

ABBL



Digital Banking
& FinTech
MOVE FORWARD
AND INNOVATE



Banks
STRONG,
INTERNATIONAL
AND DIVERSIFIED



Employment
SKILLED AND
MULTICULTURAL
WORKFORCE



Retail Banking
WE FINANCE
THE REAL ECONOMY



Private Banking
TAILOR-MADE SOLUTIONS
FOR INTERNATIONAL
CLIENTS

- Association des Banques et Banquiers, Luxembourg
- The Luxembourg Bankers' Association
- Luxemburger Bankenvereinigung

ANNUAL REPORT 2017



Member of



TABLE OF CONTENTS

FOREWORD BY OUR CHAIRMAN	2
---------------------------------	---

FOREWORD BY OUR CEO	4
----------------------------	---

KEY FIGURES	6
--------------------	---

A LOOK BACK AT 2017	16
----------------------------	----

ABBL CLUSTERS	16
Private Banking	16
Retail Banking	17
Commercial Banking	19
Digital Banking and FinTech Innovation	20
Depository Banking	21
Market Infrastructures	22
ABBL/ALFI EU REPRESENTATIVE OFFICE	23
2017: The full intermediate year from a public affairs perspective	23
TECHNICAL & REGULATORY MATTERS	24
Financial Markets Regulation	24
Banking Supervision	25
Legal & Compliance	27
Taxation	31
ABBL PROJECTS	32
The future of digital payments in Luxembourg	32
Employers' Affairs	33
A modern collective bargaining agreement for a banking sector in transformation	34
Sustainable finance	35
'D'Woch vun de Suen' - National Money Week 2017 in Luxembourg	36
ABBL's Key Corporate Social Responsibility Commitments	38

LATEST DEVELOPMENTS IN BANKING AND FINANCIAL LAW	40
---	----

GLOSSARY	46
-----------------	----



FOREWORD BY OUR CHAIRMAN

Amidst the continuous change in the banking industry, the Luxembourg banking sector manages to remain today a harbour of stability and reliability, characterised by a significant bank capitalisation well above EU average. With growth gaining momentum in Luxembourg as well as in Europe, all indicators appear to point into the right direction.





Yves Maas
Chairman

We cannot, however, afford to be complacent in light of significant remaining challenges. The pace of innovation accelerates steadily and, in the course of 2018, a number of high profile reforms around financial markets, payment services and personal data protection are coming into force. These new rules and regulations require substantial investments and considerable efforts from financial market actors. Alongside financial markets regulation, the banking industry will have to continue to embrace customer-led digital transformations. The introduction of new industry participants and solutions promise to be another challenge that will profoundly transform the current financial ecosystem.

The Luxembourg banking and financial sector is also positioning itself as a major player in the field of sustainable finance.

To remain at the forefront of key international financial centres in Europe, the Luxembourg financial ecosystem continuously needs to adapt and improve its strategy in such fields as innovation, transformation and digital solutions in order to successfully navigate through the challenges and opportunities ahead. Together with its members and all its public and private partners, the ABBL will be at the heart of shaping tomorrow's banking and financial centre and secure the competitiveness of Luxembourg as a forward-looking international banking centre.



FOREWORD BY OUR CEO

The year 2017 will be remembered as a year of consolidation within the European banking sector, a process that is likely to continue in the coming months. This has a significant impact on banking business models and the way banks deliver financial services to their customers.





Serge de Cillia
CEO

Together with other significant issues that affect our industry, such as monetary policies compressing interest margins and significantly lowering revenues, the pressure is high on credit institutions to cut costs, adapt to tighter budgets, while still delivering a world-class service to their clients. Financial groups have responded to these challenges by simplifying their operational and legal footprint through the establishment of centralised European hubs and the creation of centres of expertise pooling the desired key skills. Based on a more efficient management of their business lines benefitting from European and global networks, banks are able to maintain and even increase their level of customer service in a more competitive market environment.

With an increasingly mobile and connected client and investor base, banks need to invest further in innovating digital solutions satisfying these needs. Bank employees are a key element in this process change. It is of the utmost importance for our members to adapt their employees' skillsets to this radically new digital world. It will be essential for our members to build on a workforce that is able and available to consider new challenges, imagine innovative solutions, and adapt to an ever-changing environment.

The ABL's overarching and long-term ambition is to promote a better banking industry for Luxembourg in light of the challenges ahead. The ABL continues to deliver this by focusing on assisting our members and their employees to be fit for the ever-changing world of banking.



Banks

STRONG, INTERNATIONAL
AND DIVERSIFIED

NUMBER OF BANKS PER COUNTRY OF ORIGIN

Source: CSSF



EUROPE

91



- 24 GERMANY
- 15 FRANCE
- 8 ITALY
- 8 UK
- 7 SWEDEN
- 6 LUXEMBOURG
- 4 BELGIUM
- 3 NETHERLANDS
- 3 SPAIN
- 2 ANDORRA
- 2 PORTUGAL
- 2 NORWAY
- 2 IRELAND
- 1 LATVIA
- 1 DENMARK
- 1 LIECHTENSTEIN
- 1 GREECE
- 1 CYPRUS
- 1 JERSEY

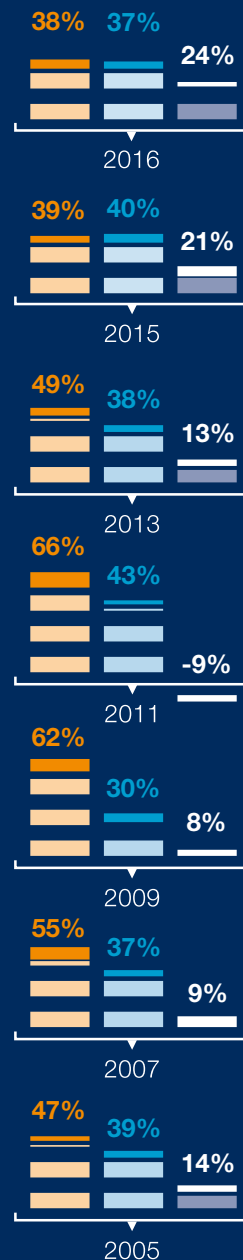
WORLD

48

- 13 CHINA
- 11 SWITZERLAND
- 6 JAPAN
- 5 USA
- 4 BRAZIL
- 3 QATAR
- 2 ISRAEL
- 2 RUSSIA
- 1 CANADA

SOURCES OF BANKING INCOME

Source: CSSF



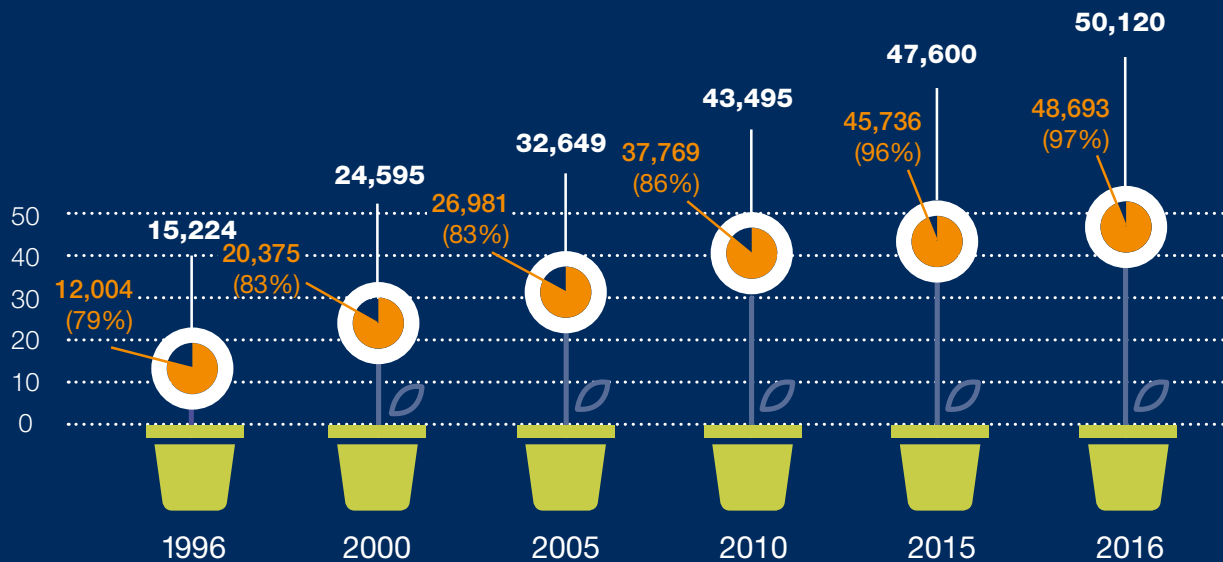
INTEREST-RATE MARGIN
COMMISSION INCOME
OTHER NET INCOME



TOTAL OWN FUNDS OF WHICH TIER 1

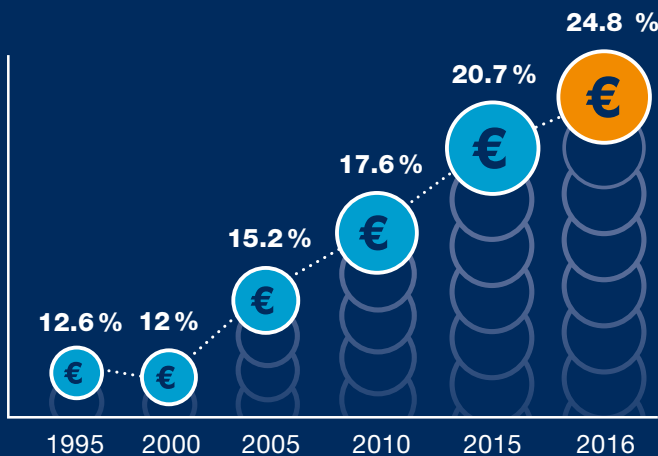
(in million EUR)

Source: CSSF



EVOLUTION OF SOLVENCY RATIO (in %)

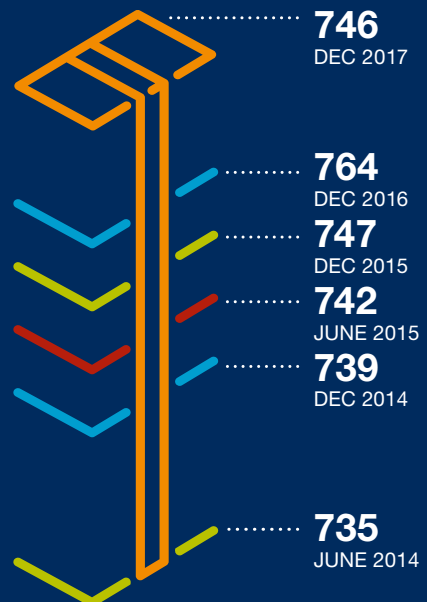
Source: CSSF



EVOLUTION OF BANKS' BALANCE SHEET TOTAL

(in billion EUR)

Source: BCL





Private Banking

TAILOR-MADE SOLUTIONS
FOR INTERNATIONAL CLIENTS

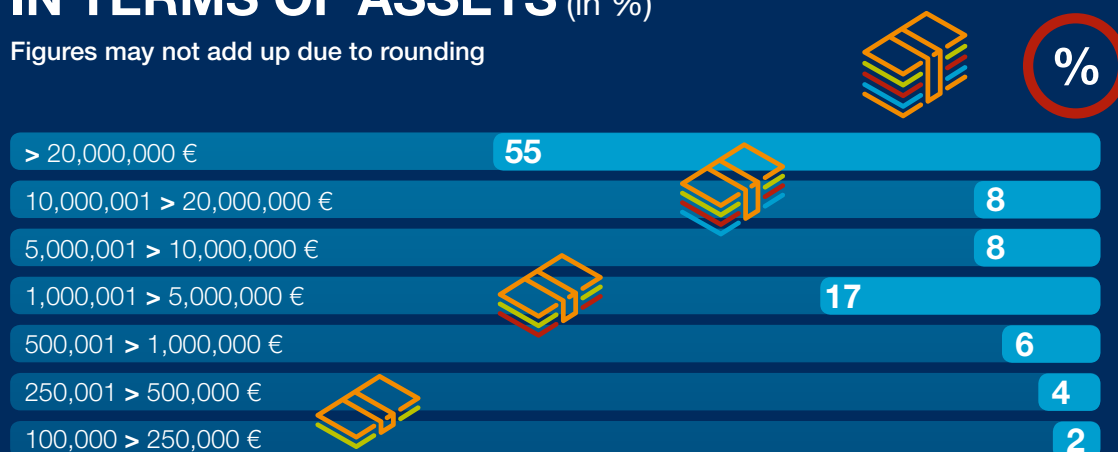
KEY FIGURES

Source: PB survey 2017 - CSSF-PBGL



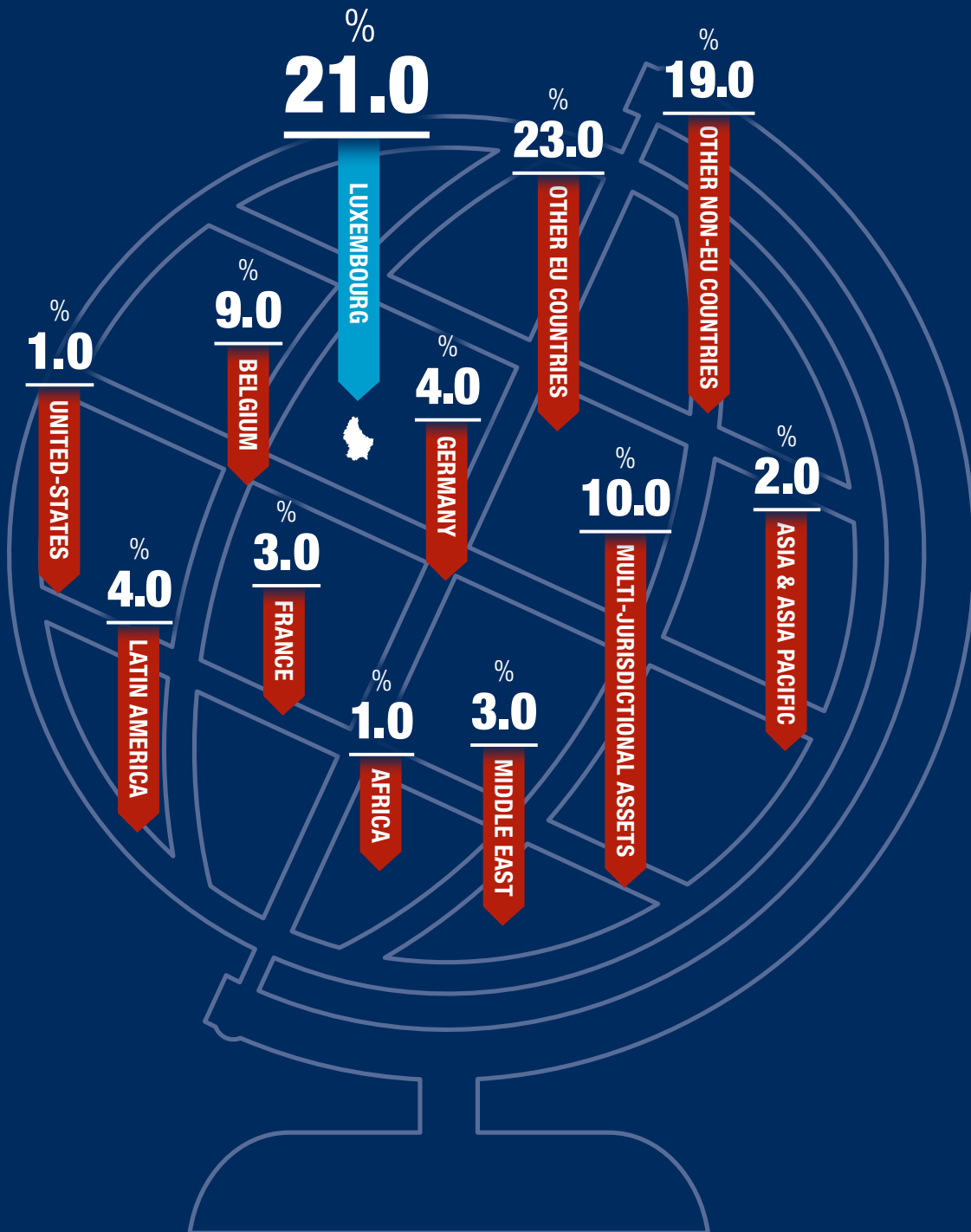
WEALTH BANDS IN TERMS OF ASSETS (in %)

Figures may not add up due to rounding



GEOGRAPHIC ORIGIN OF CLIENT ASSETS (in %)

Figures may not add up due to rounding





Retail Banking

WE FINANCE THE
REAL ECONOMY

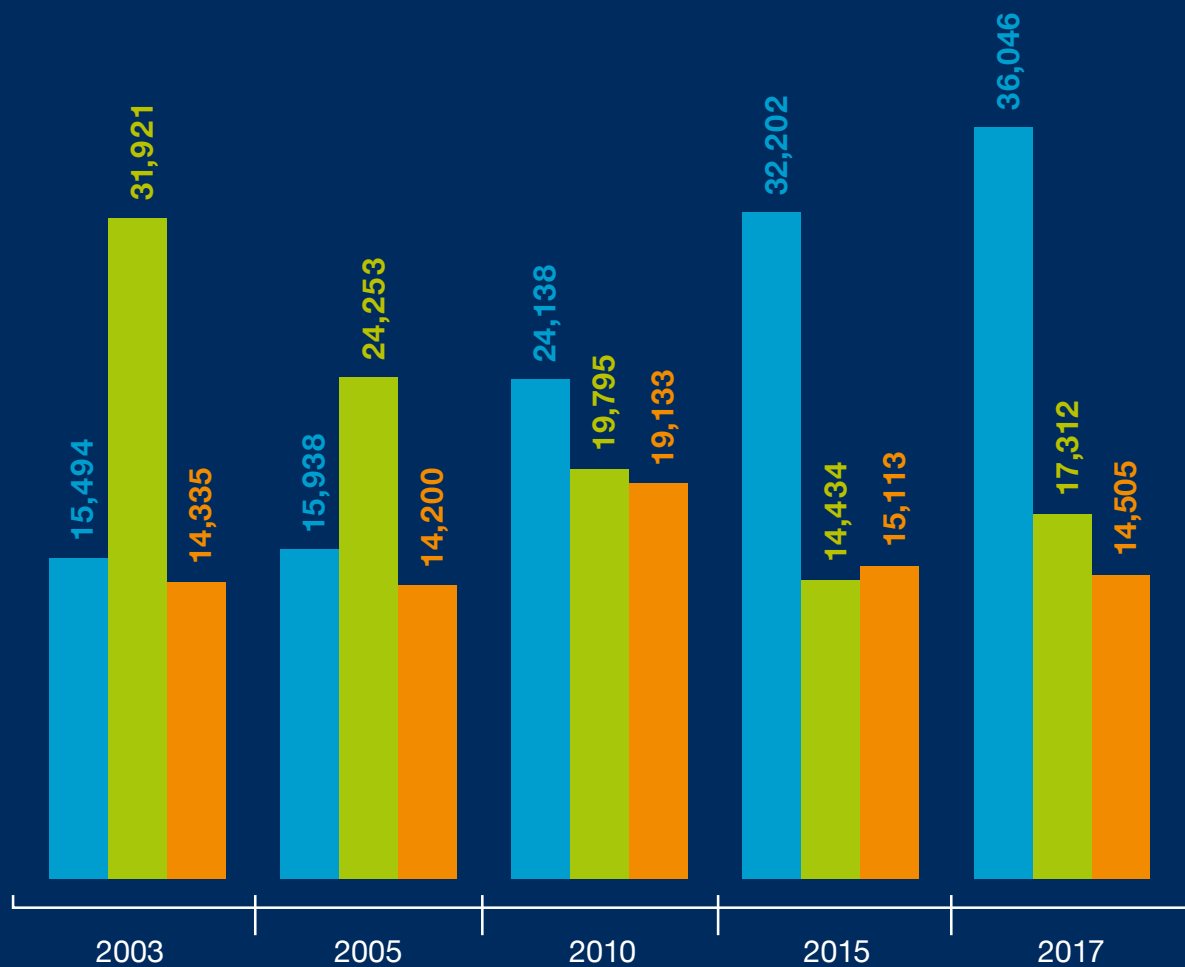
HOUSEHOLDS' DEPOSITS (in million EUR)

Source: BCL (End of year figures)

LUXEMBOURG

OTHER EURO AREA COUNTRIES

REST OF THE WORLD





HOUSEHOLDS' LOANS (in million EUR)

Source: BCL (End of year figures)



CONSUMPTION



REAL ESTATE



OTHERS



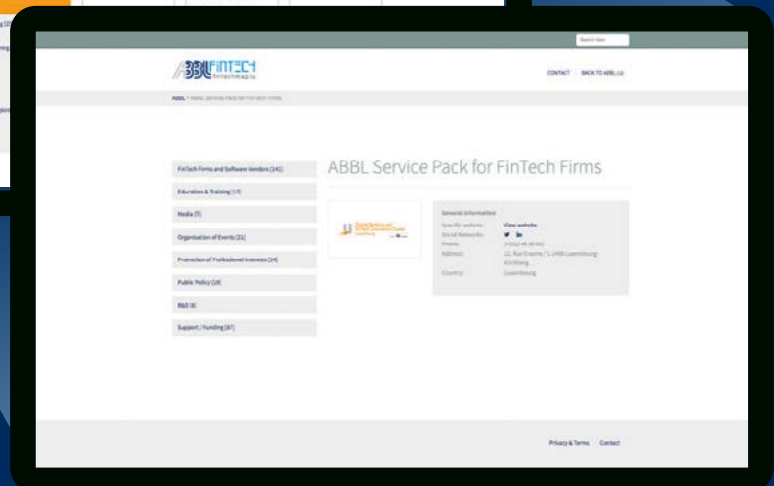
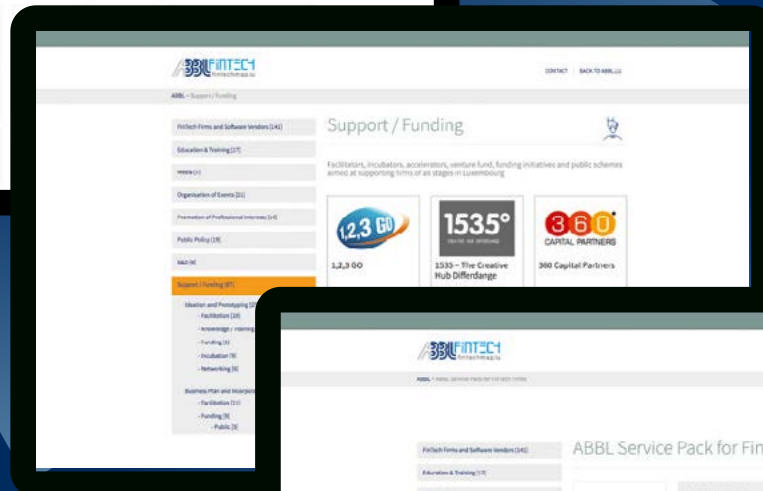
Digital Banking & FinTech



MOVE FORWARD AND INNOVATE

ABBL'S FINTECH MAP OF LUXEMBOURG:

The interactive map is the contribution of the ABBL and its Digital Banking and FinTech Innovation Cluster (DBFI) helping all interested parties to better understand and follow the constantly growing and enhancing FinTech ecosystem of Luxembourg.

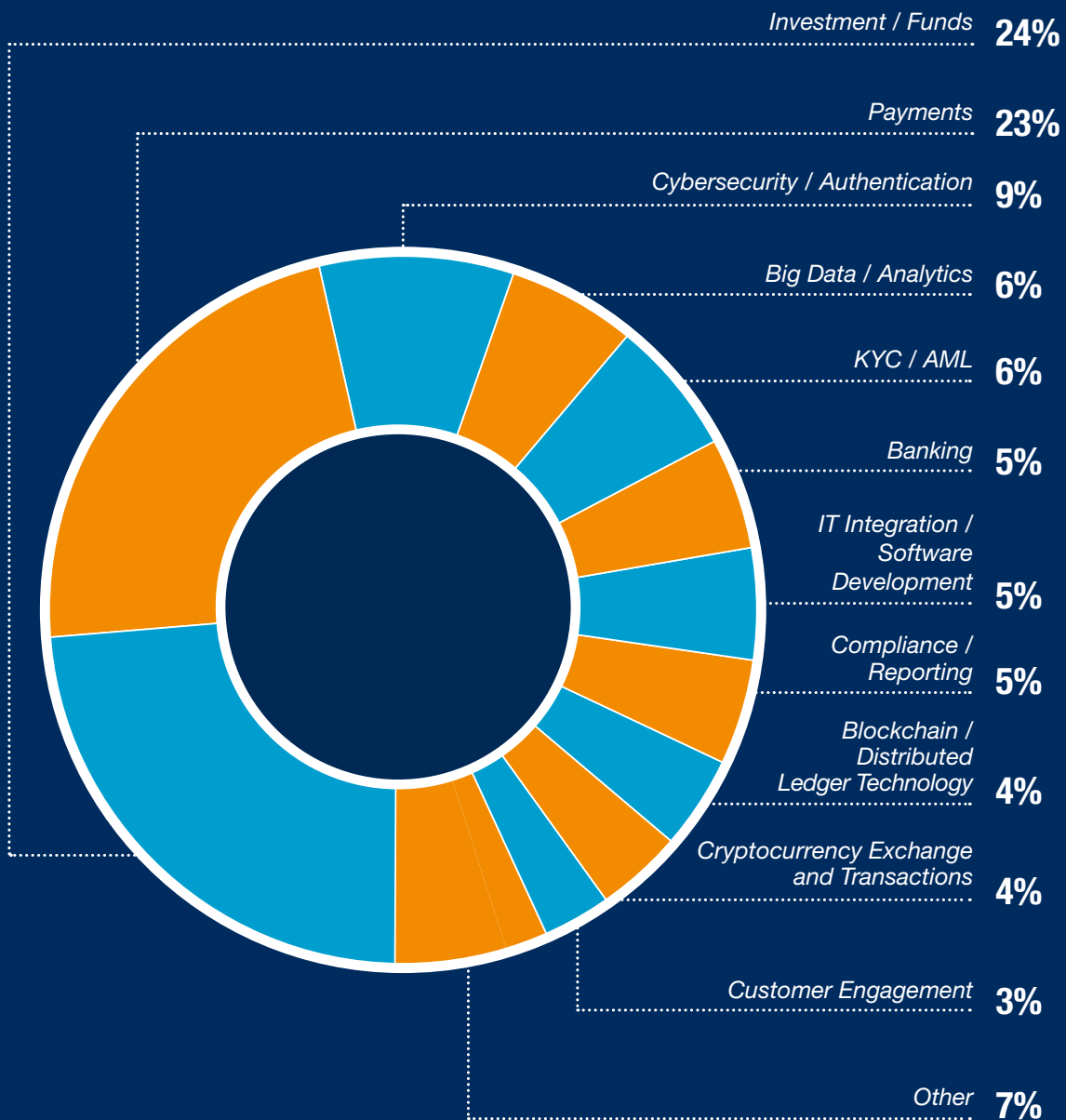


FINTECH FIRMS AND SOFTWARE VENDORS IN LUXEMBOURG (in %)



Source: ABBL internal records
Figures may not add up due to rounding

The chart summarizes information about FinTech firms, finance-related software vendors and IT solution providers legally present and commercially active in Luxembourg.



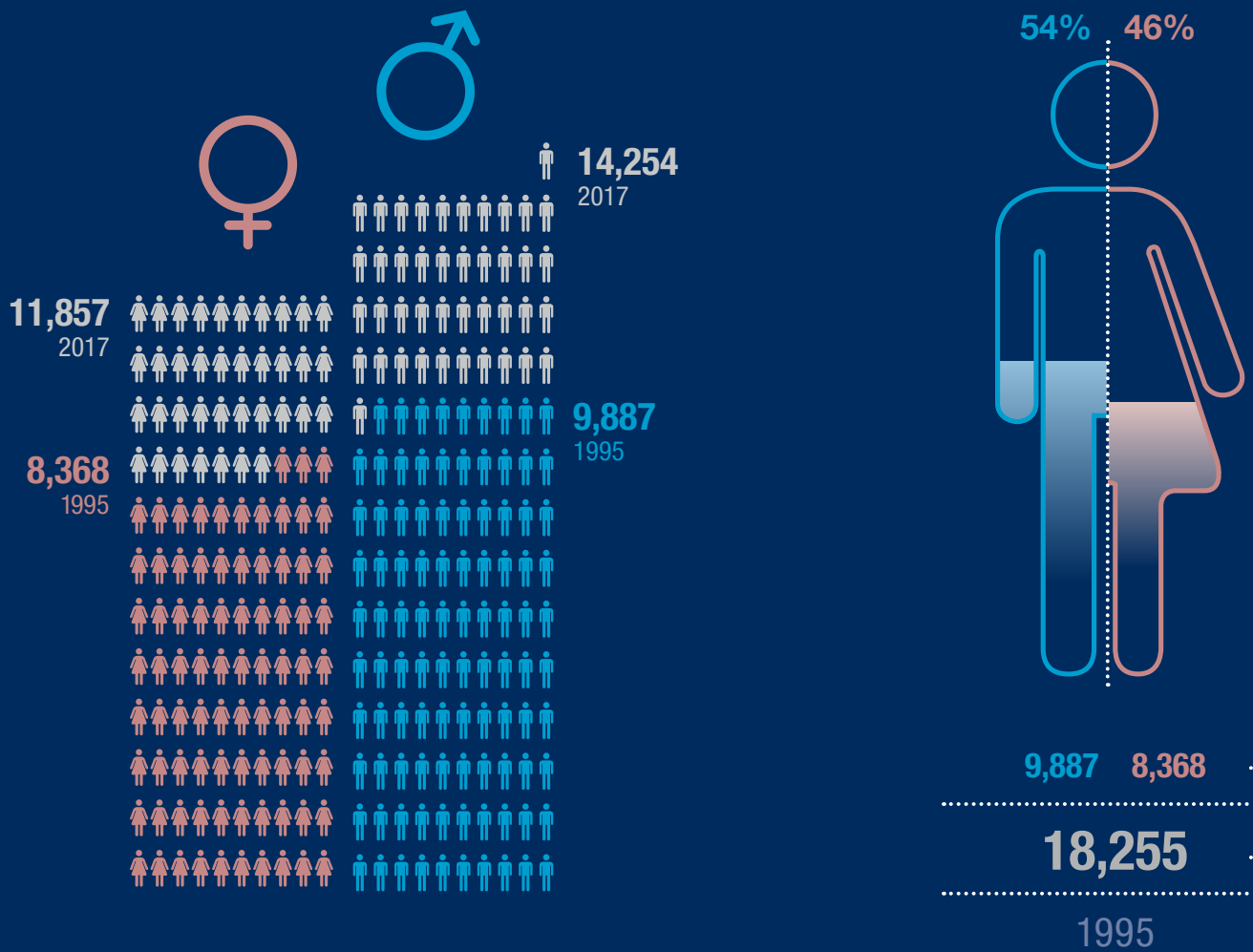


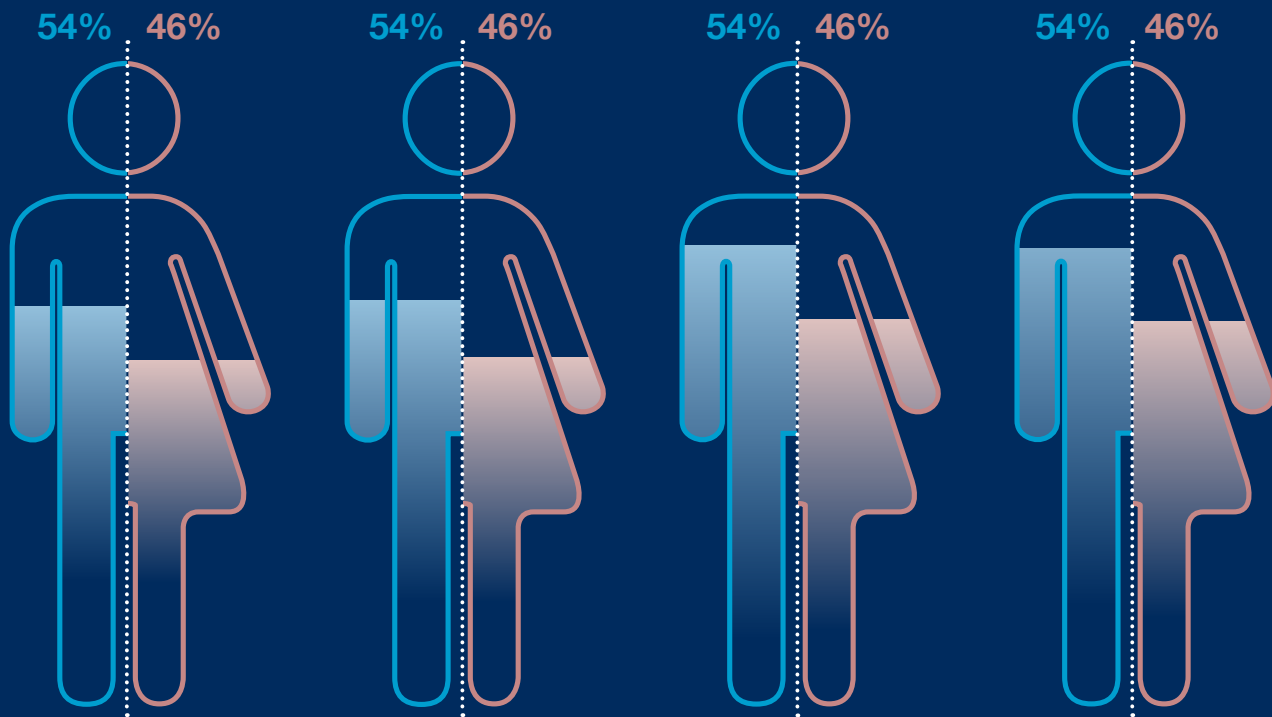
Employment

SKILLED AND MULTICULTURAL WORKFORCE

EVOLUTION OF TOTAL EMPLOYMENT

Source: BCL





12,422	10,613	12,607	10,617	14,215	12,040	14,254	11,857
23,035		23,224		26,255		26,111	
2000		2005		2010		2017	

ABBL CLUSTERS



Private Banking

The PBGL celebrates its 10th anniversary

On 14 November 2017, the ABBL's Wealth Management dedicated cluster, the [Private Banking Group, Luxembourg](#) (PBGL), celebrated its 10th Anniversary in the presence of Mr. Pierre Gramegna, Luxembourg Minister of Finance, who gave an opening speech.

As the oldest business cluster of the ABBL, the PBGL regroups 56 member banks currently active in Private Banking in Luxembourg as well as several non-banking members (law firms, consultants, and other sector related companies).

A decade of existence marked the perfect occasion for founding and current members of the PBGL to remember the initial intentions and aims, still valid today, as well as all achievements realised by the cluster over time. Over the years, the PBGL has gradually become the voice of Private banking in Luxembourg, among others by:

- Mapping the business sector's contours and evolution, with the annual Private Banking Surveys in close collaboration with the CSSF;
- Setting a number of standards in terms of ethics (by signing the ICMA Charter in 2012) and education (by launching education programmes with the House of Training and the Luxembourg School for Finance), and
- Actively promoting in the sector in Luxembourg and abroad as well as ensuring an ongoing dialogue with the entire financial ecosystem.

The key speakers at the event commented on the evolution of client profiles and needs, more sophisticated and internationally exposed, demanding enhanced and immediate access to reliable and transparent financial information, as well as the evolution of the client adviser profile, towards a more segmented holistic client approach and advisory processes, underpinned by the knowledge and expertise to identify the need for asset structuring and estate planning.

They further recognized and were delighted to witness the country's ability to reinvent itself by adapting to the regulatory shift toward tax transparency and successfully targeting the global market.

Looking forward, the speakers outlined a number of challenges ahead and ambitions to pursue for the Private Banking sector in

Main achievements of the PBGL in 2017

- In February, the PBGL has officially launched a Forum entirely dedicated to External Asset Managers Servicing Banks (EAM) in order to strengthen the flow of information with the ABBL members providing custody and asset servicing to independent, professional, third party, discretionary asset managers and their clients with possible extension to Family Offices;
- In June, the publication of the 10th edition of the annual private banking survey done in collaboration with the CSSF showing that private banking assets under management (AuM) in Luxembourg strengthened their position at a high level, rising by 3% compared to the previous year to a total of €361Bln as at the end of 2016:

AuM	EUR 360.7 bin* (EUR 350.6 billion**)	+3%
Revenues	EUR 1.64 bin of revenues (EUR 1.66 bln**)	-1.2%
FTEs	Directly employed: 6,733* (6,605**) Client facing staff: 1,427* (1,544**)	+1.9%
HCS	Banking Employment*** 2016: 26,060 2015: 25,942	+0.5%

*CSSF / ABBL Private Banking Survey 2017 - figures as of end of 2016

**CSSF / ABBL Private Banking Survey 2016 - figures as of end of 2015

***CSSF website

the coming years, such as the digitization of the wealth management service offering, grooming new talents and educating staff as well as maintaining a competitive and efficient Luxembourg toolbox.

- Throughout the year, PBGL experts supported the promotional efforts of LFF in its international activities (panels, round tables and conferences), along with visits to cities including Dubai, Milan, Stockholm.



Retail Banking

In 2017, the [Retail Banking Cluster](#) (RBCL) continued working and addressing initiatives on national and European level, with the aim to ensure a high level of consumer protection and to foster an effective competition in the interest of the consumers. The main issues concerned payment accounts.

Law of 13 June 2017 on Payment Accounts

The Law of 13 June 2017, transposing the Directive 2014/92/EU of 23 July 2014 on payment accounts, introduces new requirements for banks and other Payment Service Providers (PSP) regarding transparency and comparability of payment accounts, access to basic payment accounts, bank account switching.

1) Transparency and comparability of payment accounts

PSPs have to provide to the consumer, in an EU standardised format, three new types of documents:

- a fee information document;
- a statement of fees;
- a glossary regarding the most representative services linked to payment accounts.

Also, the CSSF will launch and manage a website enabling consumers to compare the fees of the most representative services, free of charge.

2) Access to basic payment accounts

The Law requires a certain number of PSPs to offer basic bank accounts to consumers legally residing in the European Union. A basic payment account must allow the operation of an account, placing funds in an account, cash withdrawals within the EU, direct debits, credit transfers, and payment transactions through a payment card, including online payments.

These services have to be offered free of charge or for a reasonable fee. Additionally, the law defines when institutions must/may refuse a consumer's application for a payment account with basic features and when the institutions may unilaterally terminate a payment account with basic features.

3) Bank account switching

The law also establishes a procedure for consumers who want to switch their account from one bank to another at national level. The recipient bank is responsible for initiating and conducting the switching process after having received written authorization from the consumer.

The new law has required the ABBL to update its guide on bank switching in Luxembourg, informing the consumer in detail of the main actions to be taken, in case he or she wish to transfer all or part of his banking relationship from one bank to another in Luxembourg.

The RBCL is also closely monitoring any developments under the European Commission Action Plan on Retail Financial Services published in March 2017. The Action Plan focuses on three main objectives:

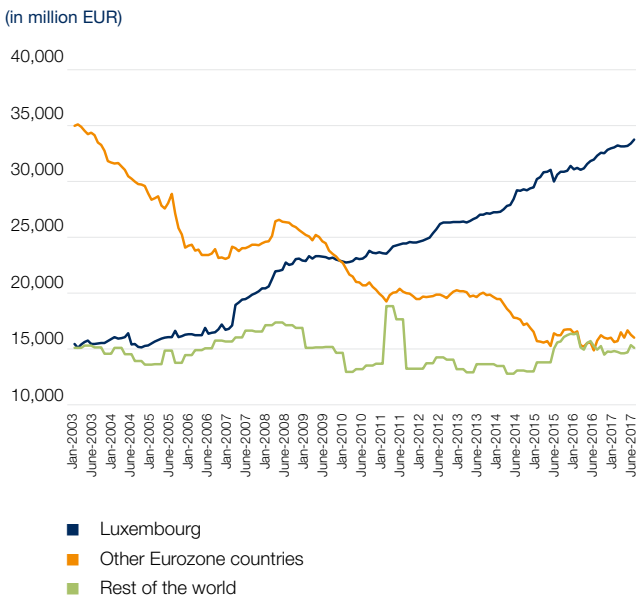
- increase consumer trust and empower consumers;
- reduce legal and regulatory obstacles when providing financial services abroad;
- and support the development of an innovative digital world.



Evolution of deposits

In regards with Luxembourg deposits, 2017 has seen a confirmation of the constant rising trend. Indeed, deposits from Luxembourg and from Other Eurozone Countries rose by, respectively, 5,77% and 11%.

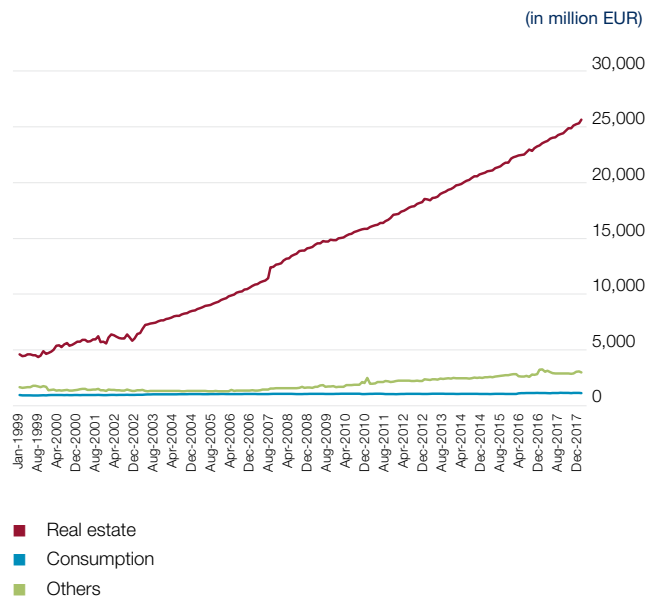
As for deposits from the rest of the world, the stabilization trend is confirmed.



Source: BCL

Evolution of loans

2017 figures confirmed the constant rising trend regarding loans granted for real estate purchases, recording a 8,33% rise in 2017 (7,18% in 2016). Demands for consumption and other loans are stabilizing.



Source: BCL



Commercial Banking

In 2017, the [Commercial Banking Cluster](#) (CBCL) secretariat invested time to individually meet its Cluster members to gain insights on the state of affairs in the corporate and commercial banking sector in Luxembourg.

CBCL members welcomed the exchange of views. Each member has provided valuable feedback on the business and their expectations, including from the ABBL.

The meetings allowed the ABBL to increase communication and reinforce trust as well as paving the way to define a vision and set-up a strategy for the CBCL as well as to select the topics likely to federate our members.

Covered Bond issuing banks

The ABBL provided support to this segment of activity both at national (CSSF, Ministry of Finance) and European level (ECBC, European Commission) with the ultimate aim of defending and promoting the specific characteristics of Luxembourg's covered bond business in light of the current initiatives at European level:

- Harmonisation of the EU covered bond market – the report is expected in Q1 2018;
- reduce legal and regulatory obstacles when providing financial services abroad;
- European Secured Notes (ESN) – The European Commission is exploring the possibility of developing European Secured Notes as an instrument for

SME loans and infrastructure loans. This action aims at strengthening the banking capacity to support the wider economy, provide more finance to SMEs and enhance long-term investment.

In Luxembourg, the introduction into national law of a new category of green covered bonds (renewable infrastructure covered bond or “lettres de gage énergies renouvelables”) is planned.

The proposed legislation intends to:

- Create a legal framework with clear criteria and standards that will increase the confidence of potential investors in related products;
- Boost financing of environmental and climate protection projects (including renewable energy, waste, water treatment or e-mobility projects);
- Revitalize the Luxembourg Covered Bond market.



Digital Banking and FinTech Innovation

The [Digital Banking and FinTech Innovation Cluster](#) (DBFI) of the ABBL was created in January 2016. Currently, this Cluster unites 47 ABBL members interested in exchanging the knowledge and ideas on new disruptive technologies and on how digitalisation and the rise of FinTech may impact the banking sector and the financial services being offered to more and more demanding customers.

In 2017, the Cluster focused on the following goals and the respective tasks:

To disseminate the knowledge on Digital Banking and FinTech:

- [16 Workshops](#) on specific digital banking and FinTech topics aimed at bringing tangible outcomes. Working groups on GDPR, KYC, AML and digital onboarding were successfully conducted. The first set of workshops on GDPR resulted in the development of respective FAQs;
- [Training courses on Disruptive Banking and Financial Services in Transition](#) covering such areas as Data Analytics, Digital Transformation and Distributed Ledger Technology in Banking were organised in cooperation with the House of Training;
- The FinTech Map of Luxembourg was developed providing a comprehensive overview of the national FinTech ecosystem: www.fintechmap.lu;
- The database of legislative acts and opinion papers on Digital Banking and FinTech was developed;
- The database of detailed profiles of FinTech firms and software vendors for the financial services sector was kept up-to-date.

To influence, explain and cooperate with the regulators in Luxembourg and at the European Union level on the subjects that matter to the member community:

- Working group “Big Data / Data Analytics” develops a consultation paper on the impact of the GDPR regulation on big data / data analytics projects and remains in contact with Commission Nationale pour la Protection des Données (CNPD);
- Working group “Distributed Ledger Technology” (DLT) develops a consultation paper covering such areas as Smart Contracts, Cybersecurity and GDPR in the context of the DLT and intends to present it to Commission de Surveillance du Secteur Financier (CSSF);
- Task Force “Cloud Computing” was set up to provide its comments and suggestions on CSSF circular 17/654 “IT outsourcing relying on a cloud computing infrastructure”. Respective conference with the participation of the CSSF was conducted on 13 June 2017 and attracted more than 120 attendees;
- The DBFI Cluster in cooperation with the CSSF conducted a study on Outsourcing KYC/AML tasks to specialised third party providers. The results of the survey were shared with ABBL members;
- The DBFI Cluster launched a discussion on the establishment of a regulatory reporting hub in Luxembourg. Respective conference with the participation of Austrian National Bank, Banque Centrale du Luxembourg, CSSF and Luxembourg

Stock Exchange was conducted on 21 September 2017 and triggered further reflections on this topic;

- The ABBL contributed to two taskforces at the European Banking Federation: Blockchain Technologies and Cloud. Members of the DBFI Cluster were invited to provide their inputs to a number of EBF’s position papers and to demonstrate their DLT proof of concepts to the representatives of the European Central Bank.

To be an impactful actor in the Digital Banking and FinTech ecosystem of Luxembourg:

- The ABBL, Fondation ABBL pour l’Éducation Financière and the University of Luxembourg signed an agreement and launched a 4-year research project on Distributed Ledger Prototype and Data Analytics for KYC. Three ABBL members agreed to pilot the forthcoming proof of concept (alphabetically): Banque et Caisse d’Épargne de l’Etat, Luxembourg, BGL BNP Paribas and BNY Mellon Luxembourg;
- The ABBL introduced its [FinTech Service Pack](#) to FinTech firms allowing them to get connected with ABBL members and to contribute to the shaping of the future banking and financial services in Luxembourg. First six firms joined ABBL’s FinTech Service Pack in 2017;
- The DBFI Cluster shared with key stakeholders in Luxembourg and abroad the list of banks and their employees responsible for working with foreign FinTech firms wishing to open a bank account in Luxembourg.



Depositary Banking

The [Depositary Banking Cluster](#) (DBCL) brings together the main actors in the field of depositary banking and custody/asset servicing. Together, the DBCL focuses on fostering and defending the professional interests of depositary banks.

The 2017 agenda of the DBCL focused primarily on three topics, including a renewal of the bureau in charge of the DBCL, the drafting of industry guidance and the interaction with authorities and auditors.

As such, the DBCL has undergone a personal renewal with a new executive bureau taking office in the third quarter of 2017. Mr. David Claus (BNY Mellon) has taken over the position of chairman of the DBCL and is assisted by two vice-chairmen, being Mr. Frédéric Pérard (BNP Securities Services) and Mr. Eric Guerrier (Pictet & Cie (Europe) SA).

The DBCL, in close cooperation with the ABBL/ALFI Depositary Banking Forum (DBF) which regroups market actors both from ABBL and ALFI, has further been working throughout 2017 on drafting a set of policy guidelines aiming at setting market standards in fields of oversight, in-bank assets and other assets. With the work on these guidelines having well advanced in 2017, the final recommenda-

tions should be issued in the first quarter of 2018, providing for the long-needed guidance for the market.

Finally, the DBCL Executive Board has also acted a reference for interaction on the practicalities of depositary activities vis-à-vis authorities and auditors. With more stringent auditing and regulatory requirements, depositary banks are facing varying obligations to provide information and evidence their processes. The DBCL has taken it upon itself to engage in discussions with the relevant counterparties to ensure streamlines requirements throughout the Luxembourg market. Other activities in this respect include regular interactions with the CSSF, notably through a thorough representation in the CSSF Depositary Commission.



Market Infrastructures

Fostering and representing the professional interests of market infrastructures of the members active in the securities settlement and the post-trade chain such as Central Securities Depositories, and the Luxembourg Stock Exchange, the [Market Infrastructures Cluster](#) (MICL) focuses on defending and promoting the specific activities of operators of market infrastructures.

The 2017 agenda of the MICL focuses primarily on the current regulatory environment by addressing, amongst others, the following topics:

- Central Securities Depositories Regulation (CSDR), including the organisation of a dedicated work shop on CSDR and its impacts on market participants (organised in close collaboration with Clearstream);
- the revision of the European Market Infrastructure Regulation (EMIR), namely regarding CCP supervision;
- the Markets in Financial Instruments Regulation (MiFIR) and its impact on market structure through, notably, the introduction of a new type of trading facility (Organised Trading Facility – OTF);
- the Securities Financing Transactions Regulation (SFTR);
- the corporate actions processing elements set out in the Second Shareholders' Rights Directive [include link to ABBL website on SHRD 2] (SHRD 2), as well as;
- the evolution of the Target2 environment, including Target2 and Target2 Securities.



ABBL/ALFI EU REPRESENTATIVE OFFICE

2017: The full intermediate year from a public affairs perspective

To start with Brexit, the developments in public affairs have been less dramatic than 2016. Nevertheless, a whole year has been lost in negotiations before both sides will be able to speak about what really matters to the industry: the future relationship agreement and the transitional period. On the strict public affairs side the UK voice is heard less and less in the EU institutions and increasingly takes on a third country perspective. It's influence has also dramatically dwindled in a European Union that looks already to a post-Brexit future. As anticipated, influences are changing in the corridors of power as developments around the European Supervisory authorities (ESAs) are vividly illustrating. Over the last 12 months a major project has been the adaptation to this trend of ABBL's public affairs activities.

The Risk Reduction Measures (reviews of the [BRRD](#), [SRM](#), [CRR](#) and [CRD](#)) have been a major focus on the public affairs side keeping the ABBL busy for the whole year. The European Deposit Insurance Scheme (EDIS) is also on the legislator's table with quite some developments in the European Parliament and corresponding

activity from the public affairs side, but in the end political progress depends inevitably on the progress made on the RRM front. A major file that rose to importance after the summer has been the review of the [European Supervisory Authorities](#) (ESAs) with the Commission intending on transferring further centralized powers from the national level to these bodies as well as introducing a significant industry funding element.

On the financial markets side, the [Capital Markets Union](#) project is in full swing at EU level. Important from a public affairs side have been the securitization proposal, the [EMIR](#) review, the recovery and resolution of CCPs as well as the shaping of a future Commission proposal on an EU covered bonds framework.

In tax matters, things have calmed down a little after a bustling year 2016. Nevertheless the new Common (Consolidated) Corporate Tax Base is on the table of the EU legislators and version number 6 of the [directive on administrative cooperation](#) ("intermediaries") as well. Both are actively followed from a public affairs perspective as well as the still looming [financial transaction tax](#).

On the payments and technology side, [FinTech](#) is developing rapidly as a legislative topic with initiatives in the making. More concretely major efforts have been

put into the calibration of the regulatory technical standards regarding the implementation of the [Payment Services Directive II](#).

From a legal perspective, the major file of the year 2017 has been the finalisation of the negotiations around the fifth version of the [anti money-laundering directive](#). Sustainable finance has also taken on importance and is bound to do so further.

In 2018, the European Commission will finalise its last legislative proposals in Spring in order to have them approved by the end of the mandate a year later. Concrete elements around fund distribution, FinTech, sustainable finance, covered bonds, non-performing loans and EU sovereign bonds backed securities are expected.



TECHNICAL & REGULATORY MATTERS

Financial Markets Regulation

Following the financial crisis and the resulting G20 commitments, the European Union embarked on an unprecedented and wide-ranging set of regulatory reforms, aiming at an improved regulatory framework for banks and investment firms in particular and financial markets in general. 2017, i.e. a decade later, this project is now largely complete, with the last major piece of the post-crisis regulatory agenda, the MiFID II framework, applying as of 3 January 2018. As such, 2017 has proven to be yet another busy year in the field of financial markets regulation, with an increased regulatory scrutiny on the fine-tuning of existing pieces of legislation and the final stretch of achieving the main regulatory projects before year-end.

The entry into force of the [MiFID II](#) framework on 3 January 2018 has unquestionably been the buzzword that kept the ABBL members busy in light of the significant operational, practical and legal efforts required to achieve the required compliance. The ABBL took the opportunity to assist its members by publishing in September

2017 the first version of the [ABBL MiFID II Handbook](#) providing practical guidance and interpretations on 21 topics identified by ABBL members as particularly important in their implementation efforts. Moreover, in light of the various requirements under the MiFID II framework, the ABBL cooperated with House of Training to set up a specific [modular training program for MiFID II](#), duly accredited by the CSSF in line with the new Circulars 17/665 and 17/670.

Nevertheless, 2017 has not been dedicated exclusively to MiFID II, when it comes to financial markets regulation. Hot topics throughout the year included the [Packaged Retail and Insurance-based Investment Products \(PRIIPS\) Regulation](#) entering into force on 1 January 2018, as well as the [Benchmark Regulation \(BMR\)](#) partially entering into force on the same date. Finally, the European legislator also published two new legislative measures to promote a safe and liquid market for securitisation, namely Regulation (EU) 2017/2402 on simple, transparent and standardised securitisations, as well as Regulation (EU) 2017/2401 amending the Capital Requirements Regulation to properly reflect the specific features of [STS securitisation](#).

When looking ahead on what to expect from 2018, following the European Commission's mid-term review of the Capital Markets Union Action Plan in Summer 2017, the Commission has identified a wide-ranging set of measures that it aims to put in place, including:

- a legislative proposal on assignment of claims and securities ownership;
- a legislative proposal on assignment of claims and securities ownership;
- a legislative proposal to facilitate cross-border distribution of [UCITS](#) and [AIFs](#);
- a legislative proposal on [covered bonds](#);
- a [revised EMIR proposal](#) covered both derivatives and CCP supervision to name but a few of the upcoming legislative and regulatory measures in the field of financial markets.



Banking Supervision

New banking regulation package

The European Commission has released on 23 November 2016 a new legislative package amending both the current banking prudential and resolution frameworks. The revision includes the implementation of several international standards into the European law, i.e.:

- Several regulatory pieces adopted by the Basel Committee after 2010;
- The new standard on Total Loss Absorbing Capacity (the TLAC) elaborated by the Financial Stability Board in November 2015.

The Commission proposal amends the following pieces of legislation:

- The Capital Requirements Regulation (CRR) and Directive (CRD4), which were adopted in 2013 and which spell out prudential requirements for institutions and rules on governance and supervision of institutions;
- The [Bank Recovery and Resolution Directive](#) (BRRD) and the [Single Resolution Mechanism Regulation](#) (SRMR), which were adopted in 2014 and which spell out the rules on the recovery and resolution.

Against this background, the ABBL has identified as main priorities the implementation of the TLAC and the adaptations to the Minimum Requirements on Eligible Liabilities (MREL), the derogation for small trading book business, proportionality rules for applying simplified methods on

counterparty credit risk and market risk, technical amendments to the regime of large exposures and the requirement for third-country banking groups having two or more institutions in the EU to establish an Intermediate EU Parent Undertaking (EU IPU). To date, negotiations are still ongoing both at the EU Parliament and at the EU Council.

In parallel, the amendments to the BRRD related to the banks' creditors hierarchy have been officially published on 29 December 2017 by means of a "fast track" procedure and the deadline for transposing this directive into the Luxembourg law is 29 December 2018. The directive requires Member States to create a new class of 'non-preferred' senior debt, eligible to meet the TLAC subordination requirement. This 'non-preferred' senior debt will rank in insolvency above own funds instruments and subordinated liabilities, but below other senior liabilities.

European Deposit Insurance Scheme

In November 2015, the European Commission has tabled a proposal for a [European Deposit Insurance Scheme](#) (the EDIS). The proposal aims at building such a common insurance through three phases, starting by a reinsurance phase and a co-insurance phase. At term, the objective is to reach a full European insurance. In 2017, in order to break the impasse of the discussions in the European Parliament and in the Council, the Commission has proposed that a compromise on EDIS

could exclude full mutualisation and focus on two phases only, i.e. reinsurance (only liquidity coverage) and co-insurance. It remains to be seen if the Commission initiative will be sufficient to revive the negotiations in 2018.

Review of the European Supervisory Authorities (ESAs)

On 20 September 2017, the European Commission adopted a draft proposal for a regulation that would amend the regulations on EBA, EIOPA, ESMA, EuVeCa, EuSEF, MiFIR, ELTIF, benchmarks and prospectuses. The review in itself had been scheduled in the original ESA regulations and was preceded by a Commission consultation. The Commission proposal aims at strengthening and further integrating financial supervision by, notably:

- Giving the ESAs new supervisory competences;
- Enhancing the ESAs' coordination powers;
- Amending the governance of the ESAs;
- Introducing a new funding system where banks and other market participants would directly contribute to the ESAs' budget.

Very intense discussions are expected on this strategic topic throughout 2018.

- The Capital Requirements Regulation (CRR) and Directive (CRD4), which were adopted in 2013, set out prudential requirements for institutions and rules on governance and supervision of institutions.



Basel IV

The so-called [Basel IV package](#) has been agreed in December 2017. The general purpose of the revisions is to reduce the variability of Risk Weighted Assets (RWAs) across the banking industry in order for banks' capital frameworks to become more comparable and less complex. The revisions encompass, among others:

- Revisions to the credit risk framework with:
 - (i) a revised standardized approach for credit risk

(ii) adjustments to the internal rating-based (IRB) approaches by reducing the variation of IRB models and constraining their use and by introducing risk-weighted floors based on standardized approaches

- A new approach to operational risk;
- A review of the market risk framework;
- A review of the credit valuation adjustment (CVA) capital charge framework;
- A revised output floor of 72,5% based on the revised standardized approaches.



ABBL & LSF Conference - Basel IV: A Regulatory Turning Point?



Legal & Compliance

Throughout 2017, the ABBL's Legal and Compliance team monitored a wide range of European and national debates

Professional secrecy and outsourcing arrangements: Reform of Article 41 of the Law on the Financial sector.

ABBL welcomes the initiative of the Luxembourg government to facilitate outsourcing arrangements. The Draft Bill submitted to the Parliament aims to achieve this by amending the provisions governing professional secrecy as set out in [Art.41 of the Law of 5 April 1993](#) on the financial sector (the LSF). The main elements are as follows:

■ Strengthening of organisational requirements

Article 14 amends article 37-1 (5) of the LSF, which lists the organisational requirements applicable to a credit institution or an investment firm, when entering into an outsourcing arrangement. The obligations currently set out in article 37-1 (5) are completed by new requirements such as the acceptance of "cascade" outsourcing beforehand by the person (that is established in Luxembourg and that is subject to the CSSF or ECB supervision) who initiated the outsourcing, and putting in place strong security mechanisms that guarantee the security and authentication of the means through which information is transferred, reduce the risk of data corruption and unauthorised access and prevent

information leakage in order to maintain, at all times, confidentiality of data.

■ New outsourcing possibilities

Article 41 of the LSF will offer the possibility to outsource to another Luxembourg professional that is subject to the supervision of the CSSF, ECB or CAA. It provides for an extension of the scope of the exceptions to the banking secrecy by allowing access to confidential data to any professional of the financial sector or insurance professional established in Luxembourg, provided that the latter are under the supervision of the CSSF, the ECB or the CAA and acting as service provider under an outsourcing arrangement.

In case of intragroup outsourcing arrangements and all other cases of outsourcing abroad, outsourcing will be subject to the following cumulative conditions:

- The sub-contractor shall be bound by a service agreement;
- it shall also be subject to a professional secrecy obligation or bound by a confidentiality agreement, and
- The client has accepted:
 - the outsourcing of services
 - the type of information transmitted to the sub-contractor
 - the country of establishment of the sub-contractor

The acceptance is given either in compliance with the law or "according to the conditions agreed by the parties". In any case, the data protection law rules must be complied with, where applicable, in addition to the banking secrecy rules.

Anti-money laundering: Tax offenses

In line with the [AML IV Directive](#) (2015/849/EU) adopted on 20 May 2015, the law distinguishes three types of tax fraud:

- simple tax fraud;
- aggravated tax fraud: if the tax evaded per tax period is beyond a certain threshold;
- tax swindle (*escroquerie*).

Simple tax fraud is to be punished with an administrative sanction, while aggravated tax fraud and tax swindle can also be punished by imprisonment. Therefore, aggravated tax fraud and tax swindle are considered as criminal offences by the Penal Code (revised Article 506) and are new predicate offences to money laundering.

The CSSF and the FIU (*Financial Intelligence Unit*) issued a [circular on 20 February 2017](#) offering financial sector professionals advice on how to handle these new predicate offences. The circular included practical indicators that could prompt further investigation in order to either remove doubt or to trigger a suspicious transaction report to the FIU. The rule of risk-based approach is one of the core element developed in the AML IV Directive.

The risk based approach consists in taking all the necessary steps to identify and assess various type of risks obliged entities may face (such as customer risk factor, product, service, transaction or delivery channel risk factors and geographical risk factors), with a view to decide how best to manage it and apply the corresponding due diligence.

Such approach is currently enshrined within draft law N°7128 transposing the IV Directive and pertaining to the general professional obligations imposed on obliged entities. Moreover, the CSSF released on 24 July 2017 circular 17/661.

The AML IV Directive's strong emphasis on assessing various risks factors, so that obliged entities implement their corresponding due diligence, is subject to CSSF circular 17/661 dated 24 July 2017 recalling the joint guidelines of the three European Supervisory Authorities on money laundering and terrorist financing risk factors.

With regard to traceability of money transfers, Regulation N°2015/847 of the European Parliament and of the Council of

20 May 2015 on information accompanying transfers of funds and repealing Regulation (EC) N°1781/2006 sets out rules on payment services providers with regard to the provision of information concerning payers and payees in order to help prevent, detect and investigate terrorist financing. The provisions of the latter are binding and directly applicable in all Member States since 26 June 2017. The CSSF therefore published circular 17/660 in this regard.

Anti-money laundering: setting-up of registries of beneficial owners

Provisions of the [AML IV Directive](#) relating to the setting-up of registries of beneficial owners of companies/legal entities and trusts ("*fiducies*") are being subject to two draft bills: (i) N°7216 and (ii) N°7217.

Both bills will impose new obligations on companies and legal entities as referred to in the law of 18th December 2002 on the register of commerce and companies, except for listed companies under specific conditions, common funds ("*fonds communs de placement/FCPs*") and branches of foreign companies.

According to draft bill N°7217 setting up a register of beneficial owners of companies/legal entities (a.k.a. "REBECO"), the companies will be required not only to transmit electronically a set of defined information pertaining to their beneficial owners at the latest six months after the entry into force of the law to the registry held at the Luxembourg trade and companies register, but also to make sure to

keep and maintain the accuracy of such information. Failing to comply might result in criminal sanctions.

The draft bill N°7216 foresees first of all that Luxembourg fiduciary agents of fiduciary arrangements under the Luxembourg law on trusts and fiduciary arrangements of 27 July 2003 will have to get and keep at their registered office a set of data pertaining to the arrangement, to then report it into a "*Registre des fiducies*", as long as the arrangement generates tax consequences. The practical modalities pertaining to such register to be further determined by Grand-Ducal Regulation resembles those of the REBECO, having noted that only national authorities will be able to access the content of the register.



Towards the Vth AML Directive

On 19 December 2017, the Council of the European Union issued a final compromise vis à vis the proposal for a Vth AML Directive.

The latter contains new provisions for instance about the registries of the beneficial owners, given that any member of the general public will be able to access the registry for companies, whereas the trusts' registry will now be made accessible to any person or organisation that can demonstrate a legitimate interest. In addition, Member States will need to establish centralised automated mechanisms, which will allow the identification of natural or legal persons holding or controlling payment accounts, bank accounts identified by IBAN and safe deposit boxes held by a credit institution. On top of that and among others, Member States will have to provide for an interconnection of the registers via a European Central Platform.

Data Protection

The [General Data Protection Regulation](#) (UE 2016/679), set to enter directly into force as from 25th May 2018, aims at protecting/safeguarding the processing of personal data of natural persons.

It will inevitably impact financial stakeholders acting as controllers/processors, which will have to find the right balance between complying with the GDPR 's stringent provisions while also abiding to other rules of law, as contained for instance in MiFID II, PSD2 and the IVth AML Directive.

The new paradigm as emphasised by the GDPR consists in responsabilising stakeholders acting as controllers by introducing the accountability principle¹, meaning that the latter will need to be able to demonstrate to the data subjects together with the National Commission for Data Protection that they put in place all the necessary procedures and processes to safeguard the data subjects' rights.

A core part of abiding to the pillar of accountability resides in implementing the concept of "data protection by design and by default", that is to say that adequate security measures shall be established together with ensuring that their compliance is being monitored.

The current Luxembourg Act dated 2 August 2002 concerning the protection of individuals with regard to the processing of personal data will hence be repealed. A draft law N°7184 implementing some of the provisions of the GDPR² is currently under review at the Luxembourg Chamber of Deputies.

DAC5 transposition

Draft law N°7208 was submitted to the Parliament on 9 December 2017, whose purpose is to transpose into national law DAC5, a directive enabling tax authorities to access information collected for AML purposes by financial institutions. The ABBL is concerned by the absence of safeguards regarding the use of the AML information to be accessed by the tax authorities in Luxembourg, notably the information related to tax residents, which are out of the scope of the CRS.

¹ See article 5, "Principles relating to processing of personal data"

² Opinion of the ABBL dated 22 November 2017



European account preservation order (EAPO)

Regulation (EC) N°655/2014 establishing a European account preservation order (EAPO) introduces into national laws a new tool that enables a claimant to freeze funds in a defendant's bank accounts across the EU Member States.

In order to introduce in Luxembourg law the new procedure, the bill N°7083 proposes to complete the new code of civil proceedings (*nouveau code de procédure civile*) by a new article 685-5 and appoints the banks supervisory authority, the *Commission de surveillance du service financier* (CSSF), as the competent authority in charge of obtaining from the banks the relevant information necessary to allow the debtor's account to be identified. Moreover, the bill N°7203 identifies some loopholes in the procedure and introduces the necessary provisions for the enforcement of a preservation order.

Action Plan Compliance with competition law

An action plan aiming at ensuring that the ABBL and its members remain compliant with competition law was approved by the Board of Directors on 15.11.2017. The action plan was submitted to the Board in the context of recent raids of the European Commission at the offices of the Polish and Dutch banking associations on alleged anticompetitive practices aimed at blocking FinTech access to customer data. The ABBL has the duty to address the issue proactively in order to raise its members' awareness of the need to comply with competition law and to assist the management of institutions in the implementation of an effective prevention policy so as to avoid breaches and manage any potential investigation in the best manner.

Besides, the ABBL intends to implement an internal competition policy to ensure compliance with applicable rules within its remit and thus protect its members' representatives taking part in its work.

In the current competitive environment shaped by technological change and the emergence of new players in the market for banking and financial services, compliance with competition rules is becoming more important than ever.

For this reason, the action plan is articulated in three main actions, namely (i) ensuring members' awareness of EU and national competition rules, (ii) the adoption of an ABBL internal policy regarding compliance with competition law and (iii) the adaptation of training programmes.



Taxation

Tax reform in Luxembourg

As a result of the [implementation of the tax reform](#) adopted under the current coalition, Luxembourg's corporate income tax rate was reduced from 21% to 19% in 2017. This rate will further decrease to 18% from 2018 onwards. For companies established within the city of Luxembourg, the aggregate corporate tax rate, including municipal business tax and the related solidarity surcharge, will thus be equal to 26.01% from 2018 onwards.

The theme of taxation as a tool for economic growth was high on the agenda of the Government in 2017 and several incentives to R&D, start-ups and corporate investments were adopted as part of the budget law 2018. Notably, software acquired from an unrelated party may qualify from 2018 onwards for a tax credit. The ABBL welcomes this initiative, which echoes long-standing demands, albeit the benefits of the measure at hand are subject to several limitations and restrictions.

CRS implementation

The first reports under the OECD Common Reporting Standard (CRS) were submitted by financial institutions to the Luxembourg tax authorities in the course of 2017. This exercise concluded an extensive review of the client base in 2016 and 2017 in order to identify reportable accounts. Regular meetings were held at ABBL and with the Luxembourg tax authorities in the course of this period to discuss the implementation of the standard. These discussions

materialized in the publication of a detailed guidance in March 2017 for use by members. This work is part of our commitment to foster a compliant and consistent implementation of [tax transparency rules](#) in Luxembourg.

VAT and cost-sharing arrangements

The CJEU ruled that the provisions of the Luxembourg VAT regime on independent groups of persons (IGPs) were not in line with the EU VAT Directive. The CJEU also ruled that the scope of the IGP exemption set out in the EU VAT Directive is not applicable on the financial and insurance sectors. These decisions have a material impact on the net VAT liability of financial institutions and insurers in Luxembourg that previously relied on the IGP regime to apply a VAT exemption on common support services provided within the same group.

The ABBL, together with ACA and ALFI, has called for a swift policy response in order to mitigate the resulting costs for our respective members. Several meetings with the Ministry of Finance and the Luxembourg tax authorities took place during the fourth quarter of 2017 to identify possible alternatives to the IGP regime, VAT grouping being one of these alternatives. We expect work to continue in the course of 2018.

Points of attention for 2018

The Anti-Tax Avoidance Directive (Council Directive 2016/1164) lays down rules against tax avoidance practices that di-

rectly affect the functioning of the internal market. Most of this directive, which translates into EU law many proposals set out in the OECD's BEPS Action Plan, shall be transposed by Member States by 31 December 2018 for implementation from 1 January 2019. The ABBL believes that a timely and reasoned transposition of this directive would be highly advisable to maintain a steady and predictable tax environment in Luxembourg. The Directive notably contains two optional carve-outs for financial undertakings in relation to the deductibility of net interest expenses and CFC rules. The ABBL believes that Luxembourg should opt to apply these two carve-outs so as to enhance its position as a banking hub within the EU.



ABBL PROJECTS

The future of digital payments in Luxembourg

The digital payments landscape continues to change massively. The Payment Service Directive 2 (PSD2) is pointing at the horizon, the SEPA payment schemes are evolving, customers' demands are shifting, and new services are available through new disruptive technologies. In order to anticipate the future of digital payments in Luxembourg, the ABBL and Payment Service Providers (PSPs) took part in a study.

The aim of the study was to define the priorities where Payment Service Providers limited resources should be invested in as well as how to meet the oncoming major challenges that will radically change the payment landscape PSD2 transposition into national law and the Instant Payment service.

Payment Services Directive 2 (PSD2)

The [PSD2](#) directive, in force since 13 January 2018, extends the actual legal framework for payments by introducing new innovative services: Account Information Services (AIS) and Payment Initiation services (PIS) provided by Third Party Providers (TPPs), new regulated entities. The new legal framework will be complemented by Regulatory Technical Standards (RTS) in 2019. It is expected that the directive will quickly change the payment landscape for the benefit of payment service providers as well as payment service users.

Since the completion of the ABBL members analysis, aiming to define the strategy to follow for the future development of payments in Luxembourg, some initiatives have started in Luxembourg end of 2017. Some by

individual banks or groups of banks, others by solution providers which all aim to meet the PSD2 compliance requirements and to offer new services in the near future through an open banking Application Programming Interface (API).

In parallel, working sessions have been organised by ABBL with payment experts of different banks and other PSPs. The aim has been to identify open issues with regard to the draft law and to provide guidelines facilitating the integration of certain key concepts and provisions of the directive and the future Luxembourg law. ABBL has also contributed to the opinion paper of the Chamber of Commerce which has been submitted to the Parliament.

SEPA – Single Euro Payments Area

After its successful launch on 28 January 2008, 79 PSPs in Luxembourg are now participating in the various [SEPA payments](#) schemes: SEPA Credit Transfers (SCT), SEPA Direct Debit – Core scheme (SDD-Core) and SEPA Direct Debit – Business to Business scheme (SDD B2B).

In 2017, the ABBL continued to support the promotion of the schemes and contributed together with the SEPA participants to the implementation of the new SEPA Instant Payment Scheme which went live on 21 November 2017.

After the publication by the European Payments Council of the revised SEPA rulebooks for the Credit Transfers and Direct Debit, taking effect on 19 November 2017, ABBL members have contrib-

uted to the revision of the Luxembourg Implementation Guidelines which provides an online up-to-date guidance on the use of the Credit Transfer and Direct Debit Initiation Messages sent to banks in Luxembourg.

The Luxembourg SEPA community chairing the country coalition composed of Luxembourg, Switzerland, Liechtenstein and Slovenia took part in the definition of the new strategy of EPC starting end of 2017 and to be endorsed mid of 2018.

Trust, Cybersecurity and Data Protection

Financial services are completely dependent on reliable and secure information and communication systems. Financial services stay prominent targets for hackers and criminals, especially payment systems and instruments due to their inherent vulnerabilities: large and complex systems, millions of cards, payment terminals of all kind as well as billion of users.

The ABBL working group on the security of payment systems and instruments continued its support by helping PSPs to prepare and fight fraud. The group has also been working on the creation of a new technical committee supposed to gather experts around the topics trust, cyber security and data protection. The aim of this committee, besides the fight against fraud, is to help ABBL's members to fill the gap between technical neutral legal frameworks and efficient working authentication solutions, security mechanisms and protection as well as data management processes to be implemented by ABBL members.



Employers' Affairs

Co-financing of training courses

On 9 September 2017, the [law on co-financing](#) of training courses has been published at the Memorial.

The main amendments established by the law are the following:

- Co-financing is no longer possible for all kinds of trainings;
- Under the new law, trainings do not need to be included in a training plan approved by the staff delegation. Therefore, the € 75,000 condition no longer exists;
- The rate of the state contribution to co-financing has been reduced from 20% to 15% and will, from now on, only be paid out as direct contribution and not as tax bonus anymore. Whereas the financial participation to the salary cost for employees benefitting from a special form of co-financing rises from 15% to 20%;

- The duration of the training aiming at the adaptation of the employee to his/her new job has been reduced from 173 hours to 80 hours per exercise and is now limited to unqualified employees or employees whose diploma is not in relation with the exercised activity. At the same time, the time passed by the internal trainer in this context is no longer eligible.

On 1 January 2018, the Law of 15 December 2017 on employee leave for various exceptional reasons has entered into force. The main changes with regard to these types of leave are as follows:

- [“Paternity leave”](#): 10 days for the father in case of birth of a child, or receiving of a child younger than 16 years with the aim of adopting the child;
- In the event of the [death of a child](#) (legal, natural, or adopted): 5 days for a minor child, 3 days for an adult child;
- [Maternity leave](#) (postnatal): 12 weeks;
- [Leave for family reasons](#): 2 days per child between 0 and 4 years; 18 days per child between 4 and 13 years; 5 days per hospitalised child between 13 and 18 years.

Study on the Social Situation of the Banking Sector for the year 2016

75.7% of the member banks took part in the annual study on the social situation of the banking sector, representing 91.1% of the staff of the sector. The study is therefore highly representative and provides the ABBL with a detailed insight into the progress on social issues within the banking sector.



A modern collective bargaining agreement for a banking sector in transformation

The negotiations for a new [collective bargaining agreement](#) continued in 2017.

As the discussions in the four working groups (classification and remuneration, organisation of working time, employability and training, and well-being) were not finished in May, the ABBL and the three trade unions agreed in June to extend the agreement 2014-2016 for one more year.

The agreement reached consists of:

- The extension of the agreement 2014-2016 to the year 2017;
- The payment of the “conjunctural / June” bonus;
- The payment of a one-shot signature bonus of EUR 400 gross to all employees in service on 1 June 2017 and on a pro rata basis to their rate of employment.

Expiring at the end of the year 2017 the collective bargaining agreement was denounced on 29 November by the ABBL, in accordance with the decision of its Board of Directors. The ABBL has not attached a list of claims since it wants to continue the discussions largely initiated in the four working groups set up in a joint manner with the unions’ representatives since December 2016.

Working Group on Classification and Remuneration

There is an a priori consent to reduce the number of groups from 6 to 4 and to redefine the positioning of each function via a matrix of skills.

Both parties also agreed that the acquisition and use of skills should act as the driver of wage development. Our desire to consolidate all aspects of seniority into a single loyalty bonus, but also the introduction of a number of safeguards requested by unions’ representatives, are, at this stage, topics of discussion.

Working group on the Organisation of working time

The social partners do not have the same definition of postponement of overtime hours and we are waiting for a constructive proposal from the unions following our proposals that are emphasising working time flexibility but keeping a reference period of six months and a postponement of overtime at the end of the reference period.

Another point of discussion is the demand for extra days off and extra-legal leave beyond recent legislative adaptations.

Working group on Employability and Training

The members of this group have drawn up an agreement on employability and training, with a focus on two aspects:

integration (adaptation of the training for integration) and employability through continuing vocational training and re-orientation training.

Working group on Well-being

The parties closed the discussions and agreed on a number of principles. For example, it is planned to reflect on the implementation of a sectoral policy for the prevention of psychosocial risks and to improve measures related to corporate social responsibility. Discussions will continue in this direction.



Sustainable finance

The COP 21 Agreement signed in Paris by 185 Countries in 2015 marked a turning point in the scale of sustainable finance. Since then, particularly in Europe, we witnessed a joint commitment of governments, regulators, international organizations, private sector and, not least, financial institutions in fighting against climate change and contributing to a sustainable economy.

This is also true in Luxembourg where the government and the financial center's ecosystem have been working together in a dedicated Task Force contributing to the international fight against climate change and promoting Luxembourg's role as an international center for climate finance.

Undoubtedly, banks have a major role to play in the financing of the economy given their unique position in collecting, transforming and channeling the available liquidity to borrowers as well as managing the associated risks to the benefit of financial stability.

At the same time, [financing sustainable projects](#) requires an effective public-private cooperation and an alignment of public strategies with the needs of the private sector.

In this context, the ABBL supports its members in contributing to a sustainable economy and the transition to a more sustainable financial system."

Our recent "sustainable finance survey" conducted among our members (51 answers collected, representing the main financial institutions in Luxembourg), revealed that:

- The vast majority (85%) of financial institutions who answered the questionnaire already incorporate social and environmental elements in their vision and strategy and are signatory of global / local sustainability initiatives;
- More than 65% of respondent banks offer green finance to their clients (responsible investment funds, microfinance, sustainable investment management);
- The main reasons for adopting sustainable finance are mainly linked to brand recognition (76%), stakeholder requirements (64%) and shareholder requirements (64%);
- There are still some barriers Luxembourg banks have to face in order to introduce sustainable finance into their service offering: lack of profitability (25%), lack of policy (25%) and length of payback period (25%). Interestingly enough, 25% of the respondents also declared that they do not see any barriers in this sense (25%);
- On the client side, banks are experiencing a growing appetite for green products (28%);
- Respondents also expressed their interest in the creation of a special working group dedicated to sustainable finance (60%).

As a result, the ABBL Board of Directors decided in November 2017 to establish a working group in order to bring together and combine all the professional expertise and experience present in the Luxembourg financial centre for:

- Defining an ABBL global strategy in the field of sustainable finance (identification of priorities and concrete projects);
- Contributing to the work done at European level as well as locally;
- Establishing a platform to share views and opinions;
- Promotion: raising awareness;
- Education: providing training courses.

Bearing in mind that protecting, financing and contributing to the future generation interests starts today!



'D'Woch vun de Suen' – National Money Week 2017 in Luxembourg

For the third time, the ABBL and its Foundation for financial education have organised, Luxembourg's national money week, the "[Woch vun de Suen](#)".

Initiated in 2014 by the European Banking Federation (EBF), the annual Money Week aims to raise public awareness about financial behavior. During the Luxembourg Money Week, the ABBL has decided to focus on the needs of school children aged between 10 and 12 (Cycle 4).

The main aim is to provide children with basic knowledge enabling them to manage their personal finances and to protect themselves against future financial difficulties. To achieve this goal, our association, in collaboration with volunteers from our members' organisations, has used the financial education game "Eurodeo de la Conso". The objective of the game is to manage a budget by handling various expenses such as school fees, unexpected bills, daily expenses, etc.

In addition, the "Banque et Caisse d'Epargne de l'Etat", Luxembourg's public



savings bank, has welcomed children to its Bank Museum and offered different workshops on the origin of money, the activities of a bank, saving and budgeting. The Luxembourg Central Bank (BCL) has offered an independent program by proposing a multitude of animations on money.

In 2017, a total of 1200 pupils, 71 classes and 42 schools have participated in the "Woch vun de Suen" organised in 2017 from 27 to 31 March.

As the years before, the Luxembourg Money week has been organised under the patronage of Her Royal Highness the Grand Duchess Maria Teresa.

The parties closed the discussions and agreed on a number of principles. For example, it is planned to reflect on the implementation of a sectoral policy for the prevention of psychosocial risks and to improve measures related to corporate social responsibility. Discussions will continue in this direction.

Partners of the Luxembourg Money Week 2017:

- > Banque Centrale du Luxembourg (BCL)
- > Banque et Caisse d'Epargne de l'Etat, Luxembourg
- > Banque Internationale à Luxembourg S.A.
- > Banque Raiffeisen
- > Commission de Surveillance du Secteur Financier (CSSF)
- > ING Luxembourg
- > Ministère des Finances
- > Ministère de l'Education nationale, de l'Enfance et de la Jeunesse
- > Société Générale Bank & Trust
- > UBS Europe SE, Luxembourg Branch

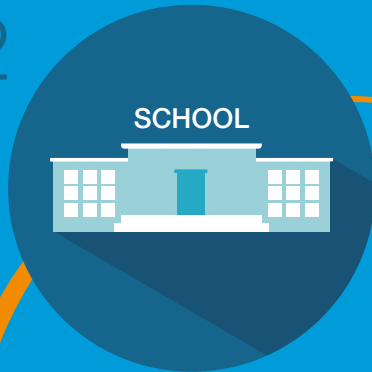




D'Woch vun de Suen 2017 in figures

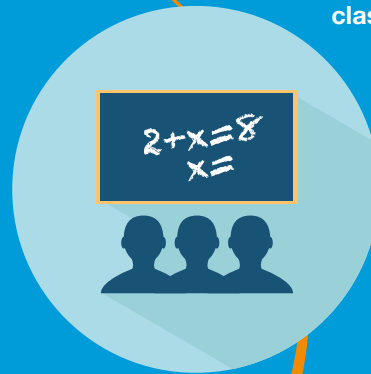
Participating
schools

42



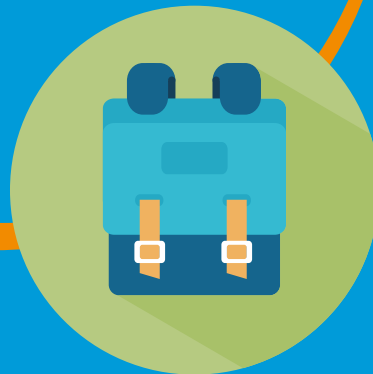
Participating
classes

71



Participating
coaches

71



Participating
pupils

1177





ABBL's Key Corporate Social Responsibility Commitments

During 2017, the ABBL initiated various actions, including a member survey.

GOVERNANCE

ABBL Governance

In 2017, the ABBL conducted a satisfaction survey among its members in order to gather views and feedback on the relevance and quality of the ABBL's service offer, the quality of the ABBL's governance and members' priorities. The survey was conducted among CEOs and the members of ABBL's technical committees, working groups and clusters. In total 308 persons have replied. The overall satisfaction rate is approximately 90%. Numerous comments and suggestions have been provided by the respondents. These have been translated by the Secretariat into a proposed action plan comprising a series of short-term actions (by Q1 2018) and some further actions in the longer term (after Q1 2018).

ABBL engagement and strategy in Sustainable Finance

A survey was conducted among ABBL members regarding sustainable finance. The objective was to understand the level of interest of ABBL members regarding sustainable finance and to determine whether a specific ABBL working group should be created. In total 51 responses have been received. The responses received are overall positive and 60% of the respondents indicated that their respective organisations would be interested in participating in a working

group dedicated to sustainable finance at ABBL level. The working group's primary purpose will be to raise members' awareness of sustainable finance.

Involvement in ABBL CSR policy

The ABBL also conducted a survey among its employees and members on its [CSR policy](#), in order to measure the engagement of its employees and to identify the key topics through a materiality test. The results will be published in the ABBL CSR report.

Diversity

In February 2017, the ABBL has become a member of [IMS Luxembourg](#). IMS is a network accompanying organisations in their commitment to Corporate Social Responsibility by enhancing dialogue with their stakeholders. The ABBL is also involved in the works of IMS and

is a member of the jury of the Diversity Awards.

The ABBL strengthened its commitment to gender diversity. The ABBL Chairman has participated as a speaker in a conference aiming at raising CEO's awareness regarding the benefits of diversity. The ABBL is also taking part in a lobby on gender diversity, and the topic has been raised at Board level.

SOCIAL

The members of the internal CSR working group have organised [several initiatives](#) to raise funds to support the non-profit organisation "[Solidarités Jeunes](#)". This fundraising will allow children of the "family homes" of this organisation to visit "Europa Park", a theme park located in Germany.



Initiative to raise funds to support the non-profit organisation "Solidarités Jeunes"



Relais pour la Vie



The ABBL employees also supported the first “[Orange Week](#)”, organised by the Luxembourg Ministry of Equal Opportunities and the Luxembourg section of Zonta International. This action aimed at raising awareness and taking action to end violence against women and girls.

Our association was also involved in a project initiated by the ASTI (*Association de soutien aux travailleurs immigrés*) called “[Connections](#)”. The goal of this programme is to integrate applicants and beneficiaries of international protection programmes into the Luxembourg labor market. The ABBL has participated by offering an internship to a concerned person in its Communication Department during 6 weeks.

For the second year in a row the ABBL has welcomed a student during [day-CARE](#). This project has a double purpose: on the one hand, it allows to offer a student a first experience in a company

and on the other hand donations have been collected thanks to the participation of our association. The donation will finance specific project of CARE.

The ABBL running Team was once again active in:

- the “[Relais pour la Vie](#)”, to demonstrate solidarity with cancer patients;
- the “[Business Run](#)” to activate the feeling of solidarity among colleagues.



Business Run



LATEST DEVELOPMENTS IN BANKING AND FINANCIAL LAW

Luxembourg law

Ongoing legislative process

- **Draft Law N°7223** amending the Law of 25 November 2014 providing for the **procedure applicable to the exchange of information on request regarding tax matters**

Introduced on 19 December 2017

- **Draft Law N°7220 on the reform of the confiscation's regime** and modifying:

- 1) the Penal Code
- 2) the Code of Criminal Procedure
- 3) the amended law of 31 January 1948 relating to the regulation of air navigation
- 4) the amended law of 19 February 1973 on the sale of medicinal substances and the fight against drug addiction
- 5) the amended Law of 17 March 1992 approving the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, done in Vienna on 20 December 1988
- 6) the amended law of 14 June 2001 approving the Council of Europe Convention on laundering, search, seizure and confiscation of the proceeds from crime, done in Strasbourg on 8 November 1990

Introduced on 14 December 2017

- **Draft Law N°7218 on macro-prudential measures regarding residential mortgages** and amending the amended law of 5 April 1993 on the financial sector and the law of 1 April 2015 establishing a systemic risk committee and amending the amended law of 23 December 1998 on the monetary statute and the Central Bank of Luxembourg

Introduced on 6 December 2017

- **Draft Law N°7217 pertaining to the creation of a register regarding beneficial owners:**

- 1) implementing Directive(EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) N°648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC re. register **of beneficial owners of companies** and legal entities and the obligations of the latter in relation to their beneficial owners
- 2) amending the amended law of 19 December 2002 concerning the trade and company register and the accounting and annual accounts of companies.

Introduced on 6 December 2017

Opinion of the administrative courts (Administrative Court and Administrative Tribunal), 2 January 2018

- **Draft Law N°7216 setting up a register of trusts ("fiducies")**, transposing article 31 of Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorism financing, amending Regulation (EU) N°648/2012 of the European Parliament and of the Council and repealing Directive 2005/60/EC of the European Parliament and of the Council and Directive 2006/70/EC of the Commission.

Introduced on 6 December 2017

- **Draft Law N°7208:**

- 1) relating to access to anti-money laundering information by the tax authorities and



- 2) transposing Council Directive 2016/2258 of 6 December 2016 amending Directive 2011/16/EU as regards access to anti-money-laundering information by tax authorities

Introduced on 8 November 2017

Opinion of the Chamber of Civil Servants and State Employees, 12 December 2017

- **Draft Law N°7203** on the **conversion of the European Preservation Order on bank accounts** (Regulation (EU) N° 655/2014) into a national implementing measure and amending the New Code of Civil Procedure

Introduced on 6 November 2017

■ **Draft Law N°7195:**

- 1) transposing Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 **on payment services in the internal market**, amending Directives 2002/65/EC, 2009/110/EC and 2013/36/EU and Regulation (EU) N° 1093/2010, and repealing Directive 2007/64/EC and
- 2) amending the amended Law of 10 November 2009 on payment services

Introduced on 10 October 2017

Opinion of the Chamber of Commerce, 14 December 2017

- **Draft Law N°7194** implementing Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on the **transparency of securities financing transactions and of reuse and amending Regulation (EU) N° 648/2012**, and amending:

- 1) the amended Law of 17 December 2010 on undertakings for collective investment
- 2) the amended Law of 12 July 2013 on alternative investment fund managers and

- 3) the amended Law of 7 December 2015 on the insurance sector

Introduced on 10 October 2017

Opinion of the Chamber of Commerce, 14 December 2017

- **Draft Law N°7184** establishing the **National Commission for Data Protection and the implementation of Regulation (EU) 2016/679** of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, amending the Law of 25 March 2015 laying down the salary system and the conditions and procedures for the promotion of State officials and repealing the amended Law of 2 August 2002 on the protection of individuals with regard to the processing of personal data

Introduced on 12 September 2017

Opinion of the Luxembourg Institute of Registered Auditors, 19 October 2017

Opinion of the Supreme Court of Justice, 20 November 2017

Opinion of the Chamber of Trades, 30 November 2017

Opinion of the Chamber of Employees, 5 December 2017

Opinion of the National Commission for Data Protection, 28 December 2017

- **Draft Law N°7165** on Central Securities Depositories implementing Regulation (EU) N° 909/2014 of the European Parliament and of the Council of 23 July 2014 on **improving securities settlement in the European Union and on central securities depositories**, and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) N° 236/2012

Luxembourg law

Introduced on 9 August 2017

Opinion of the Chamber of Commerce, 2 November 2017

■ **Draft Law N°7164** implementing Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 **on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds** and amending Directives 2008/4/EC and 2014/17/EU and Regulation (EU) N° 596/2014:

- 1) amending the Consumer Code
- 2) amending the Law of 23 December 1998 establishing a financial sector supervisory commission, as amended, and
- 3) amending the Law of 7 December 2015 on the insurance sector, as amended

Introduced on 4 August 2017

Opinion of the Chamber of Commerce, 10 November 2017

■ **Draft Law N°7157** on **Markets in Financial Instruments**

Introduced on 3 July 2017

Opinion of the Chamber of Commerce, 13 November 2017

■ **Draft Law N°7152:**

- 1) transposing Directive 2014/41 / EU of the European Parliament and of the Council of 3 April 2014 on the **European Investigation Order in criminal matters** and
- 2) **amending the Criminal Procedure Code**

Introduced on 21 June 2017

Opinion of the Council of State, 15 December 2017

■ **Draft Law N°7128:**

- 1) transposing the provisions of Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the **prevention of the use of the financial system for the purposes of money laundering or terrorist financing**, amending Regulation (EU) N°648/2012 of the European Parliament and of the Council and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC relating to professional obligations regarding the prevention of money laundering and the financing of terrorism and to the powers of the supervisory authorities
- 2) implementing Regulation (EU) 2015/847 of the European Parliament and of the Council of 20 May 2015 on information accompanying transfers of funds and repealing Regulation (EC) N°1781/2006 [...]

Introduced on 26 April 2017

Opinion of the Luxembourg Institute of Registered Auditors, 28 June 2017

Opinion of the Chamber of Commerce, 25 July 2017

Opinion of the Luxembourg Association of Chartered Accountants, 14 September 2017

Opinion of the Luxembourg Bar Association, 25 October 2017

Opinion of the Chamber of Trades, 8 November 2017

Opinion of the Council of State, 15 December 2017

Amendments adopted by the Committee on Finance and Budget, 9 January 2018

■ **Draft Law N°7121** on the implementation of Regulation (EU) 2015/2421 of the European Parliament and of the Council of 16 December 2015 amending Regulation (EC) N°861/2007 **establishing a European Small Claims Procedure** and Regulation (EC) N°1896/2006 establishing a **European order for payment**

procedure and amending the New Code of Civil Procedure

Introduced on 8 March 2017

Opinion of the Chamber of Commerce, 3 April 2017

Opinion of the Council of State, 7 April 2017

Opinion of the Justice of the Peace of Esch-sur-Alzette, 7 April 2017

Opinion of the Chamber of Trades, 17 May 2017

Opinion of the Luxembourg Bar Association, 5 July 2017

Opinion of the District Court of Diekirch, 7 July 2017

Governmental amendments:

- 1) dispatch of the Minister for Relations with Parliament to the President of the Chamber of Deputies (6/10/2017)
- 2) text and observations of the governmental amendments
- 3) Coordinated text, 10 October 2017

■ **Draft Law N°7049** amending the Law of 2 August 2002, as amended, **on the protection of individuals with regard to the processing of personal data**

Introduced on 31 August 2016

Opinion of the Chamber of Trades, 27 September 2016

Opinion of the Chamber of Civil Servants and State Employees, 11 October 2016

Opinion of the National Commission for Data Protection, 14 October 2016

Opinion of the Chamber of Commerce, 4 November 2016

Opinion of the Chamber of Employees, 16 November 2016

Opinion of the Council of State, 9 May 2017

■ **Draft Law N°7024** implementing Regulation (EU) 2015/751 of the European Parliament and of the Council of 29 April 2015 on interchange fees for card-based payment transactions, and amending:

- 1) the amended Law of 5 April 1993 relating to the **financial sector**
- 2) the amended Law of 23 December 1998 establishing a **financial sector supervisory commission**
- 3) the amended Law of 5 August 2005 on **financial collateral arrangements**
- 4) the amended Law of 11 January 2008 relating to **transparency requirements for issuers of securities**
- 5) the amended Law of 10 November 2009 relating to **payment services**
- 6) the amended Law of 17 December 2010 on **undertakings for collective investment**
- 7) the amended Law of 12 July 2013 relating to **alternative investment fund managers**
- 8) the amended Law of 7 December 2015 on the **insurance sector**
- 9) the amended Law of 18 December 2015 on the default of **credit institutions and certain investment firms and**
- 10) the Law of 23 December 2016 relating to **market abuse**

Introduced on 29 July 2016

Opinion of the Chamber of Commerce, 23 November 2016

Opinion of the Council of State, 13 December 2016

Opinion of the Chamber of Employees, 22 December 2016

Opinion of the National Commission for Data Protection, 16 March 2017

Governmental amendments, 5 April 2017

Supplementary opinion of the Chamber of Employees, 16 May 2017

Luxembourg law

Supplementary opinion of the Chamber of Commerce, 30 May 2017

Supplementary opinion of the Council of State, 14 July 2017

Supplementary opinion of the National Commission for Data Protection, 27 July 2017

Amendments adopted by the Committee on Finance and Budget, 8 January 2018

■ **Draft Law N°6936** on amendments to:

- the amended Law of 15 June 2004 relating to the **investment company in risk capital (SICAR)**
- the amended Law of 13 February 2007 relating to the **specialised investment funds**
- the amended Law of 17 December 2010 on **undertakings for collective investment**
- the amended Law of 12 July 2013 relating to **alternative investment fund managers**

Introduced on 18 January 2016

Opinion of the Chamber of Commerce, 25 April 2016

Opinion of the Council of State, 21 June 2016

■ **Draft Law N°6763** amending the Criminal Procedure Code and the Law of 30 May 2005 as amended **on the protection of privacy in the electronic communications sector**

Introduced on 7 January 2015

Opinion of the Luxembourg Public Prosecutor, 3 February 2015

Opinion of the Chamber of Commerce, 13 February 2015

Opinion of the Diekirch Public Prosecutor, 13 February 2015

Opinion of the Supreme Court of Justice, 19 February 2015

Opinion of the Luxembourg Magistrate's Office, 19 February 2015

Opinion of the National Commission for Data Protection, 19 June 2015

Opinion of the Council of State, 10 July 2015

Opinion of the Advisory Committee on Human Rights of the Grand Duchy of Luxembourg, 22 July 2015

Opinion of the General Public Prosecutor, 29 July 2015

Opinion of the Luxembourg Bar Association, 13 October 2015

■ **Draft Law N°6708** on monitoring the export, transfer, transit and importation of goods of a strictly civilian nature, defence-related goods and dual-use goods; brokerage and technical assistance; the intangible transfer of technology; **the implementation of United Nations Security Council Resolutions and acts adopted by the European Union concerning restrictive measures in matters of trade against certain States, political regimes, persons, entities and groups** and repealing

■ the amended Law of 5 August 1963 on the import, export and transit of goods

■ the Law of 5 August 1963 on the monitoring of imports, exports and the transit of goods

■ the Law of 28 June 2012 on the conditions for transfers of defence-related products in the European Union

Introduced on 30 July 2014

Opinion of the Chamber of Civil Servants and State Employees, 13 October 2014

Opinion of the Chamber of Employees, 30 October 2014

Opinion of the Chamber of Commerce, 18 May 2015

Opinion of the Advisory Committee on Human Rights of the Grand Duchy of Luxembourg, 19 January 2016

Opinion of the National Commission for Data Protection, 6 July 2016

Opinion of the Council of State, 15 July 2016
Amendments adopted by the Economic Council, 21 April 2017
Supplementary opinion of the Chamber of Commerce, 1 June 2017
Supplementary opinion of the Council of State, 13 June 2017
Supplementary opinion of the Advisory Committee on Human Rights, 21 July 2017
Supplementary opinion of the National Commission for Data Protection, 21 July 2017
Amendments adopted by the Economic Council, 15 December 2017

■ **Draft Law N°6595** on the **patrimonial foundation**

Introduced on 22 July 2013
Opinion of the Council of State, 29 April 2014
Amendments adopted by the Finance and Budget Committee, 5 June 2014
Supplementary opinion of the Council of State, 7 October 2014
Amendments adopted by the Finance and Budget Committee, 3 November 2014

■ **Draft Law N°6539** on **business preservation and modernisation of bankruptcy law**

Introduced on 1 February 2013
Opinion of the District Court of Luxembourg, 14 March 2013
Opinion of the State Prosecutor in Luxembourg, 18 March 2013
Opinion of the State Prosecutor in Diekirch - Dispatch of the State Prosecutor in Diekirch to the State Attorney General, 18 March 2013
Opinion of the Chamber of Employees, 23 April 2013
Opinion of the District Court of Diekirch, 30 May 2013

Opinion of the General Public Prosecutor, 28 June 2013
Opinion of the Luxembourg Bar Association, 8 August 2013
Opinion of the Luxembourg Association of Chartered Accountants, 3 October 2013
Opinion of the Chamber of Trades, 10 October 2013
Opinion of the Chamber of Commerce, 2 December 2013
Opinion of the Chamber of Civil Servants and State Employees, 13 October 2014
Opinion of the National Commission for Data Protection, 20 November 2015
Opinion of the Council of State, 1 December 2015

■ **Draft Law N°6054** on **non-profit associations and foundations**

Introduced on 10 June 2009
Opinion of the Luxembourg Institute of Registered Auditors, 21 September 2009
Opinion of the Luxembourg Association of Chartered Accountants, 12 October 2009
Joint opinion of various associations, 21 October 2009
Opinion of the Chamber of Employees, 10 November 2009
Opinion of the National Council for Foreigners, 24 November 2009
Opinion of Union Saint Pie X, 14 January 2010
Joint opinion of the Chamber of Commerce and the Chamber of Trades, 5 March 2010
Joint opinion of the Greenpeace Foundation, the Hëllef fir d'Natur Foundation and the ÖkoFonds Foundation, 11 March 2010



GLOSSARY

ABBL

The Luxembourg Bankers' Association

ACA

Association of the Insurance and Reinsurance companies

AIF

Alternative Investment Fund (within the meaning of the AIFM Directive)

AIFM

Alternative Investment Fund Manager (within the meaning of the AIFM Directive)

AIFM Directive

Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on alternative investment fund managers

AIS

Account Information Services (context PSD2)

ALFI

Association of the Luxembourg Fund Industry

AML Law

Luxembourg law of 12 November 2004 (as amended) on the fight against money laundering and terrorism financing

AML/CTF

Anti-Money Laundering and Counter-Terrorism Financing

Anti-Tax Avoidance Directive

Directive 2016/1164 of 12 July 2016 laying down rules against tax avoidance practices that directly affect the functioning of the internal market

API

Application Programming Interface

BCBS

Basel Committee on Banking Supervision

BCL

Banque Centrale du Luxembourg

BEPS

Base Erosion and Profit Shifting

CESR

Committee of European Securities Regulators (replaced by ESMA)

CFC

Controlled Foreign Corporation

CJEU

Court of Justice of the European Union

CNPD

Commission Nationale pour la Protection des Données

CSSF

Commission de Surveillance du Secteur Financier, the Luxembourg financial sector supervisory authority

CRD

Capital Requirements Directives 2006/48/EC and 2006/49/EC

CRD III

Directive 2010/76/EU amending the CRD regarding capital requirements for the trading book and for securitisations, and the supervisory review of remuneration policies

CRR/CRD IV Package

Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC and Regulation (EU) N°575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms, and amending Regulation (EU) N°648/2012

CRS

Common Reporting Standard

CSR

Corporate Social Responsibility

DBFI

Digital Banking and FinTech Innovation Cluster

DLT

Distributed Ledger Technology

EBA

European Banking Authority

ECB

European Central Bank

EMIR

European Market Infrastructure Regulation

EPC

European Payments Council

EU

European Union

FIU

Financial Intelligence Unit

GDPR

General Data Protection Regulation - Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC

KID

Key Information Document (within the meaning of the PRIIPs KID Regulation) that aims at helping investors understand the key features of their proposed packaged retail and insurance-based investment products

KIID

Key Investor Information Document (within the meaning of the UCITS Directive that aims at helping investors understand the key features of their proposed UCITS investment

KYC

Know Your Customer

Financial Sector Law

Luxembourg law of 5 April 1993 on the financial sector (as amended)

Firm

Credit institutions (within the meaning of the CRR/CRD IV Package and the Financial Sector Law) and relevant investment firms (within the meaning of MiFID II and the Financial Sector Law)

GDPR

General Data Protection Regulation

IGP

Independent Groups of Persons

MiFID I

Directive 2004/39/EC of the European Parliament and of the Council dated 21 April 2004 on markets in financial instruments, amending Council Directive 85/611/EEC and 93/6/EC and Directive 2000/12/EC of the European Parliament and of the Council, and repealing Council Directive 93/22/EEC

MiFID II

Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (recast)

MiFID II Framework

MiFID II, MiFIR and the relevant delegated regulations, technical standards and opinions

MiFID II Delegated Directive

Commission Delegated Directive (EU) 2017/593 of 7 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to safeguarding of financial instruments and funds belonging to clients, product governance obligations and the rules applicable to the provision or reception of fees, commissions or any monetary or non-monetary benefits

MiFID II Delegated Regulation: Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive

MiFIR: Regulation (EU) N°600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012

NCA: National Competent Authority

OECD: Organisation for Economic Co-operation and Development

PFS: Professional of the Financial Sector other than a credit institution and subject to CSSF supervision in accordance with the Financial Sector Law

PIS: Payment Initiation Services (context PSD2)

PRIIPs KID Regulation: Regulation (EU) N°1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products

PRIIPs Delegated Regulation: EU Commission Delegated Regulation (EU) 2017/653 of 8 March 2017, supplementing the PRIIPs KID Regulation by laying down regulatory technical standards (RTS) with regard to the presentation, content, review and revision of KIDs and the conditions for fulfilling the requirement to provide such documents

PSD2

Payment Services Directive 2 Directive 2015/2366/EU of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market, amending Directives 2002/65/EC, 2009/110/EC and 2013/36/EU and Regulation (EU) No 1093/2010, and repealing Directive 2007/64/EC

PSP

Payment Service Provider

R&D

Research and Development

REMIT

Regulation on Wholesale Energy Market Integrity and Transparency

RTS

Regulatory Technical Standards (context PSD2)

SCT

SEPA Credit Transfers

SDD-Core

SEPA Direct Debit – Core scheme

SDD B2B

SEPA Direct Debit - Business to Business scheme

SEPA

Single Euro Payments Area

SFTR

Securities Financing Transaction Regulation

SSR

Short Selling Regulation

TPP

Third Party Provider

UCITS Directive

Directive 2009/65/EC of 3 July 2009 of the EU Parliament and of the Council on the coordination of laws, regulations and administrative provisions relating to UCITS (as amended)

UCITS V Directive

Directive 2014/91/EU of the European Parliament and Council of 23 July 2014 amending Directive 2009/65/EC as regards depositary functions, remuneration policies and sanctions

UCITS V Delegated Regulation

Commission Delegated Regulation (EU) 2016/438 of 17 December 2015 supplementing the UCITS Directive with regards to obligations of depositaries

VAT

Value-Added Tax

ABBL



Digital Banking
& FinTech
MOVE FORWARD
AND INNOVATE



Banks
STRONG,
INTERNATIONAL
AND DIVERSIFIED



Employment
SKILLED AND
MULTICULTURAL
WORKFORCE



Retail Banking
WE FINANCE
THE REAL ECONOMY

- Association des Banques et Banquiers, Luxembourg
- The Luxembourg Bankers' Association
- Luxemburger Bankenvereinigung



Private Banking
TAILOR-MADE SOLUTIONS
FOR INTERNATIONAL
CLIENTS

WHO WE ARE



Member of



TABLE OF CONTENTS

WHO WE ARE	51
-------------------	----

WHAT WE DO	51
-------------------	----

OUR NETWORK	54
--------------------	----

OUR STRUCTURE	55
Fondation ABBL pour l'éducation financière	56
House of Training	56
Our Clusters	57
Our Banking Clusters	57
Our Non-banking Clusters	58
Our Technical Committees	59

LIST OF MEMBERS AND RELATED MEMBERS	60
--	----

OUR BACKGROUND	63
Former Chairmen of the ABBL	65
Chairmanship	66
Management Board & Senior Management	67
Teams	68
Working together in the best interest of the Luxembourg financial centre	71
Meeting with members	72
ABBL Meets Members	73
Promotion activities	74

HOW TO BECOME A MEMBER	75
-------------------------------	----

HOW TO BECOME A FINTECH SERVICE USER	76
---	----



WHO WE ARE

WHO WE ARE

Established in 1939, the Luxembourg Bankers' Association (ABBL) is the oldest and largest professional association in the financial sector, representing the majority of financial institutions as well as regulated financial intermediaries and other professionals established in Luxembourg, including lawyers, consultants and auditors working in or for the financial sector.

Reflecting the diversity of the Luxembourg financial centre, **the ABBL federates and fosters the interests of its members and acts as the voice of the entire sector at both national and international level.**

The ABBL is truly representative of the diversity of the Luxembourg financial centre. Besides banks, our members include consultants, lawyers, auditors, the Luxembourg Stock Exchange, Infrastructures, Payment institutions, Electronic Money institutions as well as other financial sector professionals and financial professions.

WHAT WE DO

The ABBL provides its members with the intelligence, resources and services they need in order to operate in a dynamic financial market and in an increasingly complex regulatory environment. ABBL members thus have a long-established and influential association working in their interests and representing them at the highest levels both in Luxembourg, as well as in Europe.

We also provide our members with a **platform to discuss key industry issues and to define common strategies for the entire Luxembourg financial sector.**

Represent

The ABBL represents its members' interests and actively participates in all relevant national and international bodies and committees, including the *Haut Comité de la Place Financière*, the Luxembourg Financial Supervisory Authority (CSSF), the Luxembourg Central Bank (BCL), the Luxembourg employers' association UEL, the Economic and Social Council, Luxembourg social security institutions, ICTLuxembourg, XBRL Luxembourg, various EU expert groups, the European Banking Federation, the European Covered Bond Council, the European Payments Council.

Given that, today, the majority of financial sector regulations originate from EU institutions, we have a **Representative Office in Brussels**, which actively supports our EU lobbying efforts and monitors EU regulatory developments. The ABBL is registered in the EU Transparency Register. Our European Affairs team closely follows regulatory developments, interacts with policy makers and standard setters and represents the interests of the ABBL's members in Brussels.

As a founding member of [Luxembourg for Finance](#) (LFF), **we fully support the promotion and branding efforts for the Luxembourg financial centre and its many business lines.**

Through our proposals and initiatives we have been a **driving force in the development of the financial centre over the last decades.** And we are committed to continue doing so in the future.

Analyse

The ABBL monitors and keeps its members informed and up-to-date about the latest legal and regulatory developments as well as new technologies impacting their business.

We anticipate political, economic, financial and social developments in Europe and in Luxembourg. In doing



so, **we formulate opinion papers and proposals** on legislation, taxation and banking regulation at national, European and international levels.

The ABBL, via its Clusters, Technical Committees, Forums, Committees and Working Groups, provides **technical and strategic input for the benefit of its members and the Luxembourg financial industry as a whole**. As such, we act as a think tank for the entire sector and as a platform where members can discuss industry issues and exchange best practices.

Assist & Advise

RECOMMENDATIONS AND GUIDELINES

The ABBL assists and advises its members in the implementation of rules, regulations and standards.

We develop professional recommendations and guidelines for our members, such as a Code of Conduct and a Vademecum on anti-money laundering.

TECHNICAL ASSISTANCE

We provide assistance to our members in technical matters. The ABBL, for instance, creates and manages SEPA Creditor Identifiers on behalf of banks, assigns IBAN bank codes in line with the regulatory guidelines, develops various technical standards for payment initiation and payment reporting (XML 20022) and is actively involved in promoting the XBRL reporting standard.

The ABBL also provides an environment of trust and confidence in the context of security of payment systems and instruments that encourages the exchange of sensitive information between members in case of threats on IT infrastructures.

SOCIAL AND LABOUR AFFAIRS

As an employers' association, we assist our members in all social and labour matters.

We represent the financial sector at the level of the Tripartite, the [Luxembourg Economic and Social Council](#) (CES), the Luxembourg social security institutions or the [Luxembourg employers' federation](#) (UEL).

On behalf of our members, we negotiate working and remuneration conditions in the financial sector with trade unions, via a collective bargaining agreement.

TRAINING

Through the 'House of Training', a joint venture between the ABBL and the Chamber of Commerce, we provide dedicated and specialised professional education courses for employees in the financial sector.

In order to underline its continuous ambition to support financial education, the ABBL has established in September 2016 a foundation for financial education, the [Fondation ABBL pour l'éducation financière](#).

HEALTH & SAFETY

We were a founding member and still are the largest stakeholder of the financial sector health care service, the [ASTF](#). Our members are entitled to the services of the ASTF, which is more customer-oriented and less expensive than the national health care service.



PROMOTION & COMMUNICATION

We also help our members in their own promotional and development activities and in the positioning within their Group.

As part of our press relations and communication activities, we represent and act as the voice of the banking and finance sector in the national and international media.

Through our website we offer our members an additional communication channel to publish their press releases, announce their events and post job offers.

OUR SERVICE OFFER IN A NUTSHELL:

- We represent our members' interests at the highest levels in Luxembourg, the EU and beyond
- We assist our members in implementing rules, regulations and standards
- We keep our members up-to-date on the latest legal and regulatory developments as well as new technologies impacting their business
- We help our members in all social and labour law matters
- We provide our members with a platform to exchange views and best practices with their peers
- We actively help to promote the Luxembourg financial centre
- We develop education programs offered via the House of Training



- WHO WE ARE
- WHAT WE DO
- OUR NETWORK
- OUR STRUCTURE

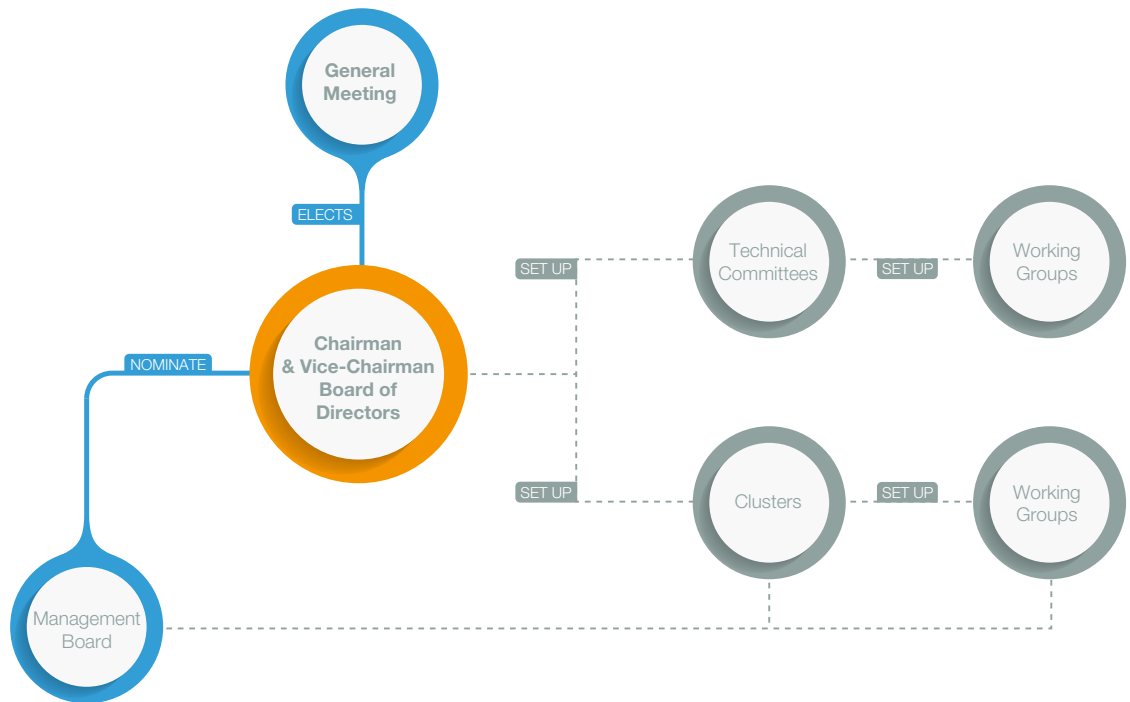
- LIST OF MEMBERS AND RELATED MEMBERS
- OUR BACKGROUND
- HOW TO BECOME A MEMBER
- HOW TO BECOME A FINTECH SERVICE USER

OUR NETWORK





OUR STRUCTURE



GENERAL MEETING

The annual General Meeting is the ABBL's highest body. It approves the annual accounts and budget and elects the Board of Directors, the Chairman and the Vice-Chairman.

CHAIRMAN AND VICE-CHAIRMAN

The ABBL Chairman and Vice-Chairman are directly elected by the General Meeting. The Chairman is the official spokesperson of the association and personally monitors all strategic issues of relevance to the organisation.

BOARD OF DIRECTORS

The Board of Directors determines the strategic and political priorities of the association. The Board is composed of the CEOs of the 6 largest contributors to the association's budget, the representatives of the geographical groupings and the Heads of the business line clusters.

MANAGEMENT BOARD

The Management Board advises the Board of Directors and takes care of the follow-up of decisions taken by the General Meeting and the Board of Directors. The Management Board, chaired by the CEO of the association, is in charge of the day-to-day management of the association.



FONDATION ABBL POUR L'ÉDUCATION FINANCIÈRE

Board of Directors

Serge de Cillia

ABBL CEO (Chairman)

Yves Maas

ABBL Chairman (Vice-Chairman)

Claude Marx

Directeur général of CSSF (Treasurer)

Rainer Klump

Chairman of the University of Luxembourg
(Member until end of May 2017)

Prof Dr. Stéphane Pallage

Chairman of the University of Luxembourg
(Member as of March 2018)

Léon Diederich

Premier Conseiller de gouvernement au ministère
de l'Enseignement supérieur et de la Recherche
(Member)

Pierre Etienne

Managing Director of Pictet & Cie Europe S.A. &
Head of ABBL Private Banking Cluster (Member)

Jean Hilger

Senior Vice-President, Head of IT of Banque et
Caisse d'épargne de l'Etat & Head of the ABBL
Digital Banking and FinTech Cluster (Member)

Luc Neuberg

BCEE Asset Management CEO
& ALRiM Chairman (Member)



HOUSE OF TRAINING
YOUR GATEWAY TO SUCCESS

FONDATION HOUSE OF TRAINING

Board of Directors

Fernand Ernster

(Co-Chairman)

Karin Scholtes

(Co-Chairman)

Serge de Cillia

(Vice-Chairman)

Carlo Thelen

(Vice-Chairman)

Luc Henzig

(Member)



OUR CLUSTERS

ABBL clusters represent major banking and financial business lines in Luxembourg. They are composed of committed and high-level representatives of our members who discuss key strategic issues in their respective field of activity. Clusters can set up working groups to deal with specific topics in more detail.

OUR BANKING CLUSTERS

THE RETAIL BANKING CLUSTER,
LUXEMBOURG (RBCL)



Regroups member banks active in retail financial services
Customer base: private individuals, micro-enterprises and SMEs in Luxembourg and the Greater Region

THE COMMERCIAL BANKING
CLUSTER, LUXEMBOURG (CBCL)



Regroups member banks active in corporate and institutional banking including covered bonds issuing banks
Customer base: sovereigns and public entities, large corporates in Luxembourg and abroad, international SMEs

THE PRIVATE BANKING GROUP,
LUXEMBOURG (PBGL)



Regroups member banks active in Private Banking and Wealth Management
Customer base: HNWI /UHNWI clients, families or senior managers working for multi-nationals, internationally exposed and mobile entrepreneurs

THE DEPOSITARY BANKING
CLUSTER, LUXEMBOURG (DBCL)



Regroups member banks active in the depositary and custodian business services
The Depositary Banking Cluster is part of the ABBL/ALFI Depositary Bank Forum. The Cluster represents the ABBL in the Forum

THE DIGITAL BANKING AND
FINTECH INNOVATION CLUSTER,
LUXEMBOURG (DBFI)



Aims at raising awareness, giving advice and supporting banks and traditional financial actors in achieving their digital transformation by using disruptive technologies and business models within an appropriate innovation-promoting regulatory framework



OUR NON-BANKING CLUSTERS

THE MARKET INFRASTRUCTURES
CLUSTER, LUXEMBOURG (MICL)



The Market Infrastructures Cluster aims at representing and promoting securities market infrastructures' interests from a regulatory perspective as well as through their harmonized development in support of the financial centre of Luxembourg

THE LAW FIRMS CLUSTER

The Law Firms Cluster regroups firms which have a strong focus on legal activities in the areas of banking and capital markets

THE CONSULTANTS/AUDITORS
CLUSTER

This Consultants/Auditors Cluster regroups members who are consultants or auditors and have a strong focus on consulting or audit activities in the areas of banking and capital markets and European banking and financial law



OUR TECHNICAL COMMITTEES

Technical Committees handle issues relevant to their respective areas of expertise and give advice to the Management Board and the Board of Directors. Technical Committees are composed

of highly qualified and experienced representatives of our members. Technical Committees can set up working groups and task forces to deal with specific topics in more detail.

ACCOUNTING	National and international accounting standards
BANKING SUPERVISION	Prudential banking regulation, Banking Union, Risk management
COMMUNICATION	Meet, share knowledge and exchange on topics of common interest. Ensure consistency in the messages conveyed by members on common issues
FINANCIAL MARKETS	Financial markets regulation
FISCAL AFFAIRS	Direct and indirect national taxation, international taxation
LEGAL AFFAIRS	Luxembourg and European banking and financial law
PAYMENTS	Payment accounts, digital payments, SEPA payment services (SCT/SCT Inst/SDD), card based payments, non-card based mobile payments, E-money, alternative and virtual currencies, Third Party Service providers, Market infrastructures (PEACHs), cash and other payment services
PROFESSIONAL OBLIGATIONS	Compliance, Deontology, Money-laundering issues
SECURITIES	Securities regulation including Financial services related to Securities & Custody services
SOCIAL AFFAIRS	European and National Labor legislation, European and National Social security legislation, Collective bargaining agreement, Issues of diversity and equal opportunities
TRUST AND CYBER SECURITY	Raise awareness, share knowledge on technical issues in the fields of trust and cyber security and support ABBL members in the implementation of appropriate solutions



LIST OF MEMBERS AND RELATED MEMBERS (AS OF 1 APRIL 2018)

Category A: UNIVERSAL BANKS, COVERED BONDS ISSUING BANKS, PUBLIC BANKS

ABLV Bank Luxembourg S.A.	Banque Havilland S.A.
ABN AMRO Bank (Luxembourg) S.A.	Banque Internationale à Luxembourg S.A.
Advanzia Bank S.A.	<i>Belair House</i>
Agricultural Bank of China (Luxembourg) S.A.	<i>BIL Manage Invest S.A.</i>
Allfunds Bank International S.A.	<i>Experta Corporate and Trust Services S.A.</i>
Andbank Luxembourg	<i>Société Luxembourgeoise de Leasing BIL-Lease S.A.</i>
<i>Andbank Asset Management Luxembourg</i>	Banque J. Safra Sarasin (Luxembourg) SA
Banca March, S.A., Luxembourg Branch	Banque Raiffeisen
Banca popolare dell'Emilia Romagna (Europe) International S.A.	Banque Transatlantique Luxembourg S.A.
Banco Bradesco Europa S.A.	BEMO Europe - Banque Privée
Banco BTG Pactual Luxembourg S.A.	BGL BNP Paribas S.A.
Bank GBP International S.A.	<i>BNP Paribas Asset Management Luxembourg S.A.</i>
Bank Julius Baer Luxembourg S.A.	<i>BNP Paribas Lease Group Luxembourg S.A.</i>
Bank of China (Luxembourg) S.A.	<i>BNP Paribas Leasing Solutions S.A.</i>
<i>Bank of China Limited Luxembourg Branch</i>	<i>BNP Paribas S.B Ré S.A.</i>
Bank of Communications (Luxembourg) S.A.	<i>BNP Paribas Securities Services, Luxembourg Branch</i>
<i>Bank of Communications Co., Limited Luxembourg Branch</i>	<i>BNP Paribas, Luxembourg Branch</i>
Bankinter Luxembourg S.A.	<i>Global General Partner S.A.</i>
Banque BCP S.A.	Brown Brothers Harriman (Luxembourg) S.C.A.
Banque Carnegie Luxembourg S.A.	CA Indosuez Wealth (Europe)
<i>Carnegie Fund Services S.A.</i>	<i>Amundi Luxembourg S.A.</i>
Banque de Commerce et de Placements S.A., Luxembourg Branch	<i>CA Indosuez Wealth (Asset Management)</i>
Banque de Luxembourg	<i>CACEIS Bank Luxembourg Branch</i>
<i>BLI - Banque de Luxembourg Investments S.A.</i>	<i>Fund Channel S.A.</i>
<i>Compagnie Financière de Gestion Luxembourg S.A.</i>	Caixa Geral de Depósitos, Succursale de Luxembourg
<i>Conventum Asset Management</i>	Catella Bank S.A.
<i>EuroInformation International S.A.</i>	China Construction Bank (Europe) S.A.
Banque de Patrimoines Privés	<i>China Construction Bank Corporation, Luxembourg Branch</i>
Banque Degroof Petercam Luxembourg S.A.	China Everbright Bank (Europe) S.A.
<i>Degroof Petercam Asset Services S.A.</i>	<i>China Everbright Bank Co. Ltd., Luxembourg Branch</i>
<i>Degroof Petercam Insurance Broker S.A.</i>	China Merchants Bank Co., Ltd., Luxembourg Branch
Banque et Caisse d'Épargne de l'Etat, Luxembourg	Citco Bank Nederland N.V., Luxembourg Branch
Banque Hapoalim (Luxembourg) S.A.	Citibank Europe plc, Luxembourg Branch
<i>Banque Hapoalim (Suisse) S.A., Succursale de Luxembourg</i>	Clearstream Banking
	<i>Clearstream International S.A.</i>
	<i>Clearstream Services S.A.</i>
	<i>Regis-TR S.A.</i>
	COMMERZBANK Finance & Covered Bond S.A.



<i>Commerzbank AG, Filiale Luxembourg</i>	<i>ING Lease Luxembourg S.A.</i>
Compagnie de Banque Privée Quilvest S.A.	<i>ING Solutions Investment Management S.A.</i>
Credem International (Lux) S.A.	Internaxx Bank S.A.
Credit Suisse (Luxembourg) S.A.	Intesa Sanpaolo Bank Luxembourg S.A.
<i>Multiconcept Fund Management S.A.</i>	<i>Lux Gest Asset Management S.A.</i>
Danske Bank International S.A.	<i>Private Equity International S.A.</i>
DekaBank Deutsche Girozentrale Luxembourg S.A.	J.P. Morgan Bank Luxembourg S.A.
<i>Deka International S.A.</i>	John Deere Bank S.A.
<i>DekaBank Deutsche Girozentrale, Succursale de Luxembourg</i>	KBL European Private Bankers S.A.
<i>International Fund Management S.A.</i>	<i>Banque Pulaetco Dewaay Luxembourg S.A.</i>
Delen Private Bank Luxembourg S.A.	<i>Kredittrust Luxembourg S.A.</i>
DEPFA Pfandbrief Bank International S.A.	Keytrade Bank Luxembourg S.A.
Deutsche Bank Luxembourg S.A.	Landesbank Baden-Württemberg, Luxembourg Branch
Deutsche Postbank AG Zweigniederlassung Luxembourg	Lombard Odier (Europe) S.A.
DNB Luxembourg S.A.	M.M.Warburg & CO Luxembourg S.A.
DZ PRIVATBANK S.A.	Mediobanca International (Luxembourg) S.A.
East-West United Bank S.A.	Mirabaud & Cie (Europe) S.A.
Edmond de Rothschild (Europe)	Mitsubishi UFJ Investor Services & Banking (Luxembourg) S.A.
<i>Edmond de Rothschild Asset Management (Luxembourg)</i>	Mizuho Trust & Banking (Luxembourg) S.A.
<i>Edmond de Rothschild Assurances et Conseils S.A.</i>	Natixis Bank
EFG Bank (Luxembourg) S.A.	Nomura Bank (Luxembourg) S.A.
<i>EFG Investment (Luxembourg) S.A.</i>	<i>Global Funds Management S.A.</i>
<i>European Financial Group EFG (Luxembourg) S.A.</i>	NORD/LB Luxembourg S.A. Covered Bond Bank
Eurobank Private Bank Luxembourg S.A.	Nordea Bank S.A.
Fideuram Bank (Luxembourg) S.A.	Northern Trust Global Services Limited, Luxembourg Branch
Fortuna Banque s.c.	Novo Banco S.A., Succursale de Luxembourg
Freie Internationale Sparkasse S.A.	PayPal (Europe) S.à r.l. et Cie, S.C.A.
Hauck & Aufhäuser Privatbankiers AG, Niederlassung Luxembourg	Pictet & Cie (Europe) S.A.
<i>Hauck & Aufhäuser Fund Platforms S.A.</i>	POST Finance
HSBC Bank Plc., Luxembourg Branch	Rakuten Europe Bank S.A.
<i>HSBC Investment Funds (Luxembourg) S.A.</i>	RBC Investor Services Bank S.A.
<i>HSBC Private Bank (Luxembourg) S.A.</i>	RCB Bank Ltd, Luxembourg Branch
HSH Nordbank Securities S.A.	RiverBank S.A.
<i>HSH Nordbank AG, Luxembourg Branch</i>	Royal Bank of Scotland International Limited, Luxembourg Branch (The)
Industrial and Commercial Bank of China (Europe) S.A.	Skandinaviska Enskilda Banken S.A.
ING Luxembourg	



SEB Fund Services S.A.
SEB Investment Management AB, Luxembourg Branch

SMBC Nikko Bank (Luxembourg) S.A.

Société Générale Bank & Trust

SG Issuer

Société Générale Capital Market Finance S.A.

Société Générale Financing and Distribution

Société Générale Life Insurance Broker S.A.

Société Générale Private Wealth Management S.A.

Standard Chartered Bank, Luxembourg Branch

State Street Bank Luxembourg S.C.A.

Sumitomo Mitsui Trust Bank (Luxembourg) S.A.

Svenska Handelsbanken AB (Publ), Luxembourg Branch

The Bank of New York Mellon S.A./N.V., Luxembourg Branch

The Bank of New York Mellon (International) Ltd., Luxembourg Branch

UBS EUROPE SE, Luxembourg Branch

UniCredit International Bank (Luxembourg) S.A.

UniCredit Luxembourg S.A.

Union Bancaire Privée (Europe) S.A.

VP Bank (Luxembourg) S.A.

Wüstenrot Bausparkasse AG, Niederlassung Luxembourg

Category B: other financial sector professionals, financial professionals

Amazon Payments Europe S.C.A.

Bourse de Luxembourg

CapitalatWork Foyer Group S.A.

CapitalatWork Management Company S.A.

Chambre de Commerce du Grand-Duché de Luxembourg

CYBERServices Europe S.A.

Eurizon Capital S.A.

LuxCSD S.A.

LuxTrust S.A.

Payconiq International S.A.

SIX Payment Services (Europe) S.A.

Sopra Banking Software Luxembourg

Union Investment Luxembourg S.A.

Category C: activities ancillary to the financial sector

Allen & Overy S.C.S.

Arendt & Medernach S.A.

Atoz S.A.

Avaloq Luxembourg S.à r.l.

AxiomSL S.à r.l.

Baker & McKenzie Luxembourg

BDO

Bonn & Schmitt

Clifford Chance S.C.S.

Deloitte General Services S.à r.l.

Deloitte Audit

Deloitte LIS S.à r.l.

Deloitte LIS 2 S.à r.l.

Deloitte Solutions S.à r.l.

Deloitte Tax & Consulting S.à r.l.

Fiduciaire Générale de Luxembourg S.à r.l.

Elvinger Hoss Prussen, société anonyme

EY

Grant Thornton Tax & Accounting S.A.

Grant Thornton Advisory S.A.

Grant Thornton Audit & Assurance S.A.

Grant Thornton Financial Services S.A.

GSK Luxembourg S.A.

KPMG Luxembourg, Société coopérative

Linklaters LLP

Loyens & Loeff Luxembourg S.à r.l., Avocats à la Cour

NautaDutilh Avocats Luxembourg S.à r.l.

PricewaterhouseCoopers, Société cooperative

WAVESTONE Luxembourg

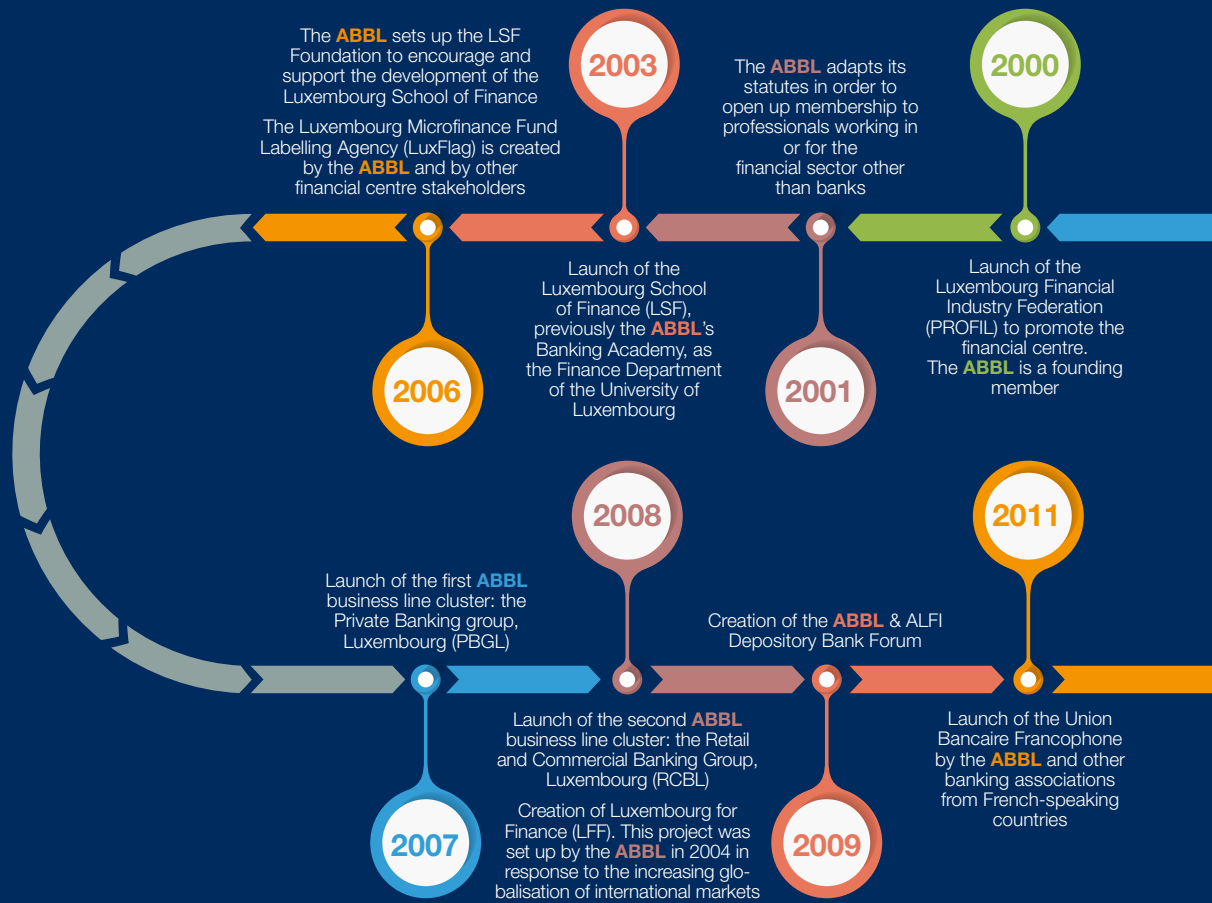
zeb



OUR BACKGROUND



The voice of Luxembourg banking since 1939







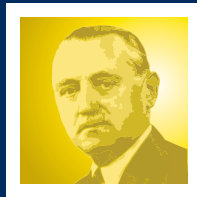
- WHO WE ARE
- WHAT WE DO
- OUR NETWORK
- OUR STRUCTURE

- LIST OF MEMBERS AND RELATED MEMBERS
- OUR BACKGROUND
- HOW TO BECOME A MEMBER
- HOW TO BECOME A FINTECH SERVICE USER

FORMER CHAIRMEN OF THE **ABBL** The voice of Luxembourg banking since 1939



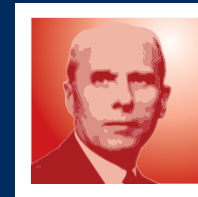
MAX LAMBERT
1945-1948



CARLO TURK
1948-1953



JEAN D'HUART
1953-1959 / 1964-1969



JEAN-JACQUES WELBES
1959-1964 / 1969-1973



MARCEL SCHLEDER
1973-1975 / 1981-1984



GEORGES ARENDT
1975-1977 / 1979 (acting)



ALBERT DONDELINGER
1977-1979



CONSTANT FRANSENS
1979-1981



REMY KREMER
1984-1988



JEAN KRIER
1988-1992



CHARLES RUPPERT
1992-1995



PAUL MEYERS
1995-2000



FRANÇOIS MOES
2000-2004



JEAN MEYER
2005-2010



ERNST WILHELM CONTZEN
2010-2014



- WHO WE ARE
- WHAT WE DO
- OUR NETWORK
- OUR STRUCTURE

- LIST OF MEMBERS AND RELATED MEMBERS
- OUR BACKGROUND
- HOW TO BECOME A MEMBER
- HOW TO BECOME A FINTECH SERVICE USER

CHAIRMANSHIP



Yves Maas ▶
Chairman
since 2014



▶ **Carlo Thill**
Vice-Chairman
since 2010



MANAGEMENT BOARD



Serge de Cillia
CEO
Head of the
Management Board



Catherine Bourin
Member of the
Management Board

SECRETARY GENERAL



Camille Seillès
Secretary General

SENIOR MANAGEMENT



Marc Hemmerling
General Counsel -
Digital Banking & FinTech



Alain Hondequin
General Counsel -
Business Clusters



TEAMS

EUROPEAN AFFAIRS



Antoine Kremer
Adviser to the Management Board - Head of European Affairs



Aurélie Cassou
Senior Adviser - European Affairs



Sarah Callaghan
Trainee EU Affairs

BANKING REGULATION



Gilles Pierre
Adviser to the Management Board - Head of Banking Regulation

INTERNATIONAL AFFAIRS



Benoît Cerfontaine
Adviser to the CEO & International Affairs

DEPOSITORY BANKING CLUSTER & MARKET INFRASTRUCTURES CLUSTER



Gilles Walers
Legal Adviser

PRIVATE BANKING & COMMERCIAL BANKING CLUSTERS | SUSTAINABLE FINANCE



Fabio Mandorino
Adviser - Commercial Banking
Private Banking | Sustainable Finance

RETAIL BANKING CLUSTER



Simone Kayser
Adviser - Retail Banking & Consumer Protection

DIGITAL BANKING & FINTECH INNOVATION CLUSTER



Andrey Martovoy
Adviser - FinTech

BANKING TECHNOLOGIES & PAYMENTS



Antoine Van den Bulcke
Adviser - Banking Technologies & Payments

TAX



Laëtitia Carroz
Adviser - Tax



- WHO WE ARE
- WHAT WE DO
- OUR NETWORK
- OUR STRUCTURE

- LIST OF MEMBERS AND RELATED MEMBERS
- OUR BACKGROUND
- HOW TO BECOME A MEMBER
- HOW TO BECOME A FINTECH SERVICE USER

LEGAL & COMPLIANCE



**Cristelle
Cervellati-Bretbacher**
Legal Adviser



Sandrine Conin
Senior Legal
Adviser



Julien Leroy
Legal Adviser



Gaëlle Lipinski
Officer - Legal

COMMUNICATION



Fabienne Lang
Adviser - Social Security



Philipp von Restorff
Adviser to the
Management Board -
Head of Communication



Sarah Odru
Adviser - Communication
& Press Relations



Jessica Thyriou
Adviser - Communication
& Financial Education

MANAGEMENT SUPPORT



Diane Meunier
Executive Coordinator



Myriam Sibenaler
Head of Human
Resources



Olivier Pammers
Head of Information
Technologies



Carlo Fonseca
Senior Adviser -
Information Technologies



ACCOUNTING & ADMINISTRATION



Doris Cavallaro
Head of Accounting



Elisângela Furtado
Assistant - Accounting



Carole Bertemes
Officer - Administration & Accounting



Nadja Pflieger
Office Manager - Corporate Secretariat

GENERAL SECRETARIAT



Sophie Poekes
Assistant - Secretariat



Annick Rollinger
Assistant - Secretariat



Perrine Schuler
Assistant - Secretariat



Chantal Hoffmann
Assistant - Reception desk

RECEPTION DESK



Sabine Nickels
Assistant - Reception desk



Ghislaine Mercatoris
Assistant - Reception desk



Piero Ruscitti
Supervisor - Facility Management



Jean Schmitz
Technical Agent - Facility Management

FACILITY MANAGEMENT & SUPPORT



WORKING TOGETHER IN THE BEST INTEREST OF THE LUXEMBOURG FINANCIAL CENTRE



Signature of a Memorandum of Understanding between the China Banking Association (CBA) and the Luxembourg Bankers' Association



ABBL Amid Luxembourg's state visit to Japan. The ABBL delegation composed of Yves Maas (Chairman) and Serge de Cillia (Chief Executive Officer) took the occasion to visit the Japanese Bankers Association in order to discuss and exchange views on several topics, ranging from the future of banking, to banking regulation



- WHO WE ARE
- WHAT WE DO
- OUR NETWORK
- OUR STRUCTURE

- LIST OF MEMBERS AND RELATED MEMBERS
- OUR BACKGROUND
- HOW TO BECOME A MEMBER
- HOW TO BECOME A FINTECH SERVICE USER

MEETING WITH MEMBERS



ABBL General Assembly 2017 in the presence of H.E. Pierre Gramegna, Minister of Finance



The ABBL and its Foundation for Financial Education in cooperation with the University of Luxembourg and its Interdisciplinary Centre for Security, Reliability and Trust (SnT) launched a joint research project on the distributed ledger prototype and data analytics for KYC



ABBL Chairman's Dinner 2017



10th Anniversary of the PBGL - Pierre Etienne, Head of the PBGL



- WHO WE ARE
- WHAT WE DO
- OUR NETWORK
- OUR STRUCTURE

- LIST OF MEMBERS AND RELATED MEMBERS
- OUR BACKGROUND
- HOW TO BECOME A MEMBER
- HOW TO BECOME A FINTECH SERVICE USER

ABBL MEETS MEMBERS



ABBL/ALRIM Risk Management Conference



The ABBL and ALFI have welcomed Stanley T. K. Chan from Hong Kong Monetary Authority (HKMA) and Thomas Huen from HKEX for a joint **ABBL & ALFI Seminar on Bond Connect** in Luxembourg



ABBL Conference on MiFID II Guidelines



PROMOTION ACTIVITIES



Luxembourg for Finance > Financial Seminar in Stockholm



HOW TO BECOME A MEMBER

WHO CAN JOIN THE ABBL?

Banks, regulated financial intermediaries, as well as other professionals working in or for the financial sector in Luxembourg, including lawyers, consultants, solution providers and auditors.

HOW TO JOIN THE ABBL?

Your Application for membership to the ABBL must be submitted in writing to the Chairperson. Admission is decided by the ABBL Board of Directors. Together with your application, you will need to submit a number of standard corporate documents.

We would be pleased to assist you in applying for membership: just fill in the form on our website at <http://www.abbl.lu/en/become-member>.

BE PART OF YOUR COMMUNITY, JOIN THE ABBL!

For any additional information, just email us at mail@abbl.lu or call us at (+352) 46 36 60-1.



HOW TO BECOME A FINTECH SERVICE USER

SUBSCRIBE FOR ABL'S SERVICE PACK FOR FINTECH FIRMS

If you are interested in getting connected with ABL members represented by banks, payment institutions, electronic money institutions, consultants, law firms and financial sector professionals, wish to exchange with established actors and peers, and eager to contribute to the shaping of the future banking and financial services, just fill in the form and one of our consultants will contact you shortly.

WHO CAN SUBSCRIBE FOR ABL'S FINTECH SERVICE PACK?

Any entity operating in Financial Technology (FinTech) sector, legally present in Luxembourg, not supervised by the CSSF, employing no more than 10 employees and having no more than EUR 2 million of revenues annually can apply for the Service Pack.

HOW TO JOIN THE ABL?

[Applications for ABL's FinTech Service Pack](#) are submitted in writing and electronically to the Head of Digital Banking and FinTech Innovation (DBFI) Cluster of the ABL. The DBFI Executive Board approves the application. Together with your application you will need to submit a few standard certificates.

WHY SUBSCRIBING FOR ABL'S FINTECH SERVICE PACK?

Subscription for [ABL's FinTech Service Pack](#) is a unique professional and networking opportunity representing an exciting and direct connector to the financial industry of Luxembourg:

- We invite you to specific meetings devoted to various FinTech topics
- We give you an opportunity to join our Working Groups on specific FinTech subjects as experts
- We invite you to events organized by the ABL on FinTech related topics
- We provide you with an access to documents related to specific FinTech subjects
- We list your entity in a noticeable way on the FinTech Map of Luxembourg:

www.fintechmap.lu





- WHO WE ARE
- WHAT WE DO
- OUR NETWORK
- OUR STRUCTURE

- LIST OF MEMBERS AND RELATED MEMBERS
- OUR BACKGROUND
- HOW TO BECOME A MEMBER
- HOW TO BECOME A FINTECH SERVICE USER

ABBL A.s.b.l.

12, rue Erasme | L-1468 Luxembourg

P.O. Box 13 | L-2010 Luxembourg

Tél.: (+352) 46 36 60-1

Fax: (+352) 46 09 21

Email: mail@abbl.lu

For more information, visit our website at:

www.abbl.lu

and follow the ABBL on:

