

Asset Management & Investment Funds - Monthly update - June 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'm going to summarise our June 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 Department of Finance is conducting a review of Ireland's fund sector under the title Fund Sector 2030 – Framework for Open, Resilient and Developing Markets.

A public consultation will run until 15th September 2023. The Central Bank launched a consultation on amendments to its administrative sanctions procedure. The consultation paper is accompanied by draft ASP guidelines.

New regulations amend the European Union anti-money laundering beneficial ownership of corporate entities regulations 2019 as regards access to central beneficial ownership registers. This impacts companies, ICAVs and unit trusts.

And in EU and international developments, ESMA is to review the operation of the eligible assets directive. ESMA published its annual report for 2022 which sets out ESMA's key achievements in 2022. ESMA published new UCITS and AIFMD Q&As on passporting, on denotifying of cross-border marketing and on leverage.

ESMA published its follow-up report to the peer review on the guidelines on ETFs and other UCITS issues and noted that NCAs should continue monitoring EPM costs. ESMA published an article on the results of the money market fund stress tests which were reported to ESMA.

The ESAs each published progress reports on greenwashing in their sector. The ESAs suggest a common high-level definition of greenwashing and will publish final greenwashing reports with recommendations in May 2024.

The European Commission published a package of measures to strengthen the EU's sustainable finance framework. ESMA launched a call for evidence on integrating sustainability preferences into suitability assessment and product governance arrangements under MiFID II.

The ESAs have requested clarification concerning the bilateral margining framework and equity options under EMIR, noting that the ongoing EMIR review could clarify the issue. And finally, on AML high-risk third countries, the regulation adding Nigeria and South Africa to the list and deleting Cambodia and Morocco from the list will come into force on 16 July 2023.

And that's our June summary. My email address is ngreene@algoodbody.com. Thank you for listening.