



Review of
AIFMD – Level 1

FOCUS

Updated in June 2019

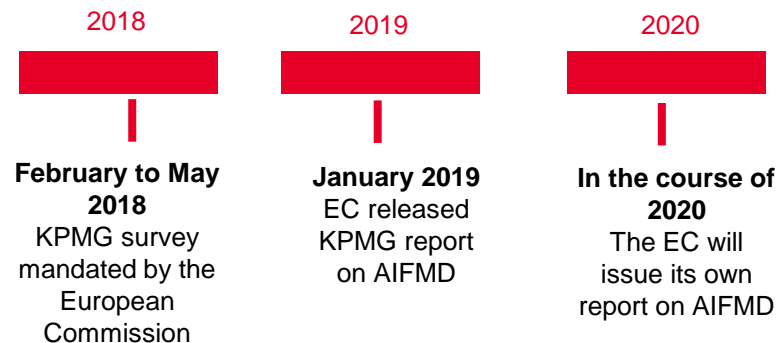
REGULATORY EVOLUTION

- Review of AIFMD Level 1 by the European Commission 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



Updated on 20 June 2019

STATEMENT

- ❑ On February 2018 KPMG published an online survey among the stakeholders most affected by AIFMD (such as Asset Managers, local regulators, depositaries) and conducted on May 2018 semi-structured interviews with trade associations
- ❑ Main messages from European depositaries – ETDF (European Trustee Depository Forum) – and from AFTI in response to the survey in March 2018 and to KPMG interviews in May 2018:
 - AIFMD is functioning satisfactorily, disruption from further regulatory changes would be unnecessary and unwelcome
 - The AIFMD review should be an opportunity to clarify that a CSD which interposes in the custody chain acts as an investor CSD is to be considered as a depositary's sub-custodian
- ❑ **On 10 January 2019: publication by the Commission of KPMG Report**
- ❑ **Key findings of this first step in the Commission's process review:**
 - 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: diverging interpretations of rules by NCAs and overlaps in reporting requirements with other European rules

FOR YOUR CONSIDERATION

- ❑ **Next step:** in 2019 the Commission will prepare a report to the co-legislators on the functioning of the legislation and intend to issue it in the course of 2020

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