

CORONAVIRUS: NEW CSSF ONLINE WEEKLY QUESTIONNAIRE FOR FUND MANAGERS

On 9 April 2020, the Luxembourg financial sector supervisory authority (CSSF) published a communiqué¹ informing investment fund managers (IFMs) of the launching of a new online weekly questionnaire (Weekly IFM Questionnaire) the objective of which is to continue ongoing supervision of the investment fund sector during the current period of market turbulence by providing the CSSF with weekly updates on financial data and governance arrangements in relation to the activities performed by certain IFMs established in Luxembourg or in other EU/non-EU countries and managing at least one UCITS, AIF and/or any other UCI (not qualifying as AIF) in view of the specific circumstances and risks to which these companies are exposed to during the current period of market turbulence.

Concerned entities

The Weekly IFM Questionnaire applies to the following types of IFMs, provided that they manage at least one undertaking for collective investment in transferable securities (UCITS), one regulated or non-regulated alternative investment fund (AIF) and/or one other undertaking for collective investment (UCI) not qualifying as AIF²:

- **Luxembourg Chapter 15 ManCos**, i.e. Luxembourg UCITS management companies governed by Chapter 15 of the amended law of 17 December 2010 on undertakings for collective investment (UCI Law), and **Luxembourg SIAGs**, i.e. Luxembourg self-managed UCITS investment companies that have not appointed a Chapter 15 ManCo;
- **Luxembourg Chapter 16 ManCos**, i.e. Luxembourg management companies governed by Chapter 16 of the UCI Law, including both (i) Chapter 16 ManCos **under article 125-1 of the UCI Law**, which are not authorised and licensed as alternative investment fund manager (AIFM) by the CSSF but may be registered as so called 'small'/sub-threshold' AIFM under certain conditions, and (ii) Chapter 16 ManCos **under article 125-2 of the UCI Law**, which are authorised and licensed as AIFM by the CSSF;

Key Aspects

- Luxembourg, EU and Non-EU IFMs managing at least one UCITS, one regulated or non-regulated AIF or any other UCI (not qualifying as AIF) must complete the Weekly IFM Questionnaire by every Wednesday COB (some IFMs, UCIs, and activities are however out-of-scope).
- The Weekly IFM Questionnaire is divided into five sections to be completed respectively by all IFMs or by Luxembourg IFMs only, with appropriate information and updates on financial data (total net assets, subscriptions and redemptions) and governance arrangements in relation to their activities.
- Completion and submission of the Weekly IFM Questionnaire must be made online through the CSSF eDesk Portal by the concerned IFMs, but IFMs can also mandate a Luxembourg-based service provider for the transmission of the questionnaire on their behalf.
- First Weekly IFM Questionnaire covering the week from 13 to 17 April 2020 must be submitted to the CSSF by Wednesday 22 April 2020 COB, and the submission process will then repeats for the subsequent Weekly IFM Questionnaires until further notice by the CSSF.

This briefing speaks as of 12 April 2020.

¹ http://www.cssf.lu/fileadmin/files/Publications/Communiqués/Communiqués_2020/C_weekly_questionnaire_IFM_090420.pdf

² This includes, for instance, specialised investment funds or investment companies in risk capital that do not qualify as AIF.

- **Luxembourg AIFMs** duly authorised and licensed as AIFM by the CSSF under the amended law of 12 July 2013 on alternative investment fund managers (AIFM Law), and **Luxembourg internally-managed AIFs**, i.e. Luxembourg AIFs of the corporate type that have not appointed an external AIFM and are themselves duly authorised and licensed as AIFM by the CSSF;
- **Luxembourg so-called 'Super ManCos'**, i.e. management companies authorised and licensed by the CSSF as Chapter 15 ManCo and AIFM and thus combining the UCITS and AIFMD licenses;
- **Luxembourg branches of EU UCITS ManCos and EU AIFMs**, managing at least one Luxembourg UCITS, Luxembourg AIF (regulated or non-regulated) and/or any other Luxembourg UCI (not qualifying as AIF);
- **EU UCITS ManCos and EU authorised AIFMs;**
- **Non-EU AIFMs.**

The above IFMs, which have not yet started to manage at least one UCITS, one regulated or non-regulated AIF or any other UCI (not qualifying as AIF), are not obliged to complete and submit the Weekly IFM Questionnaire to the CSSF. However, they should send a confirmation that they do not manage any fund to ifm_covid@cssf.lu.

For the avoidance of doubt, some IFMs and activities do not fall within the scope of the Weekly IFM Questionnaire, such as Luxembourg Chapter 18 ManCos (i.e. multilateral development banks which are permitted by their statutes to perform collective portfolio management services), small registered AIFMs other than Chapter 16 ManCos, and the activities of UCITS'/AIF's/other UCI's delegated portfolio manager provided by IFMs as well as the activities of discretionary portfolio management provided by IFMs. Moreover, Luxembourg other UCIs (i.e. non-UCITS and non-AIFs) which have not designated any Luxembourg/EU UCITS ManCo or which are not managed by any Luxembourg/EU/non-EU AIFM are also out of the scope of the Weekly IFM Questionnaire.

Objective and content of the Weekly IFM Questionnaire

The objective of the Weekly IFM Questionnaire is to provide the CSSF with weekly updates on financial information and governance arrangements in relation to Luxembourg, EU and non-EU IFMs (as mentioned above) and the funds they manage in view of the specific circumstances and risks to which these companies are exposed to during the current period of market turbulence. The collected information (on an aggregated basis) will also serve the CSSF for discussions at EU and International levels with other authorities and with market players to identify issues at an early stage and to assist with the resolution of these issues.

In brief, the Weekly IFM Questionnaire is divided into five sections to be completed in accordance with the general principles outlined in the User Guide available on the CSSF eDesk Portal³:

- The **first section "Introduction"** refers to general information on the relevant IFM, including its name, country of establishment, contact details, reporting date, etc.
- The **second section "Financial data all IFMs"** must be completed by all IFMs and asks for completion and transmission of quantitative data

³ [file:///C:/Users/300081/Downloads/Weekly_IFM_Questionnaire_user_guide%20\(1\).pdf](file:///C:/Users/300081/Downloads/Weekly_IFM_Questionnaire_user_guide%20(1).pdf)

(amounts to be filed in EUR) concerning the total net assets, the subscriptions and redemptions for all Luxembourg funds managed by the relevant IFM. These financial data must be split into total, Luxembourg UCITS, Luxembourg regulated AIFs, Luxembourg non-regulated AIFs and other Luxembourg UCIs not qualifying as AIF, and the relevant data will also refer to sub-funds in case of umbrella funds. For the avoidance of doubt, the information to be reported under the fields referring to subscriptions and redemptions does not refer to the gross subscriptions and redemptions per UCI, but to the net capital movement recorded (either a net inflow or outflow) per UCI for the reference week. Moreover, any distributions (including interim dividends) made by the UCI for all units/share classes with distribution rights shall not be taken into account for the purpose of reporting redemptions. Since IFMs have to transmit each week the most accurate and up-to-date financial information, the information has to be based on the valuation date that is the closest to the end of the reference week (i.e., the last business day of the reference calendar week for UCIs computing their net asset value (NAV) on a daily basis, the date which is the closest to the last day of the reference week for UCIs computing their NAV at least on a weekly basis, and the day for which the estimated data based on the accounting records has been calculated (i.e. unofficial NAV based on last information/valuation prices available) or the day for which the NAV has been calculated (i.e. official NAV) for UCIs computing their NAV less than weekly).

- The **third section "Financial data LU IFM"** must be completed only by Luxembourg IFMs and refers to completion and transmission of quantitative data (amounts to be filed in EUR) concerning the total net assets, the subscriptions and redemptions for non-Luxembourg funds managed by the relevant IFM, to be split into total, non-Luxembourg UCITS, non-Luxembourg regulated AIFs, and non-Luxembourg non-regulated AIFs. The fields to be completed under this third section follow the same principles as those outlined under the second section "Financial data all IFM".
- The **fourth section "BCP"** must be completed only by Luxembourg IFMs and refers to some general aspects of the implementation on the IFM's business continuity plan (BCP), including information on the activation of the BCP, the ability to operate all critical functions, the service providers and staff.
- The **fifth section "Cyber resilience"** must be filled in only by Luxembourg IFMs and contains a few questions on the IFM's cyber resilience (e.g. victim of a cyberattack and if occurred, some details of the attack, etc.).

Procedure and timing for submission of the Weekly IFM Questionnaire with the CSSF

In its communiqué, the CSSF asks for IFMs' cooperation to provide the Weekly IFM Questionnaire through the CSSF eDesk Portal on a weekly basis by every Wednesday close of business (COB) at the latest.

In order to allow sufficient time for IFMs to prepare in the current context, the **first Weekly IFM Questionnaire** covering the week from 13 to 17 April 2020 shall be submitted to the CSSF by **Wednesday 22 April 2020 COB**. The following Weekly IFM Questionnaire covering the week from 20 to 24 April 2020 shall then be submitted to the CSSF by Wednesday 29 April 2020 COB, and the submission process will then repeats for the subsequent Weekly IFM Questionnaires until further notice by the CSSF.

The Weekly IFM Questionnaire can only be submitted once it is duly completed for the relevant reference week (i.e. if one or more fields is/are missing or is/are incomplete, a table will indicate the sections of the Weekly IFM Questionnaire to be updated and the status will remain as “DRAFT”), and the last day of the relevant reference week will be considered as the reference date for the information to be submitted.

In practice, the relevant IFMs concerned must have an eDesk account with a LuxTrust authentication to access and submit each Weekly IFM Questionnaire to the CSSF, but they can also mandate a Luxembourg-based service provider for the transmission of these questionnaires on their behalf (subject to appropriate delegation procedure).

Further details on the Weekly IFM Questionnaire, its scope of application and content as well as additional explanations and guidelines to assist IFMs in filling in the Weekly IFM Questionnaire are available in the questionnaire, the User Guide and in the dedicated section of the CSSF eDesk Portal⁴. Any additional technical questions linked to the CSSF eDesk Platform can be sent to the CSSF at edesk@cssf.lu and any other questions can also be sent to ifm_covid@cssf.lu.

⁴ <https://edesk.apps.cssf.lu/edesk-dashboard/dashboard/getstarted>

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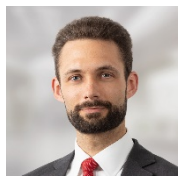
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