

Asset Management & Investment Funds - Monthly update - May 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 May 2023 regulatory bulletin, in which 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, Central Bank of Ireland, Director of Enforcement and Anti-Money Laundering, Shana Cunningham, delivered a speech at the European Anti-Financial Crime Summit.

Central Bank Deputy Governor, Vasileios Madouros, delivered a speech on building resilience in markets and looked at developing a macroprudential lens in the regulation of non-banks with a focus on the investment fund sector.

Minister for Finance, Michael McGrath, delivered a speech at the Irish Fund's annual dinner. The Central Bank progressed its themed review of ETFs by issuing the second of two surveys to industry.

And in the EU and international developments, the EU Retail Investment Package issued with proposed updates to the UCITS Directive, the AIFMD and the PRIIPs Regulation, dealing in particular with costs.

ESMA had proposed revisions to the UCITS Directive and AIFMD in respect of undue costs. ESMA published a report on the Common Supervisory Action on the Supervision of the Asset Valuation Rules under the UCITS and AIFM Directives.

The European Commission adopted a draft Memorandum of Understanding with the United Kingdom on Financial Services. This is now subject to final political endorsement. IASCO published good practices for the implementation of its principles for ETFs.

The ESAS issued consolidated Q&As on SFDR. The ESAS also published a consolidated Q&A on PRIIPs KID. An ESMA consultation on RTS under the revised LTIF regulation closes on 24 August 2023. The ESAs published their 2022 annual report.

Regulations issued which will amend the MiFIR transparency requirements for equity and non-equity instruments and the MiFID II tick size regime.

And on AML CFT sanctions, the EU's proposed AML package is continuing through the EU legislative process and the European Commission is updating the list of high-risk third-country jurisdictions presenting strategic deficiencies in AML CFT.

Two third-country jurisdictions are being added to the list, that's Nigeria and South Africa, while two other jurisdictions are being delisted, that's Cambodia and Morocco. So this change is not yet in place.

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