How will private markets managers be affected by incoming regulatory reporting changes in Luxembourg?

Fund managers in Luxembourg have less than three months to align their operations and data management systems to meet the requirements of the combined reporting changes published by the CSSF and the BCL. ***Francesca Raffa*** *breaks down the actions you need to take.*

Significant regulatory changes are coming for Luxembourg fund reporting from the start of 2026, with the first changes taking place in December 2025. The CSSF Circular 24/866, alongside the BCL Circular 2024/245, introduces a series of updates to statistical data collection and reporting for investment funds, including alternative structures. These changes are designed to enhance transparency, improve data quality, and bring more entities into the regulatory net to better align the global reporting process.

These updates will significantly impact private fund managers managing alternative investment funds (AIFs), including RAIFs and non-authorized funds (NAFs). Managers will need to review their fund structures to determine which are newly in scope, coordinate with their partners to meet the enhanced data management requirements, as well as adjust operations to the new quarterly and monthly cycles and ensure accurate tracking of distribution jurisdictions to meet the annual marketing disclosures requirements.

Key changes for private markets managers

BCL reporting:

1. **Lower asset threshold:** The total assets threshold for reporting has dropped from EUR 500 million to EUR 300 million, meaning more funds are now in scope. This means more smaller funds will fall under BCL reporting obligations, for example, a RAIF with EUR 350 million in assets,

previously exempt, must now submit monthly and quarterly reports.

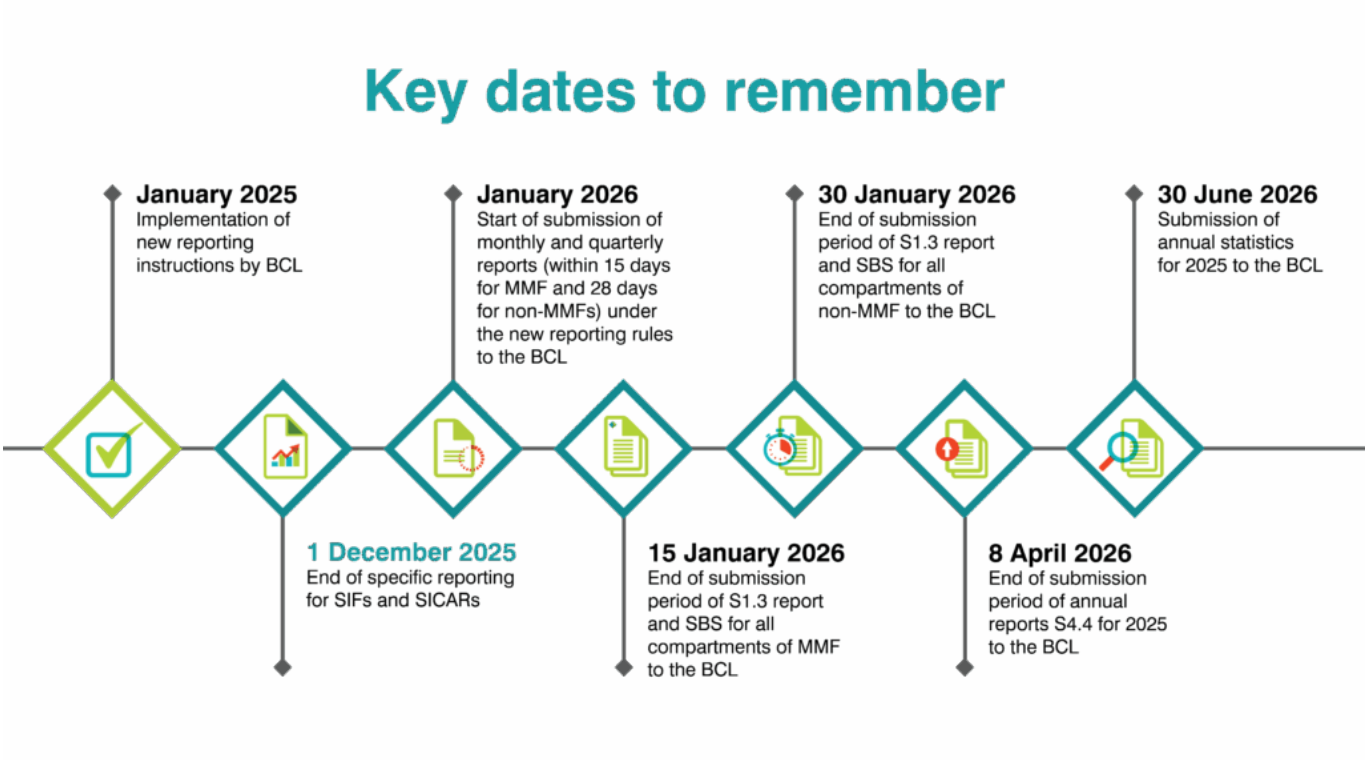
2. **New quarterly reporting:** Alternative investment funds not authorized by the CSSF must now submit quarterly financial reports. This means Report S2.20, which includes financial information similar to the CSSF's U1.1 Report, is now mandatory for non-authorized funds (NAFs) meeting the threshold criteria.
3. **Annual marketing report:** Funds meeting the threshold criteria must report annually on the countries where their shares or units are marketed. As an example, a fund marketed in Germany, France and Singapore must now disclose these jurisdictions annually.
4. **Monthly or quarterly balance sheet reporting:** Monthly balance sheet reporting will now be mandatory for all funds meeting the threshold criteria, except non-UCITS if they are valued less frequently than monthly, for which this requirement will be quarterly. As an example, a private fund with quarterly valuation will need to submit a quarterly balance sheet.
5. **Expanded data points:** Additional items are required in both monthly and quarterly balance sheet and security-by-security reports (SBS). Balance sheet reports require data points about deposits, accrued interest and borrowings, while SBS requires Legal Entity Identifiers (LEIs) and national identifiers for non-ISIN (International Securities Identification Number) securities. As an example, a fund holding Luxembourg private debt must now report the Luxembourg Trade and Companies Register (RCS) numbers if no ISIN is available.

CSSF reporting:

1. **Expanded data points:** New items have been added to the monthly financial information report (U1.1) to improve granularity, for example, a fund must now break down derivative exposures or provide more detailed NAV components.
2. **Decommissioned reports:** The O4.1 and O4.2 reports for SIFs and the K3.1 report for SICARs have been discontinued. This simplifies reporting for these structures. This change takes effect on 1 December 2025.

Deadline

These changes will all be effective as of 1 January 2026, while the CSSF's decommissioned reports change takes effect from 1 December 2025. The new requirements mean that funds must review their current processes, and ensure they update their systems to capture and report the expanded data sets. Missing a deadline or failing to report accurately could result in regulatory scrutiny or penalties.



Three steps to take now

With less than three months until the compliance deadline, fund managers should take the following three steps now:

1. **Assess the expanded scope:** Determine if your private market funds fall in scope due to the lower asset threshold or new reporting requirements.
2. **Update your processes:** Review and update internal processes to ensure all new data points can be collected and reported.
3. **Monitor deadlines:** Streamline workflows and keep a close eye on the new reporting calendar to avoid missed submissions.

How can Aztec help?

Private fund managers might find it difficult to comply with the requirements set out by the Circular. Choosing an experienced and knowledgeable partner like the Aztec Group will help ensure that your operations are fully aligned to the requirements and meet the deadline.

If you want to discuss any of the requirements of the Circular, how these will affect your operations and how the Aztec Group can assist with the changes, please do not hesitate to contact us below.



