/or in several Member States, only the first notification is included in the statistical calculation. Each document notified in one or several Member States is thus only counted once.

PENSION FUNDS

As at 28 February 2021, **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 institutions for occupational retirement provision in the form of a SEPCAV and an ASSEP.

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 **30** entities as at 28 February 2021.

PUBLIC OVERSIGHT OF THE AUDIT PROFESSION

The public oversight of the audit profession covered **55 cabinets de révision agréés** (approved audit firms) and **323 réviseurs d'entreprises agréés** (approved statutory auditors) as at 28 February 2021. The oversight also included **28 third-country auditors and audit firms** duly registered in accordance with the Law of 23 July 2016 concerning the audit profession.



Human resources

In order to increase its staff, the CSSF has hired five employees since the publication of the last Newsletter and counts, after the departure of 1 agent, 942 agents (506 men and 436 women). They have been assigned to the following departments:

On-site inspection

Lionel BADAL BECK
Fanny CAZIN
Pierre DIOT

Single Supervisory Mechanism (SSM)

Anne-Sophie HERMANN

Innovation, Payments, Market Infrastructures and Governance

Charlotte MORTZ-KEZIC



European/International News in February 2021

Single Supervisory Mechanism (SSM) - European Central Bank (ECB)

Date	Publications	Description
09.02.2021	List of supervised entities (as of 1 January 2021)	The ECB has updated the list of supervised entities and supervised groups that are 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 (NCA).
19.02.2021	ECB publishes supervisory Memoranda of Understanding	The ECB has published supervisory MoUs with UK, other European and non-European authorities.
19.02.2021	Letter from Andrea Enria, Chair of the Supervisory Board, to Mr Pedicini, MEP, on fit and proper assessment	The ECB published a letter from the Chair of the Supervisory Board to one member of the European Parliament in response to a written request related to fit and proper assessments.

Date	Interviews and speeches	Description
19.02.2021	Edouard Fernandez-Bollo: What does the ECB expect from banks' leaders?	The ECB published the speech by Edouard Fernandez-Bollo, Member of the Supervisory Board of the ECB, Florence School of Banking and Finance online seminar "Fit and Proper Assessment: Better Boards for Better Banks?".

European Parliament, European Commission and European Council

Date	Regulatory developments	Description
17.02.2021	Commission Delegated Regulation (EU) 2021/236 of 21 December 2020	Publication of Commission Delegated Regulation (EU) 2021/236 of 21 December 2020 amending technical standards laid down in Delegated Regulation (EU) 2016/2251 as regards to the timing of when certain risk management procedures will start to apply for the purpose of the exchange of collateral.
17.02.2021	Commission Delegated Regulation (EU) 2021/237 of 21 December 2020	Publication of Commission Delegated Regulation (EU) 2021/237 of 21 December 2020 amending regulatory technical standards laid down in Delegated Regulations (EU) 2015/2205, (EU) 2016/592 and (EU) 2016/1178 as regards the date at which the clearing obligation takes effect for certain types of contracts.
18.02.2021	Commission Implementing Regulation (EU) 2021/249 of 17 February 2021	Publication of Commission Implementing Regulation (EU) 2021/249 of 17 February 2021 amending Implementing Regulation (EU) 2015/2197 with regard to closely correlated currencies in accordance with Regulation (EU) No 575/2013 of the European Parliament and of the Council.

25.02.2021	Corrigendum to Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019	Publication of the Corrigendum to Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 575/2013 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation (EU) No 648/2012.
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European Banking Authority (EBA)

Date	Publications	Description
16.02.2021	EBA published final guidelines on tri-party repurchase agreements for large exposure purposes	The EBA published final guidelines specifying the conditions for the application of the alternative treatment of institutions' exposures related to "tri-party repurchase agreements" for large exposure purposes. Under the alternative treatment, institutions are allowed to replace the total amount of their exposures to a collateral issuer due to tri-party repurchase agreements facilitated by a tri-party agent, with the full amount of the limits that the institution has instructed the tri-party agent to apply to those exposures.
18.02.2021	EBA published final draft technical standards on disclosure of indicators of global systemic importance by G-SIIs	The EBA published its final draft ITS on the disclosure of indicators of global systemically important institutions (G-SIIs). These standards help to identify which banks are G-SIIs and specify the formats and instructions in accordance with which G-SIIs disclose the information required under the Capital Requirements Regulation (CRR) and aim at ensuring consistency of information.
19.02.2021	EBA publishes final draft technical standards on indirect exposures arising from derivatives underlying a debt or equity instrument	The EBA published final draft regulatory technical standards (RTS) specifying how institutions should determine exposures arising from derivative and credit derivative contracts not entered directly into with a client but whose underlying debt or equity instrument was issued by a client. These draft RTS will ensure appropriate levels of consistency through different pieces of the regulatory framework for the calculation of large exposures.
22.02.2021	EBA calls on national authorities to take supervisory actions for the removal of obstacles to account access under the Payment Services Directive	The EBA published an Opinion on supervisory actions national competent authorities (NCAs) should take to ensure banks remove any remaining obstacles that prevent third-party providers from accessing payment accounts, which restrict EU consumers' choice of payment services. The Opinion will contribute to a level playing field across the EU and to a consistent application and supervision of relevant requirements under the Payment Services Directive (PSD2) and the EBA Regulatory Technical Standards on strong customer authentication and common and secure communication (RTS on SCA&CSC).

Date	Consultations	Description
11.02.2021	EBA launched public consultation on the draft technical standards on supervisory disclosure	The EBA launched a public consultation on its draft Implementing Technical Standards (ITS) on the information concerning the new prudential requirements that competent authorities will be required to disclose publicly for all types of investment firms authorised under the Markets in Financial Instruments Directive (MiFID). The consultation runs until 11 May 2021 .
17.02.2021	EBA consults on guidance to assess breaches of the large exposure limits	The EBA launched a consultation on the criteria that competent authorities should use to assess a breach of the large exposure limits. The consultation paper also details the criteria to determine the period of time and the measures for institutions to return to compliance with those limits. The consultation runs until 17 May 2021 .
24.02.2021	EBA consults on draft technical standards to improve supervisory cooperation for investment firms	The EBA launched two public consultations on RTS and ITS on cooperation and information exchange between competent authorities involved in prudential supervision of investment firms. These draft standards provide a solid framework for (i) cooperation in the supervision of investment firm groups through colleges of supervisors and (ii) for information exchange for investment firms operating through branches or the free provision of services. These draft standards are part of the phase 2 mandates of the EBA roadmap on investment firms , and aim at improving cooperation and information exchanges between the supervisors of investment firms. Both consultations run until 23 April 2021 .

Basel Committee on Banking Supervision (BCBS)

Date	Publications	Description
11.02.2021	Do macroprudential policies affect non-bank financial intermediation? BIS Working Paper No 927	The authors analyse how macroprudential policies (MaPs), largely applied to banks and to a lesser extent borrowers, affect non-bank financial intermediation (NBFi). Using data for 24 of the jurisdictions participating in the Financial Stability Board's monitoring exercise over the period 2002–17, they study the effects of MaP episodes on bank assets and on those NBFi activities that may involve bank-like financial stability risks (the narrow measure of NBFi). They find that a net tightening of domestic MaPs increases these NBFi activities and decreases bank assets, raising the NBFi share in total financial assets. By contrast, a net tightening of MaPs in foreign jurisdictions leads to a reduction of the NBFi share – the effect of a drop in NBFi activities and an increase in domestic banking assets. Tightening and easing MaPs have largely symmetric effects on NBFi. They find that the effect of MaPs (both domestic and foreign) is economically and statistically significant for all those NBFi economic functions that may pose risks to financial stability.

Macroprudential topics and fora

European Central Bank (ECB)

Date	Publications	Description
18.02.2021	Consolidated balance sheet of the Eurosystem as at 31 December 2020	The annual accounts of all the Eurosystem national central banks will be finalised by the end of May 2021, and the final annual consolidated balance sheet of the Eurosystem will be published thereafter.
22.02.2021	ECB Opinion of 19 February 2021 on a proposal for a regulation on Markets in Crypto-assets, and amending Directive (EU) 2019/1937 (CON/2021/4)	On 18 and 30 November 2020, the ECB received requests from the Council of the European Union and the European Parliament, respectively, for an opinion on a proposal for a regulation of the European Parliament and of the Council on Markets in Crypto-assets, and amending Directive (EU) 2019/1937. In accordance with the first sentence of Article 17.5 of the Rules of Procedure of the European Central Bank, the Governing Council has adopted this opinion.

European Systemic Risk Board (ESRB)

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 since
Bulgaria	0.5%	01.04.2020
Czech Republic	0.5%	01.07.2020
Luxembourg	0.25%	01.01.2020
	0.5%	01.01.2021
Norway	1%	13.03.2020
Slovakia	1%	01.08.2020

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](#).

European Securities and Markets Authority (ESMA)

Date	Publication	Description
01.02.2021	ESMA launches a common supervisory action with NCAs on MiFID II product governance rules	ESMA is launching a common supervisory action (CSA) with national competent authorities (NCAs) on the application of MiFID II product governance rules across the European Union (EU). The CSA will be conducted during 2021.
01.02.2021	ESMA finalises rules on standardised information to facilitate cross-border distribution of funds	ESMA has published a final report on implementing technical standards (ITS) under the Regulation on cross-border distribution of funds. The ITS focus on the publication of information by national competent authorities (NCAs) on their websites, the notification of information by NCAs to ESMA and the publication of information by ESMA on its website.
01.02.2021	ESMA publishes report on proposed fees for benchmarks administrators	ESMA has published the Final Report on its Technical Advice regarding supervisory fees for benchmarks administrators under the BMR.
02.02.2021	ESMA publishes annual report on the application of waivers and deferrals for equity instruments	ESMA has published its Annual Report on the application of waivers and deferrals for equity instruments under MiFIR.
03.02.2021	ESMA provides input to the commission on improvements for ELTIF	ESMA sent a letter to the European Commission consultation on the review of the European Long Term Investment Funds (ELTIF) Regulation. ESMA highlights the key topics of the ELTIF review where we see the need to consider amendments to this framework.
03.02.2021	ESMA updates Q&As on MiFID II and MiFIR market structures topics	ESMA has updated its Questions and Answers (Q&As) regarding market structures issues under MiFID II and MiFIR.
03.02.2021	EIOPA's Board of Supervisors agrees on changes to the PRIIPs key information document	The European Supervisory Authorities - ESAs (the European Banking Authority, the European Insurance and Occupational Pensions Authority and the European Securities and Markets Authority) submitted to the European Commission draft Regulatory Technical Standards (RTS) on amendments to the key information document for packaged retail and insurance-based investment products (PRIIPs).
04.02.2021	The three European Supervisory Authorities publish final report and draft RTS on disclosures under SFDR	The Joint Committee of the three European Supervisory Authorities (EBA, EIOPA and ESMA – ESAs) delivered to the European Commission (EC) the Final Report, including the draft Regulatory Technical Standards (RTS), on the content, methodologies and presentation of disclosures under the EU Regulation on sustainability-related disclosures in the financial services sector (SFDR).
04.02.2021	Steven Maijoor delivers keynote speech at conference on Fintech and Regulation	ESMA Chair, Steven Maijoor, addressed senior policymakers and industry at the 5th Annual Conference on 'FinTech and Regulation: New Challenges and New Solutions'. His speech touched upon: digitalisation: risks and opportunities; accelerating trends; and safe navigation.
09.02.2021	ESMA withdraws the registrations of Fitch entities following mergers with Fitch Ratings Ireland	ESMA has withdrawn the credit rating agency (CRA) registrations of Fitch France, Fitch Polska, Fitch Italia and Fitch Ratings España following the merger with Fitch Ratings Ireland.
15.02.2021	ESMA calls for fund experts to join consultative stakeholder group	ESMA has issued a call for candidates in order to renew the composition of its Consultative Working Group (CWG) which advises ESMA's Investment Management Standing Committee (IMSC).

16.02.2021	ESMA submits IFRS 9 and IAS 20 related questions to IFRS interpretations committee	ESMA submitted questions related to the accounting for the third series of the European Central Bank's (ECB) Targeted Longer-Term Refinancing Operations (TLTRO III) to the International Financial Reporting Standards Interpretations Committee (IFRS IC).
17.02.2021	ESMA highlights risks to retail investors of social media driven share trading	ESMA has released a statement to highlight to retail investors the risks connected with trading decisions based exclusively on exchanges of views, informal recommendations and sharing of trading intentions through social networks and unregulated online platforms. The statement is issued as part of ESMA's investor protection objective to safeguard retail investors, whose participation is key to the development of the Capital Markets Union.
17.02.2021	ESMA organises workshop on "CCP margins and procyclicality in times of crisis"	ESMA is organising a workshop on CCP margins and procyclicality in times of crisis which takes place on 17 February 2021 from 2:30 to 6:00 PM (Paris time).
23.02.2021	Steven Maijoor delivers statement on GameStop at the ECON committee	ESMA Chair, Steven Maijoor, addressed the Members of the European Parliament within the Committee on Economic and Monetary Affairs (ECON). He was invited together with the European Commission's Director for Financial Markets, Ugo Bassi, for an exchange of views on GameStop share trading and related phenomena.
24.02.2021	ESMA publishes second annual report on waivers and deferrals for non-equity instruments	ESMA has published its second Annual Report on waivers and deferrals for non-equity instruments under MIFIR.
24.02.2021	ESMA publishes Guidelines to harmonise CCP supervisory reviews and evaluation under EMIR	ESMA has published the final report on Guidelines aimed at assisting competent authorities in the application of EMIR provisions that deal with the review and evaluation of central counterparties (CCPs).
25.02.2021	ESMA appoints new chair of its Corporate Reporting Standing Committee	The Board of Supervisors of ESMA has appointed Annemie Rombouts, Deputy Chair of the Belgian Financial Services and Markets Authority, as Chair of the Corporate Reporting Standing Committee (CRSC).
25.02.2021	ESMA publishes first Q&As on crowdfunding	ESMA has published a Questions and Answers (Q&A) regarding the understanding of Special Purpose Vehicle (SPV) aspects under the Regulation on European crowdfunding service providers for business.
25.02.2021	ESMA consults on methodology to calculate a benchmark in exceptional circumstances	ESMA has launched a consultation on draft guidelines detailing the obligations applicable to administrators that use a methodology to calculate a benchmark in exceptional circumstances under the Benchmarks Regulation (BMR). The consultation runs until 30 April 2021 .
26.02.2021	ESMA consults on regulating crowdfunding	ESMA has launched a consultation on draft technical standards on crowdfunding under the European crowdfunding service providers regulation (ECSPR). The consultation runs until 28 May 2021 .
26.02.2021	ESMA updates Q&As, templates and technical instructions for securitisation reporting	ESMA has published 4 new Q&As and modified 11 existing Q&As. ESMA also updated reporting instructions and an XML schema for the templates set out in the technical standards on disclosure requirements.



Financial centre

Main updated figures regarding the financial centre

			Annual comparison
Banks	Number (28/02/2021)	126	↘ 2 entities
	Balance sheet total (30/09/2020)	EUR 846.758 bn	↗ EUR 4.826 bn
	Profit before provisions (30/09/2020)	EUR 3.684 bn	↘ EUR 81 m
Payment institutions	Number (28/02/2021)	14	no variation
Electronic money institutions	Number (28/02/2021)	11	↗ 2 entities
UCIs	Number (28/02/2021)	Part I 2010 Law: 1,691	↘ 67 entities
		Part II 2010 Law: 239	↘ 27 entities
		SIFs: 1,415	↘ 31 entities
	TOTAL: 3,345	↘ 125 entities	
	Number (28/02/2021)	SICAR: 225	↘ 15 entities
	Total net assets (31/01/2021)	EUR 5,050.132 bn	↗ EUR 260.335 bn
Management companies (Chapter 15)	Number (28/02/2021)	181	↘ 12 entities
	Balance sheet total (31/12/2020) ²	EUR 17.505 bn	↗ EUR 888 m
Management companies (Chapter 16)	Number (28/02/2021)	155	↘ 1 entity
AIFMs	Number (28/02/2021)	262	↗ 5 entities
Pension funds	Number (28/02/2021)	12	no variation
Authorised securitisation undertakings	Number (28/02/2021)	30	↘ 3 entities
Investment firms	Number (28/02/2021)	93	↘ 6 entities
	Balance sheet total (31/01/2021)	EUR 1.228 bn	↘ EUR 530 m
	Provisional net profit (31/01/2021)	EUR 11.33 m	↘ EUR 15.29 m
Specialised PFS	Number (28/02/2021)	97	↘ 7 entities
	Balance sheet total (31/01/2021)	EUR 6.161 bn	↘ EUR 177 m
	Provisional net profit (31/01/2021)	EUR 34.65 m	↗ EUR 10.1 m
Support PFS	Number (28/02/2021)	71	↘ 2 entities
	Balance sheet total (31/01/2021)	EUR 1.604 bn	↘ EUR 230 m
	Provisional net profit (31/01/2021)	EUR 21.97 m	↘ EUR 4.81 m
Issuers of securities whose home Member State is Luxembourg pursuant to the Transparency Law	Number (28/02/2021)	459	↗ 6 entities
Public oversight of the audit profession	Number (28/02/2021)	55 <i>cabinets de révision agréés</i>	no variation
		323 <i>réviseurs d'entreprises agréés</i>	↗ 3 people
		28 third-country auditors and audit firms	↗ 4 entities
Employment (31/12/2020)	Banks ³		
	Management companies (Chapter 15) ²	4,862 people	↗ 2 people
	Investment firms	1,785 people	↗ 95 people
	Specialised PFS	5,476 people	↗ 293 people
	Support PFS	8,987 people	↗ 111 people
	Payment institutions/electronic money institutions	611 people	↗ 30 people
	Total	21,721 people⁴	↗ 531 people⁵

² Preliminary figures

³ The data as at 31 December 2020 were not available at the time of the drawing-up of the Newsletter.

⁴ Partial data

⁵ 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.