



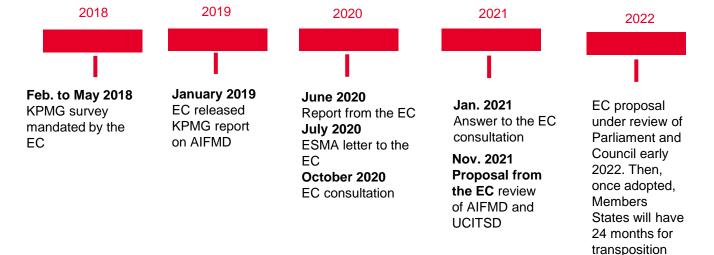
## **REVIEW OF AIFMD - LEVEL 1**

### REGULATORY EVOLUTION

- Review of AIFMD Level 1 by the European Commission (EC) should have started by July 2017. Due to the European's focus on competing priorities such as Brexit, this process has been delayed
- The European Commission has mandated KPMG to carry out a survey on the functioning of AIFMD to assess:
  - how the AIFMD has worked in practice
  - and to what extent the AIFMD objectives have been achieved and have provided added value

### **FOCAL POINTS**

- The survey seeks for the view of stakeholders in particular on:
  - AIFMD's impact on the information provided to investors before they invest
  - Whether retail investors are affected by AIFMD
  - Whether other regulation has assisted or hindered the achievement of the AIFMD's objectives



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## Updated on 8 March 2022

#### STATEMENT

- □ On February 2018 KPMG published a survey among the stakeholders most affected by AIFMD (Asset Managers, local regulators, depositaries ... and conducted in May 2018 interviews with trade associations
- Main message from European and French depositaries in response to KPMG survey: AIFMD is functioning satisfactorily
- □ 10 January 2019: publication by the Commission of KPMG Report on the Operation of the AIFMD first step in the process review
- Key findings of in this report:
  - AIFMD has significantly contributed to creating a single market for AIFs by establishing an harmonized regulatory framework
  - Most of the AIFMD provisions are assessed as having achieved their objectives
  - Some areas require further analysis: NCAs diverging interpretations of rules, overlaps in reporting requirements with other European rules
- □ 10 June 2020: Commission published its own report on the review of the AIFMD and confirmed that AIFMD objectives have been achieved.
- 18 August 2020: ESMA sent <u>a letter</u> to the Commission regarding the AIFMD review to highlight recommendations for changes in areas such as: the harmonization of AIFMD and UCITS regimes, delegation and substance, liquidity management tools, leverage, the AIFMD reporting regime and data use, the harmonization of supervision of cross-border entities and the study of a depositary passport

## FOR YOUR CONSIDERATION

- □ 29 January 2021: Answers by the industry to the consultation launched by the Commission on AIFMD review in October 2020
- □ 25 November 2021: Commission published its legislative <u>proposal</u> on the Review of AIFMD and UCITS Directive
- Next steps: the Commission proposal is under review of the European Council and Parliament. Once adopted by the EU co-legislators, Member States will have 24 months for transposition in local law.

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If you want to know more, refer to Fiche AIFMD to know more

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