

**CSSF**

COMMISSION DE SURVEILLANCE  
DES SECURIS FINANCIERES

# **Global Islamic Finance Forum 2010**


## **Islamic Finance Opportunities: Country and Business Guide**

# **Luxembourg**

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Mandarin Oriental, Kuala Lumpur, Malaysia

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## **Some Quick Facts about Luxembourg**

- **Area :** 2,586 km<sup>2</sup>
- **Population :** 500,000
- **Capital City:** Luxembourg
- **Head of State:** HRH Grand Duke Henri
- **Head of Government:** Prime Minister Jean-Claude Juncker
- **Currency:** Euro
- **Nationalities :** 150
  
- **Recorded written history of Luxembourg begins in 963**
- **Luxembourg reached Independence in 1839**
- **Luxembourg is a Parliamentary Representative Democracy with a Constitutional Monarchy – it's the world's only remaining sovereign Grand Duchy**
- **Founding Member of the European Union**

The logo for the Commission de Surveillance du Secteur Financier (CSSF) is located in the top left corner. It consists of a circular emblem with the letters 'C S S F' in a bold, serif font. Below the letters, the full name of the commission is written in a smaller, sans-serif font: 'COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER'. The emblem is set against a light blue background with a subtle circular pattern.

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# **Some Quick Facts about Luxembourg**


## **Luxembourg Financial Sector**

- **Leading European financial centre for investment funds (second worldwide, after the U.S.A.)**
- **Leading Financial centre for wealth management in the Eurozone**
- **Number of banks: 149**
- **Number of investment funds (31 August 2010): 3,614**
- **Assets under management for Luxembourg investment funds: 2,068.990 billion EUR**
- **Luxembourg does not only rely on its financial sector though**
- **One of the biggest Steel Company in the world: Arcelor Mittal**
- **One of the biggest European Television and radio broadcasting Company: RTL Group, which has interests in 34 different TV channels in different countries**
- **One of the biggest satellite companies in the world: SES**



# **The Commission de Surveillance du Secteur Financier (CSSF) is the Luxembourg Supervisory Authority of the Financial Sector**

- The CSSF is a Public Institution with a legal personality and with a financial autonomy**
- The CSSF is placed under the political authority of the Minister of Finance**
- The CSSF is responsible for the supervision of the entire Luxembourg Financial Sector, except for the Insurance Sector**
- Currently the CSSF employs 348 persons**


The logo of the Commission de Surveillance du Secteur Financier (CSSF) is located in the top left corner. It features a circular emblem with a blue and white background, containing the acronym 'CSSF' in large, bold, blue letters. Below the acronym, the full name 'COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER' is written in smaller, blue, uppercase letters. The emblem is surrounded by several curved, overlapping lines in shades of blue and orange.

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## **The Commission de Surveillance du Secteur Financier (CSSF) is the Competent Authority for the Supervision of:**

- **Credit Institutions**
- **Other Professionals of the Financial Sector, including Investment Firms**
- **Investment Funds**
- **Management Companies of Investment Funds**
- **Pension Funds**
- **Investment Companies in Risk Capital (SICARs)**
- **Securitization Vehicles**
- **Stock Exchanges**
- **Securities Markets and their operators**
- **Payment and Securities Settlement Systems**
- **Electronic Money Institutions**




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# **The Supervision of Investment Funds by the CSSF**

- As regards Investment Funds and Management Companies, the CSSF is competent for granting the authorization to carry out the requested activity**
- The Departments of the CSSF in charge of the supervision of Investment Funds and Management Companies employ over 100 persons**




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# Islamic Finance in Luxembourg

- Luxembourg is an International Hub for Financial Services and for Investment Funds
- in 1978 Luxembourg hosted the first Islamic finance institution to establish in a western country (the Islamic Banking System)
- in 1983, the first *shariah* compliant insurance company in Europe was established in Luxembourg
- in 2002 the Luxembourg Stock Exchange was the first European stock exchange to list a *sukuk*
- today, there are as many *sukuks* listed on the Luxembourg Stock Exchange as on the London Stock Exchange (16)

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# Islamic Finance in Luxembourg

- **Luxembourg is currently the 4th largest Financial Centre for Islamic Investment Funds Worldwide, and the largest in the European Union**
- **over 40 Luxembourg Islamic Investment Fund Units with Assets under Management of almost 500 million USD**
- **many of the Luxembourg Islamic Investment Funds are UCITS**
- **the Luxembourg legal and regulatory framework is well adapted for the set up of Islamic financial instruments, Islamic transactions and Islamic investment funds**
- **the Luxembourg government has repeatedly stressed that Islamic finance is one of the important fields it wants to develop in view of its policy for the financial sector**





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# **Islamic Finance in Luxembourg**

- the CSSF has regular contacts with certain Supervisory Authorities of Jurisdictions that are active in the context of Islamic Finance**
  
- the CSSF has signed Memoranda of Understanding (MoUs) with certain Supervisory Authorities of Jurisdictions that are active in the context of Islamic Finance**