



Newsletter No 264

January 2023



Commission de Surveillance
du Secteur Financier

TABLE OF CONTENTS

Warnings	3
Warnings of the CSSF	3
Warnings published by IOSCO	3
National regulation	3
Fight against money laundering and terrorist financing and international financial sanctions	5
FAQ	6
Communiqués	6
Withdrawal decided by the CSSF	7
Statistics	8
Monthly Statistics	8
Human resources	16
European/International News in December 2022	17
Single Supervisory Mechanism (SSM) - European Central Bank (ECB)	17
European Parliament, European Commission and European Council	18
European Banking Authority (EBA)	19
European Supervisory Authorities (ESAs)	21
Basel Committee on Banking Supervision (BCBS)	21
Macprudential topics and fora	21
Financial Stability Board (FSB)	23
European Securities and Markets Authority (ESMA)	23
Financial centre	25



Warnings

Warnings of the CSSF

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

- Warning regarding an entity named Welt Anlage
- Warning regarding the activities of an entity named Eljoinvest
- Warning regarding the activities of an entity named ExpoChains
- Warning concerning the website <https://www.oorekainter.com/>
- Warning regarding the activities of an entity named Mercuria X ou Mercuria Ventures
- Warning issued by the Hong Kong authority (SFC) regarding an entity named MIT Investment and Trading (HK) Co., Ltd / Myiteng Investment Trading (HK) Co. Ltd / Miyiteng Investment & Trading (HK) Co., Ltd
- Warning concerning the website www.befinance.zd.fr and a fraud scheme misusing the identity of the company Belenus Finance S.A. incorporated under Luxembourg law
- Warning regarding the activities of an entity named Alphanis

Given the significant number of fraudulent websites recently identified, the CSSF recommends verifying 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

Grand-ducal Regulation of 23 December 2022 – Fees to be levied by the CSSF

The Grand-ducal Regulation of 23 December 2022 sets out the fees to be paid to the CSSF by financial sector players active in Luxembourg in order to cover the CSSF's staff, financial and operating costs. Furthermore, it repeals the Grand-ducal Regulation of 17 December 2021 relating to the fees to be levied by the Commission de Surveillance du Secteur Financier. It entered into force on 1 January 2023.

<https://www.cssf.lu/en/Document/grand-ducal-regulation-of-23-december-2022/>

Circular CSSF 22/824 – Loan Origination and Monitoring

The purpose of the circular is to inform the persons concerned that the CSSF, in its capacity as competent authority, applies the Guidelines of the EBA on Loan Origination and Monitoring (EBA/GL/2020/06) (the Guidelines). This circular will apply from 31 March 2023.

Credit institutions are required under the Law of 5 April 1993 on the financial sector (LFS) to implement robust internal governance arrangements, processes and mechanisms. With respect to credit granting and monitoring, those arrangements, processes and mechanisms are key to ensure that newly originated loans are of a sound credit quality and do not turn into non-performing loans (NPL) which might ultimately threaten the financial stability of the banking system and negatively affect the credit institutions' ability to generate new lending to the real economy.

In this context, and as a response to the European Union's July 2017 Action Plan on tackling the high level of non-performing exposures, the EBA has issued the Guidelines, as well as the EBA Guidelines on management of non-performing and forborne exposures (EBA/GL/2018/06) and the EBA Guidelines on

disclosure of non-performing and forborne exposures (EBA/GL/2018/10), thereby covering the full life cycle of credit facilities (from loan origination to the management and disclosure of NPLs, if applicable).

Link to the circular: <https://www.cssf.lu/en/Document/circular-cssf-22-824/>

Link to the communiqué: <https://www.cssf.lu/en/2022/12/publication-of-circular-cssf-22-824-application-of-the-guidelines-of-the-european-banking-authority-on-loan-origination-and-monitoring-eba-gl-2020-06/>

CSSF Regulation No 22-07 – Systemically important institutions

The purpose of the regulation is to identify the systemically important institutions authorised in Luxembourg. The regulation lays down that no global systemically important institution within the meaning of Article 59-3 of the Law of 5 April 1993 on the financial sector has been identified. Furthermore, six credit institutions authorised in Luxembourg have been identified as other systemically important institutions within the meaning of Article 59-3 of the Law of 5 April 1993.

<https://www.cssf.lu/en/Document/regulation-cssf-no-22-07-of-30-november-2022/>

CSSF Regulation No 22-08 – Countercyclical buffer rate

The regulation sets the countercyclical buffer rate for the first quarter of 2023 at 0.50%.

<https://www.cssf.lu/en/Document/cssf-regulation-no-22-08-of-31-december-2022/>

Circular CSSF 22/825 – Data collection on inactive accounts and inactive safe-deposit boxes

The purpose of the circular is to define the format, content and submission modalities of the data collection on inactive accounts and inactive safe-deposit boxes pursuant to the Law of 30 March 2022 on inactive accounts, inactive safe-deposit boxes and unclaimed insurance contracts.

The data related to unclaimed insurance contracts is out of scope of this data collection as the Commissariat aux Assurances is competent to collect this information.

The circular applies to credit institutions established in Luxembourg, Luxembourg branches of EU and third-country credit institutions and to POST Luxembourg.

The data must reflect the situation as of 31 December of the reference year and be transmitted to the CSSF by 28 February at the latest.

The annex to the circular must be submitted electronically to the CSSF. Procedures and explanations on the practical modalities regarding the preparation and transmission of the data collection related to the Law of 30 March 2022 are made available to institutions via the eDesk portal of the CSSF (<https://edesk.apps.cssf.lu>).

<https://www.cssf.lu/en/Document/circular-cssf-22-825/>

Circular CSSF 22/826 – Practical rules concerning the statutory audit mandate

The purpose of the circular is to define the scope of the statutory audit mandate and the content of the reports and written comments issued by the *réviseur d'entreprises agréé* (approved statutory auditor - REA) in the context of its audit of the annual accounting documents prepared pursuant to Article 54(1) of the Law of 5 April 1993 on the financial sector (LFS). The circular also clarifies the REA's reporting obligations under Article 54(3) of the LFS.

The circular draws upon the provisions formerly contained in Circular CSSF 01/27. The latter is repealed by Circular CSSF 22/821 as of 31 December 2022.

<https://www.cssf.lu/en/Document/circular-cssf-22-826/>

Circular CSSF 22/827 – Provisions relating to credit institutions and investment firms of EU origin established in Luxembourg by way of branches or exercising activities in Luxembourg by way of free provision of services

The purpose of the circular is to amend Circular CSSF 07/325 on provisions relating to credit institutions and investment firms of EU origin established in Luxembourg by way of branches or exercising activities

in Luxembourg by way of free provision of services, following the introduction of the revised long form report by Circular CSSF 22/821.

The circular draws upon the provisions of the revised long form report and introduces a self-assessment questionnaire to be filled in on an annual basis by Luxembourg branches of credit institutions whose head office is in another Member State.

The circular also modifies relevant regulatory references following (i) the latest updates made to the Law of 5 April 1993 on the financial sector and to the Law of 12 November 2004 on the fight against money laundering and terrorist financing, and (ii) the entry into force of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments (MiFID II) which was transposed into Luxembourg law by the Law of 30 May 2018 on markets in financial instruments.

<https://www.cssf.lu/en/Document/circular-cssf-22-827/>

Circular CSSF 22/828 – Requirements regarding information and communication (ICT) and security risk management

The objective of the circular is to amend paragraph 4. “Additional requirement for payment service providers (PSPs)” of Circular CSSF 20/750 to introduce a form regarding the updated and comprehensive risk assessment of the ICT and security risks related to payment services provided by PSPs (named “PSP ICT Assessment”), and to provide further information on the objective, the scope and the submission process and deadline related to this form.

The PSP ICT Assessment form must be used for the first time concerning the calendar year 2022 and submitted to the CSSF no later than 31 March 2023.

<https://www.cssf.lu/en/Document/circular-cssf-22-828/>

Circular CSSF-CPDI 22/32 – Survey on the amount of covered deposits

The aim of the circular is to carry out the regular 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 December 2022.

The circular also introduces the clarification that accounts denominated in units of precious metals, such as gold (XAU) or silver (XAG), as well as accounts denominated in virtual currencies, such as Bitcoin or Ether, are excluded from the scope of the deposit guarantee. Hence such accounts are not to be reported.

<https://www.cssf.lu/en/Document/circular-cssf-cpdi-22-32/>



Fight against money laundering and terrorist financing and international financial sanctions

AML/CFT controls applied to TCSP activities by certain IFMs

Thematic inspections from November 2021 to January 2022

In July 2020 the CSSF published a money laundering/terrorist financing (“ML/TF”) sub-sector risk assessment regarding the specialised professionals of the financial sector providing corporate services – Trust and Company Service Provider (“TCSP”) activities. The results of the sub-sector risk assessment indicate an inherent high risk and a residual medium risk for the activity. Although the risk assessment remains focused on one category of professionals of the financial sector, its findings are judged pertinent also for understanding the ML/TF risk of TCSP activities conducted by other professionals such as investment fund managers (“IFMs”), albeit being ancillary to their main business activity.

In this context, the CSSF's "UCI On-site Inspection" department carried out a thematic review from November 2021 to January 2022 of the AML/CFT controls applied by IFMs in regard to their TCSP activities, ancillary to their principal investment fund management activity. The thematic review targeted different types and sizes of market participants¹ (hereafter the IFMs) and included four Luxembourg IFMs. Further details on the focus areas of the thematic review are described below.

Key findings

The main takeaway of the review was that:

- TCSP services mainly consisted in providing a corporate address and directorship services to entities directly linked to their investment fund management activity;
- the AML/CFT controls applied by the IFMs to their TCSP activity are embedded in their general AML/CFT framework;
- the overall understanding of the risks associated with ML/TF linked to the IFMs' TCSP activity as well as the related mitigation measures put in place by the entities inspected were satisfactory, despite certain findings in particular in the area of customer due diligence and ongoing monitoring.

Best practices

For some of the IFMs our inspection also revealed best practices such as in particular:

- the governing bodies were specifically made aware of TCSP matters, despite these being ancillary activities;
- the TCSP activity was assessed individually in the IFM's risk assessment;
- the AML/CFT procedures made specific reference to the TCSP activity.

The CSSF reminds IFMs of the importance to also capture such ancillary activity at the level of the risk appetite statement, the compliance monitoring plan and the annual AML report, in this case by making specific reference to the TCSP activity.



FAQ

On 16 December 2022, the CSSF published the 15th version of the FAQ concerning the Law of 17 December 2010 relating to undertakings for collective investment:

<https://www.cssf.lu/en/Document/faq-concerning-the-luxembourg-law-of-17-december-2010-relating-to-undertakings-for-collective-investment-version-15/>



Communiqués

Date	Publications
15.12.2022	Profit and loss account of credit institutions as at 30 September 2022
16.12.2022	Suspension of payments: ANPHIKO ASSET MANAGEMENT S.A. – Appointment of an administrator
16.12.2022	Failure of ANPHIKO ASSET MANAGEMENT S.A.

¹ Management company incorporated under Luxembourg law and subject to Chapter 15 of the Law of 17 December 2010 relating to undertakings for collective investment and alternative investment fund manager authorised under Chapter 2 of the Law of 12 July 2013 on alternative investment fund managers.

16.12.2022	Renewal of the cooperation arrangement between the CSSF and the PCAOB relating to the oversight of audit firms subject to the regulatory jurisdictions of both regulators
16.12.2022	List of independent approved statutory auditors and approved audit firms having received less than 15% of the total audit fees from PIEs in Luxembourg in 2021
20.12.2022	Updated G20/OECD High-Level Principles on Financial Consumer Protection
20.12.2022	The CSSF reviews the risks related to money laundering and terrorist financing to which payment agents and electronic money distributors are exposed and communicates its recommendations in this regard
21.12.2022	EMIR Refit reporting standards
23.12.2022	Repeal of Circular CSSF 20/748 adopting the Guidelines of the European Banking Authority on reporting and disclosure of exposures subject to measures applied in response to the COVID-19 crisis (EBA/GL/2020/07)
30.12.2022	Global situation of undertakings for collective investment at the end of November 2022
30.12.2022	BaFin product intervention regarding futures
02.01.2023	Enforcement of the 2022 annual reports published by issuers subject to the Transparency Law
05.01.2023	Fake police scam
09.01.2023	eDesk is getting a new design!



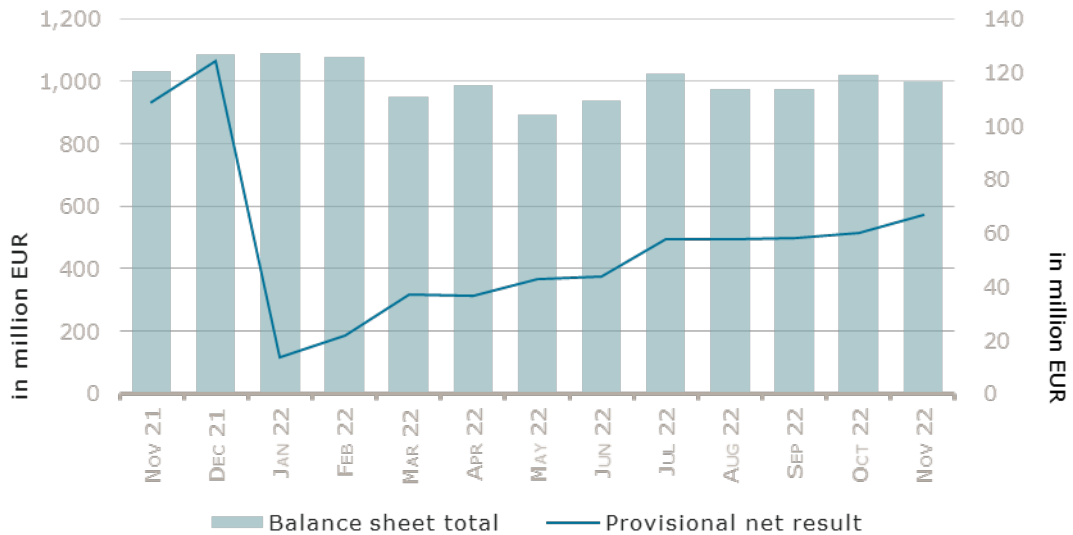
Withdrawal decided by the CSSF

Following the CSSF's decision to withdraw the specialised investment fund PRAEFINIUM from the official list of specialised investment funds, the VIth Chamber of the Luxembourg *Tribunal d'arrondissement* (District Court) dealing with commercial matters, per judgement of 5 January 2023, pronounced the dissolution and ordered the liquidation of the specialised investment fund PRAEFINIUM. The same judgement has appointed Ms Sabrina Hellinghausen as official receiver (*juge-commissaire*) and Mr Ferdinand Burg as liquidator.

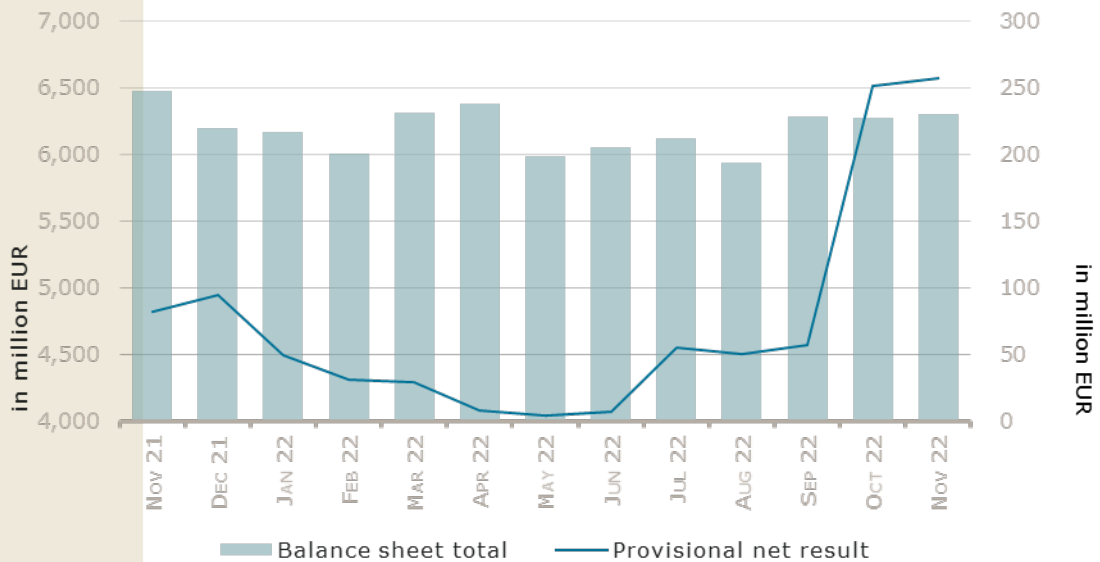


MONTHLY STATISTICS

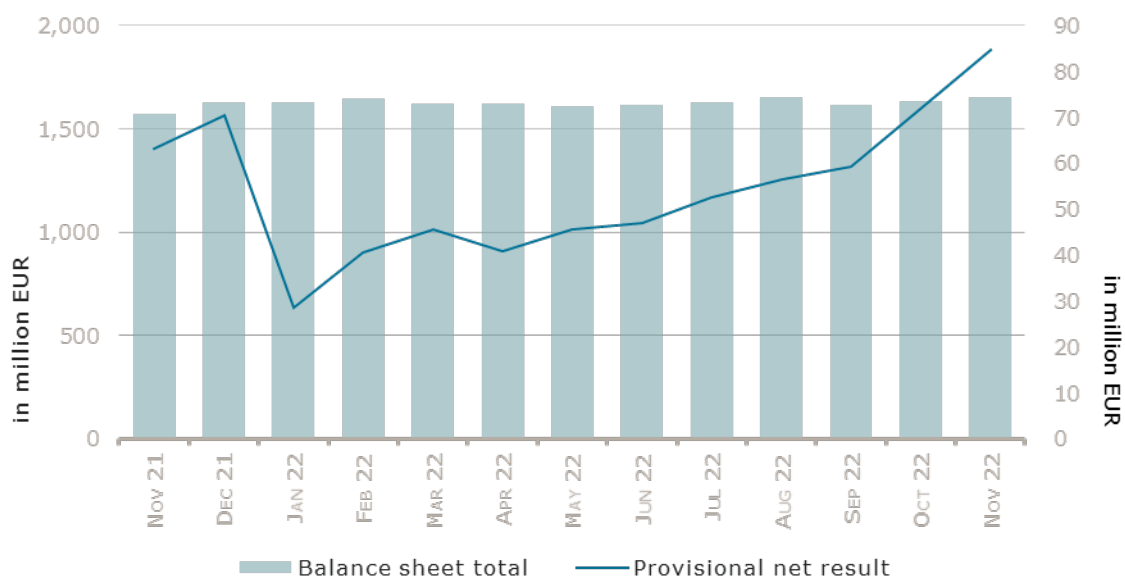
INVESTMENT FIRMS:
DECREASE IN THE BALANCE SHEET TOTAL AS AT 30 NOVEMBER 2022



SPECIALISED PFS:
INCREASE IN THE BALANCE SHEET TOTAL AS AT 30 NOVEMBER 2022

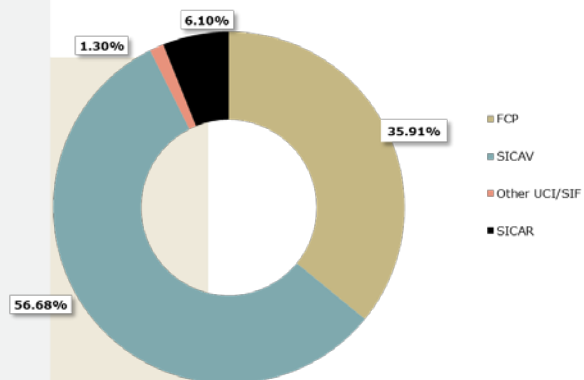


**SUPPORT PFS:
INCREASE IN THE BALANCE SHEET TOTAL AS AT 30 NOVEMBER 2022**

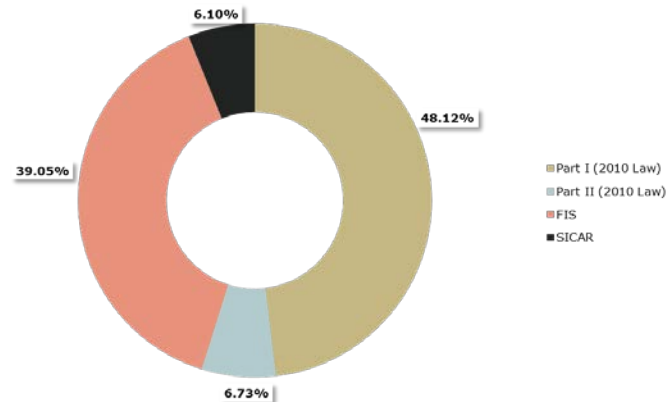


NUMBER OF UCIS

Breakdown of UCIs according to legal form



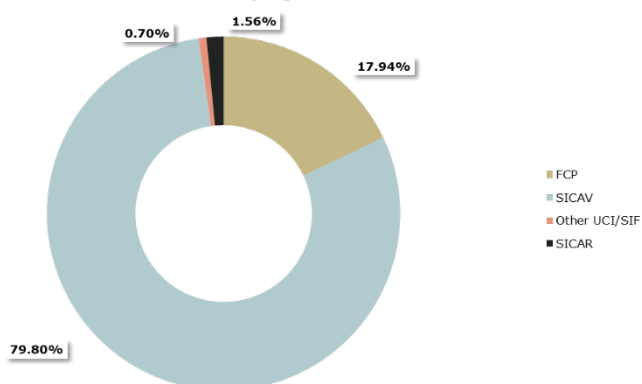
Breakdown of UCIs according to law and part applicable



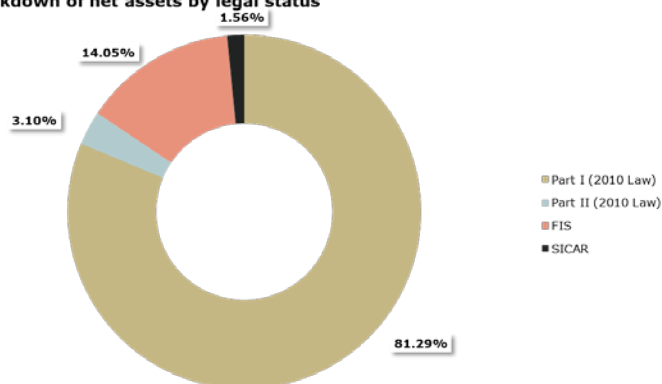
	FCP	SICAV	Other UCIs / SIFs	SICARs	Total
Part I (2010 Law)	828	796	0	0	1,624
Part II (2010 Law)	106	119	2	0	227
SIFs	278	998	42	0	1,318
SICARs	0	0	0	206	206
Total	1,212	1,913	44	206	3,375

NET ASSETS OF UCIS

Breakdown of net assets of UCIs by legal form



Breakdown of net assets by legal status



<i>in billion EUR</i>	FCP	SICAV	Other UCIs / SIFs	SICARs	Total
Part I (2010 Law)	656.370	3,543.564	0.000	0.000	4,199.934
Part II (2010 Law)	45.823	113.834	0.280	0.000	159.937
SIFs	224.443	465.553	35.765	0.000	725.761
SICARs	0.000	0.000	0.000	80.741	80.741
Total	926.636	4,122.951	36.045	80.741	5,166.373

NET ASSETS BROKEN DOWN BY INVESTMENT POLICY

Breakdown by investment policy	Net assets (in bn €)	Number of fund units
Fixed-Income Transferable Securities	1,217.803	3,139
Variable-Yield Transferable Securities	1,744.602	4,156
Mixed Transferable Securities	1,025.879	3,460
Funds of Funds	347.352	2,056
Money Market Instruments and Other Short-Term Securities	428.564	196
Cash	6.494	8
Private Equity	81.654	246
Venture Capital	4.186	30
Real Estate	135.291	325
Futures and/or Options	12.894	68
Other Assets	80.913	280
Public-to-Private	0.137	2
Mezzanine	2.891	11
Venture Capital (SICAR)	9.248	62
Private Equity (SICAR)	68.465	265
TOTAL	5,166.373	14,304

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	1,125.250	2,728	42.957	46.496	-3.539
Variable-Yield Transferable Securities	1,668.883	3,836	45.171	51.808	-6.637
Mixed Transferable Securities	825.460	2,532	17.129	18.837	-1.708
Funds of Funds	158.408	807	1.915	2.913	-0.998
Money Market Instruments and Other Short-Term Securities	404.465	166	253.276	235.609	17.667
Cash	6.420	6	1.965	2.124	-0.159
Futures and/or Options	7.454	39	0.177	0.332	-0.155
Other Assets	3.594	7	0.056	0.106	-0.050
SUB-TOTAL PART I	4,199.934	10,121	362.646	358.225	4.421
PART II					
Fixed-Income Transferable Securities	12.490	85	0.242	0.821	-0.579
Variable-Yield Transferable Securities	14.470	68	0.189	0.075	0.114
Mixed Transferable Securities	60.057	164	1.376	0.923	0.453
Funds of Funds	31.901	186	0.248	0.452	-0.204
Money Market Instruments and Other Short-Term Securities	12.918	20	1.951	0.903	1.048
Cash	0.000	0	0.000	0.000	0.000
Private Equity	16.508	23	0.125	0.019	0.106
Venture Capital	1.037	3	0.027	0.000	0.027
Real Estate	4.514	9	0.000	0.034	-0.034
Futures and/or Options	1.512	12	0.029	0.140	-0.111
Other Assets	4.530	25	0.032	0.049	-0.017
SUB-TOTAL PART II	159.937	595	4.219	3.416	0.803

SIF

Fixed-Income Transferable Securities	80.063	326	0.970	1.668	-0.698
Variable-Yield Transferable Securities	61.249	252	0.589	0.628	-0.039
Mixed Transferable Securities	140.362	764	1.785	1.852	-0.067
Funds of Funds	157.043	1,063	1.524	1.151	0.373
Money Market Instruments and Other Short-Term Securities	11.181	10	5.098	3.786	1.312
Cash	0.074	2	0.000	0.000	0.000
Private Equity	65.146	223	0.652	0.191	0.461
Venture Capital	3.149	27	0.031	0.001	0.030
Real Estate	130.777	316	3.935	1.029	2.906
Futures and/or Options	3.928	17	0.113	0.685	-0.572
Other Assets	72.789	248	0.610	1.312	-0.702
SUB-TOTAL SIFs	725.761	3,248	15.307	12.303	3.004

SICARs

Public-to-Private	0.137	2	0.000	0.000	0.000
Mezzanine	2.891	11	0.000	0.000	0.000
Venture Capital	9.248	62	0.000	0.000	0.000
Private Equity	68.465	265	0.013	0.167	-0.154
TOTAL SICARs	80.741	340	0.013	0.167	-0.154
TOTAL LUXEMBOURG UCIs	5,166.373	14,304	382.185	374.111	8.074

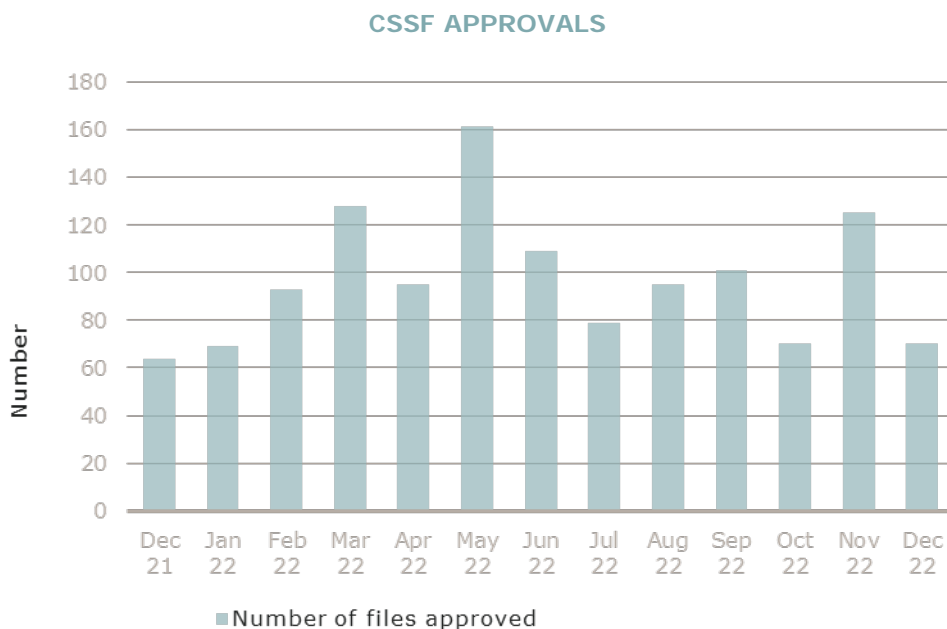
ORIGIN OF THE INITIATORS OF LUXEMBOURG UCIS

Country	Net assets (in bn EUR)	in %	Number of UCIs	in %	Number of fund units	in %
US	1,008.426	19.5%	163	4.8%	1,172	8.2%
GB	862.616	16.7%	243	7.2%	1,624	11.4%
DE	760.963	14.7%	1,085	32.2%	2,295	16.0%
CH	696.934	13.5%	521	15.4%	2,647	18.5%
FR	574.927	11.1%	252	7.5%	1,563	10.9%
IT	336.188	6.5%	115	3.4%	1,273	8.9%
BE	229.527	4.5%	129	3.8%	733	5.1%
LU	213.381	4.2%	270	8.0%	839	5.9%
NL	113.016	2.2%	40	1.2%	256	1.8%
DK	111.746	2.2%	19	0.6%	204	1.4%
OTHERS	258.649	5.0%	538	15.9%	1,698	11.9%
TOTAL	5,166.373	100.0%	3,375	100.0%	14,304	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	2.846	0.055%	15	0.105%
CAD	3.452	0.067%	17	0.119%
CHF	52.511	1.017%	247	1.727%
CNH	9.858	0.191%	28	0.196%
CNY	5.318	0.103%	5	0.035%
CZK	1.333	0.026%	57	0.398%
DKK	1.668	0.032%	12	0.084%
EUR	2,761.526	53.452%	8,834	61.759%
GBP	164.173	3.178%	285	1.992%
HKD	3.481	0.067%	8	0.056%
HUF	0.201	0.004%	18	0.126%
JPY	54.683	1.059%	157	1.097%
NOK	5.635	0.109%	31	0.217%
NZD	0.217	0.004%	1	0.007%
PLN	0.173	0.003%	4	0.028%
RON	0.512	0.010%	2	0.014%
SEK	37.679	0.729%	123	0.860%
SGD	1.296	0.025%	7	0.049%
USD	2,059.792	39.869%	4,452	31.124%
ZAR	0.019	0.000%	1	0.007%
TOTAL	5,166.373	100.000%	14,304	100.000%

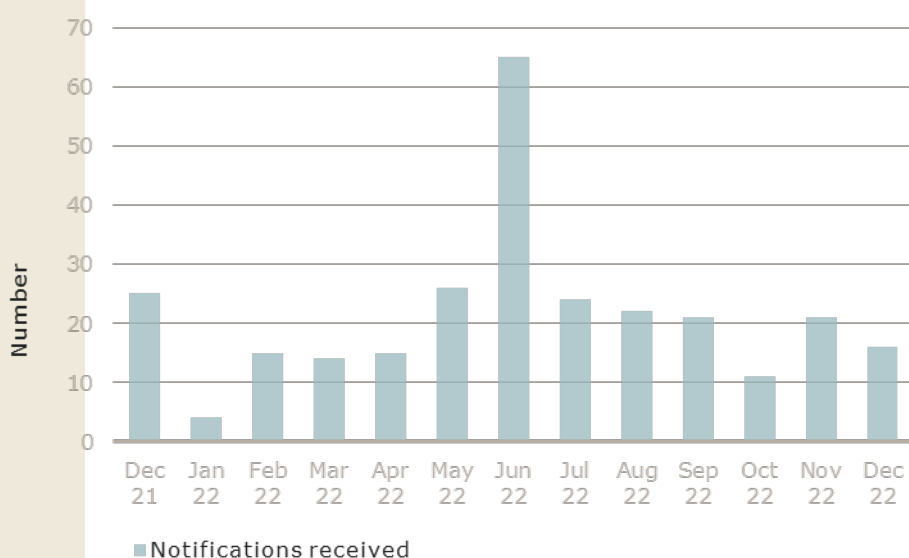
PROSPECTUSES TO BE PUBLISHED WHEN SECURITIES ARE OFFERED TO THE PUBLIC OR ADMITTED TO TRADING ON A REGULATED MARKET



In December 2022, the CSSF approved a total of 70 documents pursuant to the Prospectus Regulation, which break down as follows:

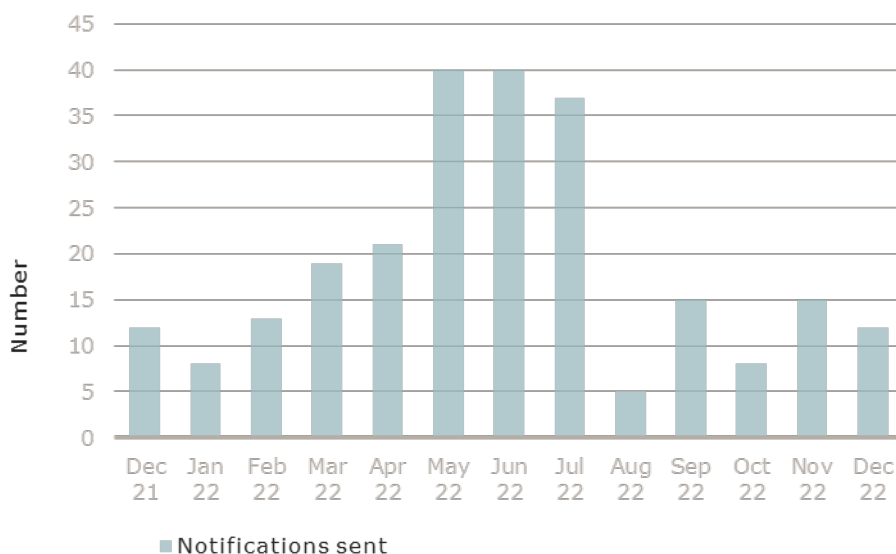
base prospectuses:	20 (28.57%)
other prospectuses:	9 (12.86%)
registration documents:	2 (2.86%)
supplements:	39 (55.71%)

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



In December 2022, the CSSF received 16 notifications relating to prospectuses and base prospectuses and 30 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



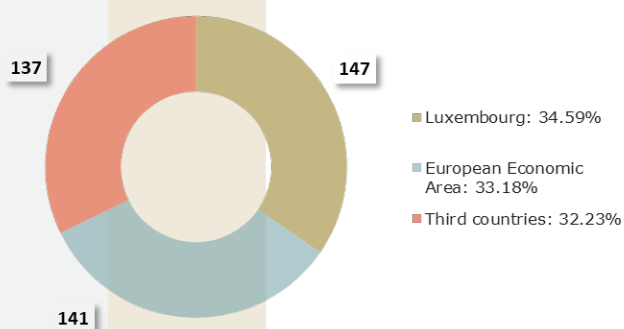
In December 2022, the CSSF sent 12 notifications relating to prospectuses and base prospectuses and 25 notifications relating to supplements to the competent authorities of other EEA Member States².

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”)

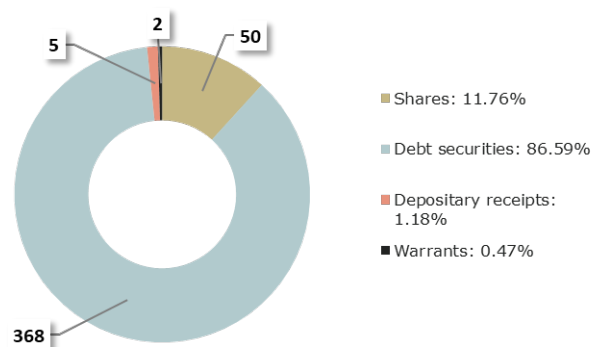
Since 30 November 2022, three issuers have chosen Luxembourg as home Member State for the purposes of the Transparency Law. Moreover, three issuers were deregistered from the list due to the fact that they no longer fall within the scope of the Transparency Law.

As at 31 December 2022, **425 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



² 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 December 2022, **13 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 **14**.

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 31 December 2022.

PUBLIC OVERSIGHT OF THE AUDIT PROFESSION

The public oversight of the audit profession covered **53 cabinets de révision agréés** (approved audit firms) and **357 réviseurs d'entreprises agréés** (approved statutory auditors) as at 31 December 2022. The oversight also included **22 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 4 employees since the publication of the last Newsletter and counts, after the departure of 3 agents, 969 agents (536 men and 433 women). They have been assigned to the following departments:

- Public Oversight of the Audit Profession
- UCI Departments
- Department "Real Estate and Facility Management"



European/International News in December 2022

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

Date	Publications	Description
06/12/2022	ECB launches partnership with European University Institute to train banking supervisors	The ECB launched a long-term partnership with the Florence School of Banking and Finance of the European University Institute to develop a training programme for all supervisors across European banking supervision.
12/12/2022	ECB Banking Supervision: SSM supervisory priorities for 2023-2025	The ECB published the SSM supervisory priorities for 2023-2025.
16/12/2022	ECB publishes enhanced rules for private financial transactions of high-level officials	The ECB published an enhanced Code of Conduct for all high-level ECB officials. These new rules, prepared by the ECB's independent Ethics Committee, impose additional restrictions on the private financial transactions of high-level ECB officials, including Governing Council, Executive Board and Supervisory Board members.
16/12/2022	Key observations from the 2022 horizontal analysis of IT and cyber risk	The ECB published the results of the 2022 horizontal analysis of IT and cyber risk.
19/12/2022	ECB report on good practices for climate stress testing	The ECB published a report on good practices for climate stress testing. The report shall provide banks with examples and suggestions on how to improve their climate stress testing capabilities based on identified good practices from the 2022 ECB climate stress test.
19/12/2022	Administrative Board of Review: Eight years of experience reviewing ECB supervisory decisions	The ECB published a report on the Administrative Board of Review (ABoR). The report sets out the ABoR review procedure and presents the major issues and questions faced by the ABoR in its first eight years (from September 2014 to September 2022).
21/12/2022	List of supervised entities (as of 1 November 2022)	Publication of the list of supervised entities (as of 1 November 2022).
21/12/2022	Governing Council statement on macroprudential policies	The ECB published a statement by the Governing Council on macroprudential policies.

Date	Interviews and speeches	Description
01/12/2022	Andrea Enria: Hearing of the Committee on Economic and Monetary Affairs of the European Parliament	Introductory statement by Andrea Enria, Chair of the Supervisory Board of the ECB.
01/12/2022	Frank Elderson: The European Climate Law and the European Central Bank	Keynote speech by Frank Elderson, Member of the Executive Board of the ECB and Vice-Chair of the Supervisory Board of the ECB, at the Lustrum Symposium organised by Dutch Financial Law Association.
06/12/2022	Elizabeth McCaul: The EU banking package: in Basel we trust	Speech by Elizabeth McCaul, Member of the Supervisory Board of the ECB, at the Working Group Financial Services on "Finalising the details – the revised EU bank prudential framework" hosted by the Kangaroo Group.
14/12/2022	Frank Elderson: No disclaimers: the need to manage biodiversity risks in the financial sector	Pre-recorded contribution by Frank Elderson, Member of the Executive Board of the ECB and Vice-Chair of the Supervisory Board of the ECB, at the Finance and Biodiversity Day COP15 Parallel Event organised by the Convention on Biological Diversity Secretariat.
19/12/2022	Elizabeth McCaul: Interview with American Banker	Interview with Elizabeth McCaul, Member of the Supervisory Board of the ECB, conducted by Kyle Campbell on 9 December.
20/12/2022	Are banks ready to weather rising interest rates?	Blog post by Luis de Guindos, Vice-President of the ECB and Andrea Enria, Chair of the Supervisory Board of the ECB.

26/12/2022

Andrea Enria: Interview with Süddeutsche Zeitung

Interview with Andrea Enria, Chair of the Supervisory Board of the ECB, conducted by Meike Schreiber and Markus Zydra on 16 December.

European Parliament, European Commission and European Council

Date	Regulatory developments	Description
05/12/2022	Commission Implementing Regulation (EU) 2022/2365 of 2 December 2022	Publication of Commission Implementing Regulation (EU) 2022/2365 of 2 December 2022 amending the implementing technical standards laid down in Implementing Regulation (EU) 2016/1801 as regards the mapping tables correspondence of credit assessments of external credit assessment institutions for securitisation in accordance with Regulation (EU) No 575/2013 of the European Parliament and of the Council.
19/12/2022	Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022	Publication of Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022 amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 as regards the disclosure of environmental, social and governance risks.
19/12/2022	Commission Implementing Regulation (EU) 2022/2454 of 14 December 2022	Publication of Commission Implementing Regulation (EU) 2022/2454 of 14 December 2022 laying down implementing technical standards for the application of Directive 2002/87/EC of the European Parliament and of the Council with regard to supervisory reporting of risk concentrations and intra-group transactions.
22/12/2022	Commission Implementing Regulation (EU) 2022/1994 of 21 November 2022	Publication of Commission Implementing Regulation (EU) 2022/1994 of 21 November 2022 amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/451 as regards own funds, asset encumbrance, liquidity and reporting for the purposes of identifying global systemically important institutions.
27/12/2022	Corrigendum to Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022	Publication of Corrigendum to Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of 'do no significant harm', specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports.
27/12/2022	Regulation (EU) 2022/2554 of the European Parliament and of the Council of 14 December 2022	Publication of Regulation (EU) 2022/2554 of the European Parliament and of the Council of 14 December 2022 on digital operational resilience for the financial sector and amending Regulations (EC) No 1060/2009, (EU) No 648/2012, (EU) No 600/2014, (EU) No 909/2014 and (EU).
27/12/2022	Directive (EU) 2022/2556 of the European Parliament and of the Council of 14 December 2022	Publication of Directive (EU) 2022/2556 of the European Parliament and of the Council of 14 December 2022 amending Directives 2009/65/EC, 2009/138/EC, 2011/61/EU, 2013/36/EU, 2014/59/EU, 2014/65/EU, (EU) 2015/2366 and (EU) 2016/2341 as regards digital operational resilience for the financial sector.
29/12/2022	Commission Delegated Regulation (EU) 2022/2580 of 17 June 2022	Publication of Commission Delegated Regulation (EU) 2022/2580 of 17 June 2022 supplementing Directive 2013/36/EU of the European Parliament and of the Council with regard to regulatory technical standards specifying the information to be provided in the application for the authorisation as a credit institution, and specifying the obstacles which may prevent the effective exercise of supervisory functions of competent authorities.

29/12/2022	Commission Implementing Regulation (EU) 2022/2581 of 20 June 2022	Publication of Commission Implementing Regulation (EU) 2022/2581 of 20 June 2022 laying down implementing technical standards for the application of Directive 2013/36/EU of the European Parliament and of the Council with regard to provision of information in applications for authorisation of a credit institution.
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European Banking Authority (EBA)

Date	Publications	Description
09/12/2022	EBA risk assessment warns about the impact of a deteriorating macroeconomic environment	The EBA published its annual risk assessment of the European banking system. The report is accompanied by the publication of the 2022 EU-wide transparency exercise, which provides detailed information, in a comparable and accessible format, for 122 banks across 26 EEA/EU countries. Banks should prepare for a likely deterioration in asset quality and strengthen their screening systems and controls to ensure a strict compliance with sanctions to prevent legal and reputational risks.
12/12/2022	EBA issues revised list of ITS validation rules	The EBA issued a revised list of validation rules for its reporting standards (Implementing Technical Standards and Regulatory Technical Standards and Guidelines), 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 reporting standards should not be formally validated against the set of deactivated rules.
13/12/2022	EBA publishes its roadmap on sustainable finance)	The EBA published its roadmap outlining the objectives and timeline for delivering mandates and tasks in the area of sustainable finance and environmental, social and governance (ESG) risks. The roadmap explains the EBA's sequenced and comprehensive approach over the next three years to integrate ESG risks considerations in the banking framework and support the EU's efforts to achieve the transition to a more sustainable economy.
14/12/2022	EBA publishes its first thematic review on the transparency and level of fees and charges for retail banking products in the EU, observing that significant detriment still arises for consumers	The EBA published a thematic review on the transparency and level of fees and charges levied by financial institutions (FIs) on the retail banking products in the EU. Overall, the review finds that fees and charges vary greatly in terms of level and type not only across the European Union market, but also across FIs within the same jurisdiction. Furthermore, the variety of types for fees and charges seem to cause different levels of detriment to consumers, and, with the exception of payment accounts, fees and charges are difficult to compare between providers.
16/12/2022	EBA publishes its closure report of COVID-19 measures and repeals its Guidelines on COVID-19 reporting and disclosure	The EBA published its closure report of COVID-19 measures, which provides an overview of the wide range of policy measures taken on the back of the pandemic, their state of play and the path out of policy support. Although the EU banking system proved overall resilient, the ample support provided does not give room to complacency, and the framework is to be further strengthened with a loyal and prompt implementation of Basel III. The publication is accompanied by an update to the list of public guarantee schemes (PGS) and general payment moratoria schemes issued in response to the pandemic. Finally, the EBA Guidelines on COVID-19 reporting and disclosure have been repealed in response to the decreasing relevance of the related public support measures, and the overall EBA proportionate approach to reporting.
16/12/2022	EBA standardises information requirements to support sales and transfers of non-performing loans	The EBA published its final draft Implementing Technical Standards (ITS) specifying the requirements for the information that credit institutions selling NPL shall provide to prospective buyers. The objective of the draft ITS is to provide a common data standard for the NPL sales or transfers across the EU enabling cross-country comparison and thus reducing information asymmetries between the sellers and buyers of NPL, thus improving the functioning of NPL secondary markets.

Date	Publications	Description
19/12/2022	EBA updates list of CET1 instruments	The EBA published an updated list of capital instruments that competent authorities across the European Union (EU) and for the first time the European Economic Area (EEA) have classified as Common Equity Tier 1 (CET1). Since the publication of the previous update in December 2021, the CET1 instruments compliant with the Capital Requirements Regulation (CRR) and issued by institutions from Iceland, Liechtenstein and Norway have been added to the list. The list will be maintained and updated on a regular basis.
21/12/2022	EBA updates list of diversified indices	The EBA updated the list of diversified indices, originally published in 2013 and previously updated in 2019. The list is part of the implementing technical standards (ITS) drafted to calculate the capital requirements for position risk in equities according to the standardised rules. The list has been updated according to the procedure and methodology laid down in the ITS and submitted to the European Commission for endorsement.
21/12/2022	EBA publishes final technical standards on the identification of a group of connected clients	The EBA published its final draft Regulatory Technical Standards (RTS) on the identification of a group of connected clients (GCC) under the Capital Requirements Regulation (CRR). These draft RTS, in conjunction with the EBA Guidelines on connected clients, provide the complete framework for the identification of two or more natural or legal persons who are so closely linked by idiosyncratic risk factors, that it is prudent to treat as a single risk.

Date	Consultations	Description
06/12/2022	EBA consults on new Guidelines to tackle de-risking	The EBA launched a public consultation on new Guidelines on the effective management of money laundering and terrorist financing (ML/TF) risks when providing access to financial services. Through these guidelines, the EBA aims to ensure that customers, especially the most vulnerable ones, are not denied access to financial services without valid reason. This consultation runs until 6 February 2023.
08/12/2022	EBA launches consultation to amend the data collection for the benchmarking exercise in 2024	The EBA published a consultation paper to amend the Implementing Regulation on the benchmarking of credit risk, market risk and IFRS9 models for the 2024 exercise. The most significant change is the roll out of the data collection for the benchmarking of accounting metrics (IFRS9) to high default portfolios (HDP). For market risk it is proposed to add new templates for the collection of additional information, notably the Default Risk Charge (DRC) and the Residual Risk Add-On (RRAO). For credit risk, only minor changes are proposed. The consultation runs until 28 February 2023.
14/12/2022	EBA consults on Guidelines on the overall recovery capacity in recovery planning	The EBA published a consultation paper on its draft Guidelines on the overall recovery capacity (ORC) in recovery planning. The guidelines aim to set up a consistent framework for the determination of the ORC by institutions in their recovery plans and the respective assessment by competent authorities. The consultation runs until 14 March 2023.

European Supervisory Authorities (ESAs)

Date	Publication	Description
12/12/2022	ESAs publish joint advice to the EU Commission on the review of the securitisation prudential framework	The ESAs published a joint advice in response to the European Commission's October 2021 call for advice on the review of the securitisation prudential framework. The ESAs welcome the current review as an opportunity to assess the performance of the current framework and support the objective of reviving the EU securitisation market. The targeted proposals in the advice aim at improving the consistency and risk sensitivity of the capital framework for banks whereas the liquidity framework for banks and the prudential framework for (re)insurers should be maintained as it currently stands. However, the ESAs believe that re-calibrating the securitisation prudential framework would not be a solution that in itself would ensure the revival of the securitisation market.
22/12/2022	ESAs publish list of financial conglomerates for 2022	The joint committee of the ESAs published the list of identified financial conglomerates for 2022. The 2022 list includes 63 financial conglomerates with the head of group located in the European Union or European Economic Area.

Basel Committee on Banking Supervision (BCBS)

Date	Publication	Description
05/12/2022	BIS Quarterly Review	The BIS published its Quarterly Review.
08/12/2022	Basel Committee clarifies how climate-related financial risks may be captured in the existing Basel Framework	The BCBS issued responses to frequently asked questions (FAQs) to clarify how climate-related financial risks may be captured in the existing Basel Framework.
14/12/2022	Basel Committee evaluation shows that the implemented Basel III reforms contributed to increase bank resilience	The BCBS issued a third report on its evaluation of the impact and effectiveness of implemented Basel reforms. <i>Evaluation of the impact and efficacy of Basel III reforms</i> sets out the Committee's first holistic evaluation of how the reforms have affected bank resilience and systemic risk as well as assessing the possible negative side effects on banks' lending and capital costs. The report also investigates how the different elements of the reforms have interacted, and assesses the framework's regulatory complexity.
16/12/2022	Governors and Heads of Supervision endorse global bank prudential standard for cryptoassets and work programme of Basel Committee	The Group of Central Bank Governors and Heads of Supervision (GHOS), the oversight body of the Basel Committee on Banking Supervision, met on 16 December to endorse a finalised prudential standard on banks' cryptoasset exposures and the Committee's work programme and strategic priorities for 2023–24.

Macroprudential topics and fora

European Central Bank (ECB)

Date	Publications	Description
15/12/2022	Eurosystem staff macroeconomic projections for the euro area	The ECB published the Eurosystem staff macroeconomic projections for the euro area. The outlook for the euro area has deteriorated somewhat, with weaker growth and higher and more persistent inflation than envisaged in the September 2022 ECB staff macroeconomic projections. Economic growth was stronger than previously expected over the summer owing to the boost to services activity from the reopening of the economy and from government support measures. However, the ongoing energy crisis, high inflation, elevated uncertainty, the global slowdown and tighter financing conditions are all dragging down economic activity and have already led to a sharp slowdown in real GDP growth in the third quarter of 2022.

European Systemic Risk Board (ESRB)

Date	Publication	Description
08/12/2022	ESRB Risk Dashboard, November 2022 (Issue 42)	The ESRB risk dashboard is a set of quantitative and qualitative indicators of systemic risk in the EU financial system. It is published quarterly, one week after its adoption by the General Board, and is accompanied by two annexes that explain the methodology and describe the indicators. The latest dashboard highlights that the EU-wide composite indicator of systemic stress is on the rise and has been steadily increasing in 2022. Luxembourg usually ranks high in indicators such as household debt-to-gross disposable income, NFC debt-to-GDP, residential property prices, banking sector size and total assets of investment funds and OFIs in the EU.

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	1%	01.10.2022
	1.5%	01.01.2023
	2%*	01.10.2023
Croatia	0.5%*	31.03.2023
Czech Republic	1.5%	01.10.2022
	2%	01.01.2023
	2.5%*	01.04.2023
Denmark	1%	30.09.2022
	2%	31.12.2022
	2.5%*	31.03.2023
Estonia	1%	07.12.2022
	1.5%*	01.12.2023
France	0.5%*	07.04.2023
Germany	0.75%*	01.02.2023*
Hungary	0.5%*	01.07.2023
Iceland	2%	29.09.2022
Ireland	0.5%*	15.06.2023
	1%*	24.11.2023
Lithuania	1%*	01.10.2023
Luxembourg	0.5%	01.01.2021
Netherlands	1%*	25.05.2023
Norway	1.5%	30.06.2022
	2%	31.12.2022
	2.5%*	31.03.2023
Romania	0.5%	17.10.2022
	1%*	23.10.2023
Slovakia	1%	01.08.2020
	1.5%*	01.08.2023
Sweden	1%	22.06.2022
	2%*	22.06.2023

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
14/12/2022	Assessment of the Effectiveness of the FSB's 2017 Recommendations on Liquidity Mismatch in Open-Ended Funds	The FSB published its assessment of the effectiveness of the FSB's Policy Recommendations to Address Structural Vulnerabilities from Asset Management Activities. This assessment forms part of the FSB's work program to enhance the resilience of non-bank financial intermediation (NBFIs). The assessment covered both the implementation and effectiveness of FSB Recommendations relating to liquidity mismatch in open-ended funds (OEFs) and took place in parallel with IOSCO's review of the implementation of its own related Recommendations. The report finds that authorities have made meaningful progress in implementing the 2017 FSB Recommendations.
20/12/2022	Global Monitoring Report on Non-Bank Financial Intermediation 2022	The FSB published its Global Monitoring Report on NBFIs for 2022. This report presents the results of the FSB's annual global monitoring exercise, covering 29 jurisdictions that account for around 80% of global GDP. The report mainly covers developments in 2021, during which most economies experienced a better-than-expected recovery from the COVID-19 shock, in many ways because of the extraordinary steps taken by official sector authorities to support key financial markets and the real economy. The NBFIs sector exhibited strong growth in 2021, in large part because of higher valuations and inflows into investment funds, which benefited from the economic recovery.

European Securities and Markets Authority (ESMA)

Date	Publications	Description
08/12/2022	ESMA published its assessment of the Brexit relocation processes	ESMA published its Peer Review Report on National Competent Authorities' (NCAs) handling of firms' relocation to the European Union (EU) in the context of the UK's withdrawal from the EU.
13/12/2022	ESMA published latest edition of its newsletter	ESMA published the November edition of its <i>Spotlight on Markets</i> Newsletter.
14/12/2022	ESMA provided guidance for supervision of cross-border activities of investment firms	ESMA published a Supervisory Briefing to ensure convergence across the European Union (EU) in the supervision of the cross-border activities of investment firms.
14/12/2022	ESMA promoted clarity to market participants on best execution reporting	ESMA issued a Public Statement to promote coordinated action by National Competent Authorities (NCAs) under MiFID II.
15/12/2022	ESMA appointed new member to its management board	ESMA has elected a new member to its Management Board to replace an outgoing member who has stepped down from his position.
15/12/2022	ESMA provided guidance to applicants under the DLT pilot regime	ESMA published a Final Report including Guidelines on standard templates, forms and formats to apply for permission to operate a DLT market infrastructure.
16/12/2022	New Q&As available	ESMA updated the following Questions and Answers: <ul style="list-style-type: none"> on the application of AIFMD on DLT Pilot Regime on European crowdfunding service providers for business Regulation on MiFID II and MiFIR market structures

19/12/2022	ESMA issued positive opinion on amended RTS 1 and 2	ESMA issued a positive Opinion on the European Commission's (EC) review of the regulatory technical standards – RTS 1 equity and RTS 2 non-equity transparency – on pre-trade and post-trade transparency requirements under the Markets in Financial Instruments Regulation (MiFIR).
20/12/2022	ESMA published guidelines and technical documentation on reporting under EMIR refit	ESMA clarified the legal provisions on reporting and data management under the amended EMIR rules and provided practical guidance on their implementation.
20/12/2022	ESMA supported position limits for TTF Gas Futures	ESMA published an Opinion on the proposed position limits for the ICE Endex Dutch Title Transfer Facility (TTF) Gas contracts.
21/12/2022	ESMA published technical standards on cross-border activities under the UCITS directive and the AIFMD	ESMA published a final report specifying the information to be provided, and the templates to be used, to inform competent authorities of the cross-border marketing and management of investment funds and the cross-border provision of services by fund managers.
22/12/2022	ESMA published 2022 ESEF XBRL Taxonomy files and ESEF conformance suite	ESMA published the 2022 European Single Electronic Format (ESEF) XBRL taxonomy files and an update to the ESEF Conformance Suite to facilitate the implementation of the ESEF Regulation.



Financial centre

Main updated figures regarding the financial centre

			Annual comparison
Banks	Number (31/12/2022)	120	↘ 5 entities
	Balance sheet total (30/09/2022)	EUR 998.720 bn	↗ EUR 77.283 bn
	Net profit (30/09/2022)	EUR 2.758 bn	↘ EUR 0.411 bn
Payment institutions	Number (31/12/2022)	17	↗ 2 entities
Electronic money institutions	Number (31/12/2022)	11	↗ 1 entity
UCIs	Number (31/12/2022)	Part I 2010 Law: 1,623	↘ 42 entities
		Part II 2010 Law: 230	↘ 5 entities
		SIFs: 1,318	↘ 53 entities
	TOTAL: 3,171	↘ 100 entities	
	Number (31/12/2022)	SICARs: 206	↘ 15 entities
Total net assets (30/11/2022)	EUR 5,166.373 bn	↘ EUR 583.537 bn	
Authorised Investment Fund Managers³	Number (31/12/2022)	301	↘ 4 entities
	Balance sheet total (30/09/2022) ⁴	EUR 24.099 bn	↘ EUR 1.274 bn
Pension funds	Number (31/12/2022)	13	↗ 1 entity
Authorised securitisation undertakings	Number (31/12/2022)	29	no variation
Investment firms	Number (30/11/2022)	95 (7 branches)	no variation
	Balance sheet total (30/11/2022)	EUR 999.471 m	↘ EUR 32.529 m
	Provisional net profit (30/11/2022)	EUR 67.0 m	↘ EUR 42.1 m
Specialised PFS	Number (31/12/2022)	99	↗ 1 entity
	Balance sheet total (30/11/2022)	EUR 6.297 bn	↘ EUR 172 m
	Provisional net profit (30/11/2022)	EUR 256.843 m	↗ EUR 174.783 m
Support PFS	Number (31/12/2022)	66	↘ 3 entities
	Balance sheet total (30/11/2022)	EUR 1.651 bn	↗ EUR 80 m
	Provisional net profit (30/11/2022)	EUR 84.6 m	↗ EUR 21.38 m
Issuers of securities whose home Member State is Luxembourg pursuant to the Transparency Law	Number (31/12/2022)	425	↘ 34 entities
Public oversight of the audit profession	Number (31/12/2022)	53 <i>cabinets de révision agréés</i>	↗ 1 entity
		357 <i>réviseurs d'entreprises agréés</i>	↗ 16 people
		22 third-country auditors and audit firms	↘ 5 entities
Employment (30/09/2022)	Banks	25,992 people	↘ 155 people
	Authorised Investment Fund Managers ³	6,895 people	↗ 369 people
	Investment firms	1,927 people	↗ 21 people
	Specialised PFS	6,532 people	↗ 745 people
	Support PFS	8,861 people	↘ 58 people
	Payment institutions/electronic money institutions	809 people	↗ 119 people
	Total	51,016 people	↗ 1,041 people⁵

³ Authorised IFMs comprise the following types of fund managers:

- management companies subject to Chapter 15 of the Law of 17 December 2010 relating to undertakings for collective investment
- authorised alternative investment fund managers (AIFMs) subject to the Law of 12 July 2013 on alternative investment fund managers.

⁴ Preliminary figures.

⁵ This development does not mean a net creation or loss of jobs, but includes the transfer of existing jobs from the non-financial sector to the financial sector and vice versa.