

## **Asset Management & Investment Funds - Monthly update - July 2023**

Hello, and welcome to the A&L Goodbody Soundbite series. My name is Nollaig Greene, and I am a Knowledge Lawyer in the Asset Management and Investment Funds team. I am going to summarise our July 2023 regulatory bulletin.

In it we cover both Irish domestic developments and EU developments relevant to the asset management and investment funds space. You can find more detail in our monthly bulletin on our website. On the domestic side, the Central Bank issued a discussion paper on macroprudential policy for investment funds.

The Central Bank published two markets updates, which included updates to QIAIF application forms and speeches by Jerry Cross, Central Bank Director of Financial Regulation Policy and Risk, on implementing DORA and MICA.

The Central Bank's Director of Enforcement and Anti-Money Laundering, Seana Cunningham, spoke about enhancements to the Central Bank's administrative sanctions procedure and the related guidelines which are currently subject to consultation.

A statutory instrument was published, designating 29 December 2023 for IAF contact standards and fitness and property updates.

And in EU and international developments, the Council of the EU announced that it reached political agreement with the European Parliament on the proposed directive amending the AIFMD and the UCITS directive. The agreed text has not yet been published.

The EU and UK signed a Memorandum of Understanding on regulatory cooperation in the area of financial services. The European Commission published a report on the adequacy of the regulation on money market funds.

The FSB is consulting on revisions to its policy recommendations to address liquidity mismatch in open-ended funds. The revised recommendations are not to apply to ETFs. IASCO is consulting on anti-dilution liquidity management tools.

The ESRB published a compliance report on its recommendations relating to liquidity and leverage risks in investment funds. ESMA launched a CSA on sustainability-related disclosures and the integration of sustainability risks.

ESMA also published its second report on the cross-border distribution of funds regime, data on exposures of AIFs to commercial real estate markets in the EU as of 31 December 2021, a statement on the sustainability disclosure expected in prospectuses under the prospectus regulation, in a funds context, this is relevant to listed closed-ended funds only, a briefing on the definition of advice under MiFID II, a follow-up report to the peer review on the compliance function under MiFID I, a statement on its 2022 CSA and mystery shopping exercise on compliance with disclosure requirements for costs and charges under MiFID II, a report on its July 2022 call for evidence on pre-hedging, a report on its review of MiDIF II passporting across the EU which includes proposed revised technical standards, a manual on post-trade transparency under MiFID II and MiFIR, reports on sanctions under the UCITS directive AIFMD and MiFID II.

And the EBA published its fourth opinion on the risks of money laundering and terrorist financing that are affecting the EU's financial sector. And that's our July summary. My email address is [ngreene@algoodbody.com](mailto:ngreene@algoodbody.com). Thank you for listening.