



Newsletter No 249

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Commission de Surveillance
du Secteur Financier

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REAPPOINTMENT OF JEAN-PIERRE FABER AS CSSF DIRECTOR



HRH Grand Duke Henri decided, on the proposal of the Government in Council, to renew the mandate of Jean-Pierre Faber as Director of the CSSF for a period of 5 years.

Jean-Pierre Faber began his career at the consulting firm Arthur Andersen, before joining Ernst & Young in Luxembourg, where he worked on organisational, financial and IT issues for national and international clients. In 2010, he acted as Director of Operations in charge of implementing the group strategy in relation to the

support functions, IT and the construction of the new headquarters in Luxembourg.

In 2016, he was appointed Director of the CSSF, responsible for the areas of administration, finance and human resources. He is notably in charge of the implementation of the CSSF 4.0 transformation strategy.

This third renewal of a CSSF director mandate in less than one year confirms the trust and support of the Government in the CSSF's Executive Board and its actions.

Further information on the Executive Board and on the CSSF's governance, organisation and missions is available at: <https://www.cssf.lu/en/about-the-cssf/>.

WORKING PAPER: THE IMPACT OF COVID-19 ON LARGE REDEMPTIONS IN THE LUXEMBOURG INVESTMENT FUND MARKET

The CSSF presents in this working paper an analysis on large daily and weekly net redemptions in the Luxembourg investment fund industry. The paper relies on an original dataset compiled since March 2020, at the peak of the COVID-19 crisis, up to December 2020 on the funds managed by the largest investment fund managers in Luxembourg and on fund specific supervisory data from the Luxembourg specific UCITS Risk Reporting and the EU AIFM Reporting. It investigates whether the large net redemptions are associated with fund characteristics such as leverage, portfolio liquidity, size and past performance. The COVID-19 context allows to contrast the crisis specific features of these redemptions by comparing the March subset to the "back-to-normal" April-to-December

subset. It finally documents the use of Liquidity Management Tools (LMTs) by funds facing large redemptions, and correlates it to fund-specific risk



drivers and to the size of net redemptions.

The working paper is available at: <https://www.cssf.lu/en/Document/the-impact-of-covid-19-on-large-redemptions-in-the-luxembourg-investment-fund-market/>



Coronavirus: Information for all supervised entities

Summary of the communications by the European authorities

On 6 September 2021, the EBA published its annual update on EU banks' funding plans, which helps EU supervisors assess the sustainability of banks' main sources of funding. The results of the funding plans assessment show the impact the pandemic had on EU banks' funding composition. The plans point to a gradual 'normalisation' of banks' sources of funding over the next three years. This implies in particular a partial replacement of central bank funding with market-based funding.

<https://www.eba.europa.eu/eba%E2%80%99s-study-shows-eu-banks%E2%80%99-funding-plans-are-poised-gradually-return-pre-pandemic-funding>

On 7 September 2021, the ECB and the EBA published a joint letter, to Ms McGuinness, EU Commissioner for Financial Stability, Financial Services and Capital Markets Union, on the EU implementation of outstanding Basel III reforms.

https://www.bankingsupervision.europa.eu/ecb/pub/pdf/ssm.ECB-EBA_letter_on_B3_implementation~88fdb33210.en.pdf?924ec60ea1f65979d0aeee3a39476c49

On 8 September 2021, Kerstin af Jochnick, Member of the Supervisory Board of the ECB, gave a speech titled "European banks – how have they coped with the crisis and what lies ahead?" at the Handelsblatt Banking Summit 2021.

<https://www.bankingsupervision.europa.eu/press/speeches/date/2021/html/ssm.sp210908~81ac33e0a2.en.html>

On 8 September 2021, Elizabeth McCaul, Member of the Supervisory Board of the ECB, gave a speech titled "The final leap: implementing the Basel III reforms in Europe" at the Working Group Financial Services hosted by Kangaroo Group on "Finalization of the Basel III Framework - a view from the BCBS".

https://www.bankingsupervision.europa.eu/press/speeches/date/2021/html/ssm.sp210908_1~2f82d84760.en.html

On 8 September 2021, the ESAs issued their second joint risk assessment report for 2021. The report highlights the increasing vulnerabilities across the financial sector, the rise seen in terms of cyber risk and the materialisation of event-driven risks.

<https://www.eba.europa.eu/esas-highlight-risks-phasing-out-crisis-measures-and-call-financial-institutions-adapt-increasing>

On 8 September 2021, the ESRB published a note on the monitoring of the financial stability implications of COVID-19 support measures. The main finding of the note is that fiscal measures have played an important role in stabilising the economy and bank lending during the COVID-19 pandemic. Containing financial stability risks due to vulnerabilities in the corporate and financial sectors requires attention. As regards the financial sector, banks may still need to increase their awareness of macroeconomic risks. Finally, policy responses need to account for heterogeneities across countries and sectors and the risk of setbacks to the economic recovery.

https://www.esrb.europa.eu/pub/pdf/reports/esrb.20210908.monitoring_the_financial_stability_implications_of_COVID-19_support_measures~3b86797376.en.pdf?378b3bce813ab90ff50a09fe983d1429

On 9 September 2021, the ECB published the Economic Bulletin which presents information that forms the basis for the ECB's monetary policy decisions. It is released eight times a year, two weeks after each monetary policy meeting. It features insights into the economy and its outlook.

<https://www.ecb.europa.eu/pub/economic-bulletin/html/eb202106.en.html>

On 21 September 2021, Andrea Enria, Chair of the Supervisory Board of the ECB, gave a speech titled “Digital innovation in the banking sector: pay-offs and perils” at the Spanish Banking Association Conference organised by the Latin American Federation of Banks (FELABAN) and the Spanish Banking Association (AEB).

<https://www.bankingsupervision.europa.eu/press/speeches/date/2021/html/ssm.sp210921~78d06f2393.en.html>

On 21 September 2021, the ECB published an occasional paper highlighting the importance of macro-financial amplification channels for monetary policy. This paper discusses the desirability of further incremental enhancements in the role of financial stability considerations in the ECB’s monetary policy strategy.

<https://www.ecb.europa.eu/pub/pdf/scpops/ecb.op272~dd8168a8cc.en.pdf?81da657c18d2738316e13c00801ee0a9>

On 22 September 2021, the ECB published a research bulletin that presents theoretical and empirical evidence showing that macroprudential policy has the power to improve financial stability, and that financial stability ultimately has a positive effect on economic growth.

https://www.ecb.europa.eu/pub/economic-research/resbull/2021/html/ecb.rb210921_2~ee61e73eba.en.html

On 23 September 2021, Frank Elderson, Member of the Executive Board of the ECB and Vice-Chair of the Supervisory Board of the ECB, gave a speech titled “Integrating the climate and environmental challenge into the missions of central banks and supervisors” at the 8th Conference on the Banking Union, Goethe University, Frankfurt am Main.

<https://www.bankingsupervision.europa.eu/press/speeches/date/2021/html/ssm.sp210923~e3acf2462d.en.html>

On 23 September 2021, Edouard Fernandez-Bollo, Member of the Supervisory Board of the ECB, gave a speech titled “Building the financial system of the 21st century” at the EU-US Symposium, Harvard Law School.

https://www.bankingsupervision.europa.eu/press/speeches/date/2021/html/ssm.sp210923_1~1dec3b6131.en.html

On 24 September 2021, the EBA launched its regular EU-wide transparency exercise, whose results are expected to be published at the beginning of December 2021. As in the past, the exercise is exclusively based on supervisory reporting data, which will keep the burden for the banks to a minimum. Transparency exercises are conducted on an annual basis and are part of the EBA’s efforts to monitor risks and vulnerabilities and to reinforce market discipline.

<https://www.eba.europa.eu/eba-launches-2021-eu-wide-transparency-exercise>

On 28 September 2021, Edouard Fernandez-Bollo, Member of the Supervisory Board of the ECB, gave a speech titled “Banking regulation and supervision after Brexit” at the eighth Brussels EU/UK Dinner Discussion held by the Representation of the State of Hesse to the European Union.

<https://www.bankingsupervision.europa.eu/press/speeches/date/2021/html/ssm.sp210928~275e61e48c.en.html>

On 29 September 2021, the ECB published a written overview of the activities of ECB Banking Supervision in the areas of (i) credit risk related to the coronavirus (COVID-19) pandemic, (ii) emerging risks, (iii) the structural transformation of the banking sector, and (iv) digitalisation and climate risk as drivers of structural business model adjustments, ahead of the exchange of views of the Chair of the Supervisory Board and of the ECB with the Eurogroup on 4 October 2021.

https://www.bankingsupervision.europa.eu/ecb/pub/pdf/ssm.written_statement_by_SB_Chair_for_Eurogroup_hearing~aa9046aef5.en.pdf

On 29 September 2021, the EBA published its regular monitoring Report of the full implementation, in 2028, of the final Basel III reforms in the EU. According to this assessment, which is carried out using the same methodology as the one applied by the Basel Committee on Banking Supervision (BCBS), the full Basel III implementation would result in an average increase of 13.7% on the current Tier 1 minimum required capital of EU banks. To comply with the new framework, EU banks would need EUR 3.1 billion of additional Tier 1 capital. The overall impact reflects the economic impact of the COVID-19 pandemic on participating banks that materialised up to December 2020, the reference date of this Report.

<https://www.eba.europa.eu/eba-publishes-its-regular-monitoring-report-basel-iii-full-implementation-eu>



Warnings

Warnings of the CSSF

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

- Warning concerning the website www.lfeeum.com
- Warning concerning the website www.demergon-fund.com
- Warning concerning the website www.db-omega.com
- Warning concerning the website www.ib-finance.lu and unknown persons presenting themselves using the name “IB Finance”
- Warning regarding the activities of an entity named “INFINITRADE” or “Company Universal s.r.o. (INFINITRADE)”

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**”. Please pay attention to details on the websites such as: unusual or foreign phone numbers, wrong address, spelling mistakes etc. 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 21-03 – Countercyclical buffer rate

The regulation sets the countercyclical buffer rate for the fourth quarter of 2021 at 0.50%.

<https://www.cssf.lu/en/Document/cssf-regulation-no-21-03-of-30-september-2021/>

Circular CSSF 21/781 – Mandatory use of the IMAS Portal for banking qualifying holding and passporting notifications

Following the launch of the IMAS Portal early this year, its use has been mandatory in Luxembourg for the processing of the fit and proper applications for all significant banks/groups (SIs) under the Single Supervisory Mechanism since 27 January 2021. As of 27 September 2021, the IMAS Portal was extended to the processing of passporting notifications from SIs and less significant banks/groups (LSIs) and applications for the acquisition or increase of a qualifying holding in an SI or LSI.

<https://www.cssf.lu/en/Document/circular-cssf-21-781/>

Circular CSSF-CODERES 21/13 – Information request by the Single Resolution Board for the calculation of the 2022 ex-ante contribution

The purpose of the circular is to collect data for the calculation of the 2022 ex-ante contribution to the Single Resolution Fund.

<https://www.cssf.lu/en/Document/circular-cssf-coderes-21-13/>

Circular CSSF 21/782 – EBA guidelines on money laundering and terrorist financing risk factors

The purpose of the circular is to draw the attention of the persons concerned to the adoption by the EBA of the Revised Guidelines on customer due diligence and the factors credit and financial institutions should consider when assessing the money laundering and terrorist financing risk associated with individual business relationships and occasional transactions under Articles 17 and 18(4) of Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC.

<https://www.cssf.lu/en/Document/circular-cssf-21-782/>

Circular CSSF-CPDI 21/27 – Survey on the amount of covered deposits held

The aim of the 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 30 September 2021.

<https://www.cssf.lu/en/Document/circular-cssf-cpdi-21-27/>

Circular CSSF 21/783 – ESMA guidelines on the MiFID II/MiFIR obligations on market data

The purpose of the circular is to inform the persons concerned that the CSSF, in its capacity as competent authority, applies the Guidelines of ESMA on the MiFID II/MiFIR obligations on market data (Ref. ESMA70-156-4263), published on 18 August 2021. Consequently, the CSSF has integrated the Guidelines into its administrative practice and regulatory approach with a view to promote supervisory convergence in this field at European level. All regulated markets, market operators, credit institutions, investment firms and market operators operating an MTF or an OTF, APAs and SIs must duly comply with them.

<https://www.cssf.lu/en/Document/circular-cssf-21-783/>

Circular CSSF 21/784 – Periodic prudential reporting of investment firms

The purpose of the circular is to inform the entities concerned of the periodic reporting requirements for investment firms and of the publication of the document "Reporting Handbook for Investment Firms".

<https://www.cssf.lu/en/Document/circular-cssf-21-784/>

<https://www.cssf.lu/en/Document/reporting-handbook-for-investment-firms/>

Circular CSSF 21/785 - Notification obligation in the case of material IT outsourcing

The purpose of the circular is to replace the prior authorisation obligation by a prior notification obligation in case of material IT outsourcing. Consequently, Circulars CSSF 12/552, CSSF 17/686, CSSF 20/758 and CSSF 17/654 are amended.

<https://www.cssf.lu/en/Document/circular-cssf-21-785/>



Fight against money laundering and terrorist financing

The CSSF draws the attention of financial sector professionals to the redesign of the website of the Ministry of Finance which is notably competent for international financial sanctions, following the entry into force of the Law of 19 December 2020 on the implementation of restrictive measures in financial matters: <https://www.cssf.lu/en/Document/law-of-19-december-2020/>.

In this respect, the Ministry also updated its best practices guides on financial sanctions which are available in French and in English on the Ministry's website at: <https://mfin.gouvernement.lu/en/dossiers/2018/sanctions-financieres-internationales.html>.

These guides contain non-exhaustive general recommendations on the implementation of financial sanctions. For further details on their content, the CSSF recommends that the financial sector professionals subscribe to the newsletter of the Ministry of Finance in order to receive all the updates in relation to financial sanctions.

Furthermore, the Ministry of Finance posted a new template for the quarterly reporting of frozen funds available on its website for the natural and legal persons required to implement the restrictive measures and to inform the Ministry of Finance of the execution of each new restrictive measure without delay and without postponing the reporting until the end of the quarter.

Finally, the CSSF reminds the professionals falling under its supervision that, in accordance with Article 6(4) of the above-mentioned Law of 19 December 2020, the CSSF has the same powers as those conferred upon it by Articles 8-2, 8-4, 8-5, 8-6 and 8-7 of the Law of 12 November 2004 on the fight against money laundering and terrorist financing.



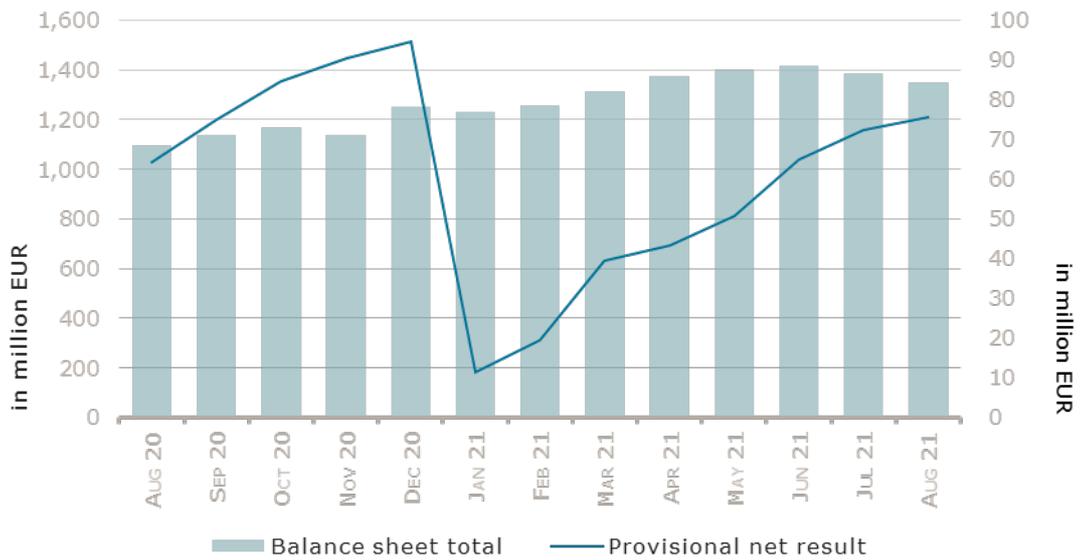
Communiqués

Date	Publications
22.09.2021	Investment Fund Managers are invited to declare via a new dedicated eDesk application the performance fee models applicable to Luxembourg UCITS or AIF they manage
27.09.2021	Profit and loss account of credit institutions as at 30 June 2021
30.09.2021	Global situation of undertakings for collective investment at the end of August 2021
01.10.2021	The CSSF publishes Circular CSSF 21/784 on the periodic prudential reporting of investment firms
14.10.2021	Communiqué regarding the publication of Circular CSSF 21/785 on the replacement of the prior authorisation obligation by a prior notification obligation in the case of material IT outsourcing

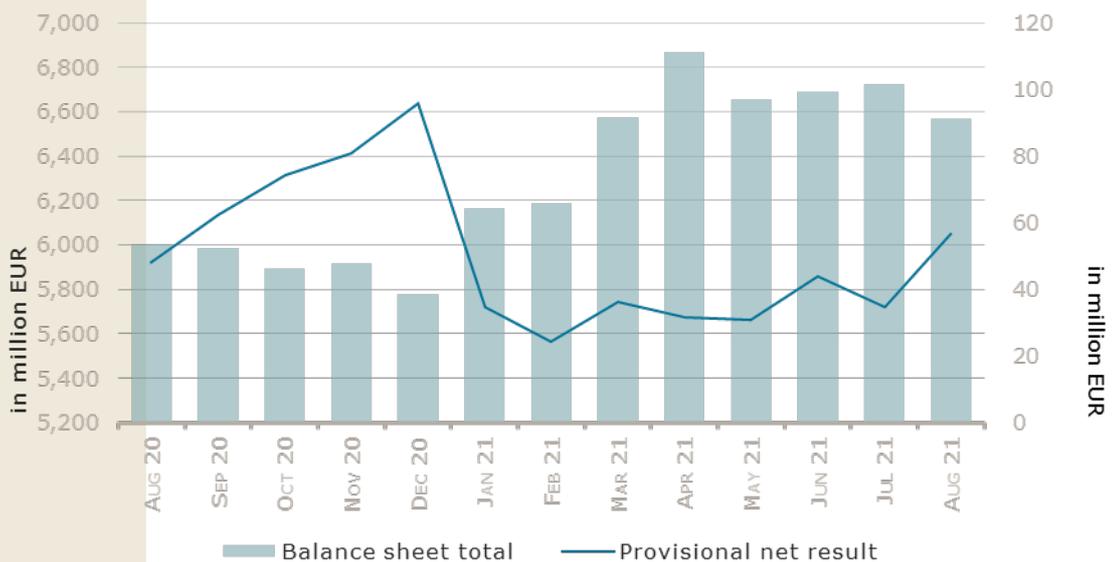


MONTHLY STATISTICS

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



SPECIALISED PFS:
DECREASE IN THE BALANCE SHEET TOTAL AS AT 31 AUGUST 2021



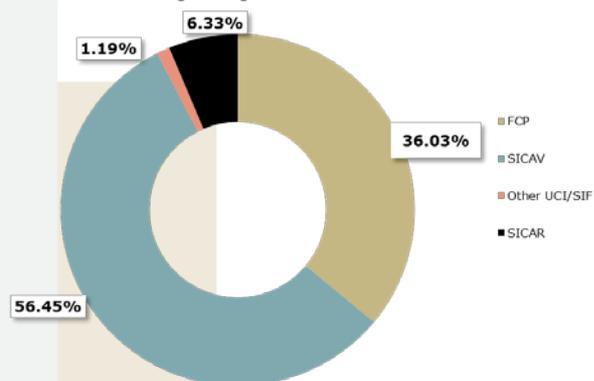
**SUPPORT PFS:
DECREASE IN THE BALANCE SHEET TOTAL AS AT 31 AUGUST 2021**



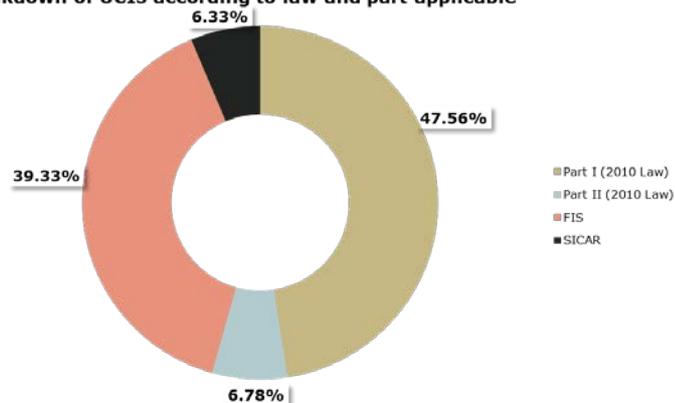
**UCIS:
SITUATION AS AT 31 AUGUST 2021**

NUMBER OF UCIS

Breakdown of UCIs according to legal form



Breakdown of UCIs according to law and part applicable

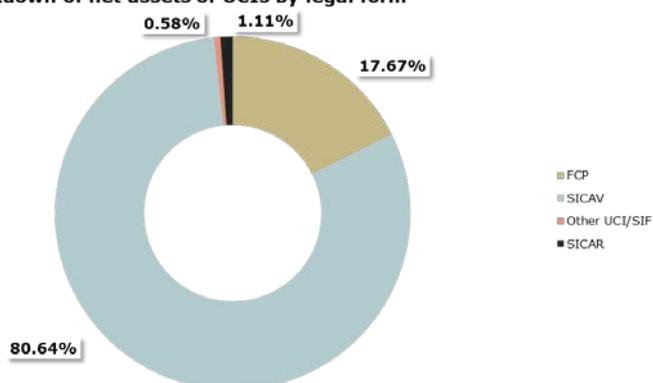


(in billion EUR)

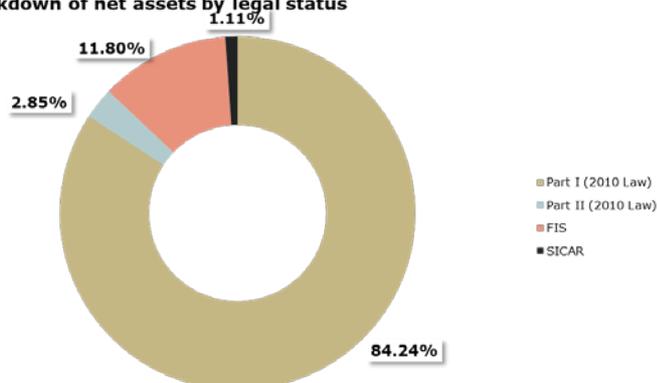
	FCP	SICAV	Other UCI / SIF	SICAR	Total
Part I (2010 Law)	858	825	0	0	1,683
Part II (2010 Law)	115	123	2	0	240
FIS	302	1,050	40	0	1,392
SICAR	0	0	0	224	224
Total	1,275	1,998	42	224	3,539

NET ASSETS OF UCIS

Breakdown of net assets of UCIs by legal form



Breakdown of net assets by legal status



(in billion EUR)	FCP	SICAV	Other UCI / SIF	SICAR	Total
Part I (2010 Law)	734.642	4,022.737	0.000	0.000	4,757.379
Part II (2010 Law)	48.152	112.306	0.417	0.000	160.875
SIF	214.966	419.046	32.647	0.000	666.659
SICAR	0.000	0.000	0.000	62.524	62.524
Total	997.760	4,554.089	33.064	62.524	5,647.437

NET ASSETS BROKEN DOWN BY INVESTMENT POLICY

Breakdown by investment policy	Net assets (in bn €)	Number of fund units
Fixed-Income Transferable Securities	1,466.731	3,210
Variable-Yield Transferable Securities	2,012.349	4,063
Mixed Transferable Securities	1,092.082	3,533
Funds of Funds	335.662	2,116
Money Market Instruments and Other Short-Term Securities	412.410	209
Cash	9.988	8
Private Equity	58.230	237
Venture Capital	3.505	31
Real Estate	103.577	321
Futures and/or Options	14.482	82
Other Assets	75.897	289
Public-to-Private	0.119	2
Mezzanine	1.137	10
Venture Capital (SICAR)	10.145	70
Private Equity (SICAR)	51.123	277
TOTAL	5,647.437	14,458

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	1,363.236	2,745	38.884	31.539	7.345
Variable-Yield Transferable Securities	1,928.544	3,734	53.060	44.782	8.278
Mixed Transferable Securities	885.937	2,544	23.425	14.635	8.790
Funds of Funds	168.969	850	3.406	1.614	1.792
Money Market Instruments and Other Short-Term Securities	387.841	174	188.552	180.931	7.621
Cash	9.948	7	2.186	2.365	-0.179
Futures and/or Options	9.171	42	0.557	0.239	0.318
Other Assets	3.733	9	0.265	0.192	0.073
SUB-TOTAL PART I	4,757.379	10,105	310.335	276.297	34.038
PART II					
Fixed-Income Transferable Securities	14.855	90	0.309	0.296	0.013
Variable-Yield Transferable Securities	13.763	55	0.098	0.277	-0.179
Mixed Transferable Securities	64.675	182	1.051	0.629	0.422
Funds of Funds	32.601	209	0.573	0.395	0.178
Money Market Instruments and Other Short-Term Securities	14.201	25	0.981	1.014	-0.033
Cash	0.000	0	0.000	0.000	0.000
Private Equity	11.488	20	0.225	0.043	0.182
Venture Capital	0.271	1	0.006	0.000	0.006
Real Estate	3.035	8	0.010	0.001	0.009
Futures and/or Options	1.550	16	0.037	0.039	-0.002
Other Assets	4.436	21	0.142	0.171	-0.029
SUB-TOTAL PART II	160.875	627	3.432	2.865	0.567

SIF

Fixed-Income Transferable Securities	88.640	375	0.656	1.236	-0.580
Variable-Yield Transferable Securities	70.042	274	0.523	0.175	0.348
Mixed Transferable Securities	141.470	807	3.025	1.774	1.251
Funds of Funds	134.092	1,057	2.240	0.611	1.629
Money Market Instruments and Other Short-Term Securities	10.368	10	2.181	2.287	-0.106
Cash	0.040	1	0.000	0.005	-0.005
Private Equity	46.742	217	1.176	0.845	0.331
Venture Capital	3.234	30	0.008	0.008	0.000
Real Estate	100.542	313	1.012	0.256	0.756
Futures and/or Options	3.761	24	0.015	0.006	0.009
Other Assets	67.728	259	0.881	0.409	0.472
SUB-TOTAL SIFs	666.659	3,367	11.717	7.612	4.105

SICAR

Public-to-Private	0.119	2	0.000	0.000	0.000
Mezzanine	1.137	10	0.000	0.000	0.000
Venture Capital	10.145	70	0.000	0.000	0.000
Private Equity	51.123	277	0.022	0.721	-0.699
TOTAL SICAR	62.524	359	0.022	0.721	-0.699
TOTAL LUXEMBOURG UCIS	5,647.437	14,458	325.506	287.495	38.011

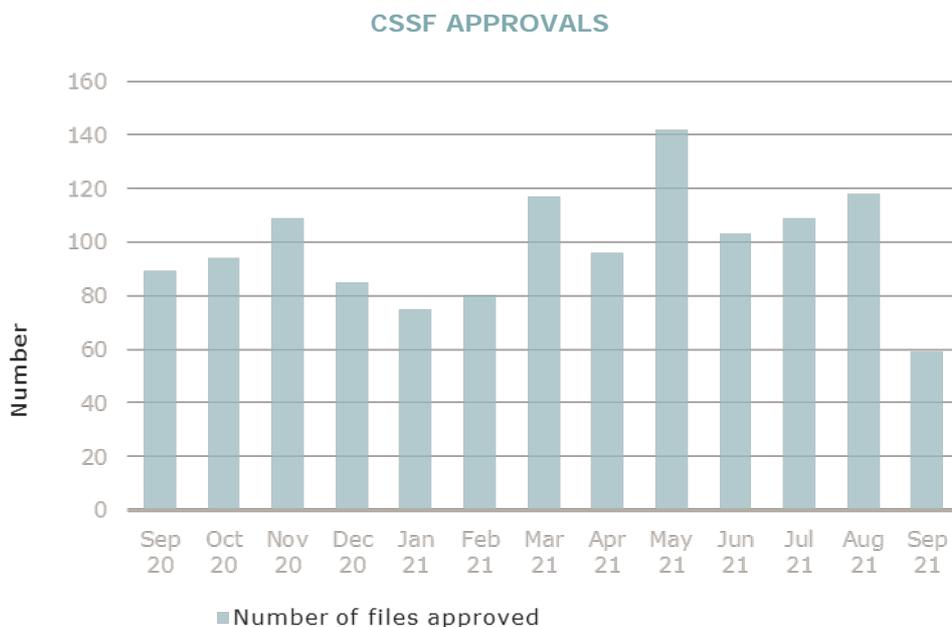
ORIGIN OF THE INITIATORS OF LUXEMBOURG UCIS

Country	Net assets (in bn EUR)	in %	Number of UCIs	in %	Number of fund units	in %
US	1,157.564	20.5%	165	4.7%	1,144	7.9%
GB	954.297	16.9%	247	7.0%	1,636	11.3%
DE	793.235	14.0%	1,144	32.3%	2,386	16.5%
CH	793.122	14.0%	533	15.1%	2,677	18.5%
FR	580.111	10.3%	269	7.6%	1,514	10.5%
IT	361.410	6.4%	129	3.6%	1,254	8.7%
BE	243.931	4.3%	142	4.0%	817	5.7%
LU	203.541	3.6%	273	7.7%	822	5.7%
NL	128.299	2.3%	44	1.2%	266	1.8%
DK	122.266	2.2%	21	0.6%	203	1.4%
OTHERS	309.661	5.5%	572	16.2%	1,739	12.0%
TOTAL	5,647.437	100.0%	3,539	100.0%	14,458	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	4.027	0.071%	21	0.145%
CAD	3.805	0.067%	18	0.124%
CHF	54.126	0.958%	255	1.764%
CNH	12.682	0.224%	26	0.180%
CNY	10.947	0.194%	4	0.028%
CZK	1.416	0.025%	73	0.505%
DKK	1.789	0.032%	12	0.083%
EUR	2,925.130	51.796%	8,997	62.229%
GBP	185.172	3.279%	303	2.096%
HKD	3.894	0.069%	7	0.048%
HUF	0.331	0.006%	23	0.159%
JPY	60.446	1.070%	173	1.197%
NOK	6.551	0.116%	36	0.249%
NZD	0.270	0.005%	1	0.007%
PLN	0.161	0.003%	4	0.028%
RON	0.569	0.010%	4	0.028%
SEK	51.259	0.908%	125	0.864%
SGD	1.389	0.025%	7	0.048%
USD	2,323.450	41.142%	4,368	30.211%
ZAR	0.023	0.000%	1	0.007%
TOTAL	5,647.437	100.000%	14,458	100.000%

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



In September 2021, the CSSF approved a total of 59 documents pursuant to the Prospectus Regulation, which break down as follows:

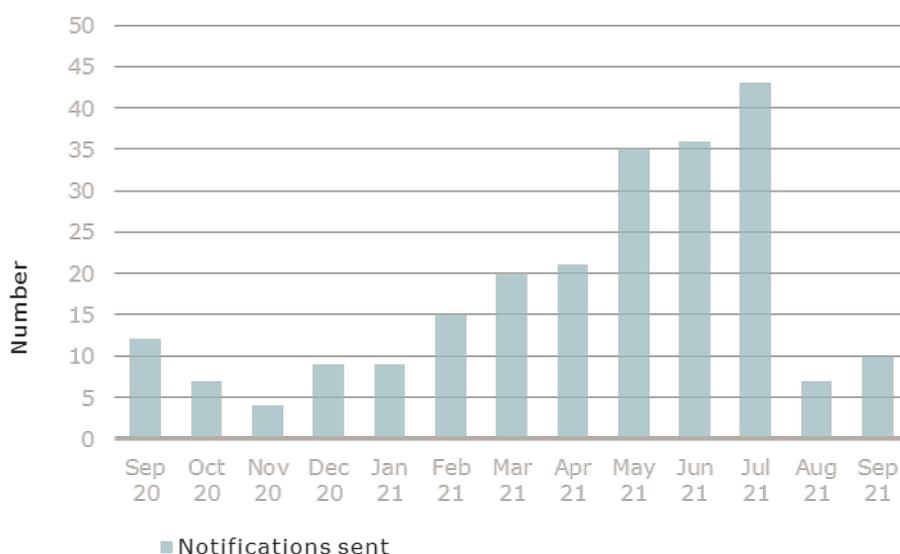
base prospectuses:	11 (18.64%)
other prospectuses:	7 (11.87%)
supplements:	41 (69.49%)

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



In September 2021, the CSSF received 7 notifications relating to prospectuses and base prospectuses, 1 notification relating to registration documents and 45 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



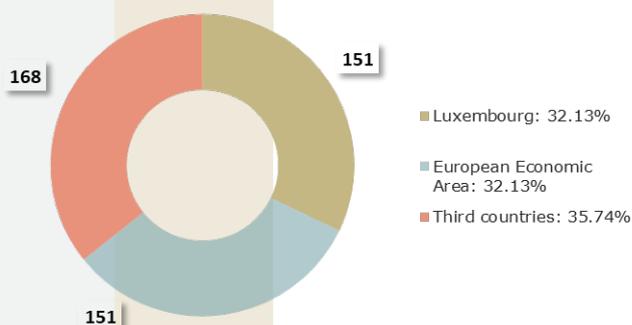
In September 2021, the CSSF sent 10 notifications relating to prospectuses and base prospectuses and 26 notifications relating to supplements to the competent authorities of other EEA Member States¹.

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")

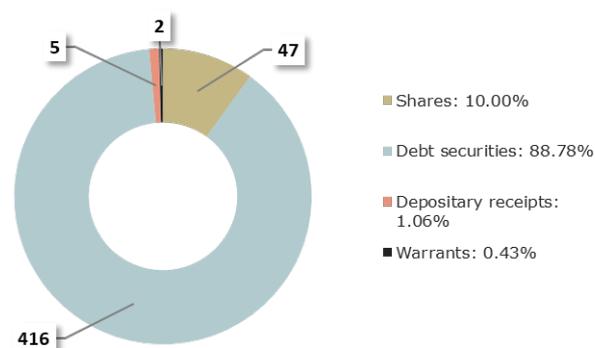
Since 31 August 2021, three issuers have chosen Luxembourg as home Member State for the purposes of the Transparency Law. Moreover, six issuers were deregistered from the list due to the fact that they no longer fall within the scope of the Transparency Law.

As at 30 September 2021, **470 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 30 September 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 **17**.

SECURITISATION UNDERTAKINGS

The number of **securitisation undertakings** authorised by the CSSF in accordance with the Law of 22 March 2004 on securitisation amounted to **29** entities as at 30 September 2021.

PUBLIC OVERSIGHT OF THE AUDIT PROFESSION

The public oversight of the audit profession covered **54 cabinets de révision agréés** (approved audit firms) and **334 réviseurs d'entreprises agréés** (approved statutory auditors) as at 30 September 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 five employees since the publication of the last Newsletter and counts, after the departure of three agents, 953 agents (515 men and 438 women). They have been assigned to the following departments:

Legal department

Kelly MARTINS MESQUITA

Banking departments

Dany PEREIRA ALMEIDA

Véronique STEIL

Supervision of investment firms

Yasin AKBEL

Sophie MOELANS



European/International News in September 2021

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

Date	Interviews and speeches	Description
08.09.2021	Andrea Enria: Contribution to Eurofi magazine	Q&A contribution by Andrea Enria, Chair of the Supervisory Board of the ECB, published in the Eurofi magazine, September 2021.
09.09.2021	Andrea Enria: How can we make the most of an incomplete banking union?	Speech by Andrea Enria, Chair of the Supervisory Board of the ECB, at the Eurofi Financial Forum.
22.09.2021	Andrea Enria: The many roads to return on equity and the profitability challenge facing euro area banks	Speech by Andrea Enria, Chair of the Supervisory Board of the ECB, at the 26 th Annual Financials CEO Conference organised by Bank of America Merrill Lynch.

European Parliament, European Commission and European Council

Date	Publication	Description
08.09.2021	Commission Delegated Regulation (EU) 2021/1456 of 2 June 2021	Publication of Commission Delegated Regulation (EU) 2021/1456 of 2 June 2021 supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council by specifying the conditions under which the commercial terms for clearing services for OTC derivatives are to be considered to be fair, reasonable, non-discriminatory and transparent.
17.09.2021	Commission Delegated Regulation (EU) 2021/1527 of 31 May 2021	Publication of Commission Delegated Regulation (EU) 2021/1527 of 31 May 2021 supplementing Directive 2014/59/EU of the European Parliament and of the Council with regard to regulatory technical standards for the contractual recognition of write down and conversion powers.
28.09.2021	Commission Delegated Regulation (EU) 2021/1722 of 18 June 2021	Publication of Commission Delegated Regulation (EU) 2021/1722 of 18 June 2021 supplementing Directive (EU) 2015/2366 of the European Parliament and of the Council with regard to regulatory technical standards specifying the framework for cooperation and the exchange of information between competent authorities of the home and the host Member States in the context of supervision of payment institutions and electronic money institutions exercising cross-border provision of payment services.

European Banking Authority (EBA)

Date	Publications	Description
10.09.2021	EBA issues revised list of ITS validation rules	The EBA issued a revised list of validation rules in its Implementing Technical Standards (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.
15.09.2021	EBA publishes final guidance to assess breaches of the large exposure limits	The EBA published its final Guidelines specifying the criteria to assess the exceptional cases when institutions exceed the large exposure limits and the time and measures to return to compliance. The Guidelines aim to support competent authorities in their assessment of the breaches of the large exposure limits set in the Capital Requirements Regulation (CRR), and ensure the Regulation is applied in a prudent and harmonised manner while keeping the approach simple.

Date	Publications	Description
15.09.2021	EBA publishes revised guidelines on the stress tests of deposit guarantee schemes (DGSs)	The EBA published its revised Guidelines on the stress tests conducted by national DGSs under the Deposit Guarantee Schemes Directive (DGSD). The revised Guidelines extend the scope of the DGS stress testing, by requiring more tests in comparison with the past Guidelines and by covering all the legal missions entrusted to the DGSs. The revisions aim to consolidate depositors' confidence about the ability of their national DGS(s) to promptly repay their funds in case of banking failure.
21.09.2021	EBA sees rapid growth in the use of digital platforms in the EU's banking and payments sector and identifies steps to enhance the monitoring of market developments	The EBA published a Report on the platformisation of the EU banking and payments sector. The EBA identifies a rapid growth in the use of digital platforms to 'bridge' customers and financial institutions, a trend expected to accelerate in line with the wider trend toward the digitisation of the EU financial sector. Platformisation presents a range of potential opportunities for both EU customers and financial institutions. However, new forms of financial, operational, and reputational interdependencies are emerging and the EBA identifies steps to strengthen supervisory capacity to monitor market developments.

Macprudential topics and fora

European Central Bank (ECB)

Date	Publications	Description
22.09.2021	A novel risk management perspective for macroprudential policy	The ECB published a research bulletin that proposes a risk management framework which extends the well-known notion of growth-at-risk to consider the entire predictive real GDP growth distribution, with a view to quantifying the macroprudential policy stance.
22.09.2021	ECB economy-wide climate stress test	The ECB published an occasional paper on the ECB's economy-wide climate stress test, which has been developed to assess the resilience of non-financial corporates (NFCs) and euro area banks to climate risks, under various assumptions in terms of future climate policies.

European Systemic Risk Board (ESRB)

Date	Publications	Description
01.09.2021	Growth-at-risk and macroprudential policy design	The ESRB published an occasional paper that explores a potential application of the empirical growth-at-risk (GaR) approach to the assessment and design of macroprudential policies. In parallel to the concept of value-at-risk, the GaR of an economy over a given horizon is a low quantile of the distribution of the (projected) GDP growth rate over the same horizon.
01.09.2021	The benefits of the Legal Entity Identifier for monitoring systemic risk	The ESRB published an occasional paper that discusses the importance of the Legal Entity Identifier (LEI), particularly its role in monitoring systemic risk, and provides background material for Recommendation ESRB/2020/12 on identifying legal entities in order to support its implementation in the European Union.
09.09.2021	ESRB Risk Dashboard Issue 37	The ESRB published its quarterly risk dashboard. For information, the ESRB risk dashboard is a set of quantitative and qualitative indicators of systemic risk in the EU financial system.
15.09.2021	Determinants of the credit cycle: a flow analysis of the extensive margin	The ESRB published a working paper that uses loan-level data covering almost all loans to households and businesses from banks in Italy over the past 20 years and offers new empirical evidence that credit declines during a recession primarily because of the reduction in the net creation of borrowers.

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	0.5%	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	Publications	Description
01.09.2021	ESMA sees risk of market corrections in uneven recovery	ESMA published its second Trends, Risks and Vulnerabilities (TRV) Report of 2021. The Report highlights the continued rise in valuations across asset classes in an environment of economic recovery and low interest rates, the increased risk taking of investors and the materialisation of event risks such as GameStop, Archegos and Greensill.
14.09.2021	ESMA announces hearing on CCP recovery regime consultations	ESMA held an open hearing on its consultation papers on the recovery regime under CCPRRR.
20.09.2021	ESMA announces hearing on EMIR reporting guidelines	ESMA held an open hearing on EMIR Reporting Guidelines. The hearing is part of ESMA's consultation on draft Guidelines on a wide range of topics related to data quality, data access and reporting under EMIR Refit.
23.09.2021	ESMA fines Unavista Trade Repository €238,500 for EMIR data failures	ESMA fined the trade repository UnaVista Limited €238,500 for eight breaches of the European Market Infrastructure Regulation (EMIR).
24.09.2021	ESMA consults on proposals for a review of the MiFID II best execution reporting regime	ESMA launched a consultation on proposals for improvements to the MiFID II framework on best execution reports. These proposals aim at ensuring effective and consistent regulation and supervision and enhancing investor protection. The consultation runs until 23 December 2021.
24.09.2021	ESMA consults on the review of the short selling regulation	ESMA launched a consultation paper on the review of the Short Selling Regulation (SSR). The consultation runs until 19 November 2021.
24.09.2021	ESMA recommends to European Commission to delay buy-in rules	ESMA has written to the European Commission (EC) regarding the implementation of the Central Securities Depositories Regulation (CSDR), urging it to consider a delay of the mandatory buy-in regime.
28.09.2021	ESMA to focus on supervision, sustainability, digitalisation and the capital markets union in 2022	ESMA published its 2022 Annual Work Programme (AWP), setting out its priority work areas for the next 12 months to deliver on its mission to enhance investor protection and promote stable and orderly financial markets.
29.09.2021	ESMA publishes MiFID II review report on algorithmic trading	ESMA published the MiFID II/MiFIR review report on algorithmic trading. The Final Report concludes that no fundamental issues have emerged with respect to the MiFID II algorithmic trading regime which has overall delivered on its objectives. ESMA nevertheless makes in the report some recommendations which aim at both simplifying the regime and making it more efficient.

30.09.2021	ESMA calls for legislative changes to improve access to and use of credit ratings	ESMA published an Opinion on how access to and use of credit ratings can be improved in the EU. In the Opinion, ESMA highlights the difficulties experienced by users of credit ratings and recommends that the legislators amend the CRA Regulation or take alternative legislative action to address these.
30.09.2021	New Q&AS available	ESMA updated the following Questions and Answers: <ul style="list-style-type: none"> • EMIR implementation • SFTR data reporting • MiFID II and MiFIR transparency topics
30.09.2021	ESMA is seeking economic advisors in renewal of stakeholder group	ESMA launched the process to renew its Group of Economic Advisors (GEA), an expert stakeholder group which assists ESMA's Committee for Economic and Markets Analysis (CEMA).



Financial centre

Main updated figures regarding the financial centre

			Annual comparison
Banks	Number (30/09/2021)	125	↘ 3 entities
	Balance sheet total (30/06/2021)	EUR 889.183 bn	↗ EUR 21.152 bn
	Profit before provisions and taxes (30/06/2021)	EUR 2.772 bn	↗ EUR 87 m
Payment institutions	Number (30/09/2021)	15	↗ 3 entities
Electronic money institutions	Number (30/09/2021)	11	↗ 1 entity
UCIs	Number (30/09/2021)	Part I 2010 Law: 1,681	↘ 44 entities
		Part II 2010 Law: 240	↘ 3 entities
		SIFs: 1,386	↘ 61 entities
	TOTAL: 3,307	↘ 108 entities	
	Number (30/09/2021)	SICAR: 225	↘ 9 entities
	Total net assets (31/08/2021)	EUR 5,647.437 bn	↗ EUR 950.675 bn
Management companies (Chapter 15)	Number (30/09/2021)	179	↘ 11 entities
	Balance sheet total (30/06/2021) ²	EUR 18.608 bn	↗ EUR 2.846 bn
Management companies (Chapter 16)	Number (30/09/2021)	154	↘ 3 entities
AIFMs	Number (30/09/2021)	264	↗ 1 entity
Pension funds	Number (30/09/2021)	12	↗ 1 entity
Authorised securitisation undertakings	Number (30/09/2021)	29	↘ 3 entities
Investment firms	Number (30/09/2021)	96	↘ 3 entities
	Balance sheet total (31/08/2021)	EUR 1.352 bn	↗ EUR 258 m
	Provisional net profit (31/08/2021)	EUR 75.44 m	↗ EUR 11.19 m
Specialised PFS	Number (30/09/2021)	98	↘ 2 entities
	Balance sheet total (31/08/2021)	EUR 6.566 bn	↗ EUR 564 m
	Provisional net profit (31/08/2021)	EUR 56.74 m	↗ EUR 8.55 m
Support PFS	Number (30/09/2021)	71	no variation
	Balance sheet total (31/08/2021)	EUR 1.522 bn	↘ EUR 325 m
	Provisional net profit (31/08/2021)	EUR 49.73 m	↗ EUR 13.67 m
Issuers of securities whose home Member State is Luxembourg pursuant to the Transparency Law	Number (30/09/2021)	470	↗ 33 entities
Public oversight of the audit profession	Number (30/09/2021)	54 <i>cabinets de révision agréés</i>	↘ 1 entity
		334 <i>réviseurs d'entreprises agréés</i>	↗ 15 people
		27 third-country auditors and audit firms	↗ 4 entities
Employment (30/06/2021)	Banks	26,293 people	↗ 68 people
	Management companies (Chapter 15) ²	5,009 people	↗ 114 people
	Investment firms	1,841 people	↗ 81 people
	Specialised PFS	5,654 people	↗ 297 people
	Support PFS	9,049 people	↗ 187 people
	Payment institutions/electronic money institutions	669 people	↗ 82 people
	Total	48,515 people	↗ 829 people³

² Preliminary figures.

³ 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.