

Asset Management & Investment Funds - Monthly update - April 2023

Hello, and welcome to the A&L Goodbody Soundbites series. My name is Nollaig Greene and I am a Knowledge Lawyer in the Asset Management & Investment Funds team. I am going to summarise our April 2023 regulatory bulletin. In it we cover both Irish domestic developments and EU developments relevant to the asset management and investment fund space.

You can find more detail in our monthly bulletin on our website. On the domestic side, the Central Bank increased limits for indirect exposure to digital assets or crypto assets, depending on the liquidity provided by the QIAIF, and the Central Bank also removed the requirement for a pre-submission for QIAIFs investing in digital assets.

The implementation of the individual accountability framework and the senior executive accountability regime is progressing with work ongoing on the Central Bank's consultation. We are seeing preparations begin for the year-end deadlines for conduct standards, including additional conduct standards and business standards, and certification requirements for fitness and property.

Several parts of the Central Bank Individual Accountability Framework Act 2023 were commenced, including parts affecting enforcement processes, following which the Central Bank updated its fitness and property enforcement procedures, effective of April 2023.

The Central Bank will launch a further consultation on the changes to the administrative sanctions procedure in mid-2023. The Central Bank issued an information note on liability-driven investment funds.

The Central Bank commenced its themed review of ETFs by issuing the first of two surveys to industry. The Central Bank published its regulatory service standards performance report for the second half of 2022, which gives insights into why PCF applications are returned, among other things.

The Central Bank issued a letter to investment firms, that's MiFID investment firms and market operators, following its targeted reviews of control frameworks and risk appetite statements. The Department of Finance is to conduct a review of Ireland's funds sector.

We await a consultation on a proposed bill which will give companies the option to hold fully virtual AGMs and general meetings on a permanent basis. The company's registration office is changing its process for filing some forms and the company directors will be required to provide their personal public service number.

And in EU and international developments, a third set of Q&As on the interpretation of SFDR issued together with amendments to the first and second Q&As on the interpretation of SFDR.

The European Commission published two draft delegated acts related to the EU taxonomy regulation. These are open for feedback until the 3rd of May. The ESAs issued an industry consultation paper in response to a mandate from the European Commission to review and revise the SFDR delegated regulation and the ESAs helpfully provided an editable version of the annex templates to the SFDR or regulation.

On AML, the new EU AML legislative package is progressing through the EU legislative process and the Wolfsburg Group published its updated anti-bribery and corruption compliance programme guidance. And that's our April summary.

My email address is ngreene@algoodbody.com. Thank you.