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Luxembourg Insights

Winter 2023

Simmons & Simmons Luxembourg LLP

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Asset Management &
Investment Funds



Q&A on Sustainable Finance Disclosure Regulation (SFDR)

On 02 December 2022, the *Commission de Surveillance du Secteur Financier* (CSSF) published a Q&A in relation to Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial sector (SFDR).

The Q&A provides clarifications mainly in respect of:

- Changes within the Articles 8 and 9 pre-contractual templates of the Commission Delegated Regulation 2022/1288 of 06 April 2022 (SFDR RTS);
- Compliance by the investment fund managers with the website disclosures requirements of Article 10 SFDR;
- Nature of the disclosure of investment thresholds under SFDR;
- Sustainable investments within Article 9 SFDR funds;
- Use of exclusion strategies by investment funds disclosing under Article 8 SFDR and Article 9 SFDR; and
- Application date of periodic disclosures requirement under SFDR RTS.

For more information, please click [here](#).



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Q&A on authorisation and organisation of entities acting as UCI administrator

On 02 December 2022, the CSSF updated its Q&A relating to the authorisation and organisation of entities acting as Undertaking for Collective Investment (UCI) administrator.

The Q&A covers a number of key aspects of the CSSF Circular 22/811 (**the Circular**) with the aim of providing further clarity on the supervisory expectations of the competent authority:

- The Circular only apply to entities listed under point 2.1 of the Circular, which perform in Luxembourg all or any of the three functions as defined under point 10 of the Circular to UCI; and
- In-scope entities that delegate their UCI administration functions are not concerned by the Circular.

The Q&A also aims at providing further explanations on the administration functions:

- It is not required that the same UCI administrator performs all the three distinct administrative functions, as listed in the Circular; and
- The UCI administrator is responsible for the function(s) for which it has been appointed, even in case of delegation or support from third parties.

For more information, please click [here](#).



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CSSF guidelines on UCITS Risk Reporting (URR)

On 13 December 2022, the CSSF updated their guidelines on the URR in order to introduce explanations, definitions and examples on the following topics:

- Key investment strategy;
- Global exposure and leverage;
- Stress testing and the others risks indicators;
- Efficient Portfolio Management (EPM) techniques;
- Counterparty risks and collateral in relation to EPM techniques;
- Liquidity risk; and
- Credit risk information.

For more information, please click [here](#).



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Asset Management &
Investment Funds



CSSF Q&A on Undertakings for Collective Investment in Transferable Securities (UCITS)

On 16 December 2022, the CSSF updated their Q&A on UCITS to clarify the following matters:

- The requirement for Luxembourg UCITS manufacturers to draw up PRIIPs KIDs;
- The requirement to replace, as the case may be, UCITS KIIDs by PRIIPs KIDs;
- The procedure to follow in order to file PRIIPs KIDs with the CSSF; and
- The requirement for Luxembourg UCITS manufacturers whose offer is definitely closed to annually update their KIIDs after 01 January 2023.

For more information, please click [here](#).



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Asset Management &
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ESG – New Taxonomy FAQs Published by the Commission

On 19 December 2022, the European Commission published two draft notices containing frequently asked questions (FAQs) in respect of certain disclosure requirements under Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment (Taxonomy Regulation).

The first notice sets out responses to FAQs on the technical screening criteria (**TSC**) for the Taxonomy's first two environmental objectives of climate change mitigation and climate change adaptation.

The second notice sets out responses to FAQs on the Article 8 disclosure obligation, the details of which are set out in the Disclosures Delegated Act.

For more information, please click [here](#).



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Asset Management &
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Grand-Ducal Regulation of 23 December 2022 relating to the fees to be levied by the CSSF

On 01 January 2023, the Grand-Ducal Regulation of 23 December 2022 came into force (the Regulation). The Regulation provides for the amount of the fees that may be due to the CSSF. Generally, those fees are payable at the first application. In case where they are not paid on time, administrative penalties may be taken. It should be noted that certain fees had significantly increased.

For example, for credit institutions and professionals of the financial sector, in addition to an increase in the annual fees, the single lump sum fee for the examination of each authorisation request of a new credit institution has increased of EUR 15,000; and the single lump sum fee for the examination of each authorisation request of specialised and support PFS, payment institutions and electronic money institutions has increased of EUR 10,000.

For more information, please click [here](#).



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Asset Management &
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New templates for authorised Investment Fund Managers (IFM)

On 19 January 2023, the CSSF has published two notifications templates related to the authorised IFMs, especially the types of requested authorisations and the types of requested changes on that topic.

Those templates have to be used when a new application for the IFM authorisation is submitted to the CSSF or when an existing IFM plan to extend his activities by requesting an approval of his additional strategies or services and also when the IFM is in a context of acquisition of a qualifying holding, a change of a reference shareholder and the creation of branches. Among others files, those templates have to be submitted to the CSSF.

For more information, please click [here](#).





Reopening of access to the Luxembourg RBE

Access to the Luxembourg's Register of Beneficial Owners (*Registre des Bénéficiaires Effectifs* – (the RBE) had been temporarily suspended further to the European Court of Justice's ruling of 22 November 2022.

On 19 December 2022, the LBR published its [circular LBR 22/01](#) (the LBR Circular), in which it proposes a solution to continue allowing access to professionals within the meaning of article 2 of the amended act of 12 November 2004 on the fight against money laundering and terrorist financing (the Professionals).

In order to be granted access, the Professionals shall:

- be in possession of a Luxtrust certificate;
- download from the [relevant LBR portal](#), complete and sign (electronically or manually):
 - an agreement with the LBR;
 - the related technical appendix (together, the **Access Documents**); and
- return the Access Documents to Acces_rbe@lbr.lu.

In addition to the submission of the Access Documents, a client account with the LBR will be created for the Professional, allowing the latter to be identified as such Professional and accessing the RBE as from 02 January 2023.

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Corporate



Update on Draft Bill n°7989 (modernisation of the right of establishment)

The draft bill n°7989 (the Bill) was deposited on 8 April 2022, amending the Grand-Ducal Regulation of 01 December 2011 and the Grand-Ducal Regulation of 28 April 2015 to expand the possible geographic area of residence for the holder of the authorisation of establishment regarding a company.

In December 2022 a notice from the Luxembourg Business Registers (the **LBR**) was published on this matter and, on 27 December 2022 a supplementary deposit document ("*un document de dépôt complémentaire*") was published as well.

For more information, please click [here](#).



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Corporate



Update on Draft Bill number 8053 (implementation of the Mobility Directive)

As indicated in previous versions of this newsletter, 31 January 2023 marks the date when Member States should have implemented the laws, regulations and administrative provisions necessary to comply with the Directive (EU) 2019/2121 of the European Parliament and of the Council (the **Mobility Directive**). However, the draft bill n°8053 (the **Bill**), consisting of the implementation of directives from the European Union on cross-border conversions, mergers and divisions into Luxembourg laws, has not been implemented yet.

For more information, please click [here](#).



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Corporate



Update on the new dissolution proceedings without liquidation (the Act 6539B)

As previously mentioned on our October newsletter, the Act 6539B of 28 October (the **Act**) offers the possibility of an administrative dissolution proceeding without liquidation on the initiative of the State Prosecutor. This proceeding will be applicable for companies meeting the following cumulative conditions: (i) they have no assets; (ii) no employees; and (iii) pursue activities in breach of criminal law, the Commercial code, and laws governing commercial companies.

This new framework entered into force on **01 February 2023**.

For more information, please click [here](#).





Issuance of a package to modernise digital Value Added Tax (VAT) rules

On 08 December 2022, the European Commission (the Commission) proposed a series of measures to modernise the EU's VAT system for businesses and make it more efficient against fraud by increasing digitalisation, called “VAT in the Digital Age” (ViDA). The proposals also aim at addressing challenges in the area of VAT raised by the development of the platform economy.

The proposals include the three main elements:

- A move towards real-time digital reporting based on e-invoicing for businesses that operate cross-border in the EU and a harmonised invoicing framework for domestic transactions;
- Updated VAT rules for passenger transport and short-term accommodation provided via platforms; and
- Expand the one-stop-shop approach to enable a single VAT registration across the EU for movements of own goods and additional supplies to consumers.

The package of proposals announced by the Commission on 8 December will require amendments to three pieces of EU legislation: the VAT Directive (2006/112/EC), Council Implementing Regulation (EU 282/2011) and the Council Regulation on Administrative Cooperation (EU 904/2010).

These legislative proposals will be sent to the European Council for agreement and to the European Parliament and the Economic and Social Committee for consultation. Ultimately, the proposals will require unanimous approval by all Member States to come into force.

It is worth noting that these proposals, which are set out in a draft Directive and two draft Regulations, are extremely detailed and complex. It is likely that there will be further negotiation on the details, especially concerning e-invoicing, before the measures are passed into law.

For more information, please click [here](#).





Issuance of draft Directive on Administrative Cooperation (DAC)8 on transparency for crypto-assets

On 08 December 2022, the EU proposed a text amending the Directive 2011/16/EU on administrative cooperation in the field of taxation to provide new tax transparency rules for all service providers facilitating transactions in crypto-assets for customers resident in the EU (DAC 8).

DAC 8 is intended to complement the recently implemented Markets in Crypto-assets (MiCA) Regulation and anti-money laundering rules. These rules will provide the conditions for access to the EU market for crypto-assets, replacing existing national rules governing issuance, trading and custody of such assets.

These rules will contain the following elements aiming at improving the ability of Member States to detect and counter tax fraud, evasion and avoidance by:

- requiring all reporting crypto-asset service providers, irrespective of their size or location, to report transactions of clients residing in the EU. The proposal covers both domestic and cross-border transactions. In some cases, reporting obligations will also cover non-fungible tokens (NFTs);
- requiring financial institutions to report on e-money and central bank digital currencies;
- extending the scope of the automatic exchange of advance cross-border rulings for high-net-worth individuals; and
- establishing a common minimum level of penalties for the most serious non-compliant behaviour, such as complete absence of reporting despite administrative reminders.

The draft text of DAC 8 will be submitted to the European Parliament for consultation and to the Council for adoption. It is expected that the new reporting requirements with regard to crypto-assets, e-money and digital currencies will enter into force on 1 January 2026.





Limitation of the DAC 6 notification obligation applicable to lawyers

On 22 December 2022, the Luxembourg bar issued a circular n°001/2022-2023 in relation with the Directive on Administrative Cooperation 6 (DAC 6) Directive (the Circular) replacing the existing circular 009/2021 of 1st July 2022.

Under the Circular, the Luxembourg bar provides for a swift answer to the decision of the Court of Justice of the European Union (the CJEU) rendered on 8 December 2022 (C-694/20 Orde van Vlaamse Balie e.a.) (the CJEU Decision) for Luxembourg lawyers.

In summary, based on the Circular, the DAC 6 obligation of notification for lawyers will only apply to their clients – and not to intermediaries and clients as it was the case before. Said differently, their professional secrecy will prevent Luxembourg lawyers to inform other intermediaries of the existence of an obligation to report an identified cross-border arrangement.

For further details, please refer to our dedicated flash news [here](#).



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Tax



Vote of the 2023 Luxembourg budget law

The law of 23 December 2022 related to the budget for the year 2023 enacts the different measures in relation to the purchasing power, the housing, the attractiveness of the country, the green tax initiatives and the simplification measures discussed in our Luxembourg Insights of October 2022.

It also confirms the clarification brought to the reverse hybrid rules under which the non-taxation of the net income that the shareholder realizes through the tax transparent entity or arrangement must result from such difference in the qualification in order for the tax transparent entity to fall within the scope of the reverse hybrid rules. Consequently, if a shareholder in a tax transparent entity benefits from a subjective exemption in its country of residence, the latter should not be taken into account for the assessment of the qualification of the Luxembourg transparent entity as reverse hybrid.

For further details, we refer to the Luxembourg Insights of October 2022 [here](#).



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Tax



Issuance of euro reference exchange rate for 2022

On 16 January 2023, the Luxembourg tax authorities published in the administrative circular L.G. - A n° 60bis/8 the euro exchange rate which will be used to serve as reference for the preparation of Luxembourg tax returns.

For further details on this circular, please click [here](#).



Issuance of a revised FAQ regarding country-by-country reporting (CbCR)

On 18 January 2023, the Luxembourg tax authorities published a revised version of the FAQ regarding CbCR in Luxembourg.

This revised version includes new instructions published by the OECD in October 2022 and further details regarding the application of CbCR to investment funds.

For further details on this FAQ, please click [here](#).



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Tax



Court decision rendered regarding the tax qualification of share classes redemption

On 27 January 2023, the Administrative Tribunal rendered a decision regarding the tax treatment applicable to the redemption of classes of shares, and more specifically “alphabet” classes of shares (Administrative Tribunal, 27 Janvier 2023, N°42432).

In this decision, the Administrative Tribunal qualified the redemption of a class of shares as hidden distribution of profits subject to a 15% withholding tax as the taxpayer did not bring sufficient tax evidence to demonstrate that the effective redemption price corresponds to the fair market value of such class of shares. However, the Administrative Tribunal specifies that such a qualification as hidden distribution of profits applies only to the portion of said price that exceeds the fair market value of the class of shares at stake.

For further details on this decision, please click [here](#).



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Regulatory



Supervisory reporting requirements applicable to credit institutions

On 05 December 2022, the CSSF published the circular CSSF 22/823 which amends the circular CSSF 14/593 on supervisory reporting requirements applicable to credit institutions (as amended) to abolish the reporting table on list of head offices, agencies, branches and representative offices and to update the instructions for the reporting table on the analysis of shareholdings.

From reporting period 2022-12 onwards, all shareholders holding or controlling 10% or more of the parts or voting rights in a credit institution have to be reported, thus including now all indirect shareholders (up until reporting period 2021-12 only direct and ultimate shareholders had to be reported).

For more information, please click [here](#).



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Regulatory



EBA Consultation paper on modification of its AML/FT guidelines

On 06 December 2022, the European Banking Authority (EBA) published a consultation paper on:

- i.** amendments to be made to its Guidelines EBA/2021/02 on customer due diligence and the factors credit and financial institutions should consider when assessing the money laundering and terrorist financing risk associated with individual business relationships and occasional transactions under Articles 17 and 18(4) of Directive (EU) 2015/849; and
- ii.** new draft Guidelines on policies and controls for the effective management of money laundering and terrorist financing risks when providing access to financial services under Directive (EU) 2015/849.

The draft guidelines are published for a two-months public consultation and the EBA will finalise these guidelines once the consultation responses have been assessed

Responses to the consultation should be submitted by **6 February 2023** at the latest.

For further details on this decision, please click [here](#).





2022 CSSF Survey on the fight against money laundering and terrorism financing

On 07 December 2022, the CSSF published a communication regarding the incoming launch of its annual AML/FT survey for 2022. The purpose of the survey is to collect standardised key information concerning ML/TF risks to which professionals under CSSF supervision are exposed and the implementation of measures to mitigate these risks.

On 7 December 2022, the CSSF published a communication regarding the incoming launch of its annual AML/FT survey for 2022. The purpose of the survey is to collect standardised key information concerning ML/TF risks to which professionals under CSSF supervision are exposed and the implementation of measures to mitigate these risks.

In scope entities are:

- i. credit institutions, investment firms, IFM, self-managed investment funds, payment institutions and electronic money institutions, specialised professionals of the financial sector and central securities depositories incorporated in Luxembourg; and
- ii. all Luxembourg branches of the above listed entities having their registered office in an EU or third country.

The survey will start on **15 February 2023** and answers will have to be submitted through the CSSF eDesk Portal by **31 March 2023** at the latest.

For further details on this decision, please click [here](#).



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Regulatory



G20/OECD High-Level Principles on Financial Consumer Protection

On 12 December 2022, the G20/OECD High-Level Principles on Financial Consumer Protection (originally adopted in 2012) were updated to reflect the latest consumer protection policy developments.

The principles are applicable to any jurisdiction and set out international standards for effective and comprehensive financial consumer protection frameworks in credit, banking, payments, insurance, pensions and investment sectors.

For more information, please click [here](#) and see the CSSF Press release [here](#).



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Regulatory



AML/FT Guidance for agents of payment institutions and electronic money institutions

On 20 December 2022, the CSSF published a new guidance addressed to agents and e-money distributors acting on behalf of payment institutions (PIs) and electronic money institutions (EMIs) established in other Member States and aims particularly to promote the understanding of ML/TF risks as well as the professional obligations with regards to AML/TF.

This guidance follows the publication of the Luxembourg National Risk Assessments which assessed that residual risk exposures to money laundering and terrorist financing risks in the Luxembourg money services business is medium.

This guidance is also a useful document for PIs and EMIs established in Luxembourg and supervised by the CSSF for use in their oversight of the agents and e-money distributors they are using in other Member States.

Please see the CSSF guidelines and the CSSF press release [here](#).



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New EMIR Refit reporting standards

On 21 December 2022, the CSSF published a press release informing of the application of new reporting standard for derivative reporting under EMIR as from 24 April 2024. This follows the publication by ESMA of [new guidelines and technical documentation](#) on reporting under EMIR Refit.

In particular, the CSSF wants to draw the attention of the market players on some significant changes to the EMIR reporting framework introduced by these new technical standards and the related documentation:

- i. end-to-end reporting in ISO 20022 XML;
- ii. framework for the mandatory delegation;
- iii. information to national competent authorities for significant reporting issues; and
- iv. new controls and feedback reports by trade repositories.

For more information, please click [here](#).



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Regulatory



Data collection on inactive accounts and inactive safe deposit boxes

On 22 December 2022, the CSSF published the Circular CSSF 22/825 (the Circular) regarding data collection on inactive accounts and inactive safe deposit boxes, which define the format, content and submission modalities of the data collection on inactive accounts and inactive safe deposit boxes pursuant to the Law of 30 March 2022 on inactive accounts, inactive safe-deposit boxes and unclaimed insurance contracts.

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

The data should reflect the situation as of 31 December of the reference year and be transmitted to the CSSF by **28 February** at the latest via the [eDesk portal](#).

For more information, please click [here](#).



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Regulatory



Application of the Guidelines of the EBA on Loan Origination and Monitoring

On 22 December 2022, the CSSF published Circular CSSF 22/824 which implements the requirements of the European Banking Authority (EBA) Guidelines on Loan Origination and Monitoring.

The EBA Guidelines aim to:

- i. ensure that in-scope entities have prudent loan origination and monitoring standards in place to prevent newly originated performing loans from becoming non-performing in the future;
- ii. specify the internal governance arrangements for granting and monitoring of credit facilities throughout their lifecycle; and
- iii. ensure that the institutions' practices are aligned with consumer protection rules and AML/FT requirements.

The Circular will apply from **31 March 2023** to all Luxembourg credit institutions, Luxembourg branches of EU credit institutions, Luxembourg branches of credit institutions having their registered office in a third country, professionals performing lending operations under Article 28-4 of the law of 5 April 1993 on the financial sector and Luxembourg creditors within the meaning of the mortgage credit directive and the consumer credit directive.

For more information, please see the Circular [here](#) and see the CSSF press release [here](#).



Swipe to continue →



Regulatory



New self-assessment questionnaire for Luxembourg branches of EU credit institutions

On 23 December 2022, the CSSF published the Circular CSSF 22/827 which updates Circular CSSF 07/325 on provisions relating to credit institutions and investment firms of EU origin established in Luxembourg by way of branches or exercising activities in Luxembourg by way of free provision of services.

The new Circular introduces a self-assessment questionnaire to be filled in on an annual basis by Luxembourg branches of credit institutions whose head office is in another Member State. This update follows the introduction of the revised long form report by Circular CSSF 22/821.

The questionnaire must be reviewed and electronically signed by the authorised management and transmitted via the CSSF [eDesk portal](#) within **six months after the closure of the financial year**. Procedures and explanations on the practical modalities regarding the preparation and transmission of the SAQ as well as the user guide “Authentication and user account management” are made available via the CSSF eDesk portal.

For more information, please click [here](#).



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Regulatory



Audit mandate of the statutory auditors

On 23 December 2022, the CSSF published the Circular CSSF 22/826 (the Circular) regarding practical rules concerning the statutory audit mandate of the statutory auditors (réviseurs d'entreprises agréés) (REA).

The Circular is addressed to all Luxembourg credit institutions and Luxembourg branches of non-EU credit institutions and aim to define the scope of the statutory audit mandate and the content of the reports and written comments issued by the REA in the context of its audit of the annual accounting documents (audit reports) prepared pursuant to Article 54(1) of the Law of 5 April 1993 on the financial sector (**LFS**). The circular also clarifies the REA's reporting obligations under Article 54(3) LFS.

The circular draws upon the provisions formerly contained in the Circular CSSF 01/27 which will be repealed by as of 31 December 2022.

For more information, please click [here](#).



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Regulatory



Repeal of Circular CSSF 20/748

On 23 December 2022, the CSSF published a communication informing that [Circular CSSF 20/748](#) adopting the EBA Guidelines on reporting and disclosure of exposures subject to measures applied in response to the COVID-19 crisis (EBA/GL/2020/07) has been repealed. This follows the [EBA communication](#) of 16 December 2022 concerning the repeal of the said Guidelines (which were originally meant to be in place for a limited period of time).

For more information, please click [here](#).



New CSSF regulatory fees and charges

From 01 January 2023, the new regulatory fees and charges as set out under the new Grand Ducal Regulation of 23 December 2022 relating to the fees to be levied by the CSSF will apply. The previous Grand Ducal Regulation of 17 December 2021 is repealed.

For more information, please click [here](#).



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Regulatory



New form for payment service providers

On 29 December 2022, the CSSF published the Circular 22/828 which amends Circular CSSF 20/750 on requirements regarding information and communication technology (ICT) and security risk management and introduces a new form regarding the updated and comprehensive risk assessment of the ICT and security risks related to payment services provided by payment service providers (PSPs), and provide further information on the objective, the scope and the submission process and deadline related to this form.

This new form should be used for the first time concerning the calendar year 2022 and submitted by PSPs to the CSSF no later than **31 March 2023**. The form is published in the CSSF's [eDesk portal](#).

For more information, please click [here](#).



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Regulatory



Product intervention measure regarding futures taken by BaFin

On 30 December 2022, the CSSF published a communication to draw the attention of supervised entities to the product intervention measure regarding futures, taken by Germany's Federal Financial Supervisory Authority (BaFin) and published on its website on 30 September 2022.

As a consequence of this measure, entities supervised by the CSSF are prohibited from marketing, distributing and selling futures to retail clients domiciled in Germany except if "additional payment obligations" have been contractually excluded. Transactions for hedging purposes or to close out open futures positions are not subject to this prohibition.

The restriction is effective from **1 January 2023**.

For more information, please click [here](#).



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Regulatory



Regulation (EU) 2022/2554 on digital operational resilience for the financial sector (DORA)

On 16 January 2023, the DORA regulation has entered into force and will be directly applicable in all EU Member States including Luxembourg as of 17 January 2025.

This regulation lays down uniform requirements concerning the security of network and information systems supporting the business processes of financial entities such as credit institutions, investment firms, payment institutions and electronic money institutions.

For further details, please click [here](#).





Application of the EBA Guidelines on exemption of investment firms from liquidity requirements

On 19 January 2023, the CSSF published Circular CSSF 22/829 (the Circular) which implements the requirements of the European Banking Authority (EBA) Guidelines on the criteria for the exemption from the mandatory liquidity requirements introduced by Regulation 2019/2033 for all investment firms.

The EBA Guidelines are addressed to national competent authorities and aim to specify the criteria under which competent authorities may exempt small and non-interconnected investment firms from such liquidity requirements.

From 19 January 2023, investment firms supervised by the CSSF qualifying as small and non-interconnected investment firms and that wish to benefit from the exemption can submit an authorisation request to the CSSF. In granting such authorisations, the CSSF will perform a case-by-case assessment, taking into account the risks to the firm's clients and the firm itself, the nature, scope and complexity of its activities and the types of activities performed by the firm and, if available, any outcome of a previous supervisory review and evaluation.

Investment firms shall submit their authorisation request by email to their usual point of contact at the CSSF, with copy to ei@cssf.lu.

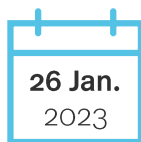
For more information, please see the Circular [here](#) and see the EBA guidelines [here](#).



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Regulatory



Reporting Handbook for investment firms

On 26 January 2023, the CSSF has published an update of the Reporting Handbook on:

- i. the versions to be provided for the EU reporting (section 3.1, section 3.2, section 3.3 and section 3.4); and
- ii. precision on the preliminary and final versions of the reporting to be provided (section 4.2.2); and
- iii. the EBA reporting framework (section 5.1).

The Reporting Handbook applies to investment firms incorporated under Luxembourg law, including their branches, and to the Luxembourg branches of third-country investment firms.

For further details, please click [here](#).



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Banking



ESAs joint advice on the review of the securitisation prudential framework

On 12 December 2023, the joint committee of the European supervisory authorities (ESMA, EBA and EIOPA) (ESAs) published its advice on the review of the securitisation prudential framework. This publication answers the European Commission's call for advice from October 2021, as part of the process of the review of the EU securitisation framework in the context of the capital markets union action plan.

For more information, please click [here](#).



EBA roadmap on sustainable finance

On 13 December 2022, the European Banking Authority (EBA) published its roadmap on sustainable finance, outlining the objectives and timeline for delivering mandates and tasks in the area of sustainable finance and environmental, social and governance (ESG) risks.

The roadmap explains the EBA's approach over the next three years to integrate ESG risks considerations in the banking framework and support the European Union's efforts to achieve the transition to a more sustainable economy.

For more information, please click [here](#).



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Banking



CSSF-CPDI 2022 survey on the amount of covered deposits

On 14 December 2022, the CSSF published a circular to carry out a survey on deposits, in particular covered deposits as held by credit institutions incorporated under Luxembourg law, the POST Luxembourg for its provision of postal financial services, and Luxembourg branches of credit institutions having their head office in a third country as at 31 December 2022.

In order to enable the Luxembourg Deposit Guarantee Fund (the FGDL) to fulfil its cooperation duties within the European Union, FGDL members are requested to provide the data: (i) at the level of their legal entity, which means that branches located in other Member States shall be consolidated, as well as (ii) for each branch located in another Member State separately, by 19 January 2023 at the very latest by completing the table available [here](#).

For more information, please click [here](#).



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Sanctions



Sanctions

During the month of December 2022, the CSSF announced that it has imposed the following administrative penalties:

- i. administrative fines to twelve different investment fund managers for failure to submit within the given deadline the online questionnaire related to the fight against money laundering and terrorist financing for 2021, which was hosted by the CSSF;
 - ii. an administrative fine to an investment fund manager resulting from an on-site inspection carried out by the CSSF during which have been identified some isolated failures to comply with the provisions of the Law of 2010 on undertakings for collective investments relating to the requirements with regards to the delegation of functions; and
- administrative fines to managers of the general partners of two specialised investment funds due to the provision of incomplete information to the CSSF.

Swipe to continue →



Sanctions



Consultation Paper - Manual on post-trade transparency

On 19 January 2023, the ESMA published the consultation paper including the manual on post-trade transparency.

Following the application of MiFID II and MiFIR for nearly five years and ESMA's work on reviewing the MiFID II/ MiFIR provisions, in particular on transparency as well as on the functioning of the consolidated tape provider (the **CTP**) for equity instruments, this consultation paper presents ESMA's proposals on a Level 3 guidance, in the form of a manual, on the post-trade transparency fields.

This consultation paper is mainly addressed to entities subject to the post-trade transparency requirements and/or reporting such information (such as investment firms, including SIs, trading venues and approved publication arrangements (**APAs**) and as well as other stakeholder groups and associations accessing post-trade information).

The ESMA will consider all comments received regarding this consultation paper before 31 March 2023.

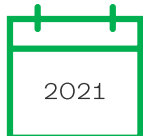
For more information, please click [here](#).



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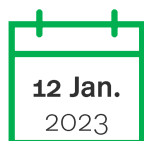
Sanctions



Results of the enforcement of the 2021 financial and non-financial information published by issuers subject to the Transparency Law

The CSSF has presented results of the enforcement of the 2021 financial and non-financial information published by issuers subject to the Transparency Law.

For more information, please click [here](#).



ICMA response to the ESAs' Call for Evidence on greenwashing

On 12 January 2023, the International Capital Market Association (ICMA) published its response to the European Supervisory Agencies (ESA) call for evidence on greenwashing of 15 November 2022, the aim of which is to better understanding the key features, drivers and risks associated with greenwashing and to collect examples of potential greenwashing practices.

In its feedback, ICMA identifies areas of concerns in sustainable finance with respect to sustainable bonds, fund products as well as with respect to its own [ICMA Principles](#) and make recommendations on regulatory initiatives (including a proposed definition of greenwashing in the financial sector).

For more information, please click [here](#).



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Sanctions



ICMA consolidates its secondary market rulebook into a single document, including its buy-in provisions

The CSSF has presented results of the enforcement of the 2021 financial and non-financial information published by issuers subject to the Transparency Law.

For more information, please click [here](#).



ICMA publishes a proposal for a post-trade transparency framework for sovereign bonds traded in the EU

On 26 January 2023, the ICMA published a proposal for a post-trade transparency framework for sovereign bonds traded in the EU, being the three main three key recommendations of the proposal (i) the harmonisation of the approach to sovereign bond market transparency across the different EU jurisdictions, (ii) the end to the current optionality for volume omission and indefinite aggregation of trades, and (iii) to contemplate the possibility for deferring the publication of certain trades where this could be detrimental to market liquidity and based on specified criteria.

For more information, please click [here](#).



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