



Commission de Surveillance
du Secteur Financier

Newsletter No 270

July 2023

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	4
Communiqués	6
Statistics	7
Monthly Statistics	7
Human resources	15
European/International News in June 2023	15
European Parliament, European Commission and European Council	15
European Supervisory Authorities (ESAs)	16
European Banking Authority (EBA)	17
European Securities and Markets Authority (ESMA)	18
Single Supervisory Mechanism (SSM) - European Central Bank (ECB)	19
Basel Committee on Banking Supervision (BCBS)	20
Macroprudential topics and fora	21
Financial centre	23



Warnings

Warnings of the CSSF

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

- Warning concerning the fraudulent activities carried out by the entity 4x or Cixx LLC (website: <https://4x.fm>)
- Warning concerning a fraud scheme misusing the identity of the company IFP INVESTMENT MANAGEMENT S.A.
- Warning concerning fraudulent activities by persons misusing the name of the bank Rakuten Europe Bank S.A.
- Warning concerning the fraudulent activities carried out by the entity Saanut Corporate Finance (website: <https://saanutfinance.com/>)
- Warning concerning the fraudulent activities carried out by the entity Paper Bids (website: www.paperbids.com)
- Warning concerning a fraud scheme misusing the former name (Alken Luxembourg S.A.) of the company Virmont S.A.
- Warning concerning fraudulent activities performed under the name of the Luxembourg company Leros Investissements Financiers S.A. (website: www.leros-invest.lu)
- Warning concerning the fraudulent activities carried out by the entity Bit Lidex 360
- Warning concerning the fraudulent activities carried out by the entity Snuff Kredit / Service Financier de Luxembourg SA

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 the CSSF [website](#) and contact the CSSF.

Warnings published by IOSCO

Several warnings have been published on the IOSCO website at:

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



National regulation

CSSF Regulation No 23-02 of 30 June 2023 – Countercyclical buffer rate

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

<https://www.cssf.lu/en/Document/cssf-regulation-no-23-02-of-30-june-2023/>

CSSF Regulation No 23-03 of 30 June 2023 – amendment of CSSF Regulation No 18-03

The regulation amends CSSF Regulation No 18-03 following the entry into force of Guideline (EU) 2022/508 of 25 March 2022 amending Guideline (EU) 2017/697 of the European Central Bank on the exercise of options and discretions available in Union law by national competent authorities in relation to less significant institutions (ECB/2022/12).

<https://www.cssf.lu/en/Document/cssf-regulation-no-23-03-of-30-june-2023-only-in-french/>

Circular CSSF-CPDI 23/37 – 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, the POST Luxembourg for its provision of postal financial services, and Luxembourg branches of credit institutions having their head office in a third country as at 30 June 2023.

<https://www.cssf.lu/en/Document/circular-cssf-cpdi-23-37/>



Fight against money laundering and terrorist financing and international financial sanctions

Environmental crime and money laundering

Environmental crime encompasses illegal activities that cause serious damage or significant risks to the environment, human health, or both. It thus covers a wide range of activities such as *illegal trafficking in hazardous waste, illegal trade in protected species, illegal fishing, illegal logging or mining, counterfeit medicines/pesticides*, etc.

Globally environmental crime grows every year: in terms of earnings, it is **growing at an annual rate of 5-7%**, generating an **estimated 110-281 billion dollars in annual illicit revenues**¹. At the same time, environmental crime causes an annual global economic loss of 1-2 trillion dollars².

Although the latest (i.e. 2020) National Risk Assessment of Luxembourg identified its risk of exposure to environmental crime as “low”, the professionals of the financial sector shall be aware of this issue and of the associated money laundering (“ML”) risks, considering the rise in environmental crimes globally and also in Europe³, the Luxembourg’s geographical situation and the importance of Luxembourg as an international financial centre.

Given that context, the CSSF would like to draw to your attention the thematic reports of the Financial Action Task Force (the “FATF”) on environmental crime (the “Reports”), that have been published in recent years and which, taken together, offer a panorama of relevant indicators for detecting ML from environmental crime.

The two latest reports (*Money Laundering from Environmental Crime*, 2021 and *Money Laundering and the Illegal Wildlife*, 2020) identify **effective practices that the private sector can adopt to reduce the profitability of environmental crimes**. The other reports focus on specific sectoral risks and vulnerabilities (*Money laundering / terrorist financing risks and vulnerabilities associated with gold*, 2015 and *Money laundering and terrorist financing through trade in diamonds*, 2013).

The Reports stress that environmental crime is infecting financial systems: perpetrators of environmental crimes exploit weaknesses in the financial sector in order to launder their gains. These very significant gains are due to a combination of high profitability but limited law enforcement and low detection risk. Indeed, detection based on the intersection of weak signals is all the more difficult -but important- as, i) environmental crime is multi-national and often multi-continental; ii) environmental crime involves organised criminal groups and results in interconnection with other areas of crime (ex.: trafficking in drugs or human beings); iii) the intermingling of legal and illegal activities facilitates the concealment of the illicit origin of gains (largely made possible by extensive corruption and complex frauds).

The Reports emphasise that **financial institutions have a part to play in revealing** environmental crimes. Financial institutions should incorporate or give greater weight to the environmental crime ML risk indicators identified by the FATF in the Reports.

¹ Interpol and United Nations (2016), *The rise of environmental crime: A growing threat to natural resources peace, development and security*

² World Bank Group (2019), *Illegal Logging, Fishing, and Wildlife Trade: The Costs and How to Combat it*

³ For example, the *Rapport des contrôles et inspections 2021-2022* of the Administration de l’environnement indicates that 30% of industrial installations monitored following complaints were subject to a compliance application. Regarding transboundary shipments of waste, the inspection of 165 lorries resulted in the discovery of 72 infringements of European law in this area.

These indicators consist of **red flags** suggesting the likely existence of unusual or suspicious environmental activity. The risk indicators should enable the financial sector professionals to develop operational procedures to detect transactions likely to be related to environmentally illegal activities.

Below is a non-exhaustive list of risk indicators as identified in the different aforementioned FATF reports:

- **Regarding illegal wildlife trade (“IWT”):**
 - **Client profiles** – involvement of international trade companies or wealthy persons with environmental-related businesses or wildlife-related entities;
 - **Sender profiles** – large cash deposits/withdrawals or wire transfers from officials working in wildlife protection agencies;
 - **Transaction patterns** – irregularities or unusual/uncommon operations (ex.: large incoming payments followed by smaller outgoing payments, i.e., middleman transactions);
 - **Adverse media contribution** – customers exposed in open sources for damaging behaviours linked to IWT in open sources;
 - **Miscellaneous IWT-related facts** – airline passengers traveling on high-risk IWT routes or payments from companies from industries using IWT products;
 - **Transactions and client account activity** – transactions using names of products that refer to CITES⁴ species or illogical/anomalous loans between trading or import/export companies in key IWT source or transit countries.
- **Regarding logging and mining:**
 - **Client profiles** – recently activated dormant companies undertaking resource extraction with income inconsistent with the activity or companies operating in the logging sector with frequent transactions to offshore financial sectors;
 - **Sectors of concern** – large volume/value of cash transfers from cash-intensive businesses (ex.: petrol or gas station) or from companies based in known illegal logging or illegal land clearing areas;
 - **Geographical areas** – sudden/unexplained increases in economic activity in rural or isolated zones; unusually high volumes of business turnover in cash transactions at businesses providing consumer goods and services in proximity to at-risk zones;
 - **Suspicious characteristics** – unexplained wealth of persons related to the preservation of natural resources (forestry or mining officials); sender/beneficiary operating around active conflict zones or regularly involved with agricultural or logging permit-holding companies;
 - **Transaction and cash flows** – deposits and wire transfers from several origins without economic or financial grounds and frequent payments from companies in the extractive sector or increase in transactions between non-licence-holding entities;
 - **Consideration of the supply chain** – unique identifier data for several types of activity (ex.: refineries and sawmills sharing a bank account); aberrations/anomalous corporate revenues of companies operating in natural resource supply chains.
- **Regarding metal and waste sectors:**
 - **Client profiles** – purchasing of entities operating in highly regulated sectors by persons lacking adequate knowledge and experience in the waste sector;
 - **Transaction patterns** – unexplained investments or sponsorships (i) in entities associated with waste, for clients not linked with such activities or conversely, (ii) in entities not associated with waste, for clients operating in waste sector;
 - **Transactions activity** – large -international- funds transfer between local waste management sector companies and known source countries for waste trafficking.
- **Regarding trade in diamonds and gold:**
 - Same indicators as mentioned above can be transposed for these sectors.

Apart from the FATF, the alarming development of environmental crime has prompted various international and European organisations to take it seriously, including: the **Council of Europe**, which has recently elected a Committee of Experts on the Protection of the Environment through Criminal Law; the **European Union**, through the publication of relevant reports by the different agencies (Eurojust and Europol)⁵ and through the adoption on 23 October 2018 of Directive (EU) 2018/1673 on combating money laundering by criminal law, which added

⁴ **CITES**: Convention on International Trade in Endangered Species of Wild Fauna and Flora, 1973

⁵ Eurojust (2021), *Report on Eurojust's Casework on Environmental Crime* & Europol (2022), *Environmental crime in the age of climate change: 2022 threat assessment*

environmental crime to the list of predicate offences for ML; **Interpol**, which conducts strategic operations and projects and the **United Nations**, by the adoption of Resolution 76/185 *Preventing and combating crimes that affect environment*.



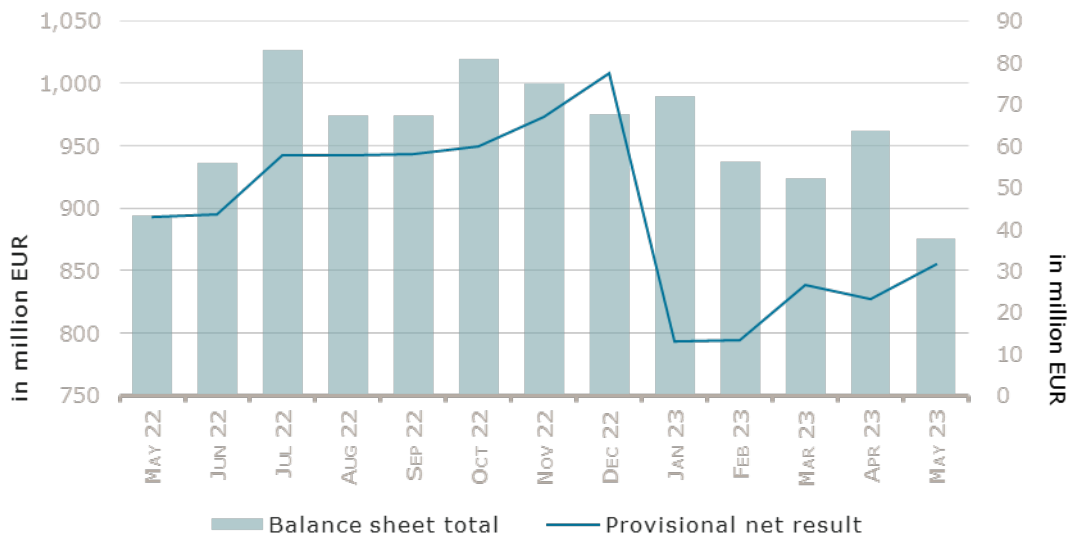
Communiqués

Date	Publications
27.06.2023	Webinar on the outcomes of the CSSF self-assessment exercise 2022 related to Circular CSSF 21/773 on climate-related and environmental risks (Video)
29.06.2023	The CSSF, CRF, ALCO, L3A, LAFO and LPEA sign an AML/CFT public-private partnership for specialised PFS
29.06.2023	Evaluation of the Financial Action Task Force: Final report on Luxembourg adopted by the Plenary (Communiqué from the Ministry of Justice and the Ministry of Finance)
30.06.2023	SFDR data collection exercise applicable to investment fund managers (IFMs) and institutions for occupational retirement provision (IORPs) on periodic disclosures in relation to Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (SFDR) and Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (TR)
30.06.2023	New reporting module for UCI administrators in accordance with Circular CSSF 22/811 on the authorisation and organisation of entities acting as UCI administrator now available on eDesk
03.07.2023	Global situation of undertakings for collective investment at the end of May 2023
06.07.2023	Regulation on Markets in Crypto-Assets (MiCA) and Regulation on information accompanying transfers of funds and certain crypto-assets
14.07.2023	Communication to the public concerning International Platform Securitisation Fund (previously known as Lombard 82 Securitisation Fund)
18.07.2023	Dissolution and judicial liquidation: FUCHS & ASSOCIÉS FINANCE S.A.
18.07.2023	Failure of FUCHS & ASSOCIÉS FINANCE S.A. – Activation of the Luxembourg Investor Compensation Scheme (SIIL)
18.07.2023	CSSF feedback report on ESMA Common Supervisory Action on valuation

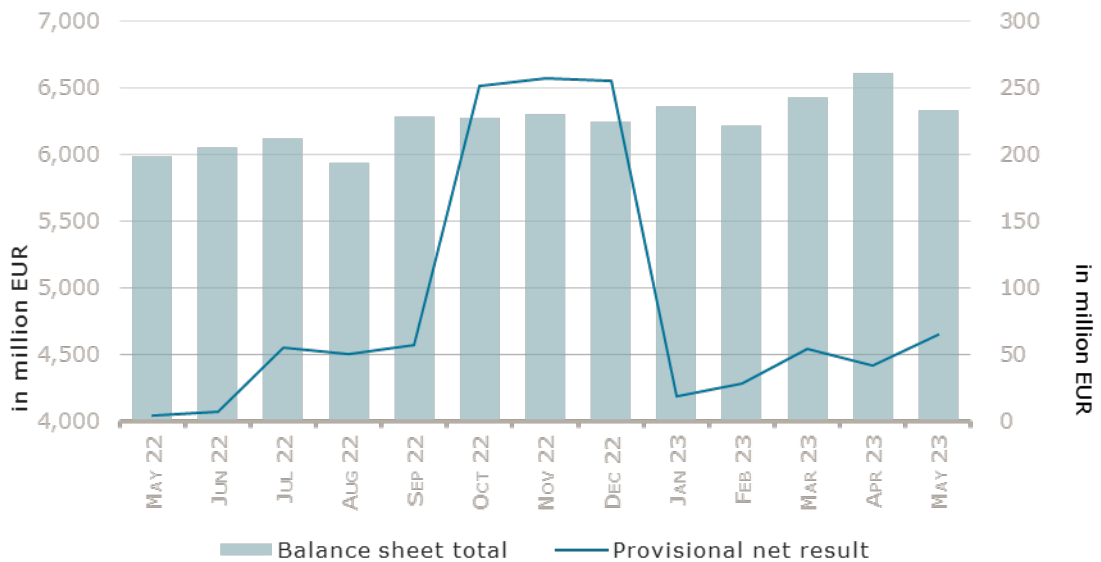


MONTHLY STATISTICS

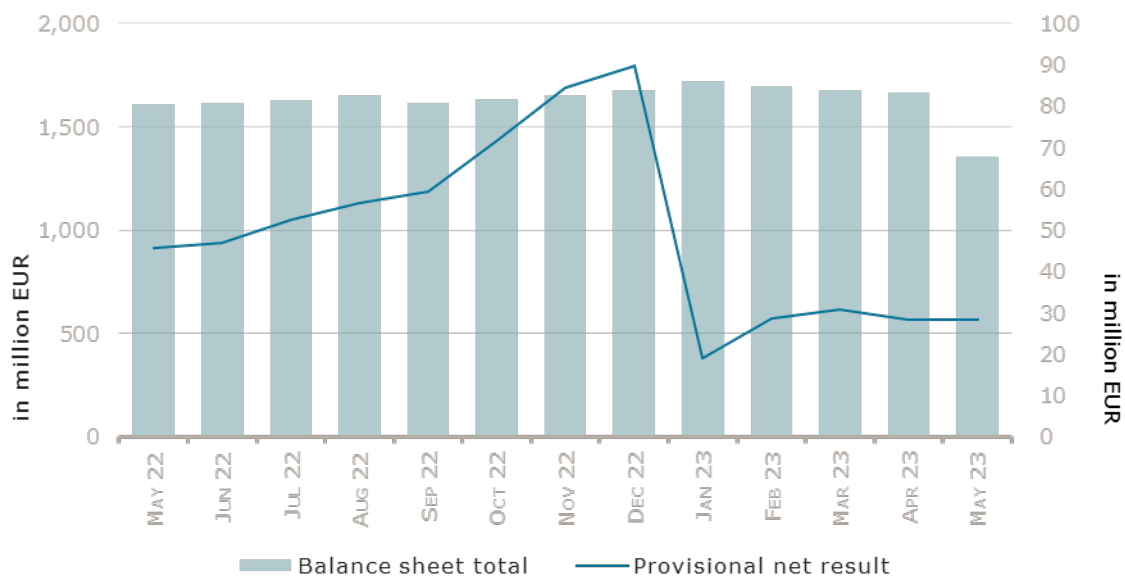
**INVESTMENT FIRMS:
DECREASE IN THE BALANCE SHEET TOTAL AS AT 31 MAY 2023**



**SPECIALISED PFS:
DECREASE IN THE BALANCE SHEET TOTAL AS AT 31 MAY 2023**



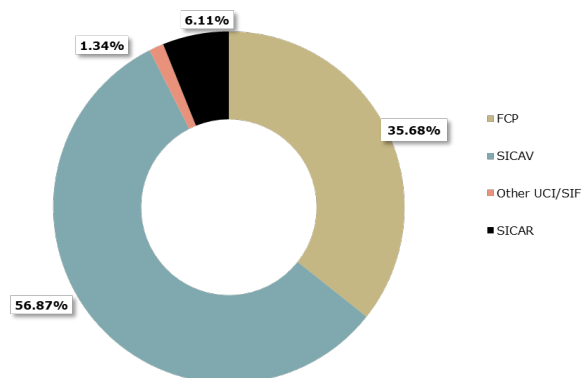
SUPPORT PFS: DECREASE IN THE BALANCE SHEET TOTAL AS AT 31 MAY 2023



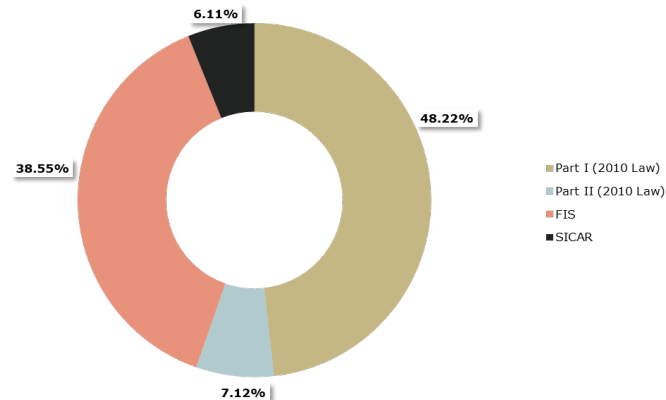
UCIS: SITUATION AS AT 31 MAY 2023

NUMBER OF UCIS

Breakdown of UCIs according to legal form



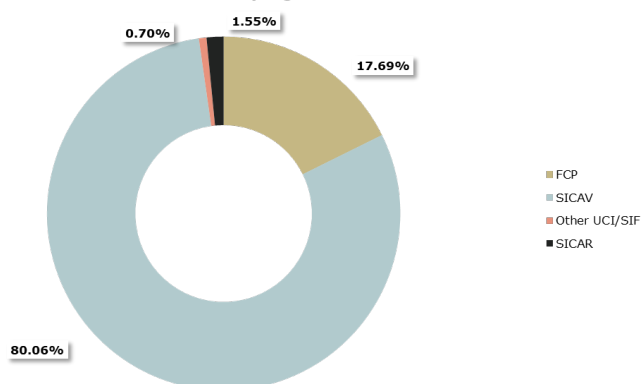
Breakdown of UCIs according to law and part applicable



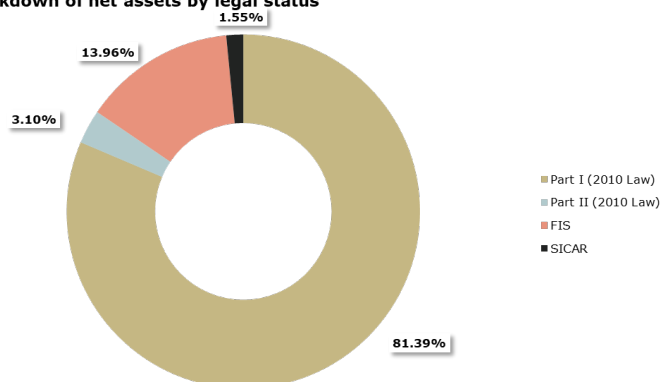
	FCP	SICAV	Other UCIs / SIFs	SICARs	Total
Part I (2010 Law)	822	789	0	0	1,611
Part II (2010 Law)	107	129	2	0	238
SIFs	263	982	43	0	1,288
SICARs	0	0	0	204	204
Total	1,192	1,900	45	204	3,341

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)	656.182	3,545.716	0.000	0.000	4,201.898
Part II (2010 Law)	45.598	114.148	0.272	0.000	160.018
SIFs	211.660	473.082	35.900	0.000	720.642
SICARs	0.000	0.000	0.000	79.997	79.997
Total	913.440	4,132.946	36.172	79.997	5,162.555

NET ASSETS BROKEN DOWN BY INVESTMENT POLICY

Breakdown by investment policy	Net assets (in bn €)	Number of fund units
Fixed-Income Transferable Securities	1,217.985	3,139
Variable-Yield Transferable Securities	1,742.943	4,167
Mixed Transferable Securities	1,005.890	3,392
Funds of Funds	340.747	2,040
Money Market Instruments and Other Short-Term Securities	462.356	198
Private Equity	82.548	259
Venture Capital	4.245	31
Real Estate	135.877	322
Futures and/or Options	11.513	66
Other Assets	78.454	274
Public-to-Private	0.146	2
Mezzanine	2.908	11
Venture Capital (SICAR)	7.946	70
Private Equity (SICAR)	68.997	255
TOTAL	5,162.555	14,226

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	1,128.257	2,737	35.924	35.918	0.006
Variable-Yield Transferable Securities	1,670.380	3,853	45.064	51.770	-6.706
Mixed Transferable Securities	803.304	2,490	16.947	20.116	-3.169
Funds of Funds	149.273	794	1.712	3.102	-1.390
Money Market Instruments and Other Short-Term Securities	441.211	167	258.000	255.958	2.042
Futures and/or Options	6.839	38	0.083	0.164	-0.081
Other Assets	2.634	7	0.053	0.133	-0.080
SUB-TOTAL PART I	4,201.898	10,086	357.783	367.161	-9.378
PART II					
Fixed-Income Transferable Securities	11.453	80	0.164	0.370	-0.206
Variable-Yield Transferable Securities	13.909	66	0.229	0.105	0.124
Mixed Transferable Securities	61.417	163	0.550	0.655	-0.105
Funds of Funds	31.390	187	0.234	0.516	-0.282
Money Market Instruments and Other Short-Term Securities	13.656	20	1.678	1.009	0.669
Private Equity	17.031	31	0.042	0.012	0.030
Venture Capital	1.211	3	0.058	0.000	0.058
Real Estate	4.449	14	0.006	0.001	0.005
Futures and/or Options	1.262	12	0.003	0.010	-0.007
Other Assets	4.240	26	0.031	0.064	-0.033
SUB-TOTAL PART II	160.018	602	2.995	2.742	0.253

SIF

Fixed-Income Transferable Securities	78.275	322	1.068	1.571	-0.503
Variable-Yield Transferable Securities	58.654	248	0.377	0.698	-0.321
Mixed Transferable Securities	141.169	739	1.056	1.547	-0.491
Funds of Funds	160.084	1,059	1.996	1.210	0.786
Money Market Instruments and Other Short-Term Securities	7.489	11	2.199	2.718	-0.519
Private Equity	65.517	228	0.368	0.889	-0.521
Venture Capital	3.034	28	0.010	0.016	-0.006
Real Estate	131.428	308	1.547	1.287	0.260
Futures and/or Options	3.412	16	0.022	0.023	-0.001
Other Assets	71.580	241	0.295	0.963	-0.668
SUB-TOTAL SIFs	720.642	3,200	8.938	10.922	-1.984
SICAR					
Public-to-Private	0.146	2	0.000	0.000	0.000
Mezzanine	2.908	11	0.000	0.000	0.000
Venture Capital	7.946	70	0.000	0.000	0.000
Private Equity	68.997	255	0.000	0.000	0.000
TOTAL SICAR	79.997	338	0.000	0.000	0.000
TOTAL LUXEMBOURG UCIs	5,162.555	14,226	369.716	380.825	-11.109

ORIGIN OF THE INITIATORS OF LUXEMBOURG UCIS

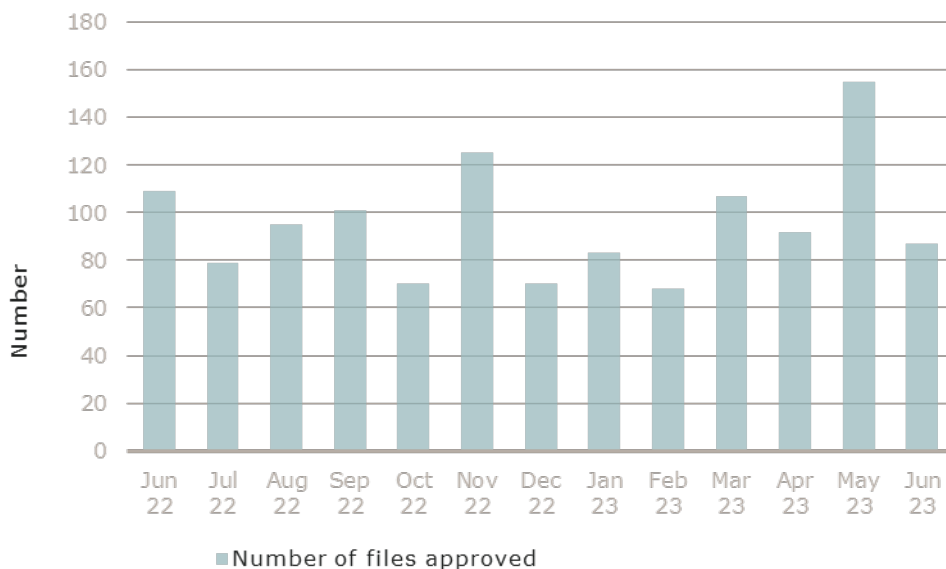
Country	Net assets (in bn EUR)	in %	Number of UCIs	in %	Number of fund units	in %
US	1,017.926	19.7%	158	4.7%	1,171	8.2%
GB	855.629	16.6%	240	7.2%	1,608	11.3%
DE	763.681	14.8%	1,072	32.1%	2,260	15.9%
CH	686.557	13.3%	518	15.5%	2,624	18.5%
FR	583.240	11.3%	248	7.4%	1,550	10.9%
IT	334.397	6.5%	111	3.3%	1,263	8.9%
BE	234.519	4.5%	128	3.8%	727	5.1%
LU	207.597	4.0%	285	8.5%	854	6.0%
NL	113.717	2.2%	39	1.2%	261	1.8%
DK	107.937	2.1%	18	0.5%	202	1.4%
OTHERS	257.355	5.0%	524	15.8%	1,706	12.0%
TOTAL	5,162.555	100.0%	3,341	100.0%	14,226	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	2.737	0.053%	14	0.098%
CAD	2.361	0.046%	15	0.106%
CHF	51.963	1.007%	240	1.687%
CNH	8.422	0.163%	26	0.183%
CNY	4.958	0.096%	6	0.042%
CZK	1.337	0.026%	53	0.373%
DKK	1.523	0.029%	12	0.084%
EUR	2,768.477	53.626%	8,788	61.774%
GBP	155.956	3.021%	276	1.940%
HKD	2.912	0.056%	8	0.056%
HUF	0.234	0.005%	19	0.134%
JPY	56.867	1.101%	152	1.068%
NOK	4.125	0.080%	29	0.204%
NZD	0.194	0.004%	1	0.007%
PLN	0.142	0.003%	3	0.021%
RON	0.535	0.010%	2	0.014%
SEK	35.998	0.697%	117	0.823%
SGD	1.534	0.030%	7	0.049%
USD	2,062.264	39.947%	4,457	31.330%
ZAR	0.016	0.000%	1	0.007%
TOTAL	5,162.555	100.000%	14,226	100.000%

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

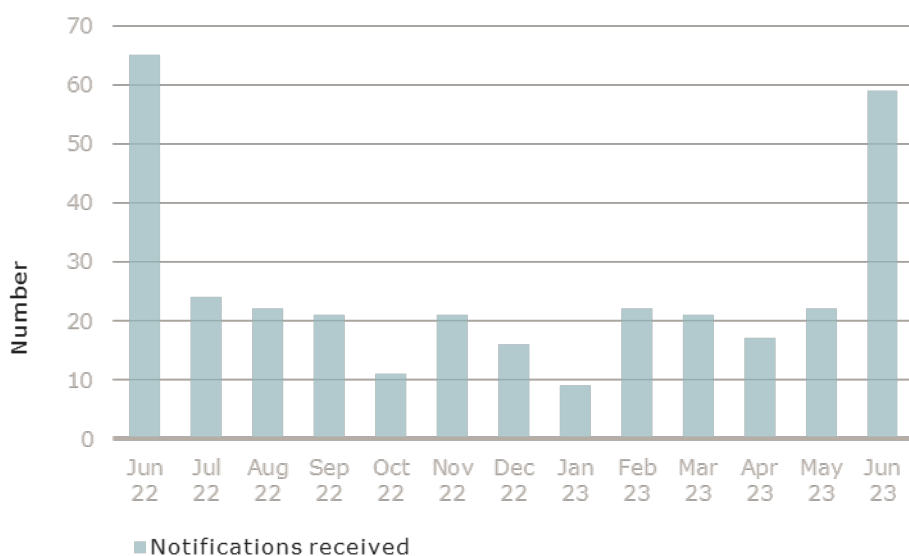
CSSF APPROVALS



In June 2023, the CSSF approved a total of 87 documents pursuant to the Prospectus Regulation, which break down as follows:

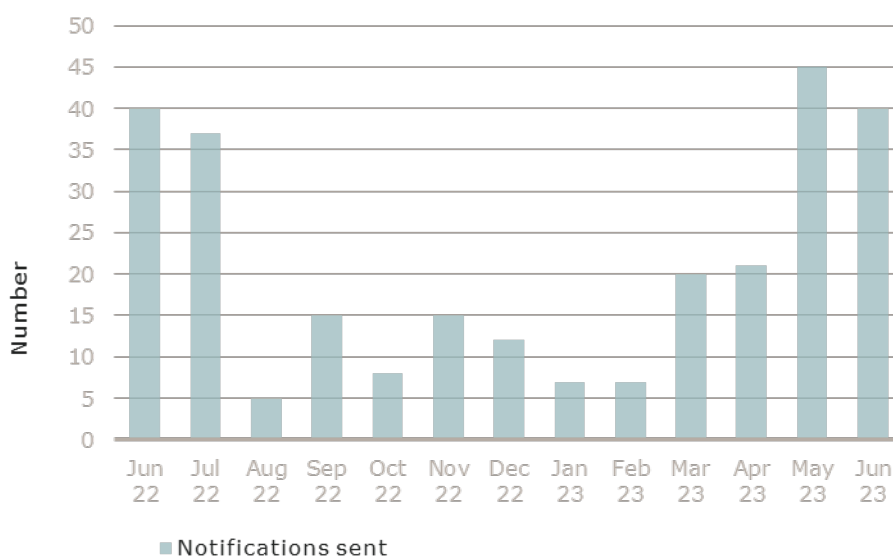
base prospectuses:	48 (55.17%)
other prospectuses:	17 (19.54%)
registration documents:	1 (1.15%)
supplements:	21 (24.14%)

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



In June 2023, the CSSF received 57 notifications relating to prospectuses and base prospectuses, 2 notifications relating to registration documents and 17 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



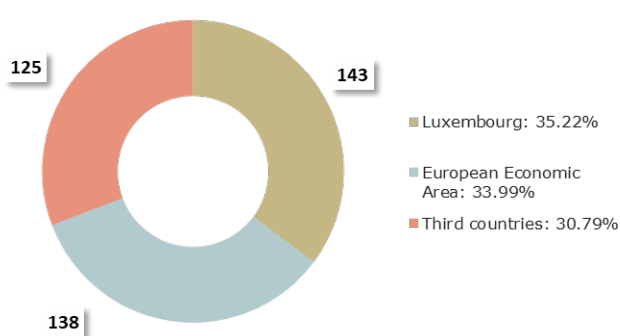
In June 2023, the CSSF sent 39 notifications relating to prospectuses and base prospectuses, 1 notification relating to registration documents and 9 notifications relating to supplements to the competent authorities of other EEA Member States⁶.

ISSUERS OF SECURITIES WHOSE HOME MEMBER STATE IS LUXEMBOURG PURSUANT TO THE LAW OF 11 JANUARY 2008 ON TRANSPARENCY REQUIREMENTS FOR ISSUERS (THE "TRANSPARENCY LAW")

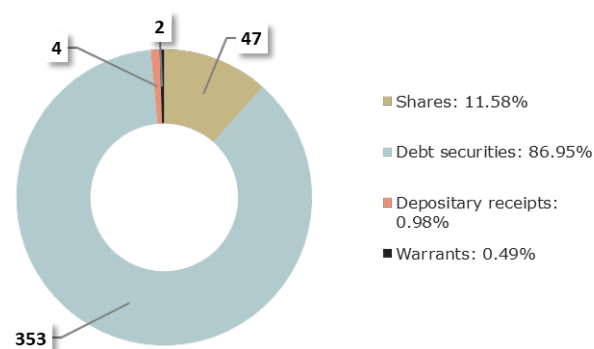
Since 31 May 2023, **one** issuer has chosen Luxembourg as home Member State for the purposes of the Transparency Law. Moreover, **five** issuers were deregistered from the list due to the fact that they no longer fall within the scope of the Transparency Law.

As at 30 June 2023, **406 issuers** subject to the supervision of the CSSF were included in the list of issuers whose home Member State is Luxembourg pursuant to the Transparency Law.

Breakdown of issuers according to countries



Breakdown of issuers according to type of securities admitted to trading



⁶ These figures are the number of prospectuses, base prospectuses, registration documents and supplements for which the CSSF sent one or several notifications. Where notifications were sent at different dates and/or in several Member States, only the first notification is included in the statistical calculation. Each document notified in one or several Member States is thus only counted once.

PENSION FUNDS

As at 30 June 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 June 2023.

PUBLIC OVERSIGHT OF THE AUDIT PROFESSION

The public oversight of the audit profession covered **56 cabinets de révision agréés** (approved audit firms) and **372 réviseurs d'entreprises agréés** (approved statutory auditors) as at 30 June 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.



Human resources

No employee has been hired by the CSSF since the publication of the last Newsletter. The total number of CSSF staff counts 965 agents (534 men and 431 women).



European/International News in June 2023

European Parliament, European Commission and European Council

Date	Regulatory developments	Description
08/06/2023	Commission Delegated Regulation (EU) 2023/1117 of 12 January 2023	Publication of Commission Delegated Regulation (EU) 2023/1117 of 12 January 2023 supplementing Directive (EU) 2019/2034 of the European Parliament and of the Council with regard to regulatory technical standards specifying requirements for the type and nature of the information to be exchanged by competent authorities of home and host Member States.
08/06/2023	Commission Delegated Regulation (EU) 2023/1118 of 12 January 2023	Publication of Commission Delegated Regulation (EU) 2023/1118 of 12 January 2023 supplementing Directive (EU) 2019/2034 of the European Parliament and of the Council with regard to regulatory technical standards specifying the conditions under which colleges of supervisors exercise their tasks.

08/06/2023	Commission Implementing Regulation (EU) 2023/1119 of 12 January 2023	Publication of Commission Implementing Regulation (EU) 2023/1119 of 12 January 2023 laying down implementing technical standards for the application of Directive (EU) 2019/2034 of the European Parliament and of the Council with regard to standard forms, templates and procedures for the information sharing between the competent authorities of home and host Member States.
09/06/2023	Regulation (EU) 2023/1113 of the European Parliament and of the Council of 31 May 2023	Publication of Regulation (EU) 2023/1113 of the European Parliament and of the Council of 31 May 2023 on information accompanying transfers of funds and certain crypto-assets and amending Directive (EU) 2015/849.
09/06/2023	Regulation (EU) 2023/1114 of the European Parliament and of the Council of 31 May 2023	Publication of Regulation (EU) 2023/1114 of the European Parliament and of the Council of 31 May 2023 on markets in crypto-assets, and amending Regulations (EU) No 1093/2010 and (EU) No 1095/2010 and Directives 2013/36/EU and (EU) 2019/1937.
21/06/2023	Commission Delegated Regulation (EU) 2023/1193 of 14 March 2023	Publication of Commission Delegated Regulation (EU) 2023/1193 of 14 March 2023 supplementing Regulation (EU) 2021/23 of the European Parliament and of the Council with regard to regulatory technical standards specifying the contents of the resolution plan.

European Supervisory Authorities (ESAs)

Date	Publication	Description
01/06/2023	ESAs present common understanding of greenwashing and warn on related risks	The ESAs published their progress reports on greenwashing in the financial sector. In these reports, the ESAs put forward a common high-level understanding of greenwashing applicable to market participants across their respective remits – financial markets, banking, and insurance and pensions.
09/06/2023	ESA's Board of Appeal dismissed request for suspension in the appeal by Euroins Insurance Group AD against EIOPA	<p>The Board of Appeal of the European Supervisory Authorities, in the appeal brought by Euroins Insurance Group AD against the European Insurance and Occupational Pensions Authority (EIOPA), unanimously decided, on 8 June 2023, to dismiss the applications for suspension.</p> <p>The Board of Appeal concluded that the applications for interim measures of suspension must be dismissed as Euroins Insurance Group had failed to establish that the conditions, as per Article 10(1) and 10(2) of the Rules of Procedure of the Board of Appeal had been met. These conditions relate to urgency and impending serious and irreparable harm caused by the EIOPA Report published on 28 March 2023 and titled "EIOPA's assessment of the valuation of technical provisions gross and net of reinsurance for the motor third party liability portfolio of Euroins Romania Asigurare-Reasigurare".</p>

Date	Consultation	Description
19/06/2023	ESAs consult on the first batch of DORA policy products	<p>The ESAs launched a public consultation on the first batch of policy products under the Digital Operational Resilience Act (DORA). This includes four draft RTS and one set of draft implementing technical standards (ITS). These technical standards aim to ensure a consistent and harmonised legal framework in the areas of ICT risk management, major ICT-related incident reporting and ICT third-party risk management.</p> <p>The consultation runs until 11 September 2023.</p>

European Banking Authority (EBA)

Date	Publications	Description
02/06/2023	EBA releases the technical package for phase 1 of its 3.3 reporting framework	The EBA published the technical package for phase 1 of version 3.3 of its reporting framework. The technical package provides standard specifications and includes the validation rules, the Data Point Model (DPM) and the XBRL taxonomies for this phase of version 3.3.
05/06/2023	EBA publishes final draft technical standards specifying the data collection for the benchmarking exercise in 2024	The EBA published its final draft Implementing Technical Standards (ITS) on the benchmarking of credit risk, market risk and IFRS9 models for the 2024 exercise. The most significant change, compared to the data collection of 2023, is the roll out for the benchmarking of accounting metrics (IFRS9) to high default portfolios (HDP). For market risk, new templates are added 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 have been made.
09/06/2023	EBA updates list of correlated currencies	The EBA published the 2023 update of the list of closely correlated currencies, originally published in December 2013. The list is part of the ITS that were drafted for calculating the capital requirements for foreign-exchange risk according to the standardised rules. The list was updated according to the procedure and methodology laid down in the ITS and submitted to the European Commission for endorsement.
12/06/2023	EBA issues revised list of ITS validation rules	The EBA issued a revised list of validation rules in its ITS on supervisory reporting, highlighting those, which have been deactivated either for incorrectness or for triggering IT problems. Competent authorities throughout the EU are informed that data submitted in accordance with these ITS should not be formally validated against the set of deactivated rules.
12/06/2023	EBA Annual Report highlights key achievements in 2022	The EBA published its Annual Report that sets out the activities and achievements in 2022 and provides an overview of the key priorities for 2023.
12/06/2023	EBA updates list of other systemically important institutions	The EBA updated the list of other systemically important institutions (O-SIIs) in the EU, which, together with global systemically important institutions (G-SIIs), are identified as systemically important by the relevant authorities according to harmonised criteria laid down in the EBA Guidelines. This list is based on year-end-2022 data and includes the overall score calculated according to the EBA Guidelines and the capital buffer rate that the relevant authorities have set for the identified O-SIIs. The list is available also in a user-friendly visualisation tool.
13/06/2023	EBA published its final resolvability testing Guidelines	The EBA published its Guidelines addressed to institutions and resolution authorities on resolvability testing. The guidelines aim to set-out a framework to ensure that resolvability capabilities developed to comply with the resolvability and transferability guidelines are fit for purpose and effectively maintained.
13/06/2023	EBA and EIOPA publish Data Point Modelling Standard 2.0 to foster collaboration and harmonisation in the field of supervisory reporting	The EBA and EIOPA published their Data Point Modelling Standard 2.0. The DPM Standard 2.0 is aimed to enhance the methodology that is at the core of the EBA and EIOPA's reporting process, creating a fully consistent approach for modelling reporting requirements. The new DPM aims to support the whole reporting lifecycle, from data definition to data exploration, and to reap the benefits of stronger collaboration and higher harmonisation while also improving the digital processing of regulatory data required by the authorities.

Date	Publications	Description
14/06/2023	EBA issues Opinion in response to the European Commission's proposed amendments to the draft technical standards on crowdfunding service providers	The EBA published an Opinion on the amendments proposed by the European Commission to the EBA final draft Regulatory Technical Standards (RTS) on requirements on credit scoring of crowdfunding projects, pricing of crowdfunding offers, and risk management policies and procedures. In the opinion, while accepting the change proposed by the Commission on the treatment of personal data, the EBA notes the importance of ensuring that crowdfunding providers can access historical data to improve the assessment of creditworthiness and the performance of their scoring models.
14/06/2023	EBA updates list of risk indicators and analysis tools	The EBA published an updated list of indicators for risk assessment and risk analysis tools, together with the accompanying methodological guide. Without adding any reporting burden neither on reporting institutions nor on competent authorities, this guidance describes how risk indicators are computed in EBA publications. It is aimed to allow competent authorities and users of EBA data to interpret key bank figures in a consistent fashion when conducting their risk assessments and analyses.
15/06/2023	EBA reports on the LCR and NSFR implementation in the EU in the context of the new economic environment and TLTRO repayment	The EBA published its third Report on the monitoring of liquidity coverage ratio (LCR) and net stable funding ratio (NSFR) implementation in the EU. This report assesses the potential impact on LCR and NSFR levels of the upcoming central bank funding repayment (mainly repayments of the targeted longer-term refinancing operations - TLTRO) as well as of a potential scenario of higher liquidity risk, particularly affecting government bonds, derivatives and repo markets, in the context of a higher interest rate environment, inflation and recession risks.
16/06/2023	EBA finds that money laundering and terrorist financing risks in payments institutions are not managed effectively	The EBA published its Report on money laundering and terrorist financing (ML/TF) risks associated with EU payment institutions. Its findings suggest that ML/TF risks in the sector may not be assessed and managed effectively by institutions and their supervisors.
21/06/2023	The EBA publishes the final amending ITS on supervisory disclosure under CRD	The EBA published its final draft ITS on supervisory disclosures, which specify the format, structure, contents list and annual publication date of the supervisory information to be disclosed by competent authorities. The amended draft ITS incorporate the changes to the EU legal framework, in particular the changes related to supervisory reporting and investment firms.

European Securities and Markets Authority (ESMA)

Date	Publications	Description
06/06/2023	Money market funds stress tests – overall resilience whilst LVNAVs exceed threshold in liquidity and credit risk scenarios	ESMA published an article on the results of the Money Market Funds (MMFs) stress tests reported to ESMA. In the article ESMA also highlighted the relative proximity of the LVNAV 20 bps threshold, which would be exceeded in the liquidity and credit risk scenarios. While this possibility was foreseen in the MMF Regulation, these findings support the concerns expressed in the ESMA opinion regarding the consequences of funds breaching the threshold.
06/06/2023	ESMA publishes follow-up report to the peer review on the Guidelines on ETFs and other UCITS issues	ESMA published its follow-up report to the peer review on the Guidelines on ETFs and other UCITS issues .
14/06/2023	ESMA publishes latest edition of its newsletter	ESMA published its latest edition of its <i>Spotlight on Markets Newsletter</i> .

15/06/2023	ESMA launches Data Strategy for the next five years	ESMA published its Data Strategy for 2023-2028 . Over the coming five years, ESMA will work to facilitate the use of new data-related technologies, reduce reporting compliance costs by regulated entities, enable the effective use of data at both EU and national level; and make data more broadly available to the public.
16/06/2023	ESMA in 2022 - Focus on financial stability and investor protection	ESMA published its Annual Report for 2022 . It sets out the key achievements of the authority in fulfilling its mission of enhancing investor protection and promoting stable and orderly financial markets in the European Union (EU) during a transformative year.
16/06/2023	ESMA launches Call for Evidence on sustainability in suitability and product governance	ESMA launched a Call for Evidence (CfE) on integrating sustainability preferences into suitability assessment and product governance arrangements under the Markets in Financial Instruments Directive (MiFID) II.
23/06/2023	ESMA publishes Guidelines on templates for summary resolution plans and for written arrangements for resolution colleges	ESMA published two Final Reports including guidelines on the central counterparties (CCPs) Resolution Regime under the CCP Recovery and Resolution Regulation (CCPRRR). This publication followed that of Commission Delegated Regulations 2023/1193 on the content of resolution plans and 2023/1192 on resolution colleges. The Guidelines on the template written arrangements for resolution colleges will assist National Competent Authorities (NCAs) in the creation of the resolution colleges, and also ensure a smooth process to both establish and review the resolution college agreement. The Guidelines on the template summary resolution plans provide resolution authorities with guidance as to the type of information that should be included in the summary (and a template of the summary) that would be shared with the CCP.
30/06/2023	ESMA finds adequate setup of measures to reduce volatility in trading of energy derivatives	ESMA published its Report on the implementation and functioning of the Intra-day Volatility Management Mechanism (IVM). Following an assessment of the IVMs introduced by trading venues and identification of differences in the approaches taken in their implementation and calibration, ESMA found that they have been adequately set up. ESMA however also highlighted some practical challenges.

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

Date	Publications	Description
26/06/2023	Market risk SREP methodology	The ECB has published a document which provides a more detailed description of the methodology for assessing market risk at significant institutions (SIs), as part of the Supervisory Review and Evaluation Process (SREP). The ECB uses a standardised risk-based methodology to assess market risk.
27/06/2023	Letter from Andrea Enria, Chair of the Supervisory Board, to Ms de Lange and Mr Juknevičienė, MPEs, on banking supervision	The ECB has published a letter from Andrea Enria, Chair of the Supervisory Board, to Ms de Lange and Mr Juknevičienė, MPEs, on banking supervision.

Date	Interviews and speeches	Description
01/06/2023	Well-run banks don't fail – why governance is an enduring theme in banking crises	Keynote speech by Andrea Enria, Chair of the Supervisory Board of the ECB, at the 22 nd Annual International Conference on Policy Challenges for the Financial Sector organised by the World Bank, International Monetary Fund and Federal Reserve System.
08/06/2023	The economy and banks need nature to survive	Blog post by Frank Elderson, Member of the Executive Board of the ECB and Vice-Chair of the Supervisory Board of the ECB.

14/06/2023	Interview at the 27th European Financials Conference organised by Goldman Sachs	Transcript of a conversation between Andrea Enria, Chair of the Supervisory Board of the ECB, and Chris Hallam, at the Goldman Sachs European Financials Conference on 13 June 2023.
19/06/2023	Interview at Festival dell'Economia	Transcript of a conversation between Andrea Enria, Chair of the Supervisory Board of the ECB, and Mariangela Pira at Festival dell'Economia, held in Trento on 26 May.
20/06/2023	The role of banks in mitigating systemic risks arising in the non-bank financial sector	Speech by Andrea Enria, Chair of the Supervisory Board of the ECB, at the ECB conference on Counterparty Credit Risk.
20/06/2023	Change as a constant: trends and shifts in the financial sector	Speech by Elizabeth McCaul, Member of the Supervisory Board of the ECB, at the workshop on "The Future of Globalization: Politics, Business, Lifestyle, Brands" organised by the Consiglio Per le Relazioni tra Italia e Stati Uniti.
23/06/2023	Climate-related and environmental risks – a vital part of the ECB's supervisory agenda to keep banks safe and sound	Introductory remarks by Frank Elderson, Member of the Executive Board of the ECB and Vice-Chair of the Supervisory Board of the ECB, at the panel on green finance policy and the role of Europe organised by the Federal Working Group Europe of the German Greens.
28/06/2023	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.
29/06/2023	Elizabeth McCaul: The SSM Digitalisation Blueprint	Presentation by Elizabeth McCaul, Member of the Supervisory Board of the ECB, at the Single Resolution Board staff event in Brussels.
29/06/2023	Anti-money laundering and banking supervision	Speech by Elizabeth McCaul, Member of the Supervisory Board of the ECB, at Leaders in Finance AML Europe 2023 event.

Date	Consultations	Description
02/06/2023	ECB consults on counterparty credit risk governance and management	The ECB is launching a public consultation on its report on "Sound practices in counterparty credit risk governance and management". The report summarises the results of the targeted review performed in the second half of 2022 on how banks govern and manage counterparty credit risk (CCR). It highlights the good practices observed in the market and points to areas where improvement is needed.
22/06/2023	ECB consults on revised Guide to internal models	The ECB launches a public consultation on its revised Guide to internal models. The revision reflects updates on the legal framework and builds on the ECB's experience gained over the years in supervising internal models.

Basel Committee on Banking Supervision (BCBS)

Date	Publication	Description
06/06/2023	Basel Committee discusses recent market developments, agrees to consult on Basel Core Principles, and advances work on cryptoassets	The BCBS met on 6 June in Basel to take stock of recent market developments and risks to the global banking system, and to discuss a range of policy and supervisory initiatives.

Macroprudential topics and fora

European Central Bank (ECB)

Date	Publications	Description
29/06/2023	Economic Bulletin Issue 4, 2023	The Economic Bulletin presents information which forms the basis for the ECB's monetary policy decisions. It features insights into the economy and its outlook and provides an update on the economic and monetary developments in the euro area and global economies. Inflation has been coming down but is projected to remain too high for too long. The Governing Council is determined to ensure that inflation returns to its 2% medium-term target in a timely manner. It therefore decided at its meeting on 15 June 2023 to raise the three key ECB interest rates by 25 basis points.
29/06/2023	Eurosysteem staff macroeconomic projections for the euro area, June 2023	Economic activity in the euro area slightly declined in the first quarter of 2023 with consumption declining and net exports making a positive contribution amid declining energy imports. GDP growth is projected to pick up from the second quarter of 2023 and to remain solid in the second half of the year, as the impact of supply bottlenecks and energy shocks wanes and real income recovers, despite a worsening outlook for manufacturing. Over the medium term GDP growth is projected to increase further, supported by further increases in real income and strengthening foreign demand, albeit with headwinds from tighter financing conditions and a tighter fiscal stance.

European Systemic Risk Board (ESRB)

Date	Publications	Description
06/06/2023	EU Non-bank Financial Intermediation Risk Monitor 2023	The ESRB has published the EU Non-bank Financial Intermediation Risk Monitor 2023 (NBFi Monitor). This is the eighth edition in an annual series monitoring systemic risks and vulnerabilities related to certain aspects of non-bank financial intermediation, including investment funds and other financial institutions (OFIs) such as financial vehicle corporations, security and derivative dealers and financial corporations engaged in lending. In 2022 risks to the stability of the EU financial system increased due to rising geopolitical tensions, higher-than-expected inflation and tightening financial conditions.
29/06/2023	ESRB risk dashboard, June 2023 (Issue 44)	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	01.04.2023	2.5%
	01.07.2023	2.25%*
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	01.07.2024	0.5%*
Iceland	29.09.2022	2%
	15.03.2024	2.5%*
Ireland	15.06.2023	0.5%
	24.11.2023	1%*
	07.06.2024	1.5%*
Lithuania	01.10.2023	1%*
Luxembourg	01.01.2021	0.5%
Netherlands	25.05.2023	1%
	31.05.2024	2%*
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 (30/06/2023)	120	↘ 2 entities
	Balance sheet total (31/03/2023)	EUR 929.342 bn	↘ EUR 42.475 bn
	Profit before provisions and taxes (31/03/2023)	EUR 2.024 bn	↗ EUR 733 m
Payment institutions	Number (30/06/2023)	18	↗ 2 entities
Electronic money institutions	Number (30/06/2023)	12	↗ 2 entities
UCIs	Number (30/06/2023)	Part I 2010 Law: 1,616	↘ 25 entities
		Part II 2010 Law: 237	↗ 5 entities
		SIFs: 1,283	↘ 63 entities
		TOTAL: 3,136	↘ 83 entities
	Number (30/06/2023)	SICARs: 200	↘ 13 entities
	Total net assets (31/05/2023)	EUR 5,162.555 bn	↘ EUR 205.294 bn
Authorised Investment Fund Managers⁷	Number (30/06/2023)	300	↘ 4 entities
	Balance sheet total (31/03/2023)	EUR 23.308 bn	↘ EUR 2.032 bn
Pension funds	Number (30/06/2023)	13	↗ 1 entity
Authorised securitisation undertakings	Number (30/06/2023)	28	↘ 1 entity
Investment firms	Number (30/06/2023)	94 (7 branches)	↘ 3 entities
	Balance sheet total (31/05/2023)	EUR 875.317 m	↘ EUR 18.683 m
	Provisional net profit (31/05/2023)	EUR 31.48 m	↘ EUR 11.32 m
Specialised PFS	Number (30/06/2023)	99	↗ 1 entity
	Balance sheet total (31/05/2023)	EUR 6.329 bn	↗ EUR 344 m
	Provisional net profit (31/05/2023)	EUR 64.13 m	↗ EUR 59.73 m
Support PFS	Number (30/06/2023)	65	↘ 4 entities
	Balance sheet total (31/05/2023)	EUR 1.355 bn	↘ EUR 257 m
	Provisional net profit (31/05/2023)	EUR 28.4 m	↘ EUR 17.23 m
Issuers of securities whose home Member State is Luxembourg pursuant to the Transparency Law	Number (30/06/2023)	406	↘ 35 entities
Public oversight of the audit profession	Number (30/06/2023)	56 <i>cabinets de révision agréés</i>	↗ 3 entities
		372 <i>réviseurs d'entreprises agréés</i>	↗ 22 people
		24 third-country auditors and audit firms	↗ 2 entities
Employment (31/03/2023)	Banks	26,211 people	↗ 119 people
	Authorised Investment Fund Managers ⁷	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 people⁸

⁷ 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.

⁸ This development does not mean a net creation or loss of jobs, but includes the transfer of existing jobs from the non-financial sector to the financial sector and vice versa.