



Commission de Surveillance
du Secteur Financier

Newsletter

No 268

May 2023

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News

THEMATIC REVIEW ON THE USE OF ARTIFICIAL INTELLIGENCE IN THE LUXEMBOURG FINANCIAL SECTOR



The Banque centrale du Luxembourg (BCL) and the Commission de Surveillance du Secteur Financier (CSSF) would like to announce the publication of a joint

Thematic Report on Artificial Intelligence.

Artificial Intelligence (hereafter "AI") is an innovative technology that can positively affect the financial sector by enabling, for example, improved processes, enhancing fraud detection mechanisms, new customer insights, fostering inclusion, etc. Nevertheless, AI also brings new challenges and risks to be considered both by the regulator and the entities using this technology.

In order to gather information about the usage of AI (and Machine Learning in particular) in the Luxembourg financial sector and the particular use cases being implemented by credit institutions,

payment institutions and e-money institutions supervised by the CSSF, the BCL and the CSSF launched a joint survey in October 2021. The aim of this joint initiative was primarily to assess the level of adoption of these technologies by supervised institutions and to analyse the implementation of AI ("use cases") with their related challenges, including AI trustworthiness aspects (e.g. explainability, ethics, bias and fairness, auditability, etc. ...).

The joint Thematic report on Artificial Intelligence reproduces a summary of the main findings from the survey.

The document is available at:

<https://www.cssf.lu/en/Document/thematic-review-on-the-use-of-artificial-intelligence-in-the-luxembourg-financial-sector/>



Warnings

Warnings of the CSSF

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

- [Warning regarding the activities of the company PrimeiroPay S.à r.l.](#)
- [Warning concerning the website https://irisfinancekg.net](https://irisfinancekg.net) usurping, among others, the contact details and logo of the CSSF
- [Warning regarding the activities of an entity named Royal Investment Consortium \(https://www.royalinvestmentconsortium.com/\)](https://www.royalinvestmentconsortium.com/)
- [Warning concerning the website https://visaluxsc.com/](https://visaluxsc.com/)
- [Warning concerning fraudulent activities by persons misusing the name of the credit institution Société Générale Luxembourg](#)
- [Warning concerning the website http://arielsystem.pro](http://arielsystem.pro)
- [Warning concerning the website www.sb-finance-lu.com](http://www.sb-finance-lu.com)

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

Circular CSSF 23/834 – IMAS Portal

The IMAS Portal is a digital interface of the Single Supervisory Mechanism (“SSM”) for certain supervisory processes. It is part of the commitment of the European Central Bank and of the national competent authorities within the SSM to enhance efficiency through digitalisation, as well as to increase communication and transparency of their processes.

Circular CSSF 23/834 provides details on the use of the IMAS Portal and repeals and replaces Circular CSSF 20/763 of 15 December 2020 and Circular CSSF 21/781 of 23 September 2021.

<https://www.cssf.lu/en/Document/circular-cssf-23-834/>

Circular CSSF 23/833 – Requests and reporting to the CSSF

The new Circular CSSF 23/833 repeals Circulars CSSF 08/334 (on encryption specifications for reporting firms) and CSSF 08/344 (on the provisions relating to the transmission of reporting files to the CSSF). It describes the means of communication between professionals and the CSSF.

<https://www.cssf.lu/en/Document/circular-cssf-23-833/>

Circular CSSF-CODERES 23/16 – Single Resolution Fund

Based on Title V, Chapter 2 of Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 (hereafter “SRMR”), the Single Resolution Board has determined the 2022 ex-ante contribution for all the institutions as defined in Article 2 of the SRMR.

<https://www.cssf.lu/en/Document/circular-cssf-coderes-23-16/>

Circular CSSF-CPDI 23/34 – Fonds de garantie des dépôts Luxembourg (FGDL)

In its current version, Circular CSSF-CPDI 20/21 (hereafter the “Circular”) provides that FGDL member institutions pay annual contributions which depend among other things on the annual growth of their covered deposits. The Circular does not provide for an allowance in case the deposit growth results from mergers between member institutions or from transfers of liabilities or similar operations between member institutions, whereas contributions have been paid in the past with respect to such transferred deposits.

Circular CSSF-CPDI 23/34 has the purpose to adjust the contributions to be paid in the above cases. The adjustment consists in calculating the contribution of the member institution whose deposits have been transferred to another member institution, without applying a floor at zero. This amount, which is generally negative due to the decline in the volume of covered deposits, is used to reduce the contributions of the absorbing member institution(s). To ensure coherence of the calculation, the definition of certain sums must be adjusted so that the formulas take into consideration institutions which no longer participate in the FGDL on 1 January of the year during which the contributions are levied.

<https://www.cssf.lu/en/Document/circular-cssf-cpdi-23-34/>



FAQ

On 18 April 2023, the CSSF published the document *FAQ on the revised long form report framework introduced by Circulars CSSF 22/821 and 22/827*. <https://www.cssf.lu/en/Document/faq-on-the-revised-long-form-report-framework-introduced-by-circulars-cssf-22-821-and-22-827/>

On 5 May 2023, the CSSF updated the document *CSSF FAQ Sustainable Finance Disclosure Regulation (SFDR)* which is available at: <https://www.cssf.lu/en/Document/cssf-faq-sustainable-finance-disclosure-regulation-sfdr/>



Communiqués

| Date | Publications |
|------------|--|
| 18.04.2023 | FAQ on the revised long form report framework introduced by Circulars CSSF 22/821 and 22/827 |
| 20.04.2023 | Publications related to Regulation (EU) 2019/2088 – SFDR and Regulation (EU) 2020/852 – the EU Taxonomy Regulation |
| 02.05.2023 | CSSF and CAA joint conference on EMIR Refit Reporting and EMIR Data Quality Supervision |
| 03.05.2023 | Global situation of undertakings for collective investment at the end of March 2023 |
| 03.05.2023 | CSSF and CAA joint conference on EMIR Refit Reporting and EMIR Data Quality Supervision |
| 04.05.2023 | Extension of the initial submission deadline for the SFDR data collection exercise on precontractual disclosures |
| 05.05.2023 | 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 2022 |



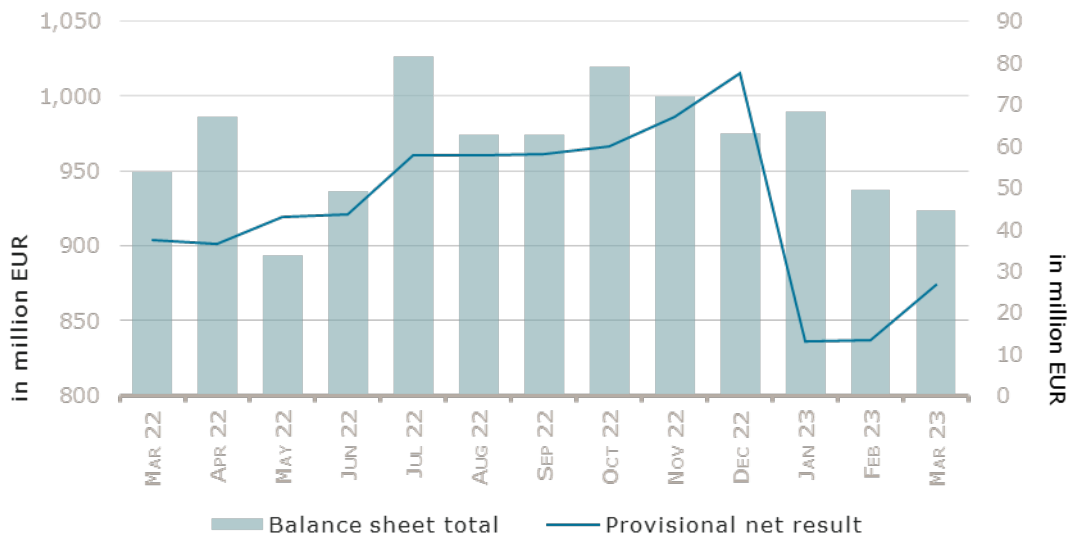
Withdrawal decided by the CSSF

A decision to withdraw the specialised investment fund WELL BE FUND SCS SICAV-SIF from the official list of specialised investment funds as of 11 April 2023 was taken by the CSSF.

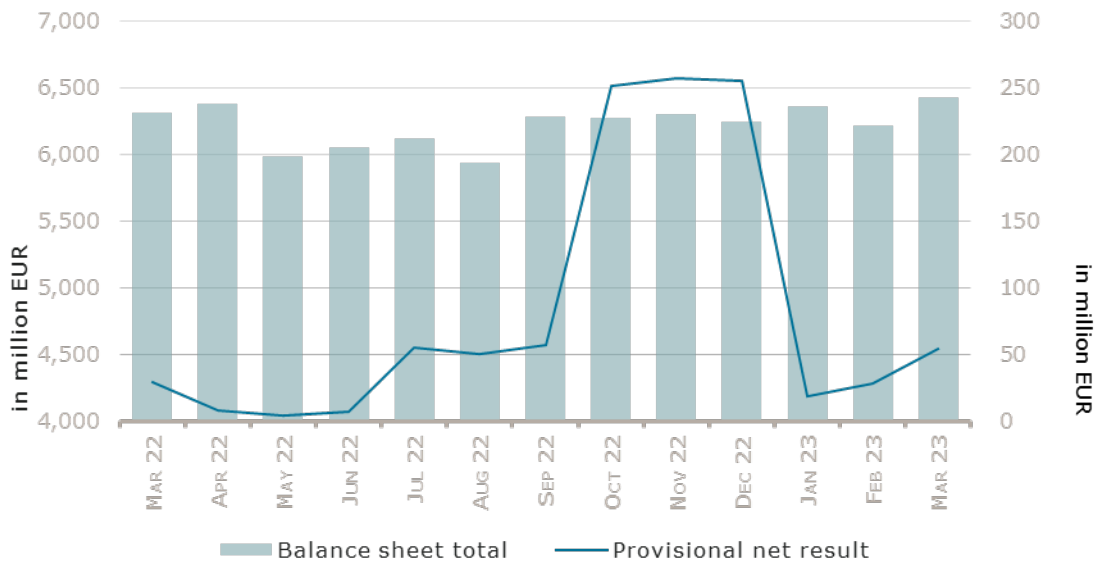


MONTHLY STATISTICS

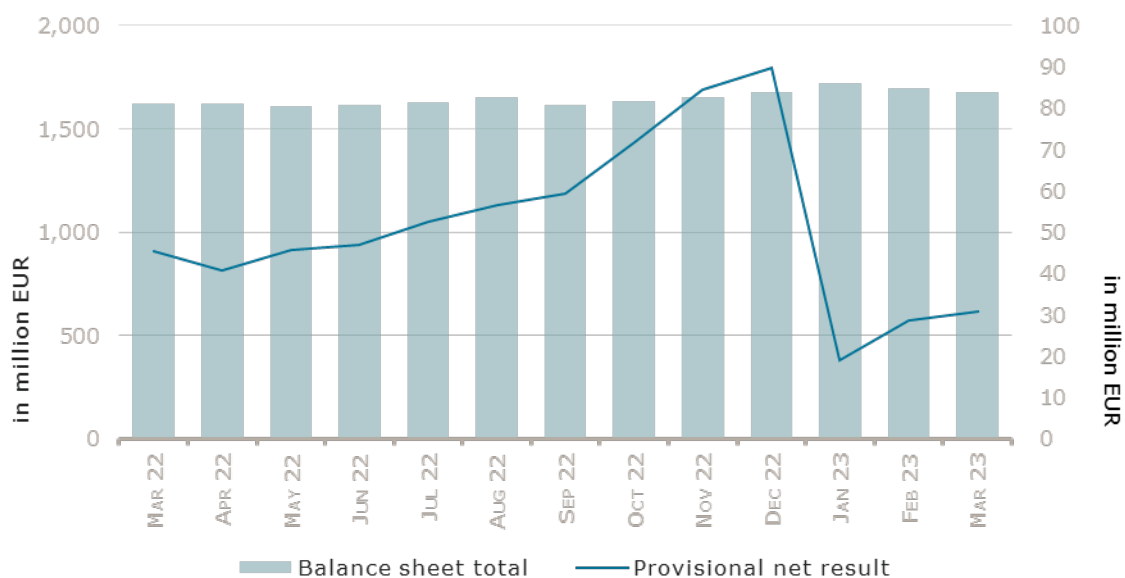
INVESTMENT FIRMS:
DECREASE IN THE BALANCE SHEET TOTAL AS AT 31 MARCH 2023



SPECIALISED PFS:
INCREASE IN THE BALANCE SHEET TOTAL AS AT 31 MARCH 2023



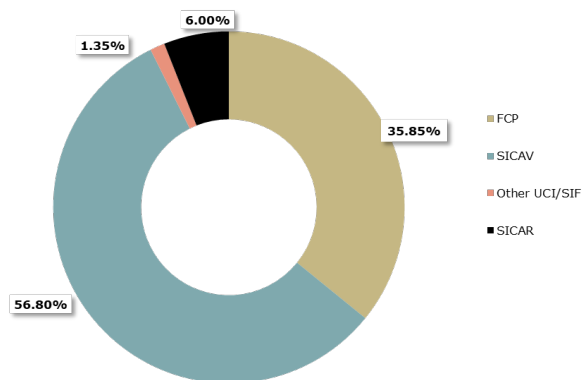
**SUPPORT PFS:
DECREASE IN THE BALANCE SHEET TOTAL AS AT 31 MARCH 2023**



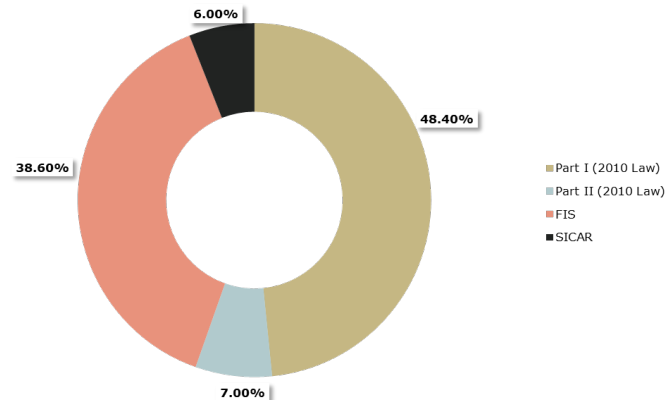
**UCIS:
SITUATION AS AT 31 MARCH 2023**

NUMBER OF UCIS

Breakdown of UCIs according to legal form



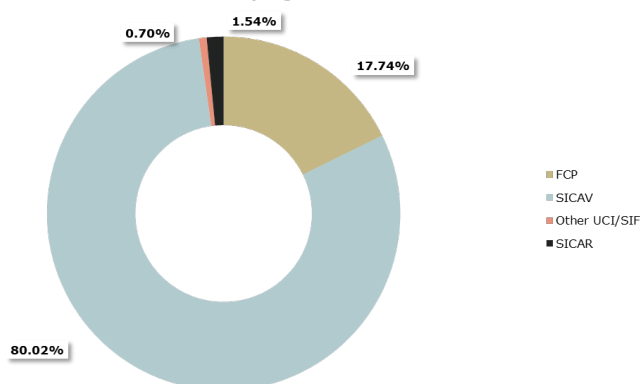
Breakdown of UCIs according to law and part applicable



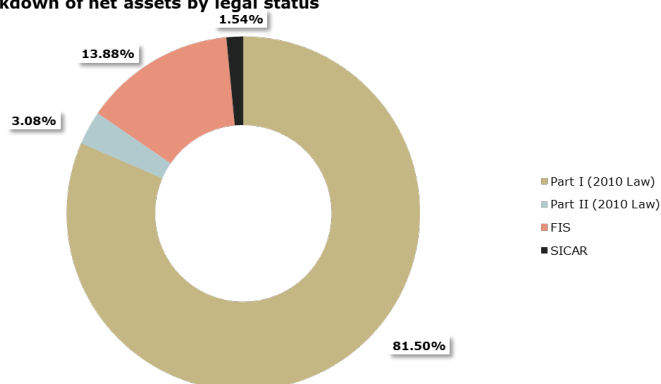
| | FCP | SICAV | Other UCIs / SIFs | SICARs | Total |
|--------------------|--------------|--------------|-------------------|------------|--------------|
| Part I (2010 Law) | 826 | 793 | 0 | 0 | 1,619 |
| Part II (2010 Law) | 107 | 125 | 2 | 0 | 234 |
| SIFs | 266 | 982 | 43 | 0 | 1,291 |
| SICARs | 0 | 0 | 0 | 201 | 201 |
| Total | 1,199 | 1,900 | 45 | 201 | 3,345 |

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) | 652.987 | 3,543.071 | 0.000 | 0.000 | 4,196.058 |
| Part II (2010 Law) | 45.088 | 113.083 | 0.279 | 0.000 | 158.450 |
| SIFs | 215.179 | 463.720 | 35.735 | 0.000 | 714.634 |
| SICARs | 0.000 | 0.000 | 0.000 | 79.546 | 79.546 |
| Total | 913.254 | 4,119.874 | 36.014 | 79.546 | 5,148.688 |

NET ASSETS BROKEN DOWN BY INVESTMENT POLICY

| Breakdown by investment policy | Net assets (in bn €) | Number of fund units |
|--|----------------------|----------------------|
| Fixed-Income Transferable Securities | 1,214.048 | 3,142 |
| Variable-Yield Transferable Securities | 1,747.489 | 4,180 |
| Mixed Transferable Securities | 1,010.695 | 3,415 |
| Funds of Funds | 333.936 | 2,039 |
| Money Market Instruments and Other Short-Term Securities | 451.080 | 196 |
| Private Equity | 81.444 | 255 |
| Venture Capital | 4.098 | 30 |
| Real Estate | 135.754 | 321 |
| Futures and/or Options | 11.680 | 67 |
| Other Assets | 78.918 | 278 |
| Public-to-Private | 0.145 | 2 |
| Mezzanine | 2.898 | 11 |
| Venture Capital (SICAR) | 7.852 | 68 |
| Private Equity (SICAR) | 68.651 | 255 |
| TOTAL | 5,148.688 | 14,259 |

| 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 | 1,122.174 | 2,735 | 43.738 | 49.023 | -5.285 |
| Variable-Yield Transferable Securities | 1,674.838 | 3,861 | 48.666 | 52.415 | -3.749 |
| Mixed Transferable Securities | 808.064 | 2,502 | 19.126 | 25.556 | -6.430 |
| Funds of Funds | 150.452 | 798 | 2.348 | 4.026 | -1.678 |
| Money Market Instruments and Other Short-Term Securities | 430.686 | 166 | 312.401 | 303.464 | 8.937 |
| Futures and/or Options | 6.984 | 38 | 0.151 | 0.448 | -0.297 |
| Other Assets | 2.860 | 7 | 0.043 | 0.128 | -0.085 |
| SUB-TOTAL PART I | 4,196.058 | 10,107 | 426.473 | 435.060 | -8.587 |
| PART II | | | | | |
| Fixed-Income Transferable Securities | 12.041 | 84 | 0.159 | 0.261 | -0.102 |
| Variable-Yield Transferable Securities | 13.921 | 66 | 0.058 | 0.031 | 0.027 |
| Mixed Transferable Securities | 60.566 | 165 | 0.913 | 0.883 | 0.030 |
| Funds of Funds | 31.644 | 185 | 0.198 | 0.289 | -0.091 |
| Money Market Instruments and Other Short-Term Securities | 12.568 | 20 | 1.869 | 1.527 | 0.342 |
| Private Equity | 16.745 | 30 | 0.015 | 0.339 | -0.324 |
| Venture Capital | 1.082 | 3 | 0.000 | 0.002 | -0.002 |
| Real Estate | 4.436 | 12 | 0.000 | 0.012 | -0.012 |
| Futures and/or Options | 1.242 | 12 | 0.091 | 0.066 | 0.025 |
| Other Assets | 4.205 | 24 | 0.027 | 0.025 | 0.002 |
| SUB-TOTAL PART II | 158.450 | 601 | 3.330 | 3.435 | -0.105 |

SIF

| | | | | | |
|--|----------------|--------------|---------------|---------------|---------------|
| Fixed-Income Transferable Securities | 79.833 | 323 | 1.993 | 2.024 | -0.031 |
| Variable-Yield Transferable Securities | 58.730 | 253 | 0.294 | 1.132 | -0.838 |
| Mixed Transferable Securities | 142.065 | 748 | 1.248 | 0.850 | 0.398 |
| Funds of Funds | 151.840 | 1,056 | 1.020 | 1.131 | -0.111 |
| Money Market Instruments and Other Short-Term Securities | 7.826 | 10 | 3.906 | 4.069 | -0.163 |
| Private Equity | 64.699 | 225 | 0.856 | 0.519 | 0.337 |
| Venture Capital | 3.016 | 27 | 0.001 | 0.000 | 0.001 |
| Real Estate | 131.318 | 309 | 1.017 | 0.602 | 0.415 |
| Futures and/or Options | 3.454 | 17 | 0.012 | 0.088 | -0.076 |
| Other Assets | 71.853 | 247 | 0.430 | 0.728 | -0.298 |
| SUB-TOTAL SIFs | 714.634 | 3,215 | 10.777 | 11.143 | -0.366 |

SICARs

| | | | | | |
|------------------------------|------------------|---------------|----------------|----------------|---------------|
| Public-to-Private | 0.145 | 2 | 0.000 | 0.000 | 0.000 |
| Mezzanine | 2.898 | 11 | 0.000 | 0.000 | 0.000 |
| Venture Capital | 7.852 | 68 | 0.000 | 0.000 | 0.000 |
| Private Equity | 68.651 | 255 | 0.095 | 0.287 | -0.192 |
| SUB-TOTAL SICARs | 79.546 | 336 | 0.095 | 0.287 | -0.192 |
| TOTAL LUXEMBOURG UCIs | 5,148.688 | 14,259 | 440.675 | 449.925 | -9.250 |

ORIGIN OF THE INITIATORS OF LUXEMBOURG UCIS

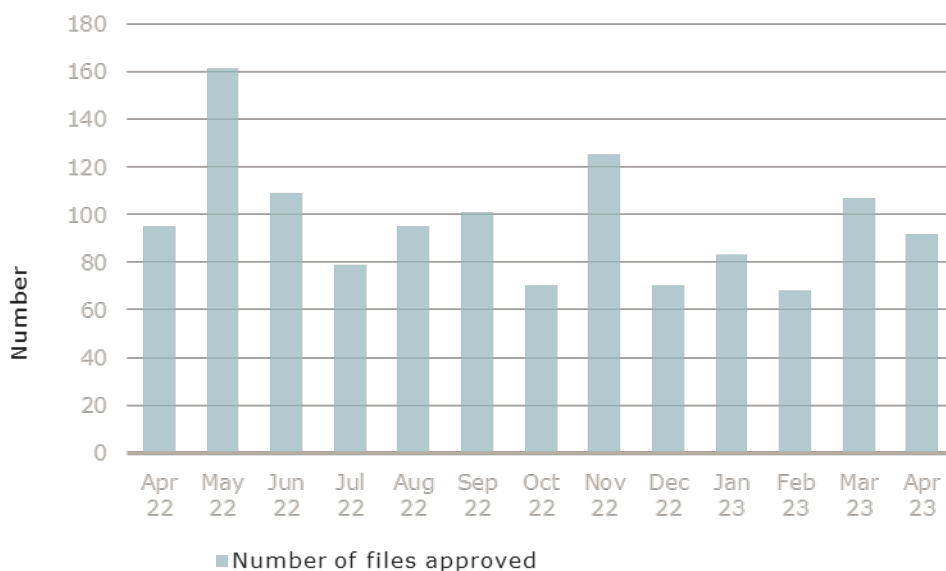
| Country | Net assets (in bn EUR) | in % | Number of UCIs | in % | Number of fund units | in % |
|--------------|---------------------------|---------------|-------------------|---------------|-------------------------|---------------|
| US | 1,009.368 | 19.6% | 159 | 4.8% | 1,174 | 8.2% |
| GB | 859.641 | 16.7% | 236 | 7.1% | 1,608 | 11.3% |
| DE | 757.583 | 14.7% | 1,077 | 32.2% | 2,274 | 15.9% |
| CH | 686.876 | 13.3% | 521 | 15.6% | 2,647 | 18.6% |
| FR | 579.956 | 11.3% | 249 | 7.4% | 1,549 | 10.9% |
| IT | 334.047 | 6.5% | 112 | 3.3% | 1,259 | 8.8% |
| BE | 232.211 | 4.5% | 128 | 3.8% | 724 | 5.1% |
| LU | 209.814 | 4.1% | 278 | 8.3% | 850 | 6.0% |
| NL | 112.368 | 2.2% | 39 | 1.2% | 256 | 1.8% |
| DK | 109.749 | 2.1% | 19 | 0.6% | 205 | 1.4% |
| OTHERS | 257.075 | 5.0% | 527 | 15.7% | 1,713 | 12.0% |
| TOTAL | 5,148.688 | 100.0% | 3,345 | 100.0% | 14,259 | 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 | 2.719 | 0.053% | 15 | 0.105% |
| CAD | 2.632 | 0.051% | 15 | 0.105% |
| CHF | 51.664 | 1.003% | 244 | 1.711% |
| CNH | 9.370 | 0.182% | 27 | 0.189% |
| CNY | 5.119 | 0.099% | 6 | 0.042% |
| CZK | 1.358 | 0.026% | 55 | 0.386% |
| DKK | 1.554 | 0.030% | 12 | 0.084% |
| EUR | 2,760.143 | 53.609% | 8,797 | 61.694% |
| GBP | 157.855 | 3.066% | 278 | 1.950% |
| HKD | 3.300 | 0.064% | 8 | 0.056% |
| HUF | 0.210 | 0.004% | 18 | 0.126% |
| JPY | 53.970 | 1.048% | 153 | 1.073% |
| NOK | 4.095 | 0.080% | 29 | 0.204% |
| NZD | 0.201 | 0.004% | 1 | 0.007% |
| PLN | 0.138 | 0.003% | 3 | 0.021% |
| RON | 0.521 | 0.010% | 2 | 0.014% |
| SEK | 36.502 | 0.709% | 119 | 0.835% |
| SGD | 1.368 | 0.027% | 7 | 0.049% |
| USD | 2,055.951 | 39.932% | 4,469 | 31.342% |
| ZAR | 0.018 | 0.000% | 1 | 0.007% |
| TOTAL | 5,148.688 | 100.000% | 14,259 | 100.000% |

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

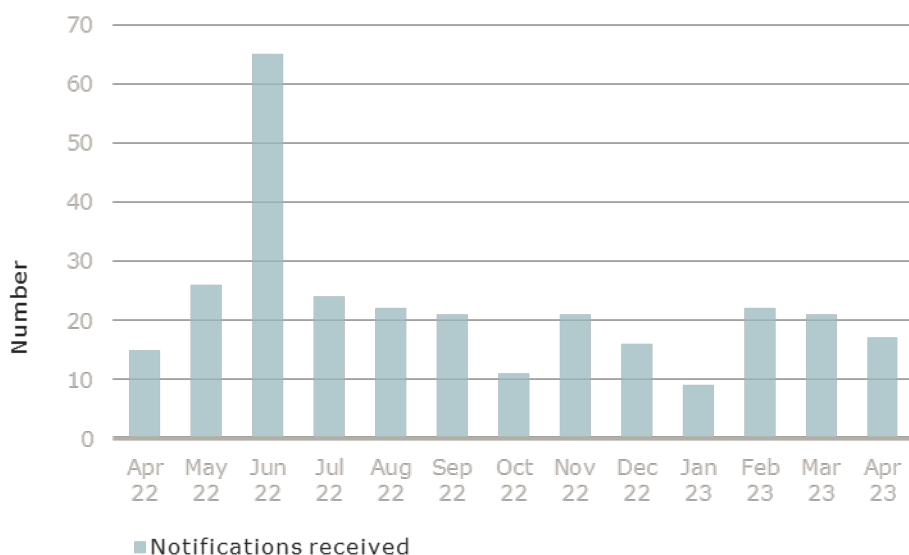
CSSF APPROVALS



In April 2023, the CSSF approved a total of 92 documents pursuant to the Prospectus Regulation, which break down as follows:

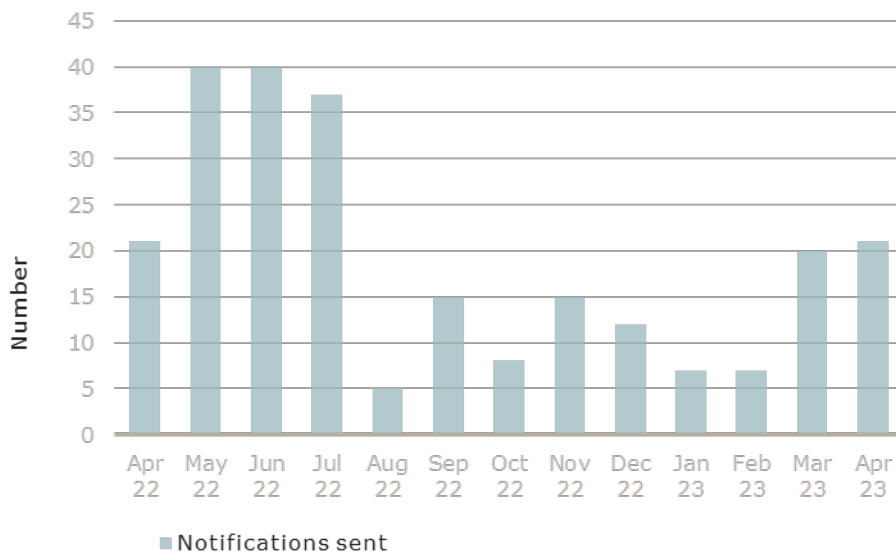
| | |
|-------------------------|-------------|
| base prospectuses: | 21 (22.83%) |
| other prospectuses: | 8 (8.69%) |
| registration documents: | 6 (6.52%) |
| supplements: | 57 (61.96%) |

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



In April 2023, the CSSF received 16 notifications relating to prospectuses and base prospectuses, 1 notification relating to registration documents and 37 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



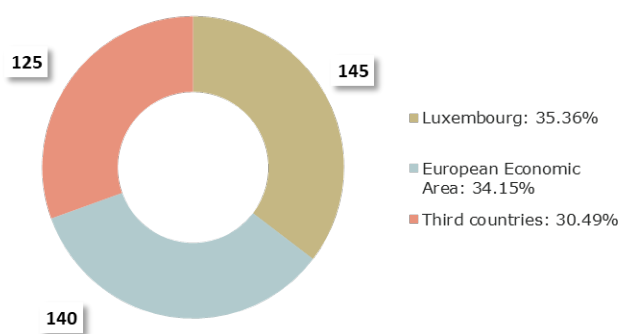
In April 2023, the CSSF sent 20 notifications relating to prospectuses and base prospectuses, 1 notification relating to registration documents and 41 notifications relating to supplements to the competent authorities of other EEA Member States¹.

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")

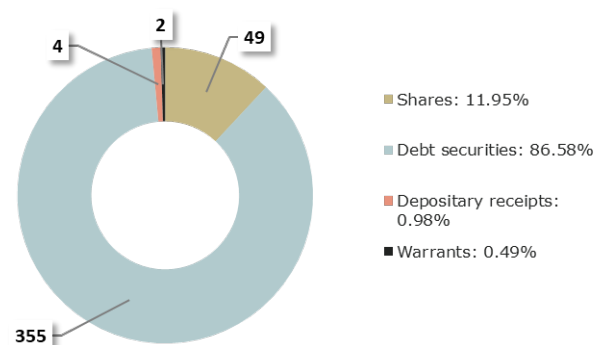
Since 31 March 2023, **three** issuers have chosen Luxembourg as home Member State for the purposes of the Transparency Law. Moreover, **five** issuers were deregistered from the list due to the fact that they no longer fall within the scope of the Transparency Law.

As at 30 April 2023, **410 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 April 2023, **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**.

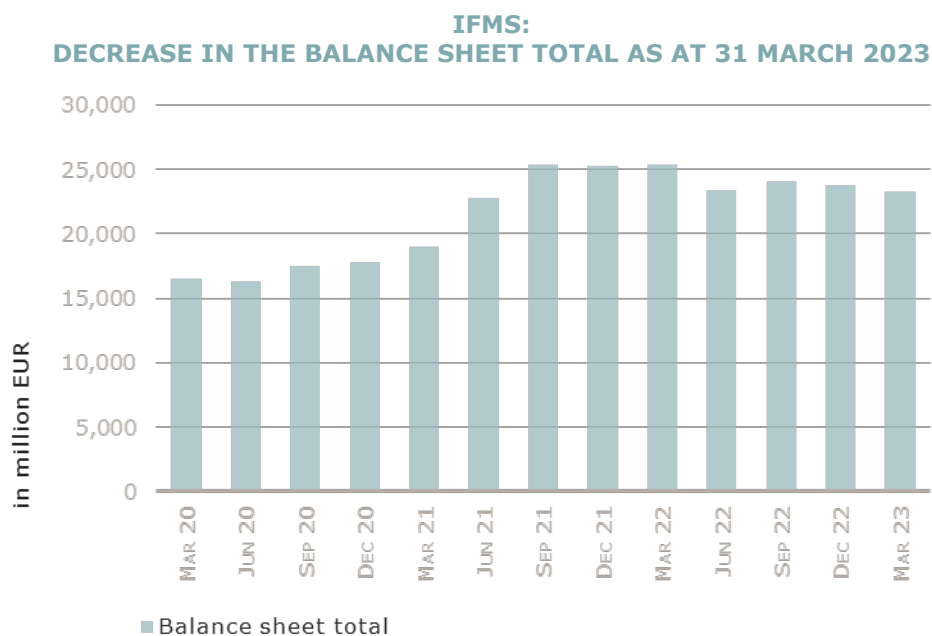
SECURITISATION UNDERTAKINGS

The number of **securitisation undertakings** authorised by the CSSF in accordance with the Law of 22 March 2004 on securitisation amounted to **28** entities as at 30 April 2023.

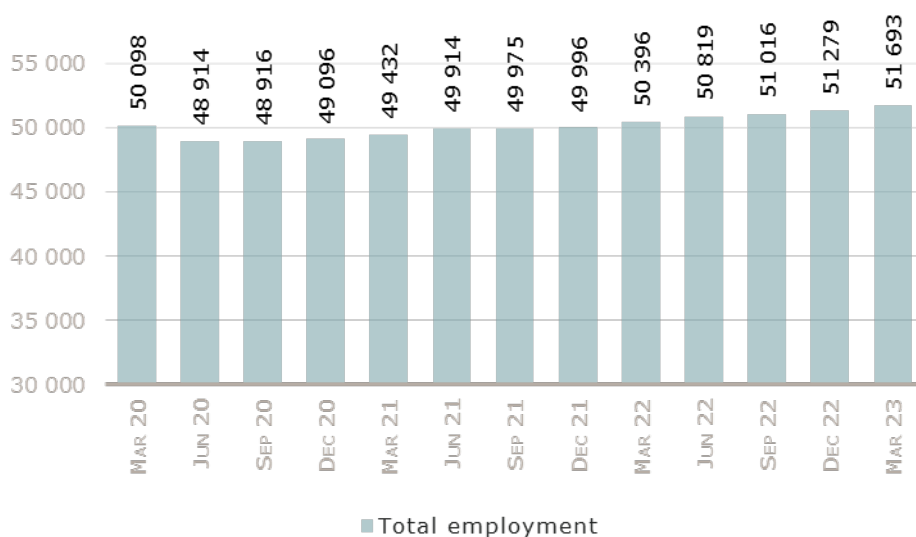
PUBLIC OVERSIGHT OF THE AUDIT PROFESSION

The public oversight of the audit profession covered **54 cabinets de révision agréés** (approved audit firms) and **365 réviseurs d'entreprises agréés** (approved statutory auditors) as at 30 April 2023. The oversight also included **24 third-country auditors and audit firms** duly registered in accordance with the Law of 23 July 2016 concerning the audit profession.

QUARTERLY STATISTICS



TOTAL EMPLOYMENT IN BANKS, PFS, IFMS, PAYMENT INSTITUTIONS AND ELECTRONIC MONEY INSTITUTIONS



Human resources

The CSSF has hired 5 employees since the publication of the last Newsletter and counts, after the departure of 9 agents, 961 agents (531 men and 430 women). They have been assigned to the following departments:

- Executive Board Secretariat
- UCI Departments
- Banking Departments
- Supervision of Information Systems and Support PFS
- Department "Real Estate and Facility Management"



European/International News in April 2023

European Parliament, European Commission and European Council

| Date | Regulatory developments | Description |
|------------|--|---|
| 19/04/2023 | Commission Delegated Regulation (EU) 2023/827 of 11 October 2022 | Publication of Commission Delegated Regulation (EU) 2023/827 of 11 October 2022 laying down regulatory technical standards amending Delegated Regulation (EU) No 241/2014 as regards the prior permission to reduce own funds and the requirements related to eligible liabilities instruments. |

European Supervisory Authorities (ESAs)

| Date | Publications | Description |
|------------|---|---|
| 12/04/2023 | ESAs propose amendments to extend and simplify sustainability disclosures | The three European Supervisory Authorities published a Consultation Paper with amendments to the Delegated Regulation of the Sustainable Finance Disclosure Regulation (SFDR). |
| 25/04/2023 | ESAs call for vigilance in the face of mounting financial risks | The three European Supervisory Authorities issued their Spring 2023 Joint Committee Report on risks and vulnerabilities in the EU financial system . While noting that EU financial markets remained broadly stable despite the challenging macro environment and recent market pressure in the banking sector, the three Authorities called on national supervisors, financial institutions, and market participants to remain vigilant in the face of mounting risks. |

European Banking Authority (EBA)

| Date | Publications | Description |
|------------|--|---|
| 04/04/2023 | Robust EU/EEA banking sector shows strong capital and liquidity ratios | The EBA published its quarterly Risk Dashboard (RDB) together with the first edition of the RDB on minimum requirement for own funds and eligible liabilities (MREL). Volatility in EU/EEA banks' equity and debt has been strongly affected by Silicon Valley Bank (SVB) and Credit Suisse related events, although direct exposures of EU/EEA banks towards these banks were limited according to indications from supervisory reporting as of Q4 2022. Banks' capital and liquidity ratios remain strong and profitability continues to increase. |
| 19/04/2023 | EBA adopts a charter on diversity and inclusion | The EBA adopted the European Union Agencies network charter on diversity and inclusion thus reinforcing its commitment to take concrete actions to promote equal treatment of and opportunities for its staff. |
| 21/04/2023 | EBA updates list of institutions involved in the 2023 supervisory benchmarking exercise | The EBA published an updated list of institutions, which have a reporting obligation for the purpose of the 2023 EU supervisory benchmarking exercise. The EBA will be conducting the 2023 benchmarking exercise on a sample of 117 institutions from 16 countries across the EU and the European Economic Area. The EBA runs this exercise leveraging on established data collection procedures and formats of regular supervisory reporting and assists Competent Authorities in assessing the quality of internal approaches used to calculate risk weighted exposure amounts. |
| 24/04/2023 | EBA identifies fraud in retail payments and over-indebtedness as key issues affecting consumers | The EBA published the 8th edition of its Consumer Trends Report for 2022/23, which summarises trends observed for the products and services under the EBA's consumer protection mandate. The report has also identified two issues facing consumers in the EU: fraud in retail payments and over-indebtedness and arrears. These issues will shape the EBA's consumer protection priorities over the next two years. |
| 25/04/2023 | EBA publishes final draft technical standards on the determination of the exposure value of synthetic excess spread in synthetic securitisations | The EBA published its final draft Regulatory Technical Standards (RTS) specifying the determination by originator institutions of the exposure value of synthetic excess spread (SES). These draft RTS aim to clarify the calculation of the components that should be included in this exposure value taking into account the relevant losses expected to be covered by SES. |

| Date | Publications | Description |
|-------------------|---|--|
| 26/04/2023 | EBA updates on the definition of a large decline of net interest income in relation to the interest rate risk in the banking book | The EBA published an opinion in response to the EU Commission's amendments relating to the draft RTS on the supervisory outlier tests (SOT) specifying technical aspects of the revised framework on interest rate risks for banking book (IRRBB) positions. The EBA confirms its close scrutiny on the implementation of the IRRBB regulatory products and more generally on the impact of the evolving interest rates on the management of IRRBB by EU institutions and on other related prudential aspects. |
| 27/04/2023 | EBA publishes draft version of its revised taxonomy architecture | The EBA and EIOPA have been working jointly with Eurofiling to produce a revised version of the taxonomy architecture in order to implement the improvements introduced by data point model (DPM) Refit to data point modelling, such as the historicisation of certain concepts. The revisions also simplify the structure by removing unnecessary artefacts, such as normative codes for taxonomy frameworks. |
| 28/04/2023 | EBA updates data on deposit guarantee schemes across the European Economic Area | The EBA published end-2022 data related to two key concepts and indicators in the Deposit Guarantee Schemes Directive (DGSD), namely available financial means (AFMs) and covered deposits. The EBA publishes these data for the deposit guarantee scheme (DGS) in each Member State on a yearly basis to enhance the transparency and public accountability of DGSs across the EEA to the benefit of depositors, markets, policymakers, DGSs and Members States. |

| Date | Consultations | Description |
|-------------------|--|---|
| 05/04/2023 | EBA launches call for papers for its 2023 Policy Research Workshop | The EBA launched a call for papers in view of its 12th Policy Research Workshop taking place on 7-8 November 2023 and titled "Interest rate and Liquidity Risk Management, Regulation and the Macro-economic environment". The deadline for submitting papers is 7 July 2023. |
| 18/04/2023 | EBA consults on approach to the resubmission of historical data under the EBA reporting framework | The EBA launched a public consultation on the draft Guidelines on resubmission of historical data under the EBA reporting framework. The objective of the draft guidelines is to provide a common approach to the resubmission by the financial institutions of historical data to the competent and resolution authorities in case there are errors, inaccuracies or other changes in the data reported in accordance with the supervisory and resolution reporting framework developed by the EBA. The consultation runs until 31 July 2023. |
| 19/04/2023 | EBA consults on guidance to assess knowledge and experience of the management or administrative organ of a credit servicer | The EBA launched a public consultation on its draft Guidelines on the assessment of adequate knowledge and experience of the management or administrative organ of credit servicers, as a whole, under the Non-Performing Loans Directive. The guidelines aim at ensuring that the organs are suitable to conduct the business of the credit servicer in a competent and responsible manner. The consultation runs until 19 July 2023. |
| 21/04/2023 | EBA consults on the draft Guidelines on the STS criteria for on-balance-sheet securitisations | The EBA launched a public consultation on its draft Guidelines on the criteria related to simplicity, standardisation and transparency and additional specific criteria for on-balance-sheet securitisations (so-called STS criteria). These guidelines aim to ensure a harmonised interpretation of these STS criteria, in alignment with the EBA Guidelines for traditional securitisations. The consultation runs until 7 July 2023. |

| Date | Consultations | Description |
|------------|---|---|
| 24/04/2023 | EBA consults on guidance on benchmarking of diversity practices | The EBA launched a consultation on Guidelines on the benchmarking of diversity practices including diversity policies and gender pay gap under the Capital Requirements Directive (CRD) and the Investment Firms Directive (IFD). The EBA has been collecting data on diversity since 2015 based on information requests. The issuance of these guidelines aims to lead to a higher level of transparency regarding the EBA's work on the topic of diversity and gender equality and to help improve the quality of the collected data as well as the awareness of all stakeholders on these topics. The consultation runs until 24 July 2023. |

European Securities and Markets Authority (ESMA)

| Date | Publications | Description |
|------------|---|---|
| 04/04/2023 | ESMA publishes latest edition of its newsletter | ESMA published its latest edition of its Spotlight on Markets Newsletter . |
| 19/04/2023 | ESMA finds data quality significantly improves under new monitoring approach | ESMA published the third edition of its Data Quality Report under the European Markets Infrastructure Regulation and the Securitised Financing Transactions Regulation reporting regimes. The report highlighted the increased use of transaction data by EU financial regulatory authorities in their day-to-day supervision and identified significant quality improvements following a new approach to data monitoring. In addition, it set out how ESMA, together with the National Competent Authorities (NCAs), the European Central Bank (ECB) and the European Systemic Risk Board (ESRB), has incorporated key insights from its data monitoring in several internal workstreams. |
| 25/04/2023 | Over 140,000 EEA issuers and instruments rated by CRAs | ESMA published its report on the European Union (EU) Credit Ratings market , providing for the first time a cross-market view of credit ratings reported to the EU. ESMA found that there were 823,400 credit ratings at the end of 2022. These ratings were mostly for US-issued debt or issuers (69%), with 17% (141,600 credit ratings) on EEA30 instruments and issuers. |
| 28/04/2023 | ESMA publishes the annual transparency calculations for non-equity instruments, bond liquidity data and quarterly SI calculations | ESMA has started to publish the results of the annual transparency calculations for non-equity instruments, new quarterly liquidity assessment of bonds and the quarterly systematic internaliser calculations under MiFID II and MiFIR. |

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

| Date | Publications | Description |
|------------|---|---|
| 05/04/2023 | Mind the gap: we need better oversight of crypto activities | Blog post by Elizabeth McCaul, Member of the Supervisory Board of the ECB. |
| 12/04/2023 | Supervisory Banking Statistics - Fourth quarter 2022 | Publication of the Supervisory Banking Statistics for the fourth quarter of 2022. |
| 17/04/2023 | Elizabeth McCaul: Rising to the challenge: the role of boards in effective bank governance | Speech by Elizabeth McCaul, Member of the Supervisory Board of the ECB, at Joint ECB/EUI Seminar "Diverse and effective boards in a changing and competitive landscape". |
| 21/04/2023 | Frank Elderson: Policymakers as policy takers – accounting for climate-related and environmental factors in banking supervision and monetary policy | Speech by Frank Elderson, Member of the Executive Board of the ECB and Vice-Chair of the Supervisory Board of the ECB, at the Peterson Institute for International Economics. |
| 21/04/2023 | The importance of being transparent - A review of climate-related and environmental risks disclosures practices and trends | Results of the 2022 supervisory assessment of institutions' climate-related and environmental risks disclosures. |
| 26/04/2023 | Andrea Enria: Twenty years of (bumpy) progress: harmonising supervisory reporting in the EU | Keynote speech by Andrea Enria, Chair of the Supervisory Board of the ECB, at the ECB Supervisory Reporting Conference 2023. |
| 26/04/2023 | List of supervised entities (as of 1 March 2023) | Publication of the list of supervised entities (as of 1 March 2023). |

| Date | Interviews | Description |
|------------|---|--|
| 04/04/2023 | Anneli Tuominen: Interview with Helsingin Sanomat | Interview with Anneli Tuominen, Member of the Supervisory Board of the ECB, conducted by Anni Lassila on 29 March. |
| 06/04/2023 | Edouard Fernandez-Bollo: Money laundering must be tackled at European level | Contribution by Édouard Fernandez-Bollo, Member of the Supervisory Board of the ECB, for Revue Banque. |
| 26/04/2023 | Kerstin af Jochnick: Fostering banks' preparedness for the green transition | Contribution by Kerstin af Jochnick, Member of the Supervisory Board of the ECB, for Eurofi Magazine. |
| 28/04/2023 | Andrea Enria: Interview with Market News International | Transcript of a conversation between Andrea Enria, Chair of the Supervisory Board of the ECB, and Jason Webb, at an MNI event. |

Financial Stability Board (FSB)

| Date | Publication | Description |
|------------|---|--|
| 13/04/2023 | Format for Incident Reporting Exchange (FIRE): A possible way forward | As part of its work to achieve greater convergence in cyber incident reporting (CIR), the FSB found that there is a high degree of commonality in the types of information that authorities require financial institutions to report under existing CIR frameworks. Seeing potential to leverage on these similarities to explore greater convergence, the FSB consulted on a concept for developing a common format for incident reporting exchange (FIRE) to collect incident information from FIs and that authorities could use for information sharing. |
| 20/04/2023 | Climate-related Financial Risk Factors in Compensation Frameworks | This report reviews compensation practices around climate-related objectives and how the stated goal of financial institutions is incorporated into their compensation frameworks. Climate-related financial risk factors in compensation frameworks are still an emerging theme. Therefore, this report does not aim to present and compare practices across jurisdictions, but rather to identify challenges and to provide an early insight in a fast-moving field to assist ongoing initiatives of regulators and financial institutions. |

Macroprudential topics and fora

European Central Bank (ECB)

| Date | Publications | Description |
|------------|--|---|
| 03/04/2023 | The growing role of investment funds in euro area real estate markets: risks and policy considerations | This article analyses the financial stability risks of investment funds active in the euro area commercial real estate (CRE) markets. It finds that real estate investment funds (REIFs) have grown significantly in the past decade, and have a large market footprint in several euro area countries where the outlook for CRE markets has deteriorated sharply. In addition, REIFs are exposed to liquidity risk when they offer frequent redemptions, which could affect the stability of CRE markets. REIFs should therefore be subject to a common and comprehensive policy framework to reduce the liquidity mismatch and risks to financial stability. |
| 26/04/2023 | Euro money market study 2022 | The 2022 Euro money market study is a comprehensive analysis of euro money markets using a unique, transactions-based dataset. The study covers five segments of the euro money markets: (i) secured transactions – repos and reverse repos, (ii) unsecured cash transactions, (iii) the issuance of short-term securities (STS), (iv) foreign exchange (FX) swaps, and (v) overnight index swaps (OIS). The study describes developments in these segments between January 2021 and December 2022 based on actual daily money market transactions executed by the 47 largest euro area banks and reported to the European Central Bank (ECB) through the Eurosystem’s money market statistical reporting (MMSR) dataset. |
| 26/04/2023 | A positive neutral rate for the countercyclical capital buffer – state of play in the banking union | This article discusses the possible implementation of a positive neutral rate for the countercyclical capital buffer (CCyB) as a means of increasing macroprudential policy space in the European banking union. Drawing on experience from the coronavirus (COVID-19) pandemic, it explains why a positive neutral rate is needed to enhance the effectiveness of the current macroprudential framework. It also describes recent progress on the application of this tool around the globe and concludes with some remarks on the calibration and potential future application of the tool in the banking union. |

European Systemic Risk Board (ESRB)

| Date | Publications | Description |
|------------|--|--|
| 11/04/2023 | ESRB risk dashboard, March 2023 (Issue 43) | The ESRB risk dashboard is a set of quantitative and qualitative indicators of systemic risk in the EU financial system. The composition and presentation of the ESRB risk dashboard were reviewed in the fourth quarter of 2019. Unless otherwise indicated, all data series including observations for 2023 relate to the group of 20 countries that are members of the euro area (the Euro 20) for the whole time series. |

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 | Application since | CCyB rate |
|----------------|-------------------|-----------|
| Bulgaria | 01.01.2023 | 1.5% |
| | 01.10.2023 | 2%* |
| Croatia | 31.03.2023 | 0.5% |
| | 31.12.2023 | 1%* |
| Cyprus | 30.11.2023 | 0.5%* |
| Czech Republic | 01.01.2023 | 2% |
| | 01.04.2023 | 2.5% |
| Denmark | 31.12.2022 | 2% |
| | 31.03.2023 | 2.5% |
| Estonia | 07.12.2022 | 1% |
| | 01.12.2023 | 1.5%* |
| France | 07.04.2023 | 0.5% |
| | 02.01.2024 | 1%* |
| Germany | 01.02.2023 | 0.75% |
| Hungary | 01.07.2023 | 0.5%* |
| Iceland | 29.09.2022 | 2% |
| | 05.03.2024 | 2.5%* |
| Ireland | 15.06.2023 | 0.5%* |
| | 24.11.2023 | 1%* |
| Lithuania | 01.10.2023 | 1%* |
| Luxembourg | 01.01.2021 | 0.5% |
| Netherlands | 25.05.2023 | 1%* |
| Norway | 31.12.2022 | 2% |
| | 31.03.2023 | 2.5% |
| Romania | 17.10.2022 | 0.5% |
| | 23.10.2023 | 1%* |
| Slovakia | 01.08.2020 | 1% |
| | 01.08.2023 | 1.5%* |
| Slovenia | 31.12.2023 | 0.5%* |
| Sweden | 29.09.2022 | 1% |
| | 22.06.2023 | 2%* |

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 centre

Main updated figures regarding the financial centre

The data as at 31 December 2022 is provisional. The final data will be available in the CSSF Annual Report of 2022.

| | | | Annual comparison |
|---|--|---|-----------------------------------|
| Banks | Number (30/04/2023) | 120 | ↘ 3 entities |
| | Balance sheet total (31/12/2022) | EUR 923.030 bn | ↘ EUR 28.678 bn |
| | Profit before provisions and taxes (31/12/2022) | EUR 6.205 bn | ↗ EUR 1.109 bn |
| Payment institutions | Number (30/04/2023) | 18 | ↗ 2 entities |
| Electronic money institutions | Number (30/04/2023) | 11 | ↗ 1 entity |
| UCIs | Number (30/04/2023) | Part I 2010 Law: 1,613 | ↘ 32 entities |
| | | Part II 2010 Law: 237 | ↗ 2 entities |
| | | SIFs: 1,288 | ↘ 70 entities |
| | | TOTAL: 3,138 | ↘ 100 entities |
| | Number (30/04/2023) | SICARs: 203 | ↘ 13 entities |
| | Total net assets (31/03/2023) | EUR 5,148.688 bn | ↘ EUR 408.654 bn |
| Authorised Investment Fund Managers² | Number (30/04/2023) | 299 | ↘ 6 entities |
| | Balance sheet total (31/03/2023) | EUR 23.308 bn | ↘ EUR 2.032 bn |
| Pension funds | Number (30/04/2023) | 13 | ↗ 1 entity |
| Authorised securitisation undertakings | Number (30/04/2023) | 28 | no variation |
| Investment firms | Number (30/04/2023) | 94 (7 branches) | ↗ 1 entity |
| | Balance sheet total (31/03/2023) | EUR 923.462 m | ↘ EUR 25.538 m |
| | Provisional net profit (31/03/2023) | EUR 26.70 m | ↘ EUR 10.57 m |
| Specialised PFS | Number (30/04/2023) | 100 | ↗ 3 entities |
| | Balance sheet total (31/03/2023) | EUR 6.427 bn | ↗ EUR 122 m |
| | Provisional net profit (31/03/2023) | EUR 53.81 m | ↗ EUR 25.19 m |
| Support PFS | Number (30/04/2023) | 65 | ↘ 4 entities |
| | Balance sheet total (31/03/2023) | EUR 1.677 bn | ↗ EUR 55 m |
| | Provisional net profit (31/03/2023) | EUR 30.7 m | ↘ EUR 14.82 m |
| Issuers of securities whose home Member State is Luxembourg pursuant to the Transparency Law | Number (30/04/2023) | 410 | ↘ 41 entities |
| Public oversight of the audit profession | Number (30/04/2023) | 54 <i>cabinets de révision agréés</i> | ↗ 1 entity |
| | | 365 <i>réviseurs d'entreprises agréés</i> | ↗ 21 people |
| | | 24 third-country auditors and audit firms | ↗ 2 entities |
| Employment (31/03/2023) | Banks | 26,211 people | ↗ 119 people |
| | Authorised Investment Fund Managers ⁴ | 7,238 people | ↗ 500 people |
| | Investment firms | 1,950 people | ↗ 56 people |
| | Specialised PFS | 7,034 people | ↗ 901 people |
| | Support PFS | 8,451 people | ↘ 378 people |
| | Payment institutions/electronic money institutions | 809 people | ↗ 69 people |
| | Total | 51,693 people | ↗ 1,267 people³ |

² 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.

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.