



Commission de Surveillance
du Secteur Financier

Newsletter No 276

January 2024

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News

ICT-RELATED INCIDENT REPORTING: NEW REPORTING REQUIREMENTS AND PROCEDURE



The CSSF released two important documents regarding the ICT-related incident reporting framework, in order to acquire a better and more structured overview

of the nature, frequency, significance and impact of ICT-related incidents, also considering the growing ICT and security risk in the context of a highly interconnected global financial system.

1. CSSF Regulation No 24-01 of 5 January 2024 relating to the notification of incidents according to the Law of 28 May 2019 transposing Directive (EU) 2016/1148 of the European Parliament and of the Council of 6 July 2016 concerning measures for a high common level of security of network and information systems across the European Union

This CSSF regulation enters into force on 1 April 2024. In Article 2, Operators of Essential Services (“OES”) and Digital Service Providers (“DSP”) subject to the Law of 28 May 2019 (the “NIS Law”), and for which the “NIS authority” is the CSSF according to Article 3 of the NIS Law, are informed of the incident classification and major incident notification

requirements under the NIS Law. These have been further specified in Circular CSSF 24/847 referred to in point 2 below, in order to have one uniform document detailing the process for classification and reporting of ICT-related incidents for all entities under CSSF supervision in accordance with financial sector regulatory frameworks and/or with the NIS Law.

2. Circular CSSF 24/847 regarding the ICT-related incident reporting framework

This circular enters into force on 1 April 2024 for the supervised entities as defined in point 2 a) to d) and k) to p) in Section 1.1., and on 1 June 2024 for the supervised entities as defined in point 2 e) to j) in Section 1.1. of that circular.

The circular repeals and replaces Circular CSSF 11/504 on frauds and incidents due to external computer attacks as from 1 April 2024 for the supervised entities as defined in point 2 a) to d) and k) to p) in Section 1.1., and as from 1 June 2024 for the supervised entities as defined in point 2 e) to j) in Section 1.1. of that circular.

Read the full communiqué:

<https://www.cssf.lu/en/2024/01/communique-regarding-ict-related-incident-reporting/>



Warnings

Warnings of the CSSF

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

- [Warning concerning the usurpation of the name and logo of the CSSF](#)
- [Warning concerning the website \[www.swe-csm.se\]\(http://www.swe-csm.se\)](#)
- [Warning concerning fraudulent activities by persons misusing the name of Cedra Investment Management S.à r.l.](#)
- [Warning concerning fraudulent activities by persons misusing the name of GLN Investment S.A.](#)
- [Warning concerning the fraudulent activities carried out by the entity FIT Freedom Investments, Inc.](#)

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 23-05 – Systemically important institutions

The CSSF regulation indicates that none of the institutions authorised in Luxembourg and referred to in Article 1(11a) of the LFS, hereinafter “CRR institutions”, has been identified as a global systemically important institution (G-SII) and that five CRR institutions authorised in Luxembourg have been identified as other systemically important institutions (O-SIIs).

<https://www.cssf.lu/en/Document/cssf-regulation-no-23-05-of-30-november-2023/>

CSSF Regulation No 23-06 – Countercyclical buffer rate

The countercyclical buffer rate applicable to the relevant exposures located in Luxembourg remains at 0.50% for the first quarter of 2024.

<https://www.cssf.lu/en/Document/cssf-regulation-no-23-06-of-29-december-2023/>

Circular CSSF 24/848 – Criteria for the identification, evaluation, management and mitigation of the risks arising from potential changes in interest rates and of the assessment and monitoring of credit spread risk, of institutions’ non-trading book activities

The purpose of the circular is to inform the persons concerned that the CSSF, in its capacity as competent authority, applies the Guidelines of the EBA specifying criteria for the identification, evaluation, management and mitigation of the risks arising from potential changes in interest rates and of the assessment and monitoring of credit spread risk, of institutions’ non-trading book activities (EBA/GL/2022/14) (the “Guidelines”). The Guidelines specify the criteria that institutions and competent authorities should apply in view of the sound and prudent management of interest rate risk for non-trading book activities and credit spread risk for non-trading book activities for non-trading book activities further to Article 53-20 of the Law of 5 April 1993 on the financial sector. Furthermore, the Guidelines repeal the Guidelines on the management of interest rate risk arising from non-trading book activities (EBA/GL/2018/02).

<https://www.cssf.lu/en/Document/circular-cssf-24-848/>

Circular CSSF-CPDI 23/39 – Survey on the amount of covered deposits

The aim of the circular is to carry out the regular survey on deposits, and more particularly on covered deposits, as held by credit institutions incorporated under Luxembourg law, POST Luxembourg for its provision of postal financial services, and Luxembourg branches of credit institutions having their head office in a third country as at 31 December 2023.

<https://www.cssf.lu/en/Document/circular-cssf-cpdi-23-39/>



FAQ

On 18 December 2023, the CSSF updated the document *FAQ – Virtual assets (UCIs)*:

<https://www.cssf.lu/en/Document/faq-virtual-assets-ucis/>.

On 21 December 2023, the CSSF updated the document *FAQ regarding the AML/CFT Market Entry Form (Funds and IFMs)*:

<https://www.cssf.lu/en/Document/faq-regarding-the-aml-cft-market-entry-form-funds-and-ifms/>.

On 28 December 2023, the CSSF published version 21 of the document *FAQ concerning the Luxembourg Law of 12 July 2013 on alternative investment fund managers*:

<https://www.cssf.lu/en/Document/faq-alternative-investment-fund-managers/>.

On 28 December 2023, the CSSF published version 17 of the document *FAQ concerning the Luxembourg Law of 17 December 2010 relating to undertakings for collective investment*:

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

On 2 January 2024, the CSSF updated the document *FAQ CBDF – Notification procedures*:

<https://www.cssf.lu/en/Document/faq-cbdf-notification-procedures/>.

On 5 January 2024, the CSSF published the document *CSSF FAQ related to Circular CSSF 24/847 on ICT-related incident reporting framework*:

<https://www.cssf.lu/en/Document/cssf-faq-related-to-circular-cssf-24-847-on-ict-related-incident-reporting-framework/>



Communiqués

Date	Publications
14.12.2023	Reminder of professional obligations – Law of 25 March 2020, as amended, establishing a central electronic data retrieval system related to payment accounts and bank accounts identified by IBAN and safe-deposit boxes held by credit institutions in Luxembourg (“Système Central” or “CRBA”)
15.12.2023	International survey 2023 of adult financial literacy – Mixed results for Luxembourg
15.12.2023	Request for a European Long-Term Investment Fund (ELTIF)
21.12.2023	New transmission methods for B4.5 and B4.6 national reportings
22.12.2023	FSB and IOSCO publish policies to address vulnerabilities from liquidity mismatch in open-ended funds (OEFs)
29.12.2023	Profit and loss account of credit institutions as at 30 September 2023
02.01.2024	New methods of transmitting marketing notifications and de-notifications for UCITS
03.01.2024	Global situation of undertakings for collective investment at the end of November 2023
03.01.2024	Submission of the revised long form report (LFR) through the S3 solution
04.01.2024	Revised inbound email protocol security at the CSSF
08.01.2024	Enforcement of the 2023 annual reports published by issuers subject to the Transparency Law



Withdrawals decided by the CSSF

Following the CSSF's decision to withdraw the specialised investment fund CREON ENERGY FUND S.C.A., SICAV-SIF from the official list of specialised investment funds, the VIth Chamber of the Luxembourg *Tribunal d'arrondissement* (District Court) dealing with commercial matters, per judgement of 6 July 2023, pronounced the dissolution and ordered the liquidation of the specialised investment fund CREON ENERGY FUND S.C.A., SICAV-SIF. The same judgement has appointed Ms Maria Faria Alves as *juge-commissaire* (bankruptcy judge) and Mr Cédric Schirrer as liquidator.

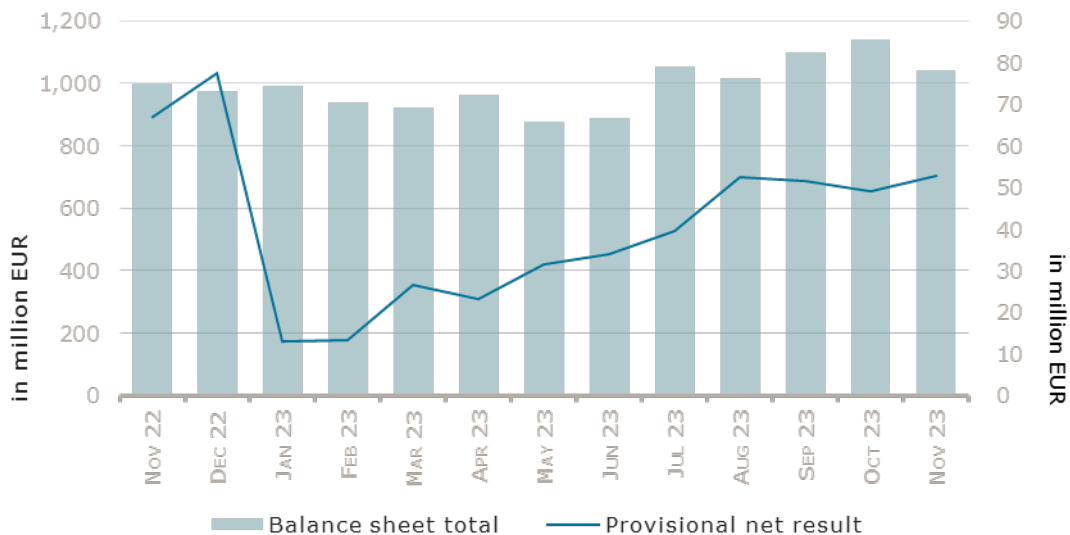
Following the CSSF's decision to withdraw the specialised investment fund PRUDENT INVESTMENT FUND from the official list of specialised investment funds, the VIth Chamber of the Luxembourg *Tribunal d'arrondissement* (District Court) dealing with commercial matters, per judgement of 23 November 2023, pronounced the dissolution and ordered the liquidation of the specialised investment fund PRUDENT INVESTMENT FUND. The same judgement has appointed Ms Maria Faria Alves as *juge-commissaire* (bankruptcy judge) and Mr Cédric Schirrer as liquidator.



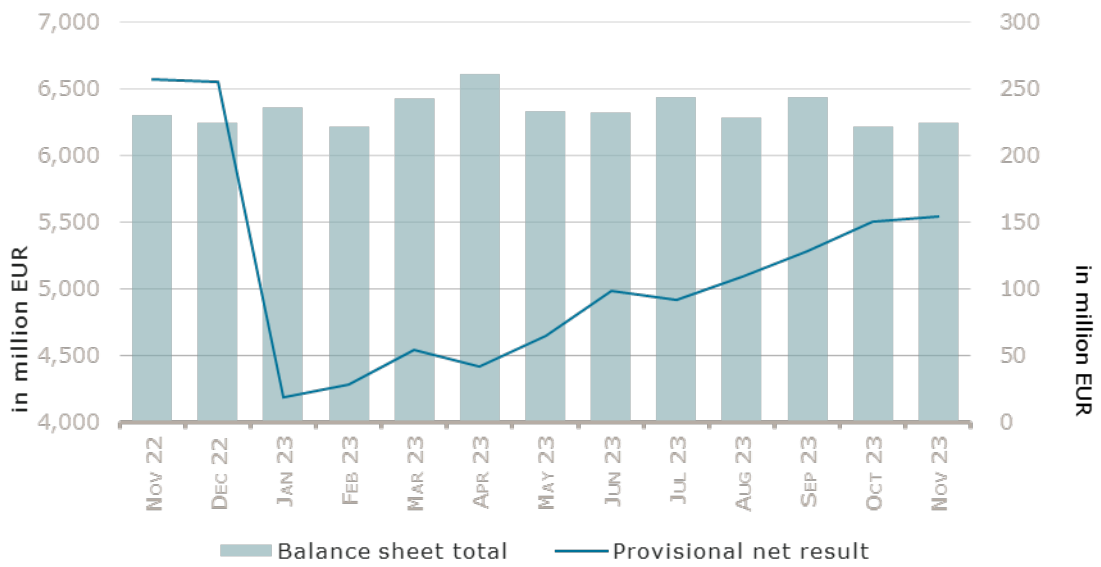
Statistics

MONTHLY STATISTICS

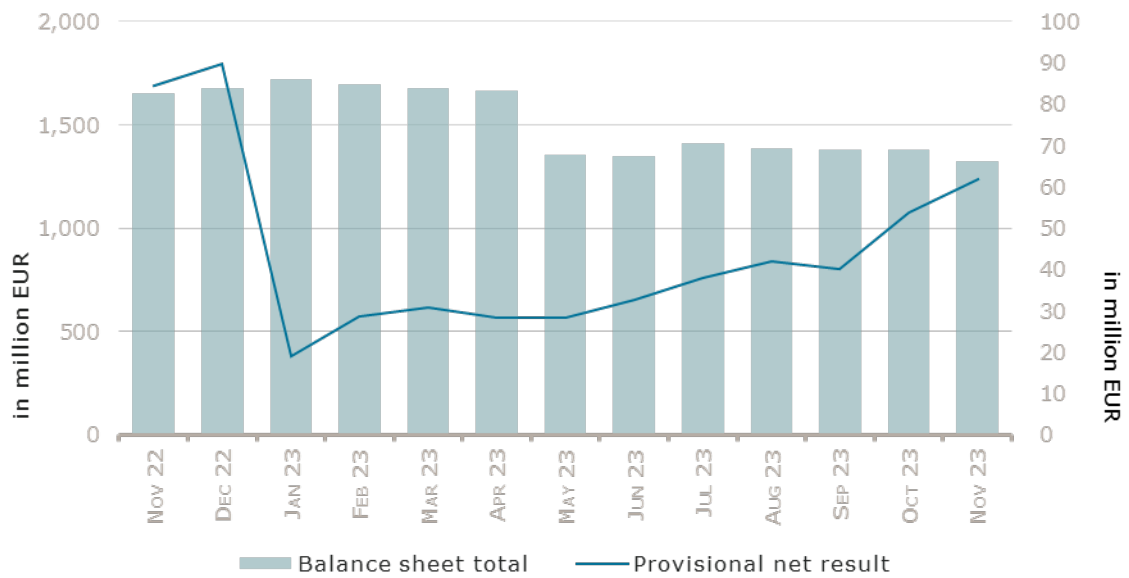
INVESTMENT FIRMS: DECREASE IN THE BALANCE SHEET TOTAL AS AT 30 NOVEMBER 2023



**SPECIALISED PFS:
INCREASE IN THE BALANCE SHEET TOTAL AS AT 30 NOVEMBER 2023**



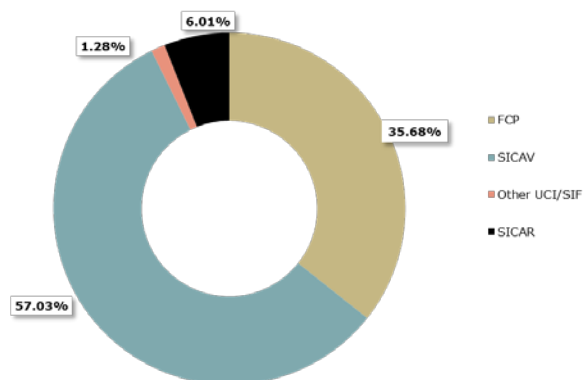
**SUPPORT PFS:
DECREASE IN THE BALANCE SHEET TOTAL AS AT 30 NOVEMBER 2023**



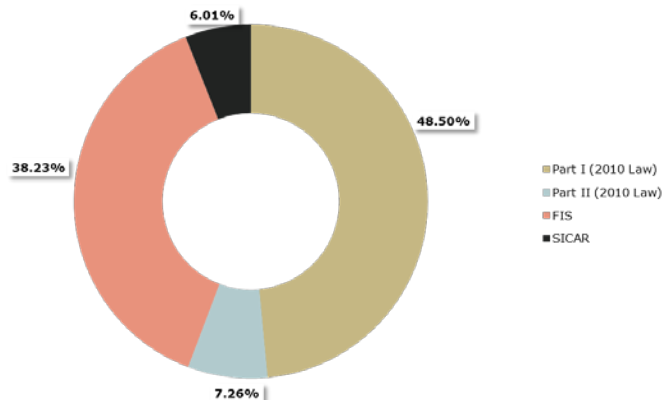
UCIS: SITUATION AS AT 30 NOVEMBER 2023

NUMBER OF UCIS

Breakdown of UCIs according to legal form



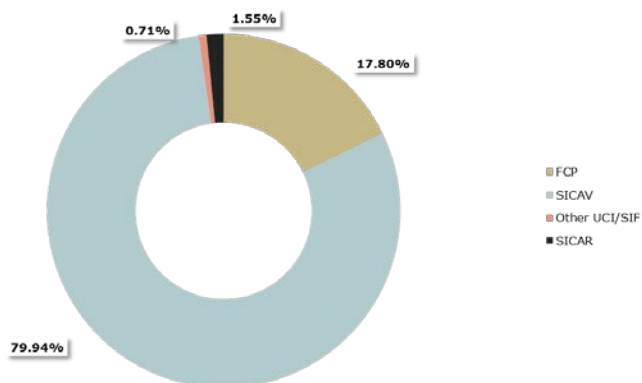
Breakdown of UCIs according to law and part applicable



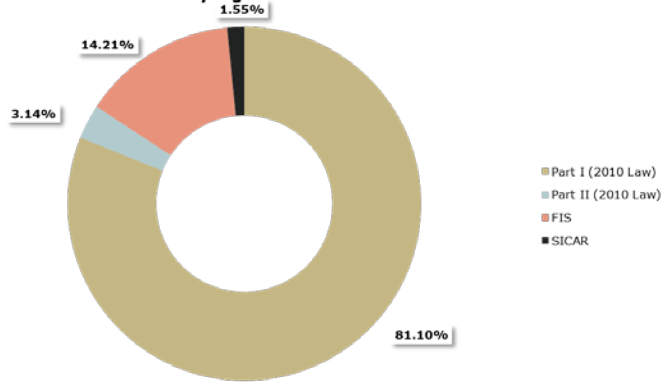
	FCP	SICAV	Other UCIs/SIFs	SICARs	Total
Part I (2010 Law)	812	785	0	0	1,597
Part II (2010 Law)	108	130	1	0	239
SIFs	255	963	41	0	1,259
SICARs	0	0	0	198	198
Total	1,175	1,878	42	198	3,293

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)	656.646	3,521.944	0.000	0.000	4,178.590
Part II (2010 Law)	46.267	115.155	0.148	0.000	161.570
SIFs	213.919	481.522	36.557	0.000	731.998
SICARs	0.000	0.000	0.000	80.071	80.071
Total	916.832	4,118.621	36.705	80.071	5,152.229

NET ASSETS BROKEN DOWN BY INVESTMENT POLICY

Breakdown by investment policy	Net assets (in bn €)	Number of fund units
Fixed-Income Transferable Securities	1,214.884	3,110
Variable-Yield Transferable Securities	1,718.524	4,116
Mixed Transferable Securities	975.480	3,300
Funds of Funds	342.014	2,026
Money Market Instruments and Other Short-Term Securities	506.679	188
Private Equity	87.017	254
Venture Capital	4.180	34
Real Estate	134.204	314
Futures and/or Options	11.559	66
Other Assets	77.617	270
Public-to-Private	0.146	2
Mezzanine	0.876	9
Venture Capital (SICAR)	6.521	54
Private Equity (SICAR)	72.528	259
TOTAL	5,152.229	14,002

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	1,124.999	2,726	42.072	42.474	-0.402
Variable-Yield Transferable Securities	1,645.453	3,806	49.387	66.799	-17.412
Mixed Transferable Securities	774.347	2,425	15.217	23.337	-8.120
Funds of Funds	142.629	776	2.249	4.006	-1.757
Money Market Instruments and Other Short-Term Securities	482.332	157	280.558	268.066	12.492
Futures and/or Options	6.956	36	0.180	0.266	-0.086
Other Assets	1.874	7	0.059	0.085	-0.026
SUB-TOTAL PART I	4,178.590	9,933	389.722	405.033	-15.311
PART II					
Fixed-Income Transferable Securities	11.409	71	0.355	0.361	-0.006
Variable-Yield Transferable Securities	12.980	64	0.086	0.246	-0.160
Mixed Transferable Securities	61.633	162	0.715	0.948	-0.233
Funds of Funds	29.565	169	0.259	0.668	-0.409
Money Market Instruments and Other Short-Term Securities	15.837	20	1.576	1.259	0.317
Private Equity	19.323	36	1.533	0.055	1.478
Venture Capital	1.327	5	0.012	0.005	0.007
Real Estate	3.984	14	0.022	0.201	-0.179
Futures and/or Options	1.183	12	0.002	0.017	-0.015
Other Assets	4.329	27	0.018	0.019	-0.001
SUB-TOTAL PART II	161.570	580	4.578	3.779	0.799

SIF

Fixed-Income Transferable Securities	78.476	313	0.965	1.533	-0.568
Variable-Yield Transferable Securities	60.091	246	0.840	1.461	-0.621
Mixed Transferable Securities	139.500	713	0.776	1.480	-0.704
Funds of Funds	169.820	1,081	6.928	1.048	5.880
Money Market Instruments and Other Short-Term Securities	8.510	11	3.493	1.740	1.753
Private Equity	67.694	218	0.504	0.131	0.373
Venture Capital	2.853	29	0.020	0.004	0.016
Real Estate	130.220	300	0.875	1.695	-0.820
Futures and/or Options	3.420	18	0.195	0.035	0.160
Other Assets	71.414	236	0.303	0.528	-0.225
SUB-TOTAL SIFs	731.998	3,165	14.899	9.655	5.244

SICAR

Public-to-Private	0.146	2	0.000	0.000	0.000
Mezzanine	0.876	9	0.000	0.000	0.000
Venture Capital	6.521	54	0.000	0.000	0.000
Private Equity	72.528	259	0.033	0.005	0.028
TOTAL SICAR	80.071	324	0.033	0.005	0.028
TOTAL LUXEMBOURG UCIs	5,152.229	14,002	409.232	418.472	-9.240

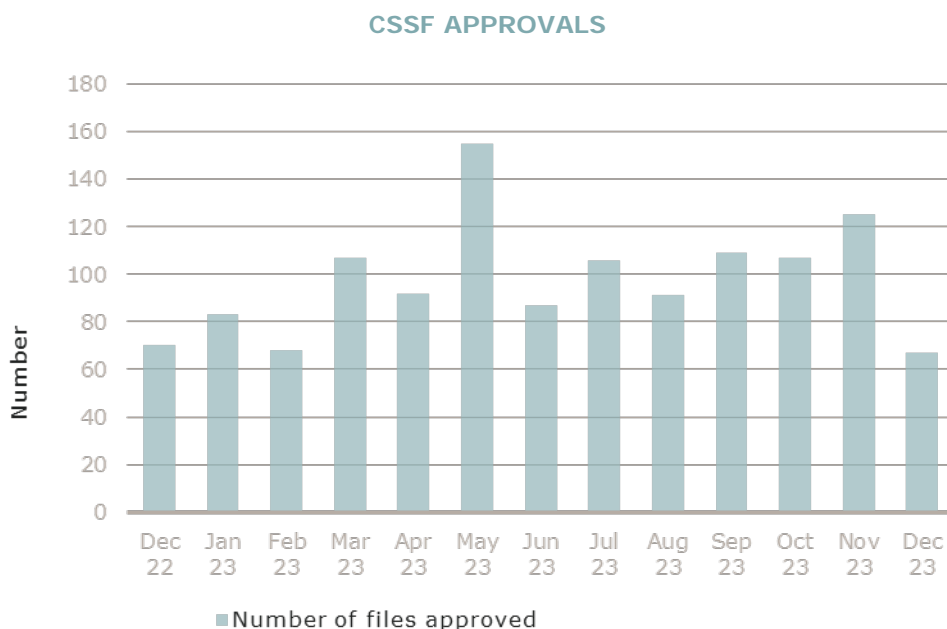
ORIGIN OF THE INITIATORS OF LUXEMBOURG UCIs

Country	Net assets (in bn EUR)	in %	Number of UCIs	in %	Number of fund units	in %
US	1,013.662	19.7%	155	4.7%	1,168	8.3%
GB	856.349	16.6%	240	7.3%	1,595	11.4%
DE	766.389	14.9%	1,051	32.0%	2,211	15.8%
CH	667.970	13.0%	508	15.4%	2,586	18.5%
FR	582.172	11.3%	240	7.3%	1,494	10.7%
IT	331.222	6.4%	110	3.3%	1,226	8.8%
BE	247.169	4.8%	126	3.8%	708	5.1%
LU	212.960	4.1%	293	8.9%	873	6.2%
NL	113.995	2.2%	36	1.1%	241	1.7%
DK	103.001	2.0%	18	0.5%	202	1.4%
OTHERS	257.340	5.0%	516	15.7%	1,698	12.1%
TOTAL	5,152.229	100.0%	3,293	100.0%	14,002	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	2.995	0.058%	14	0.100%
CAD	2.252	0.044%	14	0.100%
CHF	50.402	0.978%	235	1.678%
CNH	6.001	0.117%	25	0.179%
CNY	3.665	0.071%	6	0.043%
CZK	1.441	0.028%	45	0.321%
DKK	1.459	0.028%	12	0.086%
EUR	2,773.687	53.835%	8,606	61.463%
GBP	153.703	2.983%	275	1.964%
HKD	2.378	0.046%	8	0.057%
HUF	0.236	0.005%	17	0.121%
JPY	57.316	1.112%	150	1.071%
NOK	4.316	0.084%	25	0.179%
NZD	0.192	0.004%	1	0.007%
PLN	0.150	0.003%	3	0.021%
RON	0.574	0.011%	2	0.014%
SEK	36.701	0.712%	118	0.843%
SGD	1.948	0.038%	7	0.050%
USD	2,052.796	39.843%	4,438	31.696%
ZAR	0.017	0.000%	1	0.007%
TOTAL	5,152.229	100.000%	14,002	100.000%

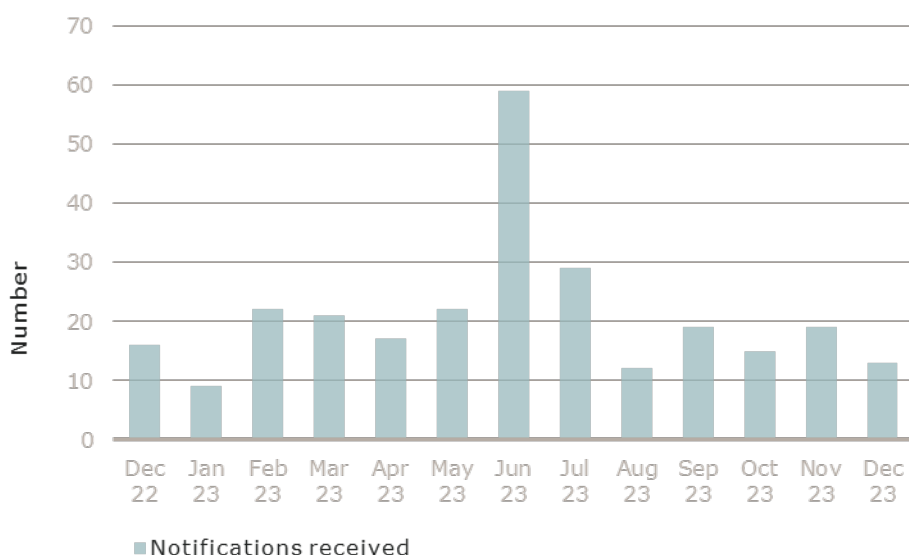
PROSPECTUSES TO BE PUBLISHED WHEN SECURITIES ARE OFFERED TO THE PUBLIC OR ADMITTED TO TRADING ON A REGULATED MARKET



In December 2023, the CSSF approved a total of 67 documents pursuant to the Prospectus Regulation, which break down as follows:

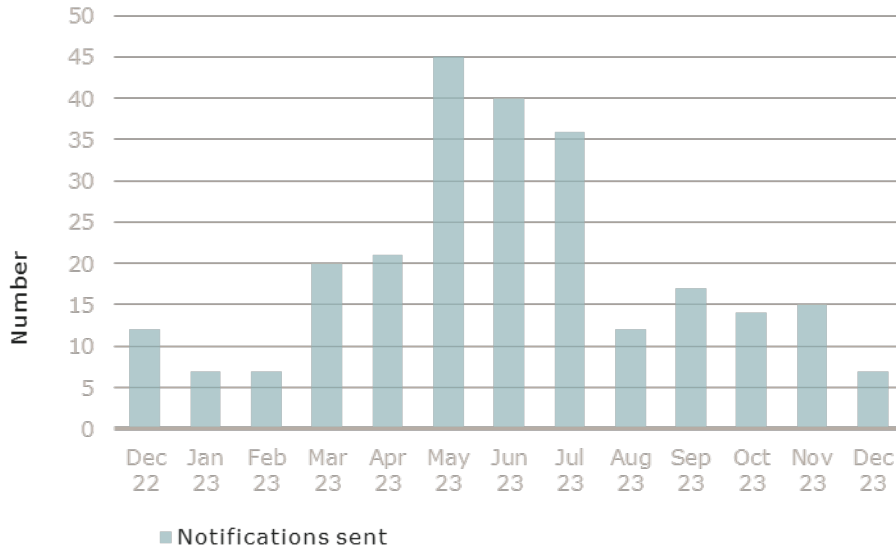
base prospectuses:	18 (26.87%)
other prospectuses:	5 (7.46%)
supplements:	44 (65.67%)

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



In December 2023, the CSSF received 13 notifications relating to prospectuses and base prospectuses and 79 notifications relating to supplements from competent authorities of other EEA Member States.

NOTIFICATIONS SENT BY THE CSSF TO COMPETENT AUTHORITIES OF OTHER EEA MEMBER STATES



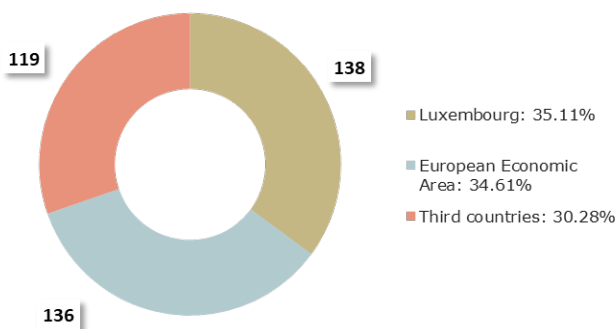
In December 2023, the CSSF sent 7 notifications relating to prospectuses and base prospectuses and 28 notifications relating to supplements to the competent authorities of other EEA Member States¹.

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")

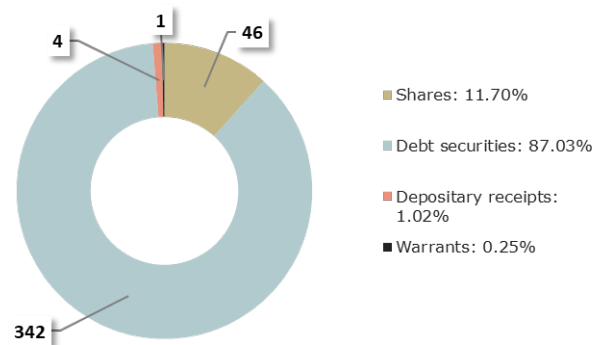
Since 30 November 2023, **no issuers** have chosen Luxembourg as home Member State for the purposes of the Transparency Law. Moreover, **five issuers** were deregistered from the list due to the fact that they no longer fall within the scope of the Transparency Law.

As at 31 December 2023, **393 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 31 December 2023, **12 pension funds** in the form of pension savings companies with variable capital (SEPCAVs) and pension savings associations (ASSEPs) were registered on the official list of pension funds subject to the Law of 13 July 2005 on institutions for occupational retirement provision in the form of a SEPCAV and an ASSEP.

On the same date, the number of professionals authorised to act as **liability managers** for pension funds subject to the Law of 13 July 2005 amounted to **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 31 December 2023.

PUBLIC OVERSIGHT OF THE AUDIT PROFESSION

The public oversight of the audit profession covered **53 cabinets de révision agréés** (approved audit firms) and **393 réviseurs d'entreprises agréés** (approved statutory auditors) as at 31 December 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

Since the publication of the last Newsletter, the CSSF has hired four employees who have been assigned to the following departments:

- General Secretariat
- On-site Inspection
- Banking Departments
- Supervision of Investment Firms

The total number of CSSF staff counts, after the departure of 2 agents, 967 agents (537 men and 430 women).



European/International News in December 2023

European Parliament, European Commission and European Council

Date	Regulatory developments	Description
20/12/2023	Regulation (EU) 2023/2859 of the European Parliament and of the Council of 13 December 2023	Publication of Regulation (EU) 2023/2859 of the European Parliament and of the Council of 13 December 2023 establishing a European single access point providing centralised access to publicly available information of relevance to financial services, capital markets and sustainability.
27/12/2023	Regulation (EU) 2023/2845 of the European Parliament and of the Council of 13 December 2023	Publication of Regulation (EU) 2023/2845 of the European Parliament and of the Council of 13 December 2023 amending Regulation (EU) No 909/2014 as regards settlement discipline, cross-border provision of services, supervisory cooperation, provision of banking-type ancillary services and requirements for third-country central securities depositories and amending Regulation (EU) No 236/2012.

European Supervisory Authorities (ESAs)

Date	Publications	Description
04/12/2023	ESAs put forward amendments to sustainability disclosures for the financial sector	The ESAs are publishing their Final Report amending the RTS to the Delegated Regulation supplementing the Sustainable Finance Disclosure Regulation (SFDR). The ESAs propose adding new social indicators and streamlining the framework for the disclosure of principal adverse impacts of investment decisions on the environment and society.
11/12/2023	ESAs recommend steps to improve activities of innovation facilitators across the European Economic Area	The ESAs published a report on innovation facilitators, a term encompassing innovation hubs and regulatory sandboxes. The report identifies a number of benefits and challenges relating to the operation and design of such innovation facilitators and presents recommendations and considerations towards national competent authorities (NCAs), the ESAs and the European Commission to further enhance the role and efficiency of innovation facilitators in the financial sector across the European Economic Area (EEA).
20/12/2023	ESAs propose extending the EMIR equity option exemption	The ESAs published the joint draft RTS under the European Market Infrastructure Regulation (EMIR) where they are proposing a two-year extension to the equity option exemption from bilateral margining, as well as issue a no-action opinion.

Date	Consultations	Description
07/12/2023	ESAs launch second public consultation on joint Guidelines on the system for the exchange of information relevant to fit and proper assessments	The ESAs launched a second consultation related to the joint Guidelines on the system for the exchange of information relevant to fit and proper assessments. The consultation covers amendments extending the scope of the joint Guidelines to legal persons, thus ensuring the complete coverage of data subjects. These guidelines aim to increase the efficiency of the information exchange between sectoral supervisors by harmonising practices and covering both natural and legal persons. The consultation runs until 15 January 2024.
08/12/2023	ESAs launch joint consultation on second batch of policy mandates under the Digital Operational Resilience Act	The ESAs launched a public consultation on the second batch of policy mandates under the Digital Operational Resilience Act (DORA). The package includes four draft RTS, one set of draft ITS and two sets of guidelines. These policy instruments aim to ensure a consistent and harmonised legal framework in the areas of major ICT-related incident reporting, digital operational resilience testing, ICT third-party risk management and oversight over critical ICT third-party providers. The consultation runs until 4 March 2024.

European Banking Authority (EBA)

Date	Publications	Description
11/12/2023	The EBA publishes peer review on supervision of creditors' treatment of mortgage borrowers in arrears under the Mortgage Credit Directive	The EBA published a peer review on the supervision of creditors' treatment of mortgage borrowers in arrears under the Mortgage Credit Directive (MCD), assessing the conduct supervisory approaches of competent authorities in this area. The review, which was developed in response to the current economic conditions and high interest rate environment, found that competent authorities' supervision is overall effective and has been adapted to reflect the current interest rates environment and risks to mortgage borrowers. However, the review found differences in the level of scrutiny which competent authorities apply to MCD creditors, including the identification of risks borrowers are facing. The report sets out some follow-up measures, both for individual competent authorities, and for all competent authorities more generally, to ensure that supervisory measures to mitigate consumer detriment are taken before the detriment materialises. The report also sets out some best practices in this area that might be of benefit for other competent authorities to adopt.
12/12/2023	EBA issues revised list of ITS validation rules	The EBA issued a revised list of validation rules in its Implementing Technical Standards (ITS) on supervisory reporting, highlighting those, which have been deactivated either for incorrectness or for triggering IT problems. Competent authorities throughout the EU are informed that data submitted in accordance with these ITS should not be formally validated against the set of deactivated rules.
12/12/2023	The EU banking sector remains resilient despite pockets of risk stemming from the change in interest rates	The EBA published its annual risk assessment of the European banking system. The Report is accompanied by the publication of the 2023 EU-wide transparency exercise, which provides detailed information, in a comparable and accessible format, for 123 banks from 26 countries across the European Union and the European Economic Area.
14/12/2023	EBA publishes discussion paper on the centralisation of EEA banks Pillar 3 disclosures in the EBA Pillar 3 data hub	The EBA published a discussion paper on the Pillar 3 data hub processes and its possible practical implications. This project of centralising institutions' prudential disclosures and making prudential information readily available through a single electronic access point on the EBA website is part of the Banking Package laid down in the Capital Requirements Regulation (CRR3) and Capital Requirements Directive (CRD6). In the discussion paper, the EBA presents its initial ideas for the development of the Pillar 3 data hub and raises for discussion a number of aspects that are relevant for the implementation and functioning of the hub. The EBA welcomes feedback both from institutions and users of Pillar 3 information.
14/12/2023	The EBA publishes roadmap on the implementation of the EU Banking Package	The EBA published its roadmap on the Banking Package, which implements the final Basel III reforms in the EU. The EBA roadmap aims at strengthening the prudential framework as well as ensuring an international level playing field. It also aims at providing clarity to the industry on how it will develop the mandates implementing the legislation, and how it expects to finalise the most significant components ahead of the application date, on 1 January 2025.
15/12/2023	The EBA proposes a voluntary EU green loan label to help spur markets	The EBA published its response to the European Commission's call for advice on green loans and mortgages. The EBA proposes the introduction of a voluntary EU label for green loans based on a common EU definition and the integration of the concept of green mortgage and its key sustainability features in the Mortgage Credit Directive.
15/12/2023	The EBA publishes guidance to assess the knowledge and experience of the management or administrative organ of a credit servicer	The EBA published its final Guidelines on the assessment of adequate knowledge and experience of the management or administrative organ of a credit servicer 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.

Date	Publications	Description
18/12/2023	The EBA provides guidance on the benchmarking of diversity practices under the Capital Requirements and Investment Firms Directives	The EBA published the final Guidelines on the benchmarking of diversity practices, including diversity policies and gender pay gap, under the CRD and the Investment Firms Directive (IFD). These guidelines aim to ensure a higher level of transparency on 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 in this area.
18/12/2023	An increase in the current deposit coverage level of EUR 100,000 would have limited impact on financial stability and depositor protection, an EBA simulation shows	The EBA published a report on the deposit coverage level and coverage of public authorities' deposits, in response to a call for advice by the European Commission. The quantitative analysis and simulation show that a potential change to the current coverage level of EUR 100,000 would have positive but limited impact on financial stability and depositor protection. On the other hand, it would be costly and have a somewhat negative impact on moral hazard. The analysis also shows that the extension of coverage to public authorities' deposits would have limited impact on the industry, mainly because there are relatively few public authorities in comparison to the overall number of depositors across the EU.
20/12/2023	EU banks' liquidity coverage ratio declined but remains well above the minimum requirement	The EBA published its Report on liquidity measures, which monitors and evaluates the liquidity coverage requirements currently in place in the EU. Between June 2022 and June 2023, the EU banks' liquidity coverage ratio (LCR) declined but remained comfortably above the minimum requirement. However, within this review period there were important fluctuations in the components of the ratio, driven mostly by changes in the banks' allocation of funding deposits and the ongoing reduction of central bank liquidity. Unlike the LCR in domestic currency, EU banks' LCR in foreign currencies remained below 100%.
20/12/2023	The EBA publishes amendments to disclosures and reporting on MREL and TLAC	The EBA published today its final draft ITS on amendments to disclosure and reporting of the minimum requirement for MREL and TLAC. These amendments reflect the new requirement to deduct investments in eligible liabilities instruments of entities belonging to the same resolution group, the so-called 'daisy chain' framework, and other changes to the prudential framework. The amendments will apply for the reference date of June 2024.
20/12/2023	The EBA updates the Guidelines on the specification and disclosure of systemic importance indicators	The EBA published its updated Guidelines on the specification and disclosure of systemic importance indicators, which are applied by the largest institutions in the EU whose leverage ratio exposure measure exceeds EUR 200 bn. Acting as a central data hub in the disclosure process, the EBA updates data on G-SIIs on a yearly basis and provides user-friendly tools to aggregate it across the EU.

Date	Consultations	Description
07/12/2023	The EBA consults on draft technical standards specifying the requirements for policies and procedures on conflicts of interest for issuers of ARTs under the Markets in Crypto-Assets Regulation	The EBA published a consultation paper on draft regulatory technical standards (RTS) specifying the requirements for policies and procedures on conflicts of interest for issuers of asset-referenced tokens (ARTs) under the Markets in Crypto-Assets Regulation (MiCAR). These draft RTS aim at strengthening the management of conflicts of interest by issuers of ARTs and ensure convergence of requirements across the European Union. The consultation runs until 7 March 2024.
14/12/2023	The EBA consults on the amendments to the Pillar 3 disclosure and supervisory reporting frameworks in the context of the implementation of the Basel III reforms in the EU	The EBA launched a public consultation on two draft ITS amending Pillar 3 disclosures and supervisory reporting requirements. These consultation papers are a first step in the implementation of the Banking Package (CRR3 and CRD6). With this early publication the EBA wants to support banks in their reporting and disclosure obligations linked to the implementation of the Basel III reforms from the application date, and to ensure that supervisors and market participants have the necessary information. The consultation runs until 14 March 2024.

Date	Consultations	Description
14/12/2023	The EBA consults on draft technical standards on market and counterparty credit risk as part of its roadmap for the implementation of the Banking Package in the EU	The EBA launched a consultation on amendments to its RTS on the fundamental review of the trading book (FRTB), and to its RTS on the standardised approach for counterparty credit risk (SA-CCR). Both RTS are part of the roadmap on the Banking Package and aim to align the existing RTS with the CRR3. The consultation runs until 14 March 2024.
21/12/2023	The EBA consults on Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national sanctions	The EBA launched a public consultation on two sets of Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures. Restrictive measures are binding on any person or entity under the jurisdiction of Member States. They comprise individual measures, i.e. targeted financial sanctions, and sectoral measures, i.e. financial and economic measures or embargoes. Through these Guidelines, the EBA aims to create, for the first time, a common understanding, among payment service providers (PSPs), crypto-asset service providers (CASPs) and their supervisors, of the steps they need to take to be able to comply with restrictive measures. The consultation runs until 25 March 2024.

European Securities and Markets Authority (ESMA)

Date	Publications	Description
04/12/2023	The Euro Risk-Free Rates Working Group concludes its work	ESMA, in its capacity as Secretariat of the Working Group on Euro Risk-Free Rates, issued the final statement of the group, announcing the completion of the EU Interest Rate Reform.
05/12/2023	Making finance work for a sustainable future	ESMA contributed to the transition towards a more sustainable economy in line with the European Green Deal and global efforts to address the climate crisis.
07/12/2023	ESMA publishes an update to the ESEF XBRL taxonomy 2022 files and the ESEF Conformance Suite 2023	ESMA published an update to the European Single Electronic Format (ESEF) XBRL taxonomy 2022 files and the ESEF Conformance Suite 2023 to facilitate the implementation of the ESEF Regulation.
07/12/2023	ESMA highlights potential conflicts of interest risks in changes to Collateralised Loan Obligation rating methodologies	ESMA released a Report on EU credit ratings for collateralised loan obligations (CLO).
12/12/2023	ESMA publishes annual peer review of EU CCP supervision	ESMA published its annual peer review report on the supervision of EU Central Counterparties by National Competent Authorities. The Peer Review measured the effectiveness of NCA supervisory practices in assessing CCP compliance with EMIR requirements on due diligence of clearing members.
14/12/2023	ESMA offers recommendations on digitalisation of retail investment services	ESMA published a discussion paper on the digitalisation of retail investment services and related investor protection considerations. ESMA is seeking stakeholders input by 14 March 2024 on recommendations regarding online disclosures, digital tools, and marketing practices.
14/12/2023	ESMA proposes changes and updates timeline for its Guidelines on funds' names	ESMA provided an update on the status of ESMA's guidelines on ESG and sustainability-related terms in fund names, including details on the timing of their publication.
18/12/2023	The average cost of retail investment products declines but significant differences across EU Member States remain	ESMA published its sixth market report on the costs and performance of EU retail investment products. In this annual report ESMA found that the average costs of investing in key EU retail financial products have declined by the end of 2022. However, cost heterogeneity persisted across EU Member States.
19/12/2023	ESMA finalises technical standards under the revised ELTIF regulation	ESMA published the final report setting out the draft Regulatory Technical Standards (RTS) for the European Long-Term Investment Fund (ELTIF) regulation.

Date	Publications	Description
19/12/2023	ESMA updates the parameters and methodology for MMF stress testing	ESMA published the Final Report on the Guidelines on stress test scenarios under the Money Market Funds Regulation (MMFR).
19/12/2023	ESMA presents methodology for climate risk stress testing and analysis of the financial impact of greenwashing controversies	<p>ESMA published two articles, one outlining an approach to modelling the impact of asset price shocks from adverse scenarios involving climate-related risks, the other exploring the use of ESG controversies for the purpose of monitoring greenwashing risk:</p> <p>RISK ARTICLE: DYNAMIC MODELLING OF CLIMATE-RELATED SHOCKS IN THE FUND SECTOR</p> <p>The article presents a methodological approach to modelling climate-related shocks in the fund sector, which includes dynamic impacts, such as inflows and outflows from investors and portfolio rebalancing by managers. The analysis focuses on the overall direction of these effects, finding that investor outflows can worsen falls in fund values following an initial shock.</p> <p>RISK ARTICLE: FINANCIAL IMPACT OF GREENWASHING CONTROVERSIES</p> <p>The article highlights how data on ESG controversies can be useful to monitor potential reputational risks around greenwashing. It also outlines the challenges involved in using such data. The number of greenwashing controversies involving large European firms increased between 2020 and 2021 and tended to be concentrated within a few firms belonging to three main sectors, including the financial sector. Growing public scrutiny highlights the importance of clear policy guidance by regulators and efforts by supervisors to ensure the credibility of sustainability-related claims.</p>

Date	Consultations	Description
15/12/2023	ESMA consults on draft guidelines for supervision of corporate sustainability information	ESMA launched a consultation on a set of draft Guidelines on Enforcement of Sustainability Information and is inviting comments from interested stakeholders by 15 March 2024.
15/12/2023	ESMA consults on potential changes to the CSDR penalty mechanism	ESMA published a Consultation Paper on Technical Advice to the European Commission on the CSDR penalty mechanism. The consultation runs until 29 February 2024.
21/12/2023	ESMA consults on possible changes to the securitisation disclosure templates	<p>ESMA launched a consultation on the revision of the Disclosure Regulatory Technical Standards and Implementing Technical Standards. These standards relate to the specific information and details of securitisation transactions that should be made available.</p> <p>The objective of this consultation was to gather stakeholders' views on four proposed options for the revision of the securitisation disclosure framework:</p> <ol style="list-style-type: none"> 1. Putting the template review on hold until revision of the L1 text; 2. Expanding the current framework with the introduction of few amendments to the currently used disclosure templates; 3. Focusing on a targeted review for streamlining the information required and developing a new dedicated and simplified template for private securitisations only; or 4. Undertaking a thorough review of the current disclosure framework proposing a significant simplification of the templates. <p>The public consultation runs until 15 March 2024.</p>

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

Date	Publications	Description
19/12/2023	ECB Banking Supervision: SSM supervisory priorities for 2024-2026	The ECB published the SSM supervisory priorities for 2024-2026.
19/12/2023	Market risk SREP methodology	The ECB published a more detailed description of the Market risk SREP methodology.
19/12/2023	Credit risk SREP methodology	The ECB published a more detailed description of the Credit risk SREP methodology.
19/12/2023	Internal governance and risk management SREP methodology	The ECB published a more detailed description of the Internal governance and risk management SREP methodology.
19/12/2023	Supervisory methodology	The ECB published a description of the Supervisory Review and Evaluation Process (SREP) methodology applied to significant institutions under the direct supervision of the European Central Bank (ECB).
19/12/2023	Aggregated results of SREP 2023	The ECB published the aggregated results of SREP 2023.
21/12/2023	List of supervised entities - (as of 1 November 2023)	The ECB published the list of supervised entities.

Date	Interviews and speeches	Description
05/12/2023	Crisis management reform – a welcome step in the right direction	Keynote speech by Anneli Tuominen, Member of the Supervisory Board of the ECB, at the 22 nd European Banking Institute Policy Series.
07/12/2023	Powers, ability and willingness to act – the mainstay of effective banking supervision	Speech by Frank Elderson, Member of the Executive Board of the ECB and Vice-Chair of the Supervisory Board of the ECB.
19/12/2023	Introductory statement	Speech by Andrea Enria, Chair of the Supervisory Board of the ECB, at the press conference on the 2023 SREP results and the supervisory priorities for 2024-26.
28/12/2023	Interview with Capital.gr	Interview with Elizabeth McCaul, Member of the Supervisory Board of the ECB, conducted by Vasso Angeletou.

Basel Committee on Banking Supervision (BCBS)

Date	Publications	Description
06/12/2023	The effects of climate change-related risks on banks: a literature review	The scope of the review is to describe the recent empirical literature in economics and finance focusing on how banks are affected by climate change, with a particular emphasis on microeconomic evidence. Many of the studies which analyse the impacts of climate change on the economy and the financial system rely on modelling assumptions at the macroeconomic level. In order to improve upon these assessments, granular information is required on the effect of climate change on specific portfolios, which will then help calibrate the models used for stress tests.

Date	Consultations	Description
12/12/2023	Recalibration of shocks for interest rate risk in the banking book	The BCBS has issued a public consultation on proposed adjustments to its standard on interest rate risk in the banking book (IRRBB). The BCBS proposes to make a set of adjustments to the specified interest rate shocks in the IRRBB standard, consistent with commitments in the standard to periodically update their calibration. It also proposes to make targeted adjustments to the current methodology used to calculate the shocks. These changes are needed to address problems with how the current

Date	Consultations	Description
		<p>methodology captures interest rate changes during periods when rates are close to zero.</p> <p>The BCBS welcomes comments on the proposed amendments to the IRRBB standard, which should be submitted by 28 March 2024.</p>
14/12/2023	Cryptoasset standard amendments	<p>The BCBS has issued a public consultation on proposed amendments to its standard on banks' exposures to cryptoassets. The proposed changes flesh out the criteria on the composition of the reserve assets that back stablecoins and puts in place a due diligence requirement to ensure that banks have an adequate understanding of their stabilisation mechanisms. The consultative document also includes various proposed technical amendments and a set of answers to frequently asked questions to help promote a consistent understanding of the cryptoasset standard.</p> <p>The BCBS welcomes comments on the proposed amendments to the cryptoasset standard, which should be submitted by 28 March 2024.</p>

Macroprudential topics and fora

National Authorities

Date	Publications	Description
19/12/2023	Note de conjoncture n° 2-2023 (Memo on the economy No 2 – 2023)	<p>The STATEC was invited by the <i>formateur</i> Luc Frieden in October to present the short-term and medium-term economic outlook. Following the ongoing deterioration of monthly and quarterly economic indicators documented, month after month, in the “Conjoncture Flash”, the STATEC indicated to the negotiators of the governmental programme that there is a strong probability that the economy will fall into recession this year followed by a moderate recovery in 2024. International organisations (IMF, European Commission and OECD) foresee a decrease of the GDP in Luxembourg this year as well as in other European countries, among which Germany. Consequently, the STATEC revised downwards the economic growth prospects of the real GDP for Luxembourg, from +1.5% to -1% in 2023 and from +2.5% to +2% in 2024.</p>

European Central Bank (ECB)

Date	Publications	Description
06/12/2023	Macroprudential Bulletin (Issue 23)	<p>Important areas covered in this edition on banking regulation range from G-SIB window dressing, crisis management, liquidity and macroprudential space, to the crucial milestone of implementing the final Basel III standards.</p>
14/12/2023	Eurosysteem staff macroeconomic projections for the euro area, December 2023	<p>The current projection exercise covers the period 2023-26.</p>
18/12/2023	The ECB Survey of Monetary Analysts (SMA), December 2023, Aggregated Results	<p>This report summarises the aggregated results of the Survey of Monetary Analysts (SMA) of December 2023. The survey period was from 27 to 30 November 2023 and 39 respondents participated.</p>
18/12/2023	Towards macroprudential frameworks for managing climate risk	<p>A joint ECB-ESRB report finds banks are significantly exposed to high-emitting firms and households, with future climate risks underpriced and underinsured. Monitoring and managing risks using existing tools under a system-wide prudential approach can help us tackle this challenge.</p>

European Systemic Risk Board (ESRB)

Date	Publications	Description
07/12/2023	ESRB risk dashboard, November 2023 (Issue 46)	The ESRB risk dashboard is a set of indicators showing the extent and causes of systemic risk in the EU financial system. It is published quarterly.
19/12/2023	Adverse scenario for the 2023 European Securities and Markets Authority's money market fund stress testing guidelines	This document sets out the adverse financial market scenario for the stress testing exercise carried out by the European Securities and Markets Authority (ESMA). Specifically, ESMA has developed guidelines for managers of money market funds (MMFs), who are required to conduct internal stress tests and report the results to the national competent authorities and ESMA. For this purpose, the ESRB, in collaboration with the European Central Bank (ECB) and ESMA, updated the calibration of stress parameters for the 2023 ESMA MMF guidelines. The updated parameters were approved by the ESRB General Board on 4 December 2023 and transmitted to ESMA on 5 December 2023.
19/12/2023	Opinion of the European Systemic Risk Board	Opinion of the European Systemic Risk Board of 10 October 2023 on the Swedish notification of the extended application of a stricter national measure based on Article 458 of Regulation (EU) No 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions (ESRB/2023/10).
19/12/2023	Recommendation of the European Systemic Risk Board	Recommendation of the European Systemic Risk Board of 13 November 2023 regarding the Portuguese notification of its intention to set a sectoral systemic risk buffer rate in accordance with Article 133 of Directive 2013/36/EU (ESRB/2023/11).

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
Belgium	01.04.2020	0%
	01.04.2024	0.5%*
	01.10.2024	1%*
Bulgaria	01.10.2023	2%
Croatia	31.03.2023	0.5%
	31.12.2023	1%*
	30.06.2024	1.5%*
Cyprus	30.11.2023	0.5%
	02.06.2024	1%*
Czech Republic	01.10.2023	2%
Denmark	31.03.2023	2.5%
Estonia	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%
	01.07.2024	0.5%*
Iceland	29.09.2022	2%
	15.03.2024	2.5%*
Ireland	24.11.2023	1%
	07.06.2024	1.5%*
Lithuania	01.10.2023	1%

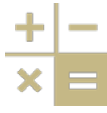
Country	Application since	CCyB rate
Luxembourg	01.01.2021	0.5%
Netherlands	25.05.2023	1%
	31.05.2024	2%*
Norway	31.03.2023	2.5%
Romania	23.10.2023	1%
Slovakia	01.08.2023	1.5%
Slovenia	01.01.2016	0%
	31.12.2023	0.5%*
Sweden	22.06.2023	2%

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 Stability Board (FSB)

Date	Publications	Description
04/12/2023	Final report on enhancing third-party risk management and oversight – a toolkit for financial institutions and financial authorities	The toolkit provides definitions and tools to help financial institutions to monitor, identify and manage risks arising from third-party services.
05/12/2023	Public responses to consultation on Financial Resources and Tools for Central Counterparty Resolution	Consultation responses to 'Financial Resources and Tools for Central: Counterparty Resolution'.
15/12/2023	2023 Resolution Report: "Applying lessons learnt"	Annual report on implementation of resolution reforms takes stock of progress in making financial institutions resolvable.
18/12/2023	Global monitoring report on non-bank financial intermediation 2023	Report assesses global trends and vulnerabilities in the non-bank financial intermediation (NBF1) sector for 2022.
20/12/2023	Revised Policy Recommendations to Address Structural Vulnerabilities from Liquidity Mismatch in Open-Ended Funds	The FSB revised recommendations set out the key objectives that an effective regulatory and supervisory framework should achieve to address the vulnerabilities arising from liquidity mismatch in open-ended funds.



Financial centre

Main updated figures regarding the financial centre

			Annual comparison
Banks	Number (31/12/2023)	118	↘ 2 entities
	Balance sheet total (30/09/2023)	EUR 931.385 bn	↘ EUR 67.335 bn
	Profit before provisions and taxes (30/09/2023)	EUR 6.616 bn	↗ EUR 1.911 bn
Payment institutions	Number (31/12/2023)	17	no variation
Electronic money institutions	Number (31/12/2023)	12	↗ 1 entity
UCIs	Number (31/12/2023)	Part I 2010 Law: 1,596	↘ 27 entities
		Part II 2010 Law: 239	↗ 9 entities
		SIFs: 1,246	↘ 72 entities
		TOTAL: 3,081	↘ 90 entities
	Number (31/12/2023)	SICARs: 193	↘ 13 entities
	Total net assets (30/11/2023)	EUR 5,152.229 bn	↘ EUR 14.144 bn
Authorised Investment Fund Managers²	Number (31/12/2023)	298	↘ 3 entities
	Balance sheet total (30/09/2023)	EUR 24.503 bn	↗ EUR 404 m
Pension funds	Number (31/12/2023)	12	↘ 1 entity
Authorised securitisation undertakings	Number (31/12/2023)	28	↘ 1 entity
Investment firms	Number (31/12/2023)	92 (7 branches)	↘ 3 entities
	Balance sheet total (30/11/2023)	EUR 1.041 bn	↗ EUR 41.529 m
	Provisional net result (30/11/2023)	EUR 52.79 m	↘ EUR 14.21 m
Specialised PFS	Number (31/12/2023)	100	↗ 1 entity
	Balance sheet total (30/11/2023)	EUR 6.238 bn	↘ EUR 59 m
	Provisional net result (30/11/2023)	EUR 153.996 m	↘ EUR 102.847 m
Support PFS	Number (31/12/2023)	60	↘ 6 entities
	Balance sheet total (30/11/2023)	EUR 1.325 bn	↘ EUR 326 m
	Provisional net result (30/11/2023)	EUR 61.84 m	↘ EUR 22.76 m
Issuers of securities whose home Member State is Luxembourg pursuant to the Transparency Law	Number (31/12/2023)	393	↘ 32 entities
Public oversight of the audit profession	Number (31/12/2023)	53 <i>cabinets de révision agréés</i>	no variation
		393 <i>réviseurs d'entreprises agréés</i>	↗ 36 people
		24 third-country auditors and audit firms	↗ 2 entities
Employment (30/09/2023)	Banks	26,290 people	↗ 298 people
	branches abroad	3,799 people	n/a
	Authorised Investment Fund Managers ²	7,716 people	↗ 821 people
	branches abroad	2,810 people	n/a
	Investment firms	1,865 people	↘ 62 people
	branches abroad	412 people	n/a
	Specialised PFS	7,291 people	↗ 759 people
	Support PFS	7,817 people	↘ 1,044 people
	Payment institutions/electronic money institutions	834 people	↗ 25 people
	branches abroad	464 people	n/a
	Total (without branches abroad)	51,813 people	↗ 797 people³
	TOTAL	59,298 people	n/a

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.