



Newsletter No 243

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Commission de Surveillance
du Secteur Financier

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Interview of Claude Marx with Paperjam and Delano

Claude Marx, Director General of the CSSF, looks back on his first mandate as head of the supervisory authority and on the challenges faced by the CSSF and the financial sector in Paperjam and Delano.

[Delano \(in English\)](#)

[Paperjam \(in French\)](#)



Interview of Jean-Pierre Faber on teleworking



The CSSF just issued Circular 21/769 on teleworking. What made you act?

First of all, we are answering to a market demand. Teleworking was part of reflections on the new ways of working even before the pandemic. There is a keen interest coming both from the employers and from the employees of the financial sector. And one of our

mission is to enable innovation by giving it a framework not to hinder it. This demand naturally grew with the pandemic and, once in March 2020, we issued recommendations that entities should massively use teleworking to protect the health of their employees and provide a barrier to the virus' spread. They solicited us to provide further guidance on requirements around central administration and security. If we had not issued this circular we would have continued to answer the numerous requests on an ad hoc basis, but also in a non-harmonised way, potentially leading to different interpretations by different actors. Issuing this circular applicable in the same way to all supervised entities creates a level playing field.

We also have to stress that this circular is not merely dedicated to teleworking in times of pandemics, but also for the "new normal" which will come thereafter. Existing texts and circulars could have been interpreted in the sense that we did not allow teleworking. Now we clearly state that we do allow teleworking, and we define the conditions/requirements under which it is allowed.

It is commonly known that it took nearly a year between the draft of the proposal and its publication. Why did it take so long?

This circular influences the working conditions of some 50,000 collaborators of a sector which moreover represents 30% of the Luxembourg GDP. So, its

drafting could not be taken lightly. Furthermore, the challenges we faced were numerous. We had to conciliate the needs of very diverse players from big banks with hundreds of employees to "ManCos", with sometimes a workforce of only three or four people. We also had to consider the specific requirements of the financial business in terms of data security and confidentiality, as well as the atypical situation of Luxembourg, where a large part of the workforce of the financial sector is non-resident. Here I am referring to implications in terms of tax or social security, but also to the larger issue of substance. So, we had to consult, consult and consult again with all of our counterparts of the industry and of the Ministry to come up with a text which provides for clarity, as well as for flexibility.

What are the main focus points of Circular 21/769?

The circular defines, as is stated in its title, the governance and security requirements for supervised entities that should be respected when implementing and using work processes based on Telework solutions. Supervised entities are required to maintain, at all times, a robust central administration in Luxembourg, keeping sufficient substance in the premises, in order to allow these entities to deal with emergencies or other time-critical issues in due time.

The second focus point of the circular is on the security requirements around teleworking and this on different levels: accessibility, integrity and confidentiality. This point is particularly important as access to the information and communication technology of a supervised entity from outside a controlled office environment poses additional risks. It, therefore, has to be ensured that these connections can only be made by teleworkers, preventing and detecting unauthorised intruders accessing the infrastructure. But the security of such access has to be guaranteed on multiple levels, the connecting devices have to be secured, the infrastructure to which they connect has to be secured, and the teleworkers have to be knowledgeable of the

risks related to such remote connections. This is why, on top of the technical set-up, we require supervised entities to ensure staff awareness through regular training, newsletters or other means of communication. In the past, remote access to the systems were often authorised on a case by case basis, notably to analyse

specifically the aspects of central administration and security requirements. By issuing this circular, we provide supervised entities with our requirements so they can align with these requirements, removing the necessity for an authorisation.



Coronavirus: Information for all supervised entities

Summary of the communications by the European authorities

On 1 March 2021, the ECB published an interview with Andrea Enria, Chair of the Supervisory Board of the ECB, conducted by Véronique Chocron for Le Monde on 10 February 2021.

<https://www.bankingsupervision.europa.eu/press/interviews/date/2021/html/ssm.in210301-f019795e58.en.html>

On 3 March 2021, the EBA published its biennial opinion on risks of ML/TF affecting the EU's financial sector. The ML/TF risks identified by the EBA include those that are applicable to the entire financial system, for instance the use of innovative financial services, while others affect specific sectors, such as de-risking. The list also includes ML/TF risks that emerge from wider developments such as the COVID-19 pandemic that has an impact on both the firms' AML/CFT compliance and the competent authorities' supervision. The opinion, therefore, sets out recommendations to competent authorities aimed at closing these gaps.

<https://www.eba.europa.eu/eba-highlights-key-money-laundering-and-terrorist-financing-risks-across-eu>

On 10 March 2021, the EBA issued a revised list of validation rules included in its ITS on supervisory reporting, highlighting those, which have been deactivated either for incorrectness or for triggering IT problems. Competent authorities throughout the EU are informed that data submitted in accordance with these ITS should not be formally validated against the set of deactivated rules.

<https://www.eba.europa.eu/eba-issues-revised-list-its-validation-rules-2>

On 10 March 2021, the EBA published its Consumer Trends Report for 2020/2021. The Report identifies topical issues including irresponsible lending, creditworthiness assessments, and digitalisation, which the EBA has very recently addressed, as well as others, such as selling practices and access to bank account, which it has recently started to work on. The Report also explains the measures the EBA has taken to mitigate the impact of the COVID-19 pandemic on consumers.

<https://www.eba.europa.eu/eba-assesses-consumer-trends-20202021>

On 11 March 2021, the ECB published its staff macroeconomic projections for the euro area. The near-term outlook depends on the evolution of the pandemic and, in particular, on how fast and how much rising vaccination rates will allow an unwinding of containment measures. According to staff projections, the medium-term outlook for real GDP is expected to be broadly similar to that foreseen in the December 2020 projections. Real GDP is expected to stand 3.3% above its 2019 pre-crisis level by the end of 2023. Inflation will be subject to considerable volatility over the coming quarters, but over the medium-term underlying price pressures are expected to remain subdued due to weak demand and to strengthen only gradually in line with the economic recovery.

https://www.ecb.europa.eu/pub/projections/html/ecb.projections202103_ecbstaff~3f6efd7e8f.en.html

On 12 March 2021, the ECB published an interview with Andrea Enria, Chair of the Supervisory Board of the ECB, conducted by Stefan Hartl for ORF on 8 March 2021 and broadcast on 8 March 2021.

<https://www.bankingsupervision.europa.eu/press/interviews/date/2021/html/ssm.in210312~262742d3f3.en.html>

On 15 March 2021, the EBA published its second report on the monitoring of liquidity coverage ratio (LCR) implementation in the EU. The report, which complements the one published on 12 July 2019, 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 across the EU, as well as to reduce some level playing field issues. The EBA will continue regularly monitoring the implementation of the LCR for EU banks and will update these reports on an ongoing basis to set out its observations and provide further guidance, where necessary.

<https://www.eba.europa.eu/eba-reports-monitoring-lcr-implementation-eu>

On 16 March 2021, the ECB published the speech by Andrea Enria, Chair of the Supervisory Board of the ECB, at the Morgan Stanley Virtual European Financials Conference.

<https://www.bankingsupervision.europa.eu/press/speeches/date/2021/html/ssm.sp210316~55c3332593.en.html>

On 18 March 2021, the ECB published the speech by Elizabeth McCaul, Member of the Supervisory Board of the ECB, at the NPL Summit 2021, Athens.

<https://www.bankingsupervision.europa.eu/press/speeches/date/2021/html/ssm.sp210318~a0a512f98b.en.html>

On 17 March 2021, the EBA launched a call for research papers in view of its 2021 Policy Research Workshop taking place on 16-17 November 2021 on the topic "The New Normal in the Banking Sector – Reshaping the Insights". The submission deadline is 9 July 2021.

<https://www.eba.europa.eu/eba-launches-call-papers-its-2021-policy-research-workshop>

On 23 March 2021, the ECB published the introductory statement by Andrea Enria, Chair of the Supervisory Board of the ECB, at the Hearing at the European Parliament's Economic and Monetary Affairs Committee.

<https://www.bankingsupervision.europa.eu/press/speeches/date/2021/html/ssm.sp210323~0430a6b099.en.html>

On 23 March 2021, the ECB announced that it will charge banks total fees of €514.3 million for the 2020 fee period. Overall supervisory costs last year stood at €535.3 million, a very slight decrease of 0.3% compared with 2019. After adjusting for a surplus of €22.0 million carried forward from 2019 and a €1 million reimbursement for individual fees, the ECB will levy banks €514.3 million.

<https://www.bankingsupervision.europa.eu/press/pr/date/2021/html/ssm.pr210323~5768c6cf93.en.html>

On 23 March 2021, the ECB published its Annual Report on supervisory activities 2020.

<https://www.bankingsupervision.europa.eu/press/publications/annual-report/html/ssm.ar2020~1a59f5757c.en.html>

On 25 March 2021, the ECB published its Economic Bulletin. This bulletin presents recent economic and monetary developments. It shows that the global economy rebounded from the recession induced by the coronavirus pandemic faster than expected. While the overall economic situation is expected to improve over 2021, there remains uncertainty surrounding the near-term economic outlook, relating in particular to the dynamics of the coronavirus pandemic and the speed of vaccination campaigns. In these conditions, preserving favourable financing conditions over the pandemic period remains essential.

<https://www.ecb.europa.eu/pub/economic-bulletin/html/eb202008.en.html#toc2>

On 31 March 2021, the EBA published its Risk Dashboard for the last quarter of 2020. The data show a rise in capital ratios, a contraction of the NPL ratio and a return on equity (RoE) significantly below banks' cost of equity. Besides asset quality and profitability, operational risks remain a key concern going forward.

<https://www.eba.europa.eu/eba-points-rising-share-loans-show-significant-increase-credit-risk-stage-2-loans>



Warnings

Warnings of the CSSF

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

- Warning concerning the website www.trsmarkets.com
- Warning concerning the website www.nexgenpartners.co.uk
- Warning concerning the website www.vicotoris.com
- Warning concerning a fraud scheme misusing the name of the management company Nordea Investment Funds S.A.
- Warning concerning the website www.sfi-capital.com
- Warning regarding the activities of an entity named "Capital Global Markets"
- Warning concerning the website www.radianinvestmentmanagement.com
- Warning regarding the activities of an entity named "CF Broker S.À R.L"

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

CSSF Regulation No 21-01

CSSF Regulation No 21-01 concerns the setting of the countercyclical buffer rate for the second quarter of 2021.

<https://www.cssf.lu/en/Document/cssf-regulation-no-21-01-of-31-march-2021/>

Circular CSSF-CPDI 21/25

The aim of this circular is to carry out a survey on deposits, and more particularly on covered deposits, as held by credit institutions incorporated under Luxembourg law, POST Luxembourg for its provision of postal financial services, and Luxembourg branches of credit institutions having their head office in a third country as at 31 March 2021.

<https://www.cssf.lu/en/Document/circular-cssf-cpdi-21-25/>

Circular CSSF 21/769

The circular defines the governance and security requirements with respect to the implementation and use of work processes based on telework solutions by entities under the supervision of the CSSF.

It contributes to the sound and prudent management, the proper organisation of these entities and the preservation of information security by providing guidance on the requirements with which they have to comply.

<https://www.cssf.lu/en/Document/cssf-circular-21-769/>

Circular CSSF 21/770

The circular informs the entities concerned of the amendments to the ESMA Guidelines on the Reporting under Articles 4 and 12 SFTR (ref. ESMA-70-151-2838).

<https://www.cssf.lu/en/Document/circular-cssf-21-770/>



FAQ

On 24 March 2021, the CSSF published the document "FAQ concerning the EU Regulation No 537/2014 relating to the appointment of statutory auditor or audit firms by public-interest entities". The document is available at: <https://www.cssf.lu/en/Document/faq-concerning-the-eu-regulation-no-537-2014-relating-to-the-appointment-of-statutory-auditor-or-audit-firms-by-public-interest-entities/>.

On 7 April 2021, the CSSF updated the Technical FAQ on Regulation CSSF No 20-08 on borrower-based measures for residential real estate credit. The document is available at: <https://www.cssf.lu/en/Document/technical-faq-on-regulation-cssf-no-20-08-on-borrower-based-measures-for-residential-real-estate-credit/>.



Communiqués

Date	Publications
31.03.2021	Profit and loss account of credit institutions as at 31 December 2020
31.03.2021	Global situation of undertakings for collective investment at the end of February 2021



Statistics

PROCESSING TIME OF INITIAL AUTHORISATIONS OF REGULATED INVESTMENT VEHICLES

WHAT IS IN SCOPE?

- **Initial authorisations** of investment vehicles completed since 01/01/2020
- Investment vehicles include **UCITS funds**¹ and non-UCITS, i.e. **SIF**² and **PII L10**³.

Please consider that a significant number of authorisation requests include cross-border aspects and a wide range of investment strategies that may add a degree of complexity. Consequently, such largely international investment vehicles are not readily comparable to strictly local investment vehicles directed to a more local group of investors.

WHAT IS OUT OF SCOPE?

- **Subsequent authorisations** concerning existing investment vehicles (including addition of sub-funds).
- **SICAR**⁴ and **outliers**⁵ as non representative.

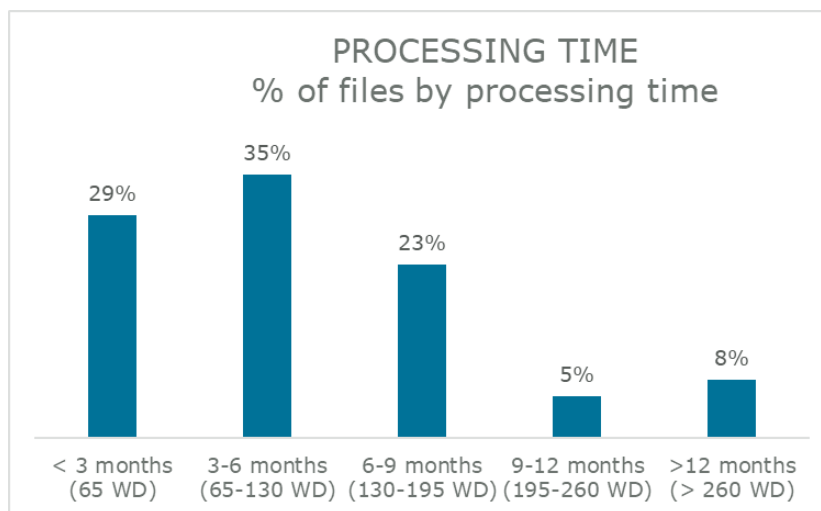
WHAT IS MEASURED?

The processing time between the **date of receipt of an application** by the CSSF and the date of CSSF **authorisation/refusal decision**.

It encompasses

- the **CSSF assessment** period and
- **processing time of applicants**.

It is expressed in working days (WD).



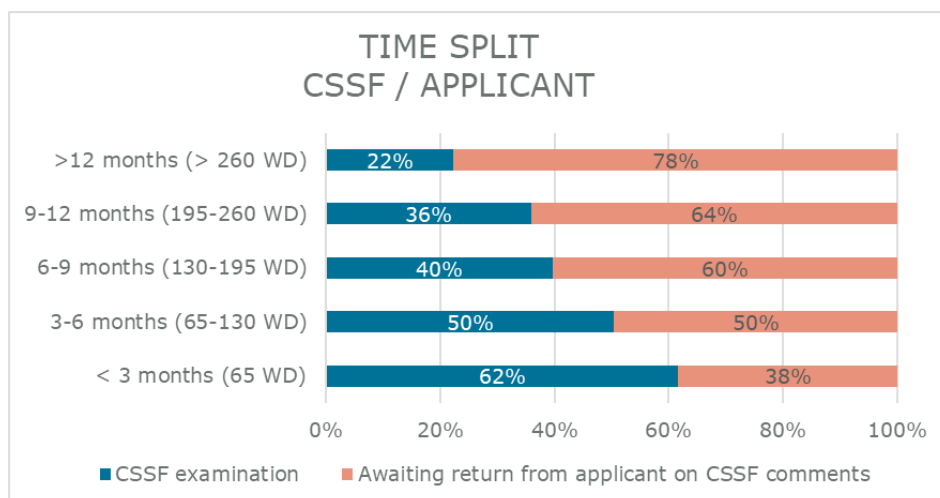
¹ Undertakings for Collective Investment in Transferable Securities (UCITS) are investment funds falling under the scope of Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities. This type of investment fund is subject to Part I of the Law of 17 December 2010 relating to undertakings for collective investment.

² Specialised Investment Funds (SIFs) are governed by the Law of 13 February 2007 relating to specialised investment funds.

³ Undertakings for Collective Investment (UCIs) are investment funds. They include those subject to Part II of the Law of 17 December 2010 relating to undertakings for collective investment.

⁴ A "société d'investissement en capital à risque" (SICAR) is an investment company in risk capital governed by the Law of 15 June 2004 relating to the investment company in risk capital.

⁵ Outliers include for example withdrawal of applications by applicants.



HOW TO READ THE CHARTS?

Chart PROCESSING TIME - % of files by processing time

E.g. 29% of initial authorisations completed since 1 January 2020 were processed within less than 3 months (65 working days).

Chart TIME SPLIT CSSF / APPLICANT

E.g. For files processed within less than 3 months (65 working days), 62% of the processing time corresponds to the CSSF assessment period and 38% to the processing time of applicants.

DISCLAIMER

Processing time **does not mean time to market**, as the latter includes upfront preparation and post authorisation work.

We further draw your attention to the fact that the charts are consolidated representations that do not represent in detail the level of **complexity** of applications submitted and **cross-border aspects** that may impact the processing time.

KEY LESSONS LEARNT AND BEST PRACTICES

The CSSF's intervention is to be understood as a service rendered in the **public interest** that goes beyond an administrative exercise, hence implying an **in-depth assessment** of applications by case officers.

Having due consideration for the importance and expectations attached by applicants to a predictable timespan for granting an authorisation, the CSSF constantly strives to optimise its processes, lastly through digital means aiming at gathering accurate data, information and documents through standardised applications and secured gateways.

The CSSF would further like to share hereafter **key lessons learnt** and **best practices** for a smooth application process.

Submission of applications once definitive in scope and complete in content only

When an application is submitted, the underlying project is supposed to be economically viable in the interest of investors and launched shortly after CSSF authorisation. Upon receipt of an application, the case officer checks the file for completeness and assesses its complexity to plan the review accordingly.

Delays in the examination phase may occur for example if

- the upload of forms and supporting documents turn out to be incomplete;
- fragmented application files are returned to the applicant;
- changes are done to the initial scope that require the submission of a new application.

Submission of applications according to guidelines disclosed on the CSSF website for a secure and swift submission

All applications must be submitted to the CSSF in accordance with the [guidelines](#).

Provision of transparent and relevant supporting documentation

A good understanding of the application is a prerequisite for a proper planning of its examination by the case officer. The CSSF requires that the mandatory forms are duly supported by underlying documentation, providing additional information in a transparent way.

Depending on nature and complexity of the project, the CSSF recommends that initiators present and describe proactively the project in an explanatory memo.

For complex files, an explanatory memo would outline the characteristics, specificities (in terms of structure, investment policies, strategies and instruments targeted) and compliance with legal and regulatory provisions.

Particular attention should be paid to drafting the prospectus and if applicable the KIID to ensure that investors have adequate, understandable and not misleading information on both the return objectives and associated risks to make up an informed judgement before investment.

The CSSF grants authorisation after a conclusive assessment provided that all legal and regulatory requirements are met.

Timely and exhaustive response to CSSF requests for clarification

In the ordinary course of an assessment, the CSSF takes care to bundle requests for clarifications/confirmations.

Consequently, the CSSF expects to be provided with an exhaustive and consolidated answer to such requests enabling a positive momentum in the application assessment.

Assuming that filing is based on a real and short-term project, answers are expected within a short time lapse.

Mark-up of amendments

For ease of review, draft prospectuses and other documents modified during the examination shall be forwarded in marked-up version and duly supported by mapping sheets where required.

Avoidance of substantial changes when examination in progress

An application must be based on a real underlying project, definitive in scope and complete in content.

Hence substantial changes and insertions of new features during the examination phase would be considered as a new project and require the submission of a new application file.

Timely provision of final documents

After notification to the applicant of the end of the examination phase, the CSSF expects a timely submission of

- the final prospectus to be visa-stamped
- the signed final documents and information as requested in the end of examination letter (*avis de fin d'examen*),

the aforementioned documents being a prerequisite to close the application process and put the new undertaking on the official CSSF list of authorised entities.

A timeframe up to 1 month after the date of the end of examination letter (*avis de fin d'examen*) is deemed reasonable.

The CSSF reserves the right to consider an application request as abandoned if final documents are not submitted in a timely manner.

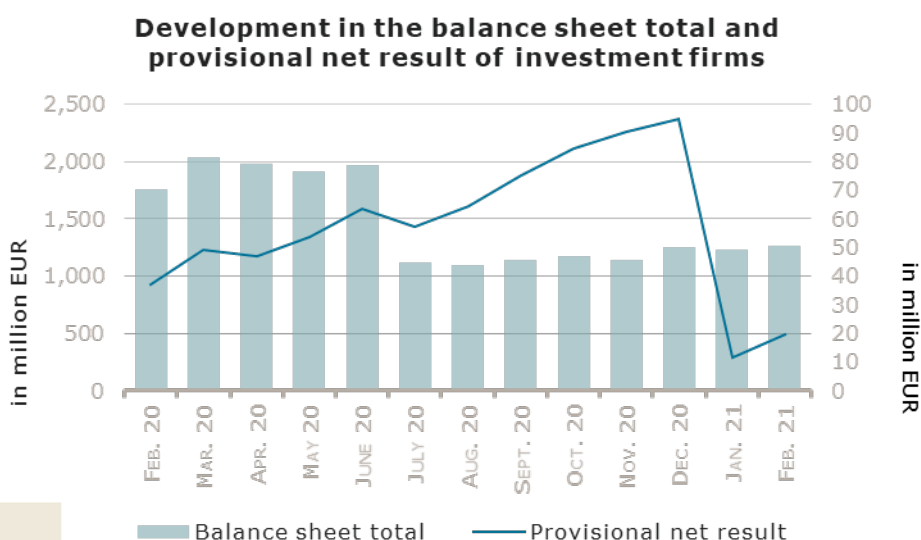
Avoidance of changes to validated draft prospectus

In order to be CSSF visa-stamped, the final prospectus submitted must be strictly identical to the draft version validated by the CSSF for release to investors.

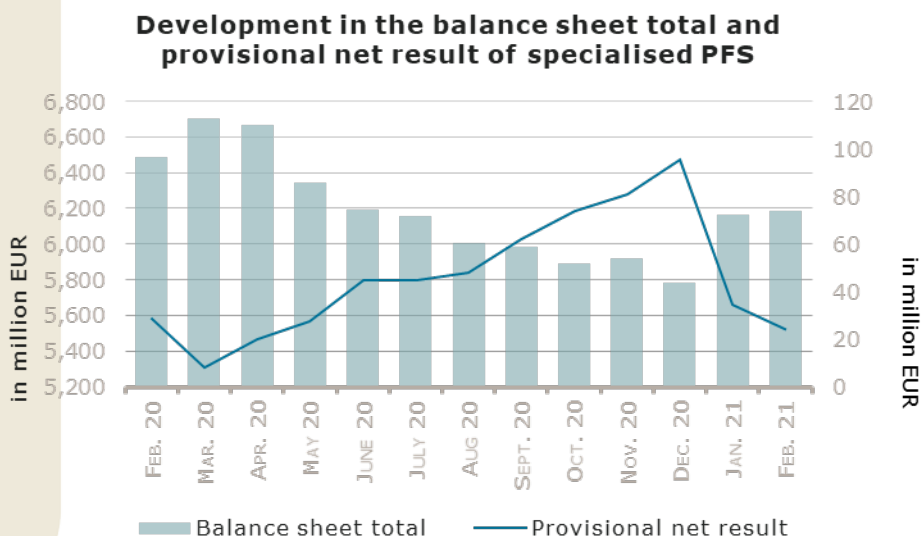
Any change to the version validated by the CSSF without prior notice is strictly prohibited and invalidates the authorisation granted.

MONTHLY STATISTICS

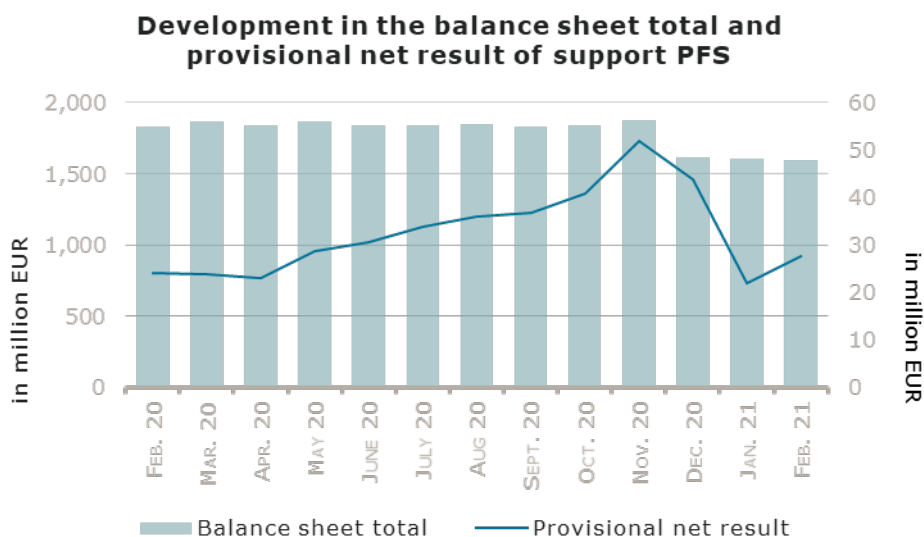
INVESTMENT FIRMS: INCREASE IN THE BALANCE SHEET TOTAL AS AT 28 FEBRUARY 2021



SPECIALISED PFS: INCREASE IN THE BALANCE SHEET TOTAL AS AT 28 FEBRUARY 2021



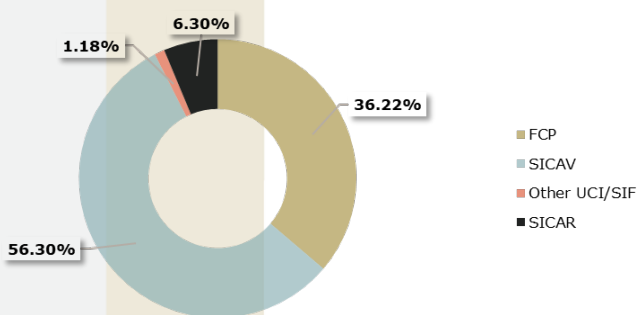
**SUPPORT PFS:
DECREASE IN THE BALANCE SHEET TOTAL AS AT 28 FEBRUARY 2021**



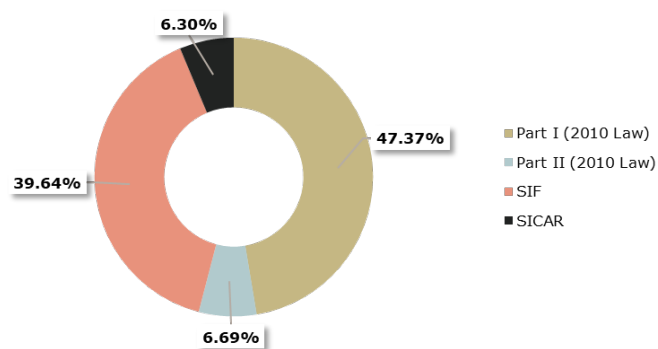
NUMBER OF UCIS

**UCIS:
SITUATION AS AT 28 FEBRUARY 2021**

Breakdown according to legal form



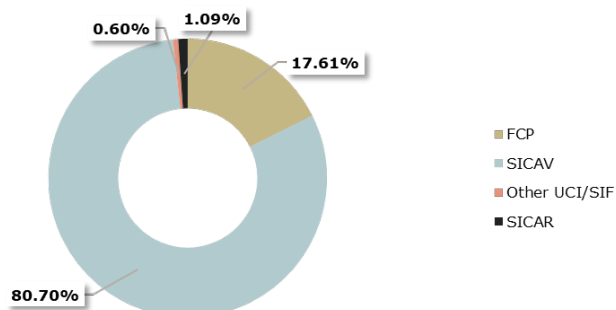
Breakdown according to law and part applicable



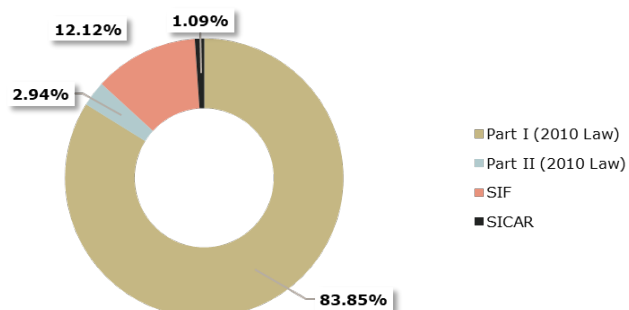
	FCP	SICAV	Other UCI / SIF	SICAR	Total
Part I (2010 Law)	870	821	0	0	1,691
Part II (2010 Law)	115	122	2	0	239
FIS	308	1,067	40	0	1,415
SICAR	0	0	0	225	225
Total	1,293	2,010	42	225	3,570

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)	656.918	3,611.675	0.000	0.000	4,268.593
Part II (2010 Law)	46.997	102.448	0.497	0.000	149.942
SIF	192.606	394.219	29.999	0.000	616.824
SICAR	0.000	0.000	0.000	55.416	55.416
Total	896.521	4,108.342	30.496	55.416	5,090.775

NET ASSETS BROKEN DOWN BY INVESTMENT POLICY

Breakdown by investment policy	Net assets (in bn €)	Number of fund units
Fixed-Income Transferable Securities	1,414.422	3,227
Variable-Yield Transferable Securities	1,727.097	4,063
Mixed Transferable Securities	976.830	3,615
Funds of Funds	293.078	2,134
Money Market Instruments and Other Short-Term Securities	383.100	210
Cash	8.399	10
Private Equity	49.742	230
Venture Capital	3.019	29
Real Estate	95.859	320
Futures and/or Options	12.760	91
Other Assets	71.053	291
Public-to-Private	0.123	2
Mezzanine	1.191	11
Venture Capital (SICAR)	8.205	71
Private Equity (SICAR)	45.897	269
TOTAL	5,090.775	14,573

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	1,307.359	2,727	59.019	56.397	2.622
Variable-Yield Transferable Securities	1,649.457	3,730	89.080	59.640	29.440
Mixed Transferable Securities	785.955	2,605	26.311	22.686	3.625
Funds of Funds	146.943	866	4.506	2.732	1.774
Money Market Instruments and Other Short-Term Securities	359.689	176	150.828	165.801	-14.973
Cash	8.340	8	1.361	2.287	-0.926
Futures and/or Options	7.353	47	0.734	0.322	0.412
Other Assets	3.497	9	0.561	0.183	0.378
SUB-TOTAL PART I	4,268.593	10,168	332.400	310.048	22.352
PART II					
Fixed-Income Transferable Securities	16.581	91	0.587	0.391	0.196
Variable-Yield Transferable Securities	13.310	56	0.040	0.259	-0.219
Mixed Transferable Securities	60.392	185	1.501	1.552	-0.051
Funds of Funds	27.147	209	0.591	0.654	-0.063
Money Market Instruments and Other Short-Term Securities	14.927	24	1.228	2.162	-0.934
Cash	0.000	0	0.000	0.000	0.000
Private Equity	9.137	20	0.253	0.057	0.196
Venture Capital	0.164	1	0.017	0.000	0.017
Real Estate	2.833	7	0.000	0.011	-0.011
Futures and/or Options	1.291	15	0.033	0.112	-0.079
Other Assets	4.160	19	0.067	0.048	0.019
SUB-TOTAL PART II	149.942	627	4.317	5.246	-0.929

SIF

Fixed-Income Transferable Securities	90.482	409	2.401	1.271	1.130
Variable-Yield Transferable Securities	64.330	277	0.480	0.375	0.105
Mixed Transferable Securities	130.483	825	2.038	2.209	-0.171
Funds of Funds	118.988	1,059	2.018	0.879	1.139
Money Market Instruments and Other Short-Term Securities	8.484	10	1.493	3.057	-1.564
Cash	0.059	2	0.000	0.000	0.000
Private Equity	40.605	210	0.253	0.028	0.225
Venture Capital	2.855	28	0.007	0.000	0.007
Real Estate	93.026	313	1.212	0.299	0.913
Futures and/or Options	4.116	29	0.128	0.137	-0.009
Other Assets	63.396	263	1.327	0.456	0.871
SUB-TOTAL SIFs	616.824	3,425	11.357	8.711	2.646

SICAR

Public-to-Private	0.123	2	0.000	0.000	0.000
Mezzanine	1.191	11	0.000	0.000	0.000
Venture Capital	8.205	71	0.000	0.000	0.000
Private Equity	45.897	269	0.003	0.047	-0.044
TOTAL SICAR	55.416	353	0.003	0.047	-0.044
TOTAL LUXEMBOURG UCIS	5,090.775	14,573	348.077	324.052	24.025

ORIGIN OF THE INITIATORS OF LUXEMBOURG UCIS

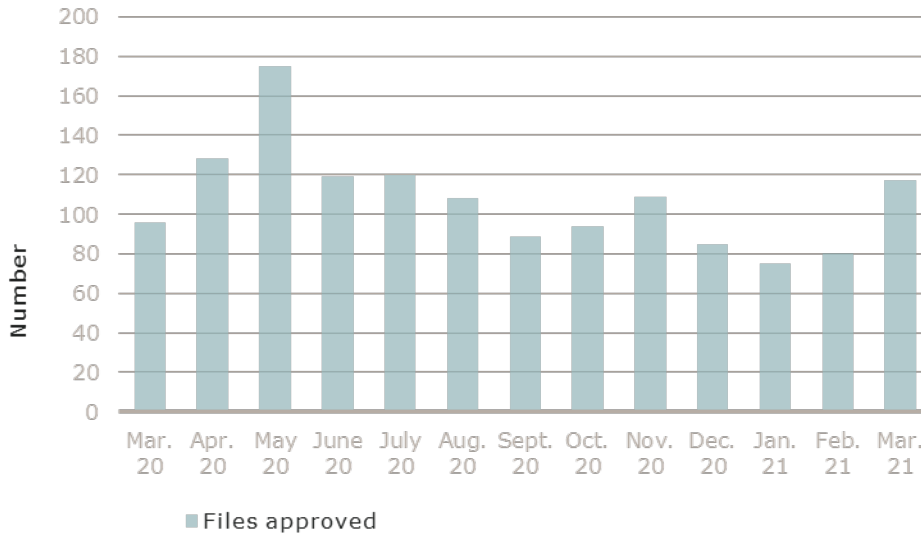
Country	Net assets (in bn EUR)	in %	Number of UCIs	in %	Number of fund units	in %
US	1,047.824	20.6%	168	4.7%	1,136	7.8%
GB	868.218	17.0%	251	7.0%	1,641	11.3%
CH	734.304	14.4%	543	15.2%	2,715	18.6%
DE	701.571	13.8%	1,165	32.6%	2,440	16.7%
FR	507.485	10.0%	273	7.7%	1,543	10.6%
IT	338.492	6.6%	131	3.7%	1,243	8.5%
BE	223.882	4.4%	148	4.2%	857	5.9%
LU	171.316	3.4%	261	7.3%	792	5.4%
NL	116.072	2.3%	40	1.1%	257	1.8%
DK	107.609	2.1%	21	0.6%	204	1.4%
OTHERS	274.002	5.4%	569	15.9%	1,745	12.0%
TOTAL	5,090.775	100.0%	3,570	100.0%	14,573	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	4.623	0.091%	24	0.165%
CAD	3.345	0.064%	18	0.124%
CHF	48.658	0.956%	260	1.784%
CNH	10.926	0.215%	26	0.178%
CNY	7.620	0.150%	4	0.027%
CZK	1.261	0.025%	74	0.508%
DKK	1.711	0.034%	12	0.082%
EUR	2,631.997	51.701%	9,086	62.348%
GBP	156.473	3.074%	317	2.175%
HKD	4.207	0.083%	9	0.062%
HUF	0.318	0.006%	25	0.172%
JPY	56.753	1.115%	177	1.215%
NOK	5.884	0.116%	37	0.254%
NZD	0.287	0.006%	2	0.014%
PLN	0.198	0.004%	5	0.034%
RON	0.526	0.010%	4	0.027%
SEK	45.938	0.902%	127	0.872%
SGD	1.126	0.022%	6	0.041%
USD	2,108.901	41.426%	4,359	29.911%
ZAR	0.023	0.000%	1	0.007%
TOTAL	5,090.775	100.000%	14,573	100.000%

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

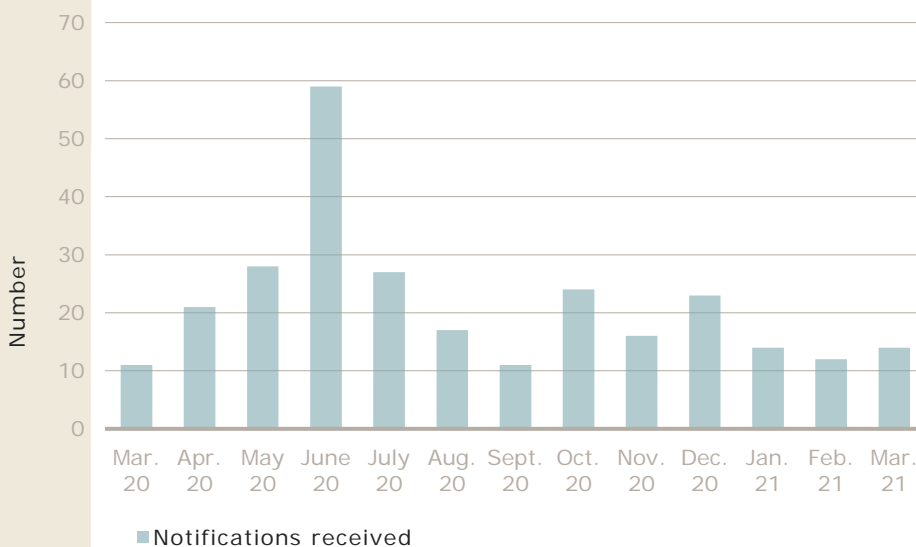
CSSF APPROVALS



In March 2021, the CSSF approved a total of 117 documents pursuant to the Prospectus Regulation, which break down as follows:

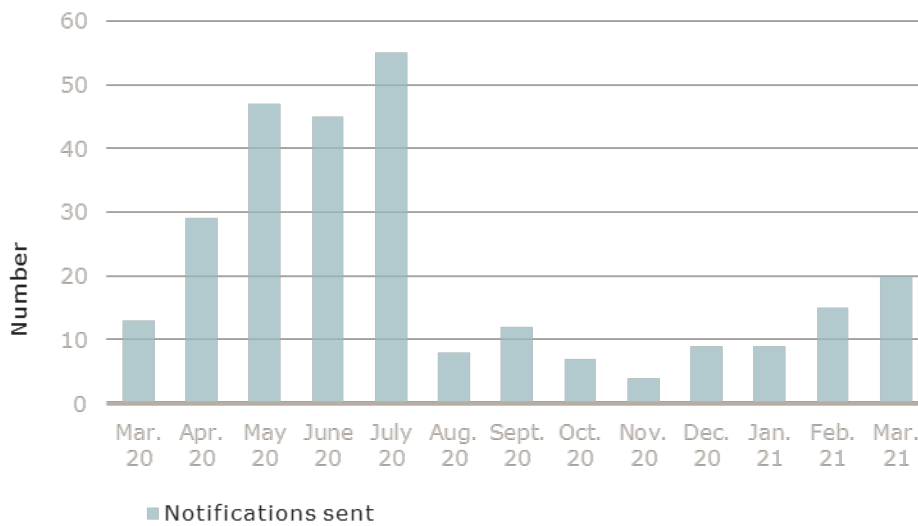
base prospectuses:	33 (28.21%)
other prospectuses:	17 (14.53%)
supplements:	67 (57.26%)

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



In March 2021, the CSSF received 12 notifications relating to prospectuses and base prospectuses, 2 notifications relating to registration documents and 70 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



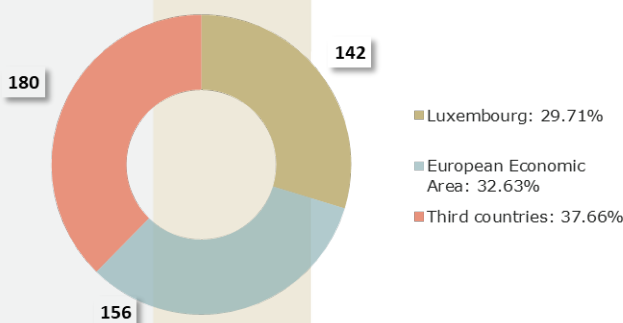
In March 2021, the CSSF sent 20 notifications relating to prospectuses and base prospectuses and 44 notifications relating to supplements to the competent authorities of other EEA Member States⁶.

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")

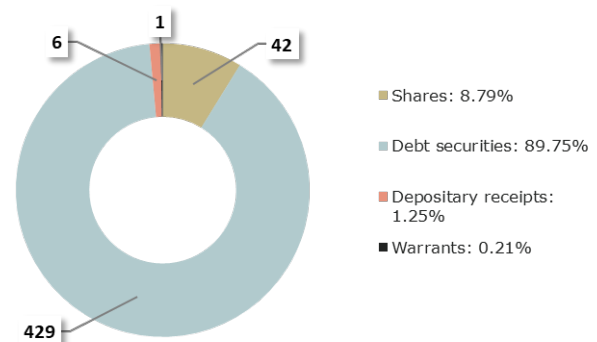
Since 28 February 2021, 21 issuers have chosen Luxembourg as home Member State for the purposes of the Transparency Law. Moreover, two issuers were deregistered from the list due to the fact that they no longer fall within the scope of the Transparency Law.

As at 31 March 2021, **478 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



⁶ 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 31 March 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 31 March 2021.

PUBLIC OVERSIGHT OF THE AUDIT PROFESSION

The public oversight of the audit profession covered **55 cabinets de révision agréés** (approved audit firms) and **324 réviseurs d'entreprises agréés** (approved statutory auditors) as at 31 March 2021. The oversight also included **27 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 four employees since the publication of the last Newsletter and counts, after the departure of 6 agents, 940 agents (504 men and 436 women). They have been assigned to the following departments:

Legal department

Vincent RENAUD

UCI departments

Till PETERS

Supervision of banks

Margarete HLINICKY

Personnel, administration and finance

Lilya MENARD



European/International News in March 2021

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

Date	Publications	Description
02.03.2021	ECB publishes guide on method of determining penalties for regulatory breaches	The ECB published a guide to the method of setting administrative pecuniary penalties that outlines the principles and methods for calculating the penalties used to sanction banks for breaches of prudential requirements. The publication marks a further step forward in the transparency of the ECB's supervisory policies and practices, also in line with the case law of the Court of Justice of the EU.

European Parliament, European Commission and European Council

Date	Regulatory developments	Description
11.03.2021	Commission Delegated Regulation (EU) 2021/424 of 17 December 2019	Publication of Commission Delegated Regulation (EU) 2021/424 of 17 December 2019 amending Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to the alternative standardised approach for market risk.
16.03.2021	Commission Implementing Regulation (EU) 2021/453 of 15 March 2021	Publication of Commission Implementing Regulation (EU) 2021/453 of 15 March 2021 laying down implementing technical standards for the application of Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to the specific reporting requirements for market risk.
19.03.2021	Commission Implementing Regulation (EU) 2021/451 of 17 December 2020	Publication of Commission Implementing Regulation (EU) 2021/451 of 17 December 2020 laying down implementing technical standards for the application of Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to supervisory reporting of institutions and repealing Implementing Regulation (EU) No 680/2014.
29.03.2021	Commission Delegated Regulation (EU) 2021/539 of 11 February 2021	Publication of Commission Delegated Regulation (EU) 2021/539 of 11 February 2021 amending Delegated Regulation (EU) No 1222/2014 supplementing Directive 2013/36/EU of the European Parliament and of the Council with regard to regulatory technical standards for the specification of the methodology for the identification of global systemically important institutions and for the definition of subcategories of global systemically important institutions.

European Banking Authority (EBA)

Date	Publications	Description
01.03.2021	EBA publishes final revised Guidelines on money laundering and terrorist financing risk factors	The EBA published its final revised guidelines on money laundering and terrorist financing (ML/TF) risk factors. The revisions take into account changes to the EU Anti-Money Laundering and Counter Terrorism Financing (AML/CFT) legal framework and address new ML/TF risks, including those identified by the EBA's implementation reviews. In addition to strengthening the financial institutions' risk-based approaches to AML/CFT, the revision supports the development of more effective and consistent supervisory approaches where evidence suggested that divergent approaches continue to exist.

01.03.2021	EBA advises the Commission on KPIs for transparency on institutions' environmentally sustainable activities, including a green asset ratio	The EBA published an opinion in response to the Commission's call for advice on Key Performance Indicators (KPIs) and related methodology for the disclosure by credit institutions and by investment firms of information on how and to what extent their activities qualify as environmentally sustainable in accordance with the EU Taxonomy. In the advice, the EBA underlines the importance of the green asset ratio, supported by other KPIs, as a key means to understand how institutions are financing sustainable activities and meeting the Paris agreement targets.
05.03.2021	EBA issues new supervisory reporting and disclosures framework for investment firms	The EBA published its final draft Implementing Technical Standards (ITS) on the supervisory reporting and disclosures of investment firms. The final draft ITS, which are part of the phase 1 mandates of the EBA roadmap on investment firms, will ensure a proportionate implementation of the new prudential framework for investment firms taking into account the different activities, sizes and complexity of investments firms. Some requirements apply as early as June 2021.
15.03.2021	EBA released its annual assessment of the consistency of internal model outcomes for 2020	The EBA published two reports on the consistency of risk-weighted assets (RWAs) across all EU institutions authorised to use internal approaches for the calculation of capital requirements for 2020. The reports cover credit risk for high and low default portfolios (LDPs and HDPs), as well as market risk. The results confirm that the majority of risk-weights variability can be explained by fundamentals. These benchmarking exercises are a fundamental supervisory and convergence tool to address unwarranted inconsistencies and restoring trust in internal models.
16.03.2021	EBA will make its Basel III monitoring exercise mandatory	The EBA published a decision, which will change the Basel III monitoring exercise from its current voluntary nature to a mandatory exercise from December 2021. This change stems from the need to expand the sample to more jurisdictions and credit institutions, making it more representative, as well as to reach a stable sample over time by providing authorities with a sound legal basis that frames the institutions' participation. This decision will assist the EBA to represent, effectively, the interests of EU institutions in the Basel Committee on Banking Supervision (BCBS) and to provide informed opinions and technical advice to the European Commission, the European Parliament and the Council regarding the implementation of the BCBS standards into the Union law.
18.03.2021	EBA updates phase 2 of its 3.0 reporting framework	The EBA published the phase 2 of its reporting framework v3.0. The technical package supports the implementation of the reporting framework by providing standard specifications and includes the validation rules, the Data Point Model (DPM) and the XBRL taxonomies for v3.0.
19.03.2021	EBA acknowledges adoption by the European Commission of standards on institutions' public disclosures	The EBA acknowledged the adoption by the European Commission of the Implementing Act laying down ITS on institutions Pillar 3 disclosures. The Implementing Act, which is based on the final draft ITS on the institutions' public disclosures submitted by the EBA in June 2020, was adopted by the Commission on 15 March 2021 but its publication in the Official Journal of the EU is still pending. The disclosure ITS will apply from 30 June 2021.

22.03.2021	EBA takes steps to address 'de-risking' practices	The EBA published three regulatory instruments to address de-risking practices based on evidence gathered in its call for input. The instruments clarify that compliance with anti-money laundering and countering terrorist financing (AML/CTF) obligations in EU law does not require financial institutions to refuse, or terminate, business relationships with entire categories of customers that they consider to present a higher ML/TF risk. In these documents the EBA also set out steps that financial institutions and competent authorities should take to manage risks associated with individual business relationships in an effective manner.
31.03.2021	EBA reviews final Q&As against revised legislation	The EBA reviewed Q&As published in its Single Rulebook Q&A tool against the revised Capital Requirements Regulation (CRR), Capital Requirements Directive (CRD) and Bank Recovery and Resolution Directive (BRRD). The published Q&As were updated in line with the revised legal acts, and the outcome has been reflected in the Q&A tool.

Date	Consultations	Description
01.03.2021	EBA launches public consultation on draft technical standards on Pillar 3 disclosures of ESG risks	<p>The EBA published a consultation paper on draft ITS on Pillar 3 disclosures on Environmental, Social and Governance (ESG) risks. The draft ITS put forward comparable disclosures that show how climate change may exacerbate other risks within the institutions' balance sheets, how institutions are mitigating those risks, and their green asset ratio on exposures financing taxonomy-aligned activities, such as those consistent with the Paris Agreement goals.</p> <p>The consultation runs until 1 June 2021.</p>
10.03.2021	EBA consults on guidance on how to grant authorisation as credit institution	<p>The EBA published a Consultation Paper on its Guidelines on a common assessment methodology for granting authorisation as a credit institution. The draft Guidelines are addressed to all competent authorities across the EU in charge of granting authorisation as a credit institution, and cover the authorisation requirements set out in the CRD. The draft Guidelines complement the Regulatory Technical Standards (RTS) on authorisation of credit institutions and contribute to the convergence of supervisory practices around market access for credit institutions across the single market.</p> <p>The consultation runs until 10 June 2021.</p>
11.03.2021	EBA published discussion paper on integrated reporting	<p>The EBA published a discussion paper on the feasibility study of an integrated reporting system to collect feedback for the preparation of its final report in this area. The discussion paper outlines possible options around the main building blocks of a possible integrated system including a single data dictionary and single reporting system across supervisory, resolution and central bank statistical data.</p> <p>The consultation runs until 11 June 2021.</p>
11.03.2021	EBA launched consultation on draft revised guidelines on stress tests of DGSs	<p>The EBA launched a public consultation on its revised guidelines on the stress tests conducted by national Deposit Guarantee Schemes (DGSs) under the Deposit Guarantee Schemes Directive (DGSD). The proposed revision will extend the scope of the DGS stress testing, by requiring more tests that will cover additional aspects of DGS interventions. The proposed framework will also achieve greater harmonisation and comparability, to enable the EBA to carry out a robust peer review of national DGS stress tests in 2024/25.</p> <p>The consultation runs until 11 June 2021.</p>

12.03.2021	EBA consults on technical elements for the implementation of the alternative standardised approach for market risk as part of its FRTB roadmap	<p>The EBA launched two public consultations on its draft RTS on gross jump-to-default (JTD) amounts and its draft RTS on residual risk add-on (RRAO). These draft RTS specify i) how gross JTD amounts are to be determined for the purposes of calculating the default risk charge for non-securitisation instruments, and ii) how to identify instruments exposed to residual risks for the purposes of the residual risk add on (RRAO) - under the alternative standardised approach for market risk. These draft RTS are part of the phase 3 deliverables of the EBA roadmap for the new market and counterparty credit risk approaches.</p> <p>Both consultations run until 12 June 2021.</p>
17.03.2021	EBA consults on its draft guidelines for institutions and resolution authorities on improving resolvability	<p>The EBA published a consultation on guidelines for institutions and resolution authorities on improving resolvability. These guidelines represent a significant step in complementing the EU legal framework in the field of resolution. They aggregate existing international standards, leverage on existing EU best practices and implement them into an EU-wide legal document.</p> <p>The consultation runs until 17 June 2021.</p>
17.03.2021	EBA consults on changes to its guidelines on risk-based AML/CFT supervision	<p>The EBA launched a public consultation on changes to its guidelines on risk-based supervision of the credit and financial institutions' compliance with anti-money laundering and countering the financing of terrorism (AML/CFT) obligations. The proposed changes address the key obstacles to effective AML/CFT supervision that the EBA has identified during its review of the existing guidelines, including the effective use of different supervisory tools to meet the supervisory objectives. The guidelines are central to the EBA's mandate to lead, coordinate and monitor the EU financial sector's fight against money laundering and terrorist financing.</p> <p>The consultation runs until 17 June 2021.</p>
18.03.2021	EBA consults on its revised guidelines on recovery plan indicators	<p>The EBA published a consultation paper on its revised guidelines on recovery plan indicators. While maintaining overall stability to the current recovery plan indicators framework, the revised guidelines provide additional guidance on indicators' calibration, monitoring and breaches notifications. The amendments aim at strengthening the quality of the recovery indicators framework and contributing to effective crisis preparedness of institutions.</p> <p>The consultation runs until 18 June 2021.</p>
31.03.2021	EBA launched public consultation on regulatory technical standards on disclosure of investment policy by investment firms	<p>The EBA published a consultation paper on draft RTS on disclosure of investment policy by investment firms. The draft RTS put forward comparable disclosures that should help stakeholders understand the investment firms' influence over the companies in which they have voting rights and the impact of investment firms' policies on aspects such as the governance or management of those companies.</p> <p>The consultation runs until 1 July 2021.</p>

European Supervisory Authorities (ESAs)

Date	Publication	Description
17.03.2021	ESAs published a consultation paper on taxonomy-related product disclosures	The three European Supervisory Authorities (EBA, EIOPA and ESMA) issued a consultation paper seeking input on draft RTS regarding disclosures of financial products investing in economic activities that contribute to an environmental investment objective. These economic activities are defined by the EU.

19.03.2021	ESAs publish Joint Q&As on Bilateral Margining	The ESAs published three Joint Questions and Answers (Q&A) on RTS 2016/2251 on bilateral margin requirements under the European Markets Infrastructure Regulation (EMIR).
26.03.2021	ESAs publish Q&As on cross-sectoral aspects of the Securitisation Regulation	The ESAs published Q&As on cross-sectoral aspects of the Securitisation Regulation.
26.03.2021	ESAs publish Joint Opinion on jurisdictional scope under the Securitisation Regulation	The ESAs published a Joint Opinion on the jurisdictional scope of the obligations of the non-EU parties to securitisations under the Securitisation Regulation (SECR).
31.03.2021	ESAs issue a report on the application of their Guidelines on complaints-handling	The ESAs published a Report on the application of their Guidelines on complaints-handling. The Report concludes that the Guidelines have contributed to a consistent approach to complaints-handling across the banking, insurance and securities sectors and have resulted in better outcomes for consumers.
31.03.2021	EU financial regulators warn of an expected deterioration of asset quality	The ESAs issued their first joint risk assessment report of 2021. The report highlights how the COVID-19 pandemic continues to weigh heavily on short-term recovery prospects. It also highlights a number of vulnerabilities in the financial markets and warns of possible further market corrections.

Macroprudential topics and fora

European Central Bank (ECB)

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](#).

Financial Stability Board (FSB)

Date	Publication	Description
30.03.2021	Videoconference: The FSB in 2021	FSB Chair Randal K. Quarles spoke at a virtual event on addressing financial stability challenges in an age of interconnectedness, innovation and change. The focus was on the future and the challenges we face going forward – in particular, non-bank financial intermediation, or NBF1, and cross-border payments. These are only a portion of the FSB's comprehensive work plan, but they are priority areas that will have significant impact on the financial landscape going forward. Consequential policy proposals to improve MMF resilience, transitioning away from London Interbank Offered Rate, and banking reforms are at the heart of proposed policy reforms.

European Securities and Markets Authority (ESMA)

Date	Publication	Description
01.03.2021	ESMA delivers statement on Cum-Ex/Cum-Cum at EP subcommittee on tax matters	ESMA, represented by Mr Fabrizio Planta, Head of Markets and Data Reporting Department, addressed the Members of the European Parliament Subcommittee on Fiscal Matters regarding the "Cum-Ex/Cum-Cum" tax fraud scandal. He referred to the past and prospective role of ESMA, and the recommendations and conclusions of the Final Report on the inquiry.
01.03.2021	ESMA proposes rules for Taxonomy-alignment of non-financial undertakings and asset managers	ESMA published its Final Report on advice under Article 8 of the Taxonomy Regulation, which covers the information to be provided by non-financial undertakings and asset managers to comply with their disclosure obligations under the Non-Financial Reporting Directive (NFRD).
01.03.2021	ESMA publishes the results of the annual transparency calculations for equity and equity-like instruments	ESMA published the results of the annual transparency calculations for equity and equity-like instruments, which will apply from 1 April 2021.
02.03.2021	ESMA supports increasing corporate transparency through the creation of ESAP	ESMA has submitted its response and an accompanying letter to the European Commission's (EC) targeted consultation on the European Single Access Point (ESAP). ESMA recommends a phased approach, which should prioritise financial and non-financial information of public companies.
03.03.2021	ESMA proposes improvements to transparency directive after Wirecard case	ESMA has written to the European Commission (EC) with its proposals to improve the Transparency Directive (TD) following the Wirecard case. The letter addresses provisions related to enforcement of financial information.
03.03.2021	ESMA participates in joint conference of the Deutsche Bundesbank, European Central Bank and Federal Reserve Bank of Chicago	The Chair of ESMA's CCP Supervisory Committee, Klaus Löber, delivered a speech at the Third Annual Joint Conference of the Deutsche Bundesbank, European Central Bank and Federal Reserve Bank of Chicago on CCP Risk Management.
05.03.2021	ESMA issues latest double volume cap data	ESMA updated its public register with the latest set of double volume cap (DVC) data under MiFID II.
12.03.2021	ESMA selects Natasha Cazenave as candidate for executive director position	ESMA has selected Natasha Cazenave as its candidate for the position of Executive Director.

15.03.2021	ESMA to allow decision on reporting of net short position of 0.1% and above to expire	ESMA has decided not to renew its decision to require holders of net short positions in shares traded on a European Union (EU) regulated market, to notify the relevant national competent authority (NCA) if the position reaches, exceeds or falls below 0.1% of the issued share capital. The measure, which has applied since 16 March 2020, will expire on 19 March 2021.
17.03.2021	ESMA sees high risk for investors in non-regulated crypto assets	ESMA published its first Trends, Risks and Vulnerabilities (TRV) Report of 2021. The Report analyses the impact of COVID-19 on financial markets during the second half of 2020 and highlights the increasing credit risks linked to significant corporate and public debt overhang, as well as the risks linked with investments in non-regulated crypto-assets.
19.03.2021	ESMA clarifies application of position limits pending MiFID II change	ESMA issued a public statement on its supervisory approach to position limits for commodity derivatives. The purpose is to clarify the application of position limits and coordinate the supervisory actions of National Competent Authorities (NCAs), pending the legislative change introduced by the MiFID II Recovery Package for commodity derivatives. This legislative change will start to apply in early 2022.
19.03.2021	Appointment of Steven Maijoor to the Governing Board of the Dutch Central Bank	ESMA has been informed that Steven Maijoor, whose term as Chair of ESMA ends on 31 March, will join the Governing Board of De Nederlandsche Bank (DNB) on 1 April 2021.
23.03.2021	Steven Maijoor delivers keynote speech at ESMA 10 th anniversary conference	Steven Maijoor, Chair of the European Securities and Markets Authority, addressed representatives from EU institutions, supervisors and other stakeholders at the ESMA 10th Anniversary Conference – inspiring confidence in Europe's financial markets.
24.03.2021	ESMA updates BREXIT statement of provisions of the Benchmark Regulation (BMR)	ESMA updated its statement on the application of key provisions of the Benchmark Regulation (BMR).
24.03.2021	CCP supervisory committee chair delivers keynote speech at the derivatives forum Frankfurt 2021	The Chair of ESMA's CCP Supervisory Committee delivered a keynote speech on evolving risks and supervisory responses for CCPs.
24.03.2021	ESMA consults on simplified supervisory fees for Trade Repositories	ESMA, the EU's securities markets regulator, launched a public consultation on the simplification of supervisory fees for Trade Repositories (TRs) under EMIR and SFTR.
24.03.2021	ESMA assesses the compliance with UCITS liquidity risks and highlights areas for vigilance	ESMA published the results of the 2020 Common Supervisory Action (CSA) on UCITS liquidity risk management (LRM). The CSA showed that the overall level of compliance with the applicable rules is satisfactory in most cases, but there is scope for improvement in liquidity management for some UCITS analysed. The exercise also highlighted areas where ESMA will work to further promote convergence across National Competent Authorities (NCAs).
26.03.2021	ESMA consults on the framework for EU Money Market Funds	ESMA launched a consultation on potential reforms of the EU Money Market Funds Regulation (MMFR). ESMA aims to review the stress experienced by MMFs during the March 2020 crisis and assess the roles played by markets, investors and regulation, and proposes potential reforms. The consultation runs until 30 June 2021 .
26.03.2021	ESMA publishes technical advice on fines and penalties for Benchmark administrators	ESMA published its technical advice to the European Commission (EC) on procedural rules for imposing fines and penalties on Benchmark Administrators under its direct supervision.

26.03.2021	ESMA advises on framework for data reporting service providers	ESMA published an advice to the European Commission related to data reporting service providers (DRSP).
29.03.2021	ESMA updates Q&A on inducements	ESMA updated its Questions and Answers on the implementation of investor protection topics under the Market in Financial Instruments Directive and Regulation (MiFID II/ MiFIR).
29.03.2021	ESMA updates EMIR validation rules	ESMA updated the European Markets Infrastructure Regulation (EMIR) validation rules relating to the reporting of Variation margin received.
29.03.2021	ESMA advises the European Commission on the application of sanctions under MiFID II/MiFIR	ESMA published its advice to the European Commission (EC) on the application of administrative and criminal sanctions under MiFID II/MiFIR.
29.03.2021	ESA's Joint Board of Appeal dismissed appeal by appellant "A" against the European Securities and Markets Authority	The Joint Board of Appeal of the European Supervisory Authorities (ESAs – European Banking Authority, European Insurance and Occupational Pensions Authority, and European Securities and Markets Authority) unanimously decided that the appeal brought by an institution that wishes to stay anonymous (Appellant "A") against the European Securities and Markets Authority (ESMA) is inadmissible. The appeal was in relation to the launch of an investigation into an alleged breach of EU law by a National Competent Authority (NCA).
30.03.2021	ESMA fines Moody's €3.7 million for conflicts of interest failures	ESMA has fined five entities in the Moody's Group, based in France, Germany, Italy, Spain and the United Kingdom, a total of €3,703,000 and issued public notices for breaches of the Credit Ratings Agencies Regulation (CRAR) regarding independence and the avoidance of shareholder conflicts of interest.
30.03.2021	ESMA proposes amendments to MiFIR transactions and reference data reporting regimes	ESMA published the Final Report on the review of transaction and reference data reporting obligations under MiFIR.
30.03.2021	ESMA updates UCITS Q&As	ESMA updated its Questions and Answers on the application of the Undertakings for Collective Investment in Transferable Securities Directive (UCITS Directive).
30.03.2021	ESMA updates AIFMD Q&As	ESMA updated its Questions and Answers on the application of the Alternative Investment Fund Managers Directive (AIFMD).
30.03.2021	ESMA publishes response to IASB request for information on the post implementation review of IFRS 10, 11 and 12	ESMA published its response to the International Accounting Standards Board (IASB) Request for Information on the Post Implementation Review of IFRS 10, 11 and 12, including a report providing an overview of the implementation of the three standards by European issuers. The report draws on the experience of European enforcers since 2014 and is based on a review of a sample of 65 issuers relating to the financial years 2017, 2018 and 2019.
31.03.2021	ESMA clarifies corporate disclosures obligations for UK issuers after BREXIT	ESMA published a statement concerning the application of transparency requirements by UK issuers with securities admitted to trading on regulated markets in the European Union (EU), now third-country issuers, under the Transparency Directive (TD).
31.03.2021	ESMA promotes coordinated action on the suspension of best execution reports	ESMA issued a Public Statement to promote coordinated action by National Competent Authorities (NCAs) under MiFID II. The statement relates to the temporary suspension of the obligation on execution venues to make available to the public data related to the quality of execution of transactions on their venues (RTS 27 Reports).

31.03.2021	ESMA updates Q&As on the BMR transitional provision	ESMA updated its Questions and Answers on the EU Benchmarks Regulation (BMR).
31.03.2021	ESMA updates its Q&As relating to the prospectus regulation	ESMA updated its Questions and Answers (Q&As) on the Prospectus Regulation (PR) with four new Q&As.
31.03.2021	ESMA updates CSDR Q&As	ESMA updated its Questions and Answers (Q&As) on the Central Securities Depositories Regulation (CSDR).
31.03.2021	ESMA updates EMIR Q&As	ESMA updated its Questions and Answers document on practical questions regarding reporting issues under the European Markets Infrastructure Regulation (EMIR).
31.03.2021	Anneli Tuominen to act as interim Chair of ESMA	ESMA's current Vice-Chair Anneli Tuominen, and Director-General at the FIN-FSA, will act as Interim Chair until the next Chair takes office. This is effective from 1 April 2021.



Financial centre

Main updated figures regarding the financial centre

			Annual comparison
Banks	Number (31/03/2021)	125	↘ 3 entities
	Balance sheet total (31/12/2020)	EUR 863.368 bn	↗ EUR 41.593 bn
	Profit before provisions (31/12/2020)	EUR 3.031 bn	↘ EUR 1.718 bn
Payment institutions	Number (31/03/2021)	14	no variation
Electronic money institutions	Number (31/03/2021)	11	↗ 2 entities
UCIs	Number (31/03/2021)	Part I 2010 Law: 1,682	↘ 66 entities
		Part II 2010 Law: 237	↘ 27 entities
		SIFs: 1,411	↘ 33 entities
	TOTAL: 3,330	↘ 126 entities	
	Number (31/03/2021)	SICAR: 224	↘ 15 entities
	Total net assets (28/02/2021)	EUR 5,090.775 bn	↗ EUR 422.062 bn
Management companies (Chapter 15)	Number (31/03/2021)	181	↘ 12 entities
	Balance sheet total (31/12/2020) ⁷	EUR 17.505 bn	↗ EUR 888 m
Management companies (Chapter 16)	Number (31/03/2021)	156	no variation
AIFMs	Number (31/03/2021)	263	↗ 6 entities
Pension funds	Number (31/03/2021)	12	no variation
Authorised securitisation undertakings	Number (31/03/2021)	30	↘ 3 entities
Investment firms	Number (31/03/2021)	93	↘ 6 entities
	Balance sheet total (28/02/2021)	EUR 1.257 bn	↘ EUR 500 m
	Provisional net profit (28/02/2021)	EUR 19.43 m	↘ EUR 17.5 m
Specialised PFS	Number (31/03/2021)	98	↘ 5 entities
	Balance sheet total (28/02/2021)	EUR 6.185 bn	↘ EUR 302 m
	Provisional net profit (28/02/2021)	EUR 24.13 m	↘ EUR 4.24 m
Support PFS	Number (31/03/2021)	70	↘ 2 entities
	Balance sheet total (28/02/2021)	EUR 1.598 bn	↘ EUR 233 m
	Provisional net profit (28/02/2021)	EUR 27.59 m	↗ EUR 3.52 m
Issuers of securities whose home Member State is Luxembourg pursuant to the Transparency Law	Number (31/03/2021)	478	↗ 32 entities
Public oversight of the audit profession	Number (31/03/2021)	55 <i>cabinets de révision agréés</i>	no variation
		324 <i>réviseurs d'entreprises agréés</i>	↗ 3 people
		27 third-country auditors and audit firms	no variation
Employment (31/12/2020)	Banks	26,106 people	↘ 229 people
	Management companies (Chapter 15) ⁷	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	47,827 people	↗ 302 people⁸

⁷ Preliminary figures

⁸ 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.