



Commission de Surveillance
du Secteur Financier

Newsletter

No 278

March 2024

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News

MICA (MARKETS IN CRYPTO-ASSETS)



In the context of the upcoming application of the MiCA regulation, the **CSSF invites entities** considering a notification or submission of an authorisation file with a view to the provision of **CASP services or the issuance of ART or EMT** to contact it now to initiate a preliminary dialogue.

- The targeted entities are those with **concrete projects** to provide services on crypto-assets ('CASP' license) or issue ART (asset-referenced token) or EMT (e-money token) falling under

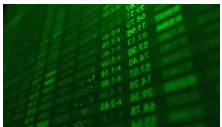
MiCA regulation (EU) 2023/1114 entering into application on 30/6/2024 and 30/12/2024.

- Entities **supervised** by the CSSF are invited to contact their usual point of contact/révisueur.
- Entities **not supervised** by the CSSF may contact ipig@cssf.lu.

For more information on the MiCA regulation, please visit the dedicated web page.

<https://www.cssf.lu/en/markets-in-crypto-assets-mica-micar/>.

LUXEMBOURG DERIVATIVES MARKET 2023: MARKET STRUCTURE, MARKET TRENDS AND DATA QUALITY



The Commission de Surveillance du Secteur Financier (CSSF) and the Commissariat aux Assurances (CAA) present their first joint

Report on Luxembourg Derivatives Market.

This report aims to provide an overview of the state of play under EMIR, while also providing insights into the CSSF's and the CAA's ongoing efforts to improve the quality of the data.

The report contains two elements:

- 1) In the section on market monitoring, an analysis of structures and trends in the Luxembourg derivatives market between the end of 2021 and the end June 2023, building on the indicators developed for risk monitoring purposes.
- 2) In the section on supervision of the quality of EMIR data, the description of the new approach to

monitoring data quality developed by ESMA and the NCAs and fully implemented in Luxembourg.

According to the data provided by the TRs, at the end of June 2023, the Luxembourg derivatives market was represented by slightly more than 914,000 open transactions amounting to a gross notional outstanding of around EUR 6,484 bn including both over the counter (OTC) and exchange traded (ETD) derivatives.

Contact persons:

CSSF Mr Andrea Gentilini (emir@cssf.lu)

CAA Mr Luc Bulabois (emir@caa.lu)

The report is available at:

<https://www.cssf.lu/en/Document/luxembourg-derivative-market-2023/>.



Warnings

Warnings of the CSSF

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

- [Warning concerning fraudulent activities by persons misusing the name of Lombard Odier \(Europe\) S.A.](#)
- [Warning concerning the fraudulent activities carried out by the entity Zeus Funds LLC Ltd, Zeus Funds SCC Ltd or Zeusystem Funds LTD](#)
- [Warning concerning the activities carried out by the entity Welly Capital SF](#)
- [Warning concerning the usurpation of the name and logo of the CSSF](#)

- Warning concerning the fraudulent activities carried out by the entity FLDigital
- Warning concerning fraudulent activities by persons misusing the name of Orcadia Asset Management S.A.
- Warning concerning fraudulent activities by persons misusing the names of Convera Europe S.A. and Convera Europe Financial S.A.

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

Annex of Circular CSSF 22/822 – AML/CFT

The CSSF published an update of the Annex of Circular CSSF 22/822 on 1) high-risk jurisdictions on which enhanced due diligence and, where appropriate, counter-measures are imposed and 2) jurisdictions under increased monitoring of the FATF.

<https://www.cssf.lu/en/Document/annex-of-circular-cssf-22-822-5/>

Circular CSSF 24/854 – AML/CFT Summary Report RC

The purpose of the circular is to provide guidance on the Summary report dedicated to AML/CFT (hereafter the “SRRC”) to be prepared by the “Responsable du Contrôle” (hereafter the “RC”) and submitted to the CSSF by the “Responsable du Respect” (hereafter the “RR”) in accordance with Article 42(7) of CSSF Regulation No 12-02 of 14 December 2012 on the fight against money laundering and terrorist financing, as amended. The new SRRC template is taking into account the existing market practices and shall be read without prejudice of any other AML/CFT requirements applicable to the entities in scope. It focuses on key data points relevant for the CSSF’s supervision regarding the fight against money laundering and countering the financing of terrorism and is in line with its strategy of digitalisation and data driven supervision.

<https://www.cssf.lu/en/Document/circular-cssf-24-854/>



FAQ

On 22 February 2024, the CSSF updated the document *FAQ Virtual Assets – Undertakings for collective investment*:

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

On 29 February 2024, the CSSF published the document *FAQ on the AML/CFT Summary Report RC (“SRRC”) on compliance with AML/CFT obligations in accordance with Circular CSSF 24/854*:

<https://www.cssf.lu/en/Document/faq-on-the-aml-cft-summary-report-rc-srrc-on-compliance-with-aml-cft-obligations-in-accordance-with-circular-cssf-24-854/>.



Communiqués

Date	Publications
19.02.2024	Reminder to the attention of the depositors of Fortuna Banque s.c. (in judicial liquidation)
21.02.2024	Examination of professional competence for “réviseurs d’entreprises” (statutory auditors) – 2023 Session
22.02.2024	Communiqué regarding the CSSF’s position on eligible investors for UCIs investing in virtual assets
28.02.2024	Global situation of undertakings for collective investment at the end of January 2024
28.02.2024	Deactivation of the IFM notifications on fund issues and large redemptions via eDesk and of the reporting Early Warning on Large Redemptions
01.03.2024	New eDesk procedure – IPU Threshold monitoring
07.03.2024	Payment of variable remuneration in non-SNI IFR investment firms: findings of non-compliance during the EBA’s benchmarking exercise on remuneration practices for financial year 2022



Withdrawal decided by the CSSF

A decision to withdraw the undertaking for collective investment fund VTB CAPITAL IM RUSSIA EQUITY UCITS FUND from the official list of undertakings for collective investment funds was taken by the CSSF as of 12 February 2024.



MONTHLY STATISTICS

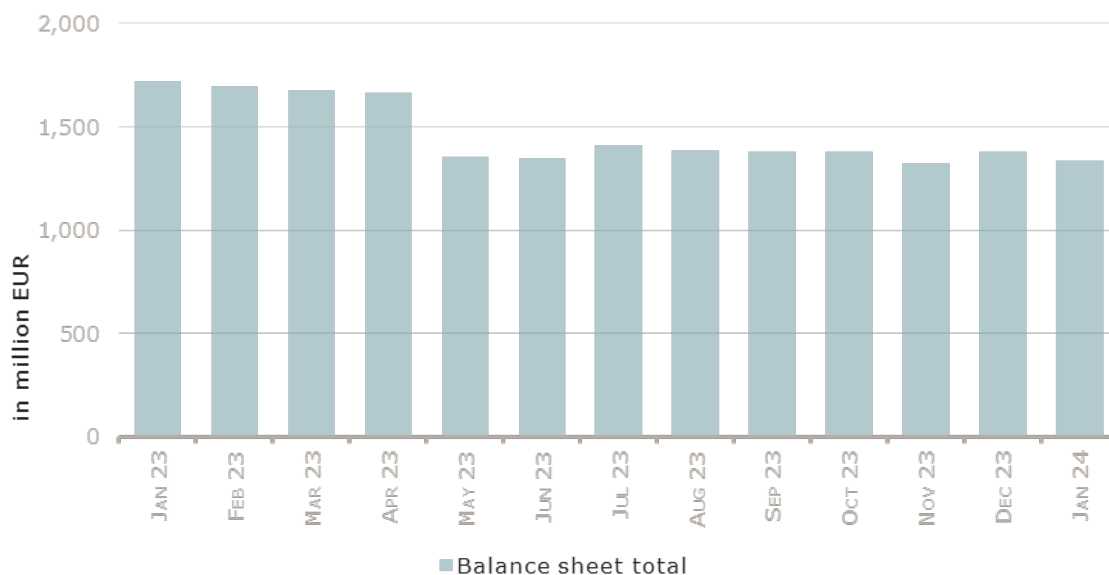
INVESTMENT FIRMS:
INCREASE IN THE BALANCE SHEET TOTAL AS AT 31 JANUARY 2024



SPECIALISED PFS:
INCREASE IN THE BALANCE SHEET TOTAL AS AT 31 JANUARY 2024



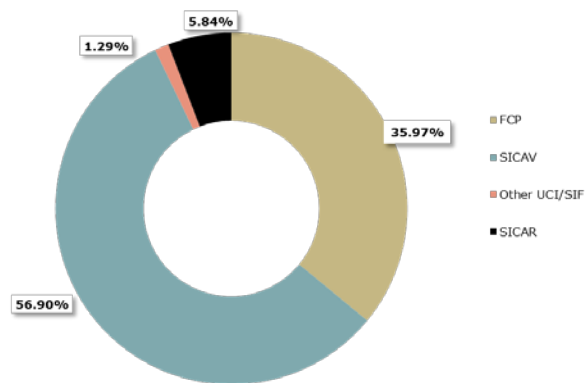
**SUPPORT PFS:
DECREASE IN THE BALANCE SHEET TOTAL AS AT 31 JANUARY 2024**



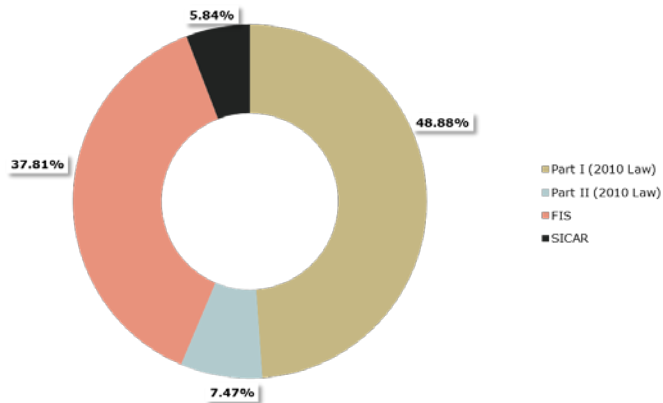
**UCIS:
SITUATION AS AT 31 JANUARY 2024**

NUMBER OF UCIS

Breakdown of UCIs according to legal form



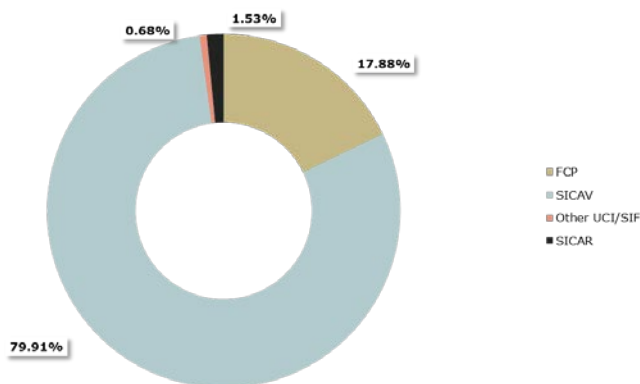
Breakdown of UCIs according to law and part applicable



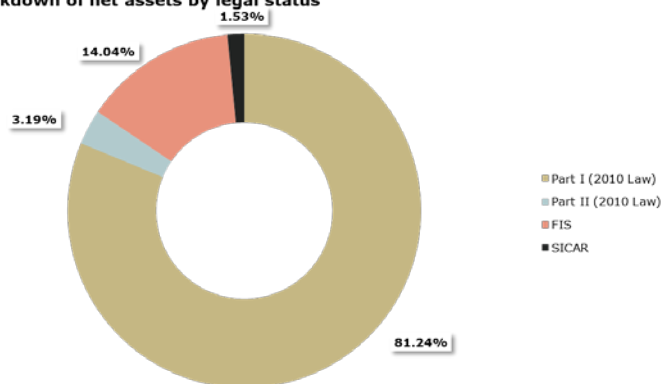
	FCP	SICAV	Other UCIs/SIFs	SICARs	Total
Part I (2010 Law)	813	785	0	0	1,598
Part II (2010 Law)	109	134	1	0	244
SIFs	254	941	41	0	1,236
SICARs	0	0	0	191	191
Total	1,176	1,860	42	191	3,269

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)	680.428	3,646.840	0.000	0.000	4,327.268
Part II (2010 Law)	51.147	118.751	0.148	0.000	170.046
SIFs	220.758	490.882	35.925	0.000	747.565
SICARs	0.000	0.000	0.000	81.453	81.453
Total	952.333	4,256.473	36.073	81.453	5,326.332

NET ASSETS BROKEN DOWN BY INVESTMENT POLICY

Breakdown by investment policy	Net assets (in bn €)	Number of fund units
Fixed-Income Transferable Securities	1,267.548	3,111
Variable-Yield Transferable Securities	1,770.405	4,129
Mixed Transferable Securities	1,002.286	3,273
Funds of Funds	354.642	1,998
Money Market Instruments and Other Short-Term Securities	532.581	186
Private Equity	90.013	259
Venture Capital	4.324	33
Real Estate	133.186	314
Futures and/or Options	11.604	66
Other Assets	78.290	271
Public-to-Private	0.147	2
Mezzanine	0.481	9
Venture Capital (SICAR)	6.262	51
Private Equity (SICAR)	74.563	254
TOTAL	5,326.332	13,956

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	1,172.035	2,732	42.892	35.592	7.300
Variable-Yield Transferable Securities	1,696.607	3,825	45.533	64.843	-19.310
Mixed Transferable Securities	796.591	2,409	18.467	21.225	-2.758
Funds of Funds	146.181	760	4.793	5.684	-0.891
Money Market Instruments and Other Short-Term Securities	507.064	155	299.804	289.770	10.034
Futures and/or Options	6.980	36	0.150	0.198	-0.048
Other Assets	1.810	7	0.030	0.060	-0.030
SUB-TOTAL PART I	4,327.268	9,924	411.669	417.372	-5.703
PART II					
Fixed-Income Transferable Securities	11.938	68	0.272	0.209	0.063
Variable-Yield Transferable Securities	12.808	64	0.045	0.134	-0.089
Mixed Transferable Securities	63.237	158	0.613	0.905	-0.292
Funds of Funds	33.983	166	0.696	0.628	0.068
Money Market Instruments and Other Short-Term Securities	16.647	20	2.117	1.358	0.759
Private Equity	20.379	43	0.613	0.047	0.566
Venture Capital	1.492	5	0.068	0.000	0.068
Real Estate	3.932	14	0.064	0.062	0.002
Futures and/or Options	1.150	12	0.014	0.026	-0.012
Other Assets	4.480	30	0.491	0.491	0.000
SUB-TOTAL PART II	170.046	580	4.993	3.860	1.133

SIF

Fixed-Income Transferable Securities	83.575	311	2.531	0.727	1.804
Variable-Yield Transferable Securities	60.990	240	0.762	0.851	-0.089
Mixed Transferable Securities	142.458	706	0.903	1.767	-0.864
Funds of Funds	174.478	1,072	1.699	1.748	-0.049
Money Market Instruments and Other Short-Term Securities	8.870	11	1.318	3.098	-1.780
Private Equity	69.634	216	0.645	0.363	0.282
Venture Capital	2.832	28	0.029	0.000	0.029
Real Estate	129.254	300	0.318	1.058	-0.740
Futures and/or Options	3.474	18	0.026	0.033	-0.007
Other Assets	72.000	234	0.928	0.757	0.171
SUB-TOTAL SIFs	747.565	3,136	9.159	10.402	-1.243

SICAR

Public-to-Private	0.147	2	0.000	0.000	0.000
Mezzanine	0.481	9	0.000	0.000	0.000
Venture Capital	6.262	51	0.000	0.000	0.000
Private Equity	74.563	254	0.003	0.018	-0.015
TOTAL SICAR	81.453	316	0.003	0.018	-0.015
TOTAL LUXEMBOURG UCIs	5,326.332	13,956	425.824	431.652	-5.828

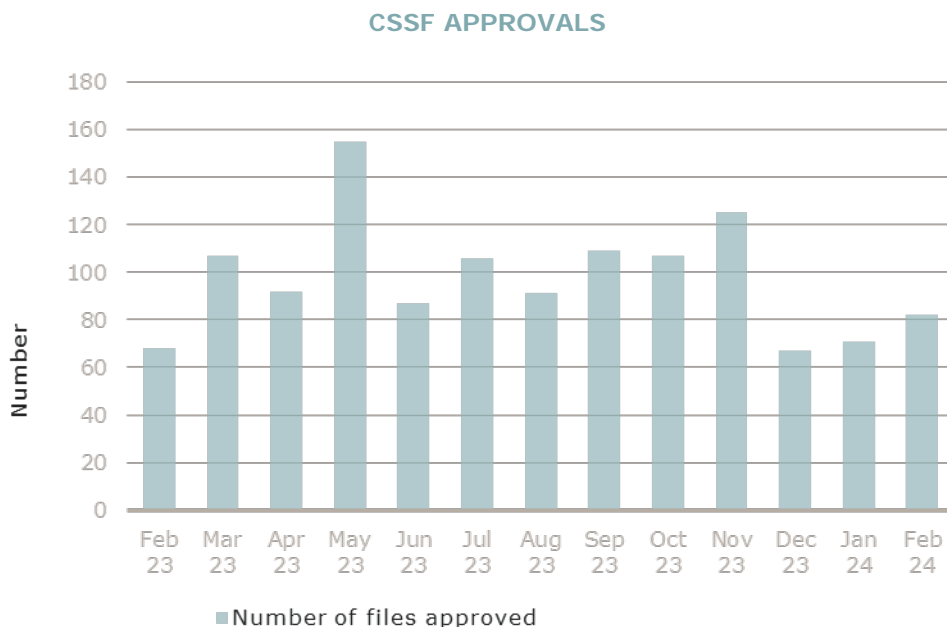
ORIGIN OF THE INITIATORS OF LUXEMBOURG UCIs

Country	Net assets (in bn EUR)	in %	Number of UCIs	in %	Number of fund units	in %
US	1,053.659	19.8%	155	4.7%	1,169	8.4%
GB	880.919	16.5%	241	7.4%	1,597	11.4%
DE	791.666	14.9%	1,046	32.0%	2,207	15.8%
CH	687.589	12.9%	503	15.4%	2,548	18.3%
FR	601.374	11.3%	235	7.2%	1,490	10.7%
IT	338.447	6.4%	108	3.3%	1,224	8.8%
BE	258.027	4.8%	125	3.8%	699	5.0%
LU	220.628	4.1%	292	8.9%	883	6.3%
NL	117.866	2.2%	36	1.1%	246	1.8%
DK	106.704	2.0%	18	0.6%	200	1.4%
OTHERS	269.453	5.1%	510	15.6%	1,693	12.1%
TOTAL	5,326.332	100.0%	3,269	100.0%	13,956	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	3.256	0.061%	14	0.100%
CAD	3.169	0.060%	13	0.093%
CHF	52.018	0.977%	231	1.655%
CNH	5.257	0.099%	25	0.179%
CNY	3.427	0.064%	5	0.036%
CZK	1.527	0.029%	42	0.301%
DKK	1.795	0.034%	12	0.086%
EUR	2,870.103	53.885%	8,596	61.594%
GBP	159.627	2.997%	277	1.985%
HKD	2.145	0.040%	7	0.050%
HUF	0.223	0.004%	17	0.122%
JPY	61.018	1.146%	150	1.075%
NOK	4.627	0.087%	24	0.172%
NZD	0.197	0.004%	1	0.007%
PLN	0.061	0.001%	2	0.014%
RON	0.598	0.011%	2	0.014%
SEK	38.673	0.726%	114	0.817%
SGD	1.941	0.036%	8	0.058%
USD	2,116.653	39.739%	4,415	31.635%
ZAR	0.017	0.000%	1	0.007%
TOTAL	5,326.332	100.000%	13,956	100.000%

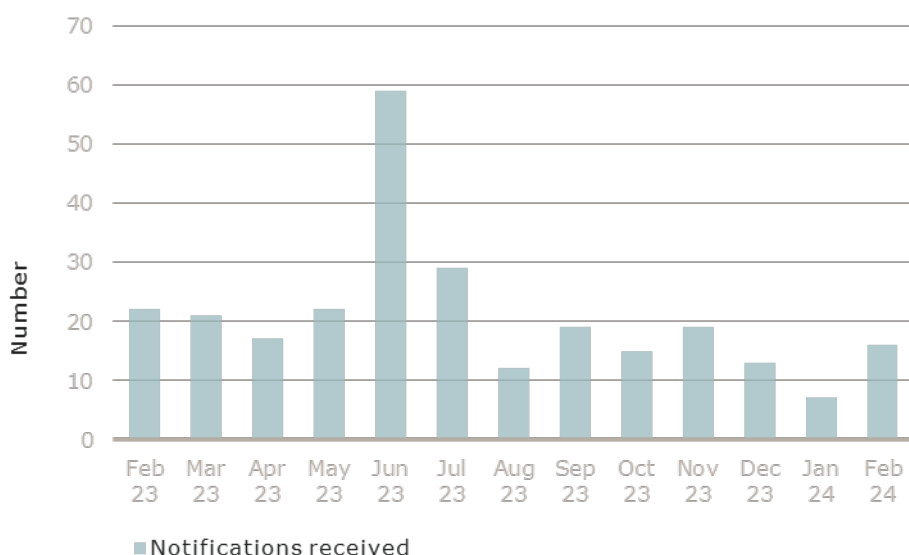
PROSPECTUSES TO BE PUBLISHED WHEN SECURITIES ARE OFFERED TO THE PUBLIC OR ADMITTED TO TRADING ON A REGULATED MARKET



In February 2024, the CSSF approved a total of 82 documents pursuant to the Prospectus Regulation, which break down as follows:

base prospectuses:	7 (8.54%)
other prospectuses:	7 (8.54%)
supplements:	68 (82.92%)

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



In February 2024, the CSSF received 15 notifications relating to prospectuses and base prospectuses, 1 notification relating to registration documents and 64 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



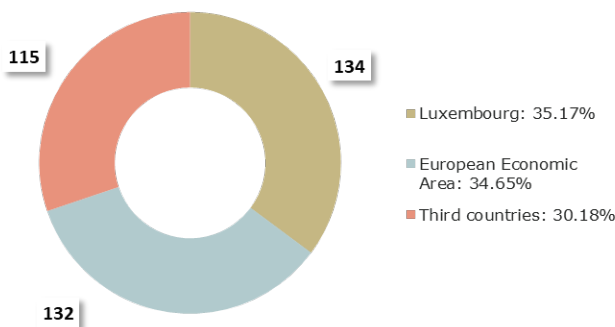
In February 2024, the CSSF sent 6 notifications relating to prospectuses and base prospectuses and 31 notifications relating to supplements to the competent authorities of other EEA Member States¹.

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

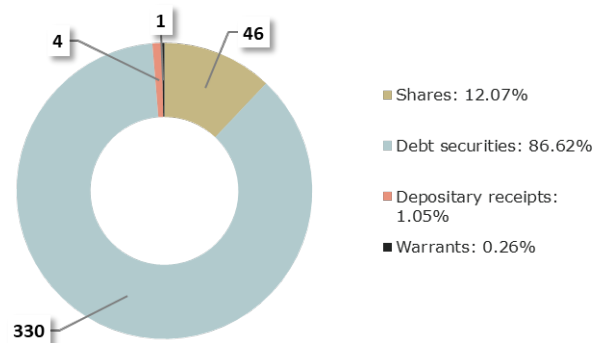
Since 31 January 2024, **no** issuers have chosen Luxembourg as home Member State for the purposes of the Transparency Law. Moreover, **five** issuers were deregistered from the list due to the fact that they no longer fall within the scope of the Transparency Law.

As at 29 February 2024, **381 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 29 February 2024, **11 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 29 February 2024.

PUBLIC OVERSIGHT OF THE AUDIT PROFESSION

The public oversight of the audit profession covered **53 cabinets de révision agréés** (approved audit firms) and **399 réviseurs d'entreprises agréés** (approved statutory auditors) as at 29 February 2024. 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 seven employees who have been assigned to the following departments:

- Internal Audit
- On-Site Inspection
- UCI Departments
- Banking Departments
- Innovation, Payments, Market Infrastructures and Governance

The total number of CSSF staff counts, after the departure of 2 agents, 969 agents (537 men and 432 women).



European/International News in February 2024

European Parliament, European Commission and European Council

Date	Regulatory developments	Description
07/02/2024	Commission Delegated Regulation (EU) 2024/450 of 26 October 2023	Publication of the Commission Delegated Regulation (EU) 2024/450 of 26 October 2023 supplementing Regulation (EU) 2021/23 of the European Parliament and of the Council with regard to regulatory technical standards specifying the minimum elements to be included in a business reorganisation plan and the criteria to be fulfilled for its approval by the resolution authority

Date	Regulatory developments	Description
15/02/2024	Commission Delegated Regulation (EU) 2024/584 of 7 November 2023	Publication of the Commission Delegated Regulation (EU) 2024/584 of 7 November 2023 amending the regulatory technical standards laid down in Delegated Regulation (EU) 2019/1851 as regards the homogeneity of the underlying exposures in simple, transparent and standardised securitisations
16/02/2024	Commission Delegated Regulation (EU) 2024/595 of 9 November 2023	Publication of the Commission Delegated Regulation (EU) 2024/595 of 9 November 2023 supplementing Regulation (EU) No 1093/2010 of the European Parliament and of the Council with regard to regulatory technical standards specifying the materiality of weaknesses, the type of information collected, the practical implementation of the information collection and the analysis and dissemination of the information contained in the Anti-money laundering and counter terrorist financing (AML/CFT) central database referred to in Article 9a(2) of that Regulation

European Supervisory Authorities (ESAs)

Date	Publications	Description
01/02/2024	ESAs recommend steps to enhance the monitoring of BigTechs' financial services activities	The ESAs published a report setting out the results of a stocktake of BigTech direct financial services provision in the EU. The report identifies the types of financial services currently carried out by BigTechs in the EU pursuant to EU licences and highlights inherent opportunities, risks, regulatory and supervisory challenges. The ESAs will continue to strengthen the monitoring of the relevance of BigTech in the EU financial services sector, including via the establishment of a new monitoring matrix.
06/02/2024	ESA's Joint Board of Appeal confirms ESMA's decision to withdraw the recognition of Dubai Commodities Clearing Corporation	The ESAs unanimously decided to dismiss the appeal brought by Dubai Commodities Clearing Corporation ("DCCC") against the European Securities and Markets Authority ("ESMA") and to therefore confirm the ESMA decision to withdraw its recognition.

European Banking Authority (EBA)

Date	Publications	Description
06/02/2024	The EBA releases technical package for its 3.4 reporting framework	The EBA published a technical package for version 3.4 of its reporting framework. This package provides the standard specifications that include the validation rules, the Data Point Model (DPM) and the XBRL taxonomies to support the amendments to the reporting and disclosure technical standards on minimum requirement for own funds and eligible liabilities and total loss absorbing capacity (MREL/TLAC), as well as some minor corrections to the technical package on the interest rate risk in the banking book (IRRBB). The DPM Query Tool has also been updated to reflect the current release.
12/02/2024	The EBA publishes follow-up on the Peer Review on the Joint ESAs Guidelines on the prudential assessment of the acquisition of qualifying holdings	The EBA published a follow-up to the EBA 2021 peer review report on the application of the Joint ESAs Guidelines on the prudential assessment of the acquisition of qualifying holdings. The review assesses the adequacy and effectiveness of the actions undertaken by the competent authorities subject to the previous review and finds good progress in remedying the deficiencies identified in 2021.
27/02/2024	The EBA launches call for expression of interest for its new Banking Stakeholder Group	The EBA launched a call for expression of interest to set up its new Banking Stakeholder Group (BSG) and to create a reserve list. The mandate of the current members will expire on 30 June 2024. The call for expression of interest is open to

Date	Publications	Description
		<p>candidates representing stakeholders across the European Union.</p> <p>The deadline for application is 27 March 2024 at 23:59 CET.</p>
Date	Consultations	Description
01/02/2024	The EBA consults on draft technical standards on residual risk add-on hedges under the Fundamental Review of the Trading Book	<p>The EBA launched a public consultation on its draft Regulatory Technical Standards (RTS) on the conditions for determining whether an instrument attracting residual risk acts as a hedge. These RTS are part of the Phase 1 deliverables of the EBA roadmap on the implementation of the EU banking package in the area of market risk.</p> <p>The consultation runs until 3 May 2024.</p>
20/02/2024	The EBA consults on the new framework for the business indicator for operational risk as part of the implementation of the EU Banking Package	<p>The EBA launched a consultation on two set of draft RTS and one Implementing Technical Standard (ITS) aiming to clarify the composition of the new business indicator at the heart of the operational risk capital requirements calculation, mapping the business indicator items to financial reporting (FINREP) items and highlighting possible adjustments to the business indicator in case of specific operations.</p> <p>The consultation runs until 21 May 2024.</p>
20/02/2024	The EBA consults on amendments to the operational risk Pillar 3 and supervisory reporting requirements to implement the Basel III reforms in the EU	<p>The EBA launched a public consultation on two draft ITS amending Pillar 3 disclosures and supervisory reporting requirements for operational risk. These consultations complement two additional consultation papers on Pillar 3 and supervisory reporting published on 14 December 2023, in line with the roadmap for the implementation of the EU Banking Package.</p> <p>The consultations run until 30 April 2024.</p>

European Securities and Markets Authority (ESMA)

Date	Publications	Description
01/02/2024	ESAs recommend steps to enhance the monitoring of BigTechs' financial services activities	<p>The European Supervisory Authorities published a Report setting out the results of a stocktake of BigTech direct financial services provision in the EU. The Report identifies the types of financial services currently carried out by BigTechs in the EU pursuant to EU licences and highlights inherent opportunities, risks, regulatory and supervisory challenges. The ESAs will continue to strengthen the monitoring of the relevance of BigTech in the EU financial services sector, including via the establishment of a new monitoring matrix.</p>
01/02/2024	ESMA publishes data for quarterly bond liquidity assessment, the systematic internaliser calculations and the CTP calculations	<p>ESMA published the new quarterly liquidity assessment of bonds, the data for the quarterly systematic internaliser calculations for equity, equity-like instruments, bonds and for other non-equity instruments and the consolidated tape provider (CTP) under MiFID II and MiFIR.</p>
02/02/2024	New Q&As available	<p>ESMA updated the following Questions and Answers:</p> <p>Credit Rating Agencies (CRA) Regulation</p> <ul style="list-style-type: none"> Discontinuation of credit ratings <p>European Market Infrastructure Regulation (EMIR) Regulation</p> <ul style="list-style-type: none"> ETDs Reporting Question Reporting under STM/CTM model Update of the client codes Reporting of a Counterparty falling within scope of Article 1(4)(a) and (b) Portability of Schedules Subsidiaries

Date	Publications	Description
		<p>Markets in Crypto Assets (MiCA)</p> <ul style="list-style-type: none"> • New CASPs established before (and after) 30 December 2024 • Passporting rights for entities benefiting from grandfathering • Prohibition of monetary and non-monetary benefits • Provision of crypto-asset services by credit institutions • Notifications under Article 60 <p>Markets in Financial Instruments Regulation (MiFIR) Regulation</p> <ul style="list-style-type: none"> • Transaction reporting
06/02/2024	Requirements when posting investments recommendations on social media	ESMA raised awareness of requirements established by the Market Abuse Regulation which apply when posting investment recommendations on social media . They were also warning about the risks of market manipulation in such publications.
06/02/2024	ESAs' Joint Board of Appeal confirms ESMA's decision to withdraw the recognition of Dubai Commodities Clearing Corporation	The Joint Board of Appeal of the European Supervisory Authorities unanimously decided to dismiss the appeal brought by Dubai Commodities Clearing Corporation ("DCCC") against the European Securities and Markets Authority ("ESMA") and to therefore confirm the ESMA decision to withdraw its recognition.
07/02/2024	ESMA seeking new members for its Securities Markets Stakeholder Group	ESMA looked for candidates representing the interests of all types of financial markets stakeholders. The Securities and Markets Stakeholder Group (SMSG) is an important body for ESMA. It facilitates our consultation with stakeholders by providing technical advice on ESMA's policies and activities and brings information on recent market developments to our attention.
13/02/2024	ESMA clarifies certain best execution reporting requirements under MiFID II	ESMA issued a Public Statement providing market participants with clarity concerning their reporting requirements under RTS28, pending full application of the new rules under MiFID II. ESMA expected NCAs not to prioritise supervisory actions towards investment firms relating to the periodic RTS 28 reporting obligation, from 13 February 2024 until the forthcoming transposition into national legislation in all Member States of the MiFID II review . Under the reviewed MiFID II/MiFIR framework, investment firms were no longer required to annually report detailed information on trading venues and execution quality through RTS 28 reports, and the statement published today will promote coordinated action by National Competent Authorities (NCAs) under MiFID II.
13/02/2024	ESMA publishes latest edition of its newsletter	ESMA published its latest edition of the Spotlight on Markets Newsletter.
13/02/2024	ESMA withdraws Euronext authorisation as a data reporting service provider under MiFIR upon the entity's request	ESMA has withdrawn the authorisation of Euronext Paris SA (Euronext) as a Data Reporting Service Provider (DRSP) under the Markets in Financial Instruments Regulation (MiFIR). Euronext was authorised as both an Approved Reporting Mechanism and an Approved Publication Arrangement under MiFIR since 3 January 2018. MiFIR provides that ESMA shall withdraw the authorisation of a DRSP where the DRSP expressly renounces its authorisation. ESMA's withdrawal decision follows the notification by Euronext of its intention to renounce its authorisation under the conditions set out in Article 27e(a) of MiFIR. All Euronext clients have switched to other authorised DRSPs of their choice or started to report transactions directly to National Competent Authorities. ESMA has updated its list of authorised DRSPs in the EU.

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

Date	Publications	Description
19/02/2024	ECB Guide to internal models	The ECB published the final revised guide to internal models, covering general topics, credit risk, market risk and counterparty credit risk.
21/02/2024	ECB Supervision Newsletter	The ECB published its Supervision Newsletter for February 2024.
22/02/2024	List of supervised entities (as of 1 January 2024)	The ECB published the updated list of supervised entities.

Date	Interviews and speeches	Description
03/02/2024	Interview with De Volkskrant	Interview with Frank Elderson, Member of the Executive Board of the ECB and Vice-Chair of the Supervisory Board of the ECB, conducted by Jonathan Witteman on 29 January 2024
12/02/2024	European banking supervision a decade on: safeguarding banks' resilience amid global challenges	Speech by Claudia Buch, Chair of the Supervisory Board of the ECB, House of the Euro, Brussels
20/02/2024	Banks must enhance their climate and environmental risk management frameworks	Contribution by Edouard Fernandez-Bollo, Member of the Supervisory Board of the ECB, for Eurofi Magazine
20/02/2024	Effective supervision to enhance the resilience of European bank business models	Contribution by Edouard Fernandez-Bollo, Member of the Supervisory Board of the ECB, for Eurofi Magazine
20/02/2024	Financial stability under European banking supervision	Contribution by Kerstin af Jochnick, Member of the Supervisory Board of the ECB, for Eurofi Magazine
20/02/2024	The Digital Operational Resilience Act: the next step in a connected digital world	Contribution by Anneli Tuominen, Member of the Supervisory Board of the ECB, for Eurofi Magazine
21/02/2024	"Strengthening bank resilience is priority"	Interview with Claudia Buch, Chair of the Supervisory Board of the ECB, Supervision Newsletter
26/02/2024	From data to decisions: AI and supervision	Article by Elizabeth McCaul, Member of the Supervisory Board of the ECB, for Revue Banque
28/02/2024	Supervising counterparty credit risk – a European perspective	Keynote speech by Elizabeth McCaul, Member of the Supervisory Board of the ECB, at the industry outreach conference on counterparty credit risk management, organised by the Federal Reserve Bank of New York in collaboration with the Basel Committee on Banking Supervision

Basel Committee on Banking Supervision (BCBS)

Date	Publication	Description
29/02/2024	Basel Committee agrees to revisions to Basel Core Principles, consults on addressing window-dressing in the G-SIB framework and reaffirms expectation about Basel III implementation	<p>The BCBS met on 28–29 February 2024 to take stock of recent market developments and risks to the global banking system, and to discuss a range of policy and supervisory initiatives.</p> <p>The BCBS i) approves the revisions to the Core principles for effective banking supervision, ii) decides to consult on potential measures to address window-dressing behaviour by some banks in the context of the framework for global systemically important banks and iii) reaffirms expectation that all aspects of Basel III will be implemented in full, consistently and as soon as possible.</p>

Macroprudential topics and fora

National Authorities

Date	Publications	Description
20/02/2024	Special session of the Comité de conjoncture (Economic Committee) on 19 February 2024	Jointly chaired by Lex Delles, Minister of the Economy, SMEs, Energy and Tourism, and by Georges Mischo, Minister of Labour, the Comité de conjoncture (Economic Committee) examined the requests for short-time working in February 2024 made by 47 undertakings on 19 February 2024. Following the Government's decision of 25 January 2024 based on the opinion of the Comité de conjoncture, the members of which met on 23 January 2024 in a special meeting, it was decided that the undertakings, the principal activity of which falls within codes NACE 41.200 - Construction of residential and non-residential buildings and 43.1 - Demolition and site preparation, are declared to be in a state of economic crisis.
26/02/2024	Statec: Conjoncture Flash February 2024	The stagnation in activity continued at the end of 2023 in the eurozone, although results varied extensively between the different Member States. Growth in 2024 is likely to remain weak, particularly given the lack of dynamism expected in the first half of the year.

European Central Bank (ECB)

Date	Publications	Description
08/02/2024	Press release, ECB publishes consolidated banking data for end-September 2023	The aggregate of total assets of EU-headquartered credit institutions declined from €32.66 trillion in September 2022 to €31.58 trillion in September 2023, a decrease of 3.30%. During the same period, EU credit institutions' aggregate non-performing loans ratio increased 0.06 percentage points year-on-year to stand at 1.89% in September 2023. EU credit institutions' aggregate return on equity was 7.69% in September 2023 and their Common Equity Tier 1 ratio was 15.75%.
08/02/2024	Economic Bulletin, Issue 1, 2024	At its meeting on 25 January 2024, the Governing Council decided to keep the three key ECB interest rates unchanged. Aside from an energy-related upward base effect on headline inflation, the declining trend in underlying inflation has continued, and the past interest rate increases keep being transmitted forcefully into financing conditions. Tight financing conditions are dampening demand, and this is helping to push down inflation.
15/02/2024	The banking channel of monetary policy, speech from Philip R. Lane	Continued strong transmission of policy rate hikes to broader financing conditions; Heterogeneous monetary policy transmission due to: 1) bank funding, liquidity and asset quality; 2) firm size, liquidity and economic sector; 3) household income and exposure to interest rate changes; Impact of policy tightening is still unfolding.
23/02/2024	ECB Consumer Expectations Survey results – January 2024	The median rate of perceived inflation over the previous 12 months decreased further, for the fourth consecutive month, to 6.0%, from 6.9% in December. Median expectations for inflation over the next 12 months edged up to 3.3% from 3.2%, while those for inflation three years ahead remained unchanged at 2.5%. Inflation expectations at the one-year and three-year horizons remained well below the perceived past inflation rate.

European Systemic Risk Board (ESRB)

Date	Publication	Description
01/02/2024	Follow-up report on vulnerabilities in the residential real estate sectors of the EEA countries	<p>The update focuses on changes in financial stability risks and macroprudential policy since the end of 2021. Unlike in the previous ESRB assessment of RRE vulnerabilities, an in-depth risk and policy assessment was conducted for all the individual EEA countries. The results show that the level of accumulated risks (“stock risks”) remains significant in most EEA countries. However, the growth of cyclical risks has decelerated or stopped in most EEA countries.</p> <p>Since 2021, several countries have been activating macroprudential policies to mitigate risks related to RRE markets and increase lender and borrower resilience. In particular, a number of countries have continued to (re)build capital buffers by either increasing countercyclical capital buffer (CCyB) rates or introducing a sectoral systemic risk buffer (SyRB). A few countries have also acted by using borrower-based measures (BBMs), switching from recommendations to legally binding measures, or introducing new legally binding measures or recommendations.</p> <p>Policies are regarded as partially appropriate and partially sufficient in Bulgaria, Croatia, Denmark, Germany and Luxembourg, and appropriate but partially sufficient in the Netherlands and Sweden. In all countries that have been newly added to the policy analysis this year, policies are assessed as fully appropriate and sufficient (Cyprus, Greece, Italy, Latvia, Romania and Spain). The assessment also concludes that, in particular, the countries that have received ESRB recommendations or warnings in the past should continue addressing RRE vulnerabilities with macroprudential policies, as well as other measures.</p>

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	31.12.2023	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	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	24.11.2023	1%
	07.06.2024	1.5%*
Latvia	18.12.2024	1%*
Lithuania	01.10.2023	1%
Luxembourg	01.01.2021	0.5%

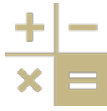
Country	Application since	CCyB rate
Netherlands	25.05.2023	1%
	31.05.2024	2%*
Norway	31.03.2023	2.5%
Romania	23.10.2023	1%
Slovakia	01.08.2023	1.5%
Slovenia	31.12.2023	0.5%
	01.01.2025	1%*
Sweden	22.06.2023	2%

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
26/02/2024	FSB Chair's letter to G20 Finance Ministers and Central Bank Governors: February 2024	<p>The FSB has developed a comprehensive workplan for 2024 that incorporates the priorities of the Brazilian G20 Presidency (written into a letter). This letter was submitted to the G20 Finance Ministers and Central Bank Governors (FMCBG) ahead of the G20's meeting on 28-29 February.</p> <p>The financial stability outlook remains challenging. Against a background of modest, but steady global growth and moderating inflation, caution is warranted. Past interest rate hikes are still passing through to borrowers, asset valuations are also stretched in some key markets, and abrupt shifts in market pricing could expose vulnerabilities in the financial system, including those related to leverage and liquidity mismatch in non-bank financial intermediation (NBFi).</p> <p>The letter lays out the FSB's workplan for 2024. Core elements of this plan are to identify and address financial system vulnerabilities in key areas including lessons from the March 2023 banking turmoil, NBFi, digitalisation and climate change; and to enhance the efficiency of cross-border payments.</p>
29/02/2024	FSB recommends further strengthening of the framework for global systemically important banks in Switzerland	<p>Peer review examines Switzerland's implementation of too-big-to-fail reforms for global systemically important banks (G-SIBs). They concluded that additional steps can be taken to further strengthen the TBTF framework, especially given the merger of the two Swiss G-SIBs, and recommends increasing supervisory resources, strengthening early intervention powers and enhancing the recovery and resolution regime.</p>



Financial centre

Main updated figures regarding the financial centre

			Annual comparison
Banks	Number (29/02/2024)	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 (29/02/2024)	17	no variation
Electronic money institutions	Number (29/02/2024)	12	↗ 1 entity
UCIs	Number (29/02/2024)	Part I 2010 Law: 1,595	↘ 28 entities
		Part II 2010 Law: 246	↗ 16 entities
		SIFs: 1,228	↘ 66 entities
		TOTAL: 3,069	↘ 78 entities
	Number (29/02/2024)	SICARs: 191	↘ 10 entities
Total net assets (31/01/2024)	EUR 5,326.332 bn	↗ EUR 134.304 bn	
Authorised Investment Fund Managers²	Number (29/02/2024)	300	↘ 1 entity
	Balance sheet total (31/12/2023)	EUR 24.364 bn	↗ EUR 568 m
Pension funds	Number (29/02/2024)	11	↘ 2 entities
Authorised securitisation undertakings	Number (29/02/2024)	28	no variation
Investment firms	Number (29/02/2024)	92 (7 branches)	↘ 2 entities
	Balance sheet total (31/01/2024)	EUR 1.067 bn	↗ EUR 77.188 m
	Provisional net result (31/01/2024)	EUR 10.19 m	↘ EUR 2.71 m
Specialised PFS	Number (29/02/2024)	99	↘ 2 entities
	Balance sheet total (31/01/2024)	EUR 6.512 bn	↗ EUR 152 m
	Provisional net result (31/01/2024)	EUR 67.97 m	↗ EUR 49.32 m
Support PFS	Number (29/02/2024)	60	↘ 5 entities
	Balance sheet total (31/01/2024)	EUR 1.335 bn	↘ EUR 386 m
	Provisional net result (31/01/2024)	EUR 33.64 m	↗ EUR 14.44 m
Issuers of securities whose home Member State is Luxembourg pursuant to the Transparency Law	Number (29/02/2024)	381	↘ 33 entities
Public oversight of the audit profession	Number (29/02/2024)	53 <i>cabinets de révision agréés</i>	↘ 1 entity
		399 <i>réviseurs d'entreprises agréés</i>	↗ 38 people
		24 third-country auditors and audit firms	↗ 3 entities
Employment (31/12/2023)	Banks	26,254 people	↗ 242 people
		branches abroad	3,983 people
	Authorised Investment Fund Managers ²	7,710 people	↗ 770 people
		branches abroad	2,773 people
	Investment firms	1,830 people	↘ 128 people
		branches abroad	430 people
	Specialised PFS	7,258 people	↗ 402 people
	Support PFS	7,710 people	↘ 994 people
	Payment institutions/electronic money institutions	829 people	↗ 20 people
		branches abroad	575 people
Total (without branches abroad)		51,591 people	↗ 312 people³
TOTAL		59,352 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.