

Ref.: ST.16-0556
Circular letter

Luxembourg, le 24 May 2016

To all undertakings for collective investment

In case of discrepancies between the French and the English text, the French text shall prevail

***Establishment of a database on non-compliance with statistical reporting
requirements of investment funds***

Ladies and Gentlemen,

The Decision ECB/2015/50 of the European Central Bank of 18 December 2015 amending Decision ECB/2010/10 on non-compliance with statistical reporting requirement will be enforced on 1st July 2016 and will be applicable to investment funds data collected by the Central Bank of Luxembourg.

Hence, from July 2016 (reference period June 2016), the European Central Bank and the Central Bank of Luxembourg will monitor the compliance of reporting agents with the minimum standards required to meet their reporting obligations. During the month of production, all infringements to the minimum requirements, set in the annex IV of the regulation ECB/2013/38 (please see Annex I), will be recorded into a database.

Sanctions may be imposed following an infringement procedure in the event of failure to comply with minimum standards for transmission (in relation to timeliness and technical reporting requirements), accuracy (in relation to linear constraints and data consistency across frequencies) and conceptual compliance (in relation to definitions and classifications).

Moreover, serious misconduct will also be recorded and sanctions may be imposed by the European Central Bank. Serious misconduct is defined as follows:

- systematic reporting of incorrect data;

- systematic failure to comply with the minimum standards for revisions;
- intentional incorrect, delayed or incomplete reporting;
- insufficient degree of diligence or cooperation with the Central Bank of Luxembourg or the European Central Bank.

As part of this procedure's implementation, the Central Bank of Luxembourg will no longer accept the transmission of reports via e-mail. Please take the appropriate measures to set up the transmission of reports by electronic means (e-file or Sofie).

Yours sincerely,

CENTRAL BANK OF LUXEMBOURG

Philippe Arondel
Head of financial and economic
statistics section

Roland Nockels
Head of statistics department

Annex I

Annex IV of the regulation ECB/2013/38 concerning statistics on the assets and liabilities of investment funds

Minimum standard to be applied by the actual reporting population

Reporting agents must fulfil the following minimum standards to meet the European Central Bank's (ECB's) statistical reporting requirements.

1. Minimum standards for transmission:

- (a) reporting must be timely and within the deadlines set by the relevant NCB;
- (b) statistical reports must take their form and format from the technical reporting requirements set by the relevant NCB;
- (c) the reporting agent must provide the details of one or more contact persons to the relevant NCB;
- (d) the technical specifications for data transmission to the relevant NCB must be followed;
- (e) for security-by-security reporting, if the relevant NCB so requests, the reporting agents must provide further information (e.g. name of issuer, issue date) needed to identify securities whose security identification codes are either erroneous or not publicly available.

2. Minimum standards for accuracy:

- (a) statistical information must be correct: all linear constraints must be fulfilled (e.g. assets and liabilities must balance, subtotals must add up to totals) and data must be consistent across all frequencies;
- (b) reporting agents must be able to provide information on the developments implied by the transmitted data;
- (c) statistical information must be complete and must not contain continuous and structural gaps; existing gaps should be acknowledged, explained to the relevant NCB and, where applicable, bridged as soon as possible;
- (d) reporting agents must follow the dimensions, rounding policy and decimals set by the relevant NCB for the technical transmission of the data.

3. Minimum standards for compliance with concepts:

- (a) statistical information must comply with the definitions and classifications contained in this Regulation;

(b) in the event of deviations from these definitions and classifications, reporting agents must monitor and quantify the difference between the measure used and the measure contained in this Regulation on a regular basis;

(c) reporting agents must be able to explain breaks in the transmitted data compared with the previous periods' figures.

4. Minimum standards for revisions:

The revisions policy and procedures set by the ECB and the relevant NCB must be followed. Revisions deviating from regular revisions must be accompanied by explanatory notes.