

Capital Markets Union - delivering one year after the 2020 CMU Action Plan

**Everything you need to know about the new legislative
proposals:
AIFMD2, ELTIF2, ESAP, MiFIR**

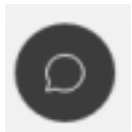
Hello and welcome!

Let's enjoy an interactive session



Q&A – please send your questions to the panelists

You can access the Q&A section by clicking on the 3 dots button in the toolbar at the bottom of your screen.



Chat – should you have technical issues, please write us in the chat

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AIFMD2 - Substance and organisational outlook

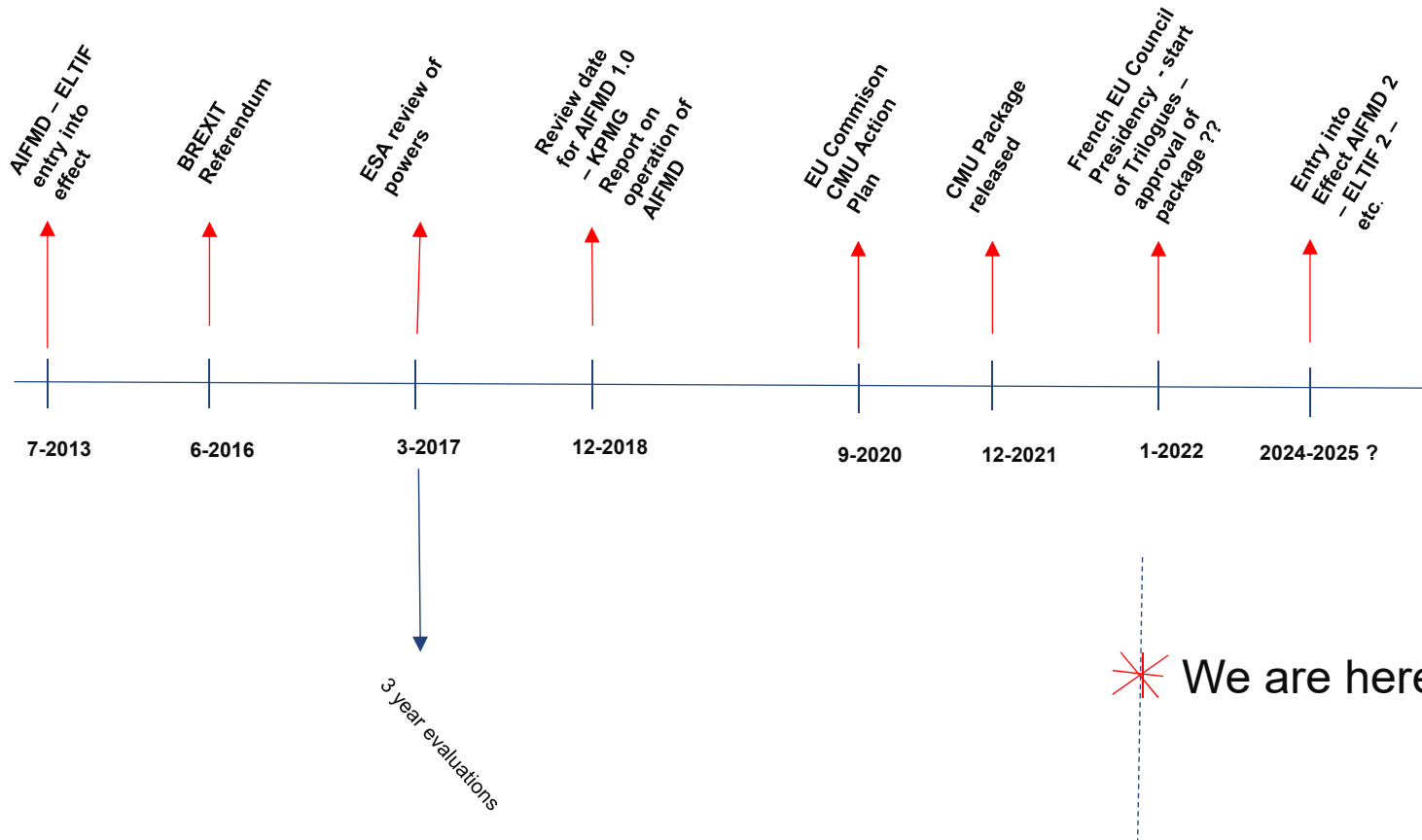


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Key Dates / Events / Timeline



Building Blocks



ESAP

AIFMD 2

Loan & Debt Funds

ELTIF 2

AIFMD & UCITS
Convergence

MifiD - MifiR

1. Substance

- AIFM to provide detailed description of the human and technical resources when seeking authorisation
- At least two persons engaged / committed to decide the conduct of business on a full-time basis resident in the Union



Considerations

- Requirements in line with Circular CSSF 18/698 and CSSF administrative practice

2. Delegation

- Delegation arrangements apply to all Annex functions and ancillary services
- Rules apply mutatis mutandi in case of sub-delegation
- Delegation to third country entities subject to increased reporting
- ESMA to be notified by NCA in cases where more risk or portfolio management is delegated to third country entities than is retained
- 2-year peer review and 5-year “letter box” review



Considerations

- Proposed requirements already widely covered by Circular CSSF 18/698 and CSSF administrative practice
- Extension of delegation arrangements to all Annex functions incl ancillary functions

3. Scope of activities

- AIFM permitted to originate loans and service securitisation special purpose entities
- AIFMs may provide additional ancillary services (i.e. administration of benchmarks & credit servicing)
- MiFID rules not applicable in case of the additional ancillary services



Considerations

- Applicability of MiFID rules
- AIFM acting as service provider

4. Liquidity management

- Liquidity management tools (LMT) for AIFM managing open-ended AIF (Annex V)
- Necessity of policies & procedures for the “activation” and “deactivation”
- Notification of NCAs when activating or deactivating
- ESMA can require AIFMs to activate or deactivate LMT



Considerations

- No details on circumstances in which ESMA would exercise such powers

5. Disclosure and reporting requirements

- Additional disclosures to investors
- Amendments to Annex IV reporting
- ESMA to publish new RTS regarding Annex IV reporting



Considerations

- Direct and indirect fees and charges to be disclosed on a quarterly basis
- Reporting in relation to all (not just principal/most important) markets, instruments and exposures

6. Depositary

- NCAs can permit AIFMs / AIFs to select depositary services located in other Member States



Considerations

- No amendment in the relevant Article of the AIFMD

7. 3rd country topics

- Additional conditions for non-EU AIFM marketing AIF & EU AIFM marketing non-EU AIF
- New reference to “high risk jurisdiction” pursuant to the EU AML Directive
- Additional requirement that domicile must not be on the EU list of non-cooperative tax jurisdictions (EU Tax List)



Considerations

- Potential uncertainties for AIFM using NPPR
- No grandfathering provisions



Preliminary findings





Next steps



- Review by the EU Parliament and the Council of the EU
 - EU Parliament
 - France took the presidency in H1 2022, followed by the Czech Republic in H2 2022
- 24-months implementation timeline



The webinar series programme:

   			
13 January	12:30 pm - 1:15 pm CET	What is the package all about? Detailed agenda_	Pierre Beissel Gilles Dusemon Corinne Prinz
18 January	12:30 pm - 1:15 pm CET	AIFMD2 - Substance and organisational outlook Detailed agenda_	Adrian Aldinger Michael Daemgen
25 January	12:30 pm - 1:15 pm CET	Focus on loan origination funds Detailed agenda_	Nicolas Bouveret Claudia Hoffmann
1 February	12:30 pm - 1:15 pm CET	Focus on ELTIF 2.0 Detailed agenda_	Claude Niedner Stefan Staedter
9 February	12:30 pm - 1:15 pm CET	UCITS/AIFMD convergence Detailed agenda_	Florence Stainier Jasper Ronda

Contact Us

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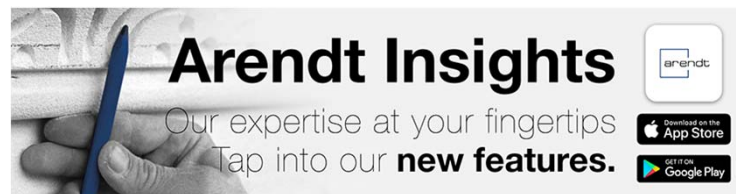
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