



ASSOGESTIONI
associazione del risparmio gestito

Public consultation on the review of the alternative investment fund managers directive (AIFMD)

Please find below the full response by Assogestioni to the public consultation: **the answers by Assogestioni are in red.**

**Transparency register identification number:
89046007765-76**

Anonymous

Only your type of respondent, country of origin and contribution will be published. All other personal details (name, organisation name and size, transparency register number) will not be published.

Public

Your personal details (name, organisation name and size, transparency register number, country of origin) will be published with your contribution.

I agree with the [personal data protection provisions](#)

Choose your questionnaire

Please indicate whether you wish to respond to the citizens' version (3 general questions and 14 investor protection questions) or full version (102 questions) of the questionnaire.

The short version only covers the general aspects of the AIFMD regime and investor protection matters under the AIFMD.

The full version contains 85 additional questions addressing more technical features of the AIFMD regulatory regime.

Note that only the questions that are part of the short version are also available in all EU languages.

- I want to respond only to the **short version of the questionnaire** (3 + 14 questions)
- I want to respond to the **full version of the questionnaire** (102 questions)

I. Functioning of the AIFMD regulatory framework, scope and authorisation requirements

The central pillar of the AIFMD regulatory regime is a European licence or a so-called AIFM passport. EU AIFMs are able to manage and market EU AIFs to professional investors across the Union with a single authorisation. This section seeks to gather views on potential improvements to the AIFMD legal framework to facilitate further integration of the EU AIF market. The objective is to look at the specific regulatory aspects where their potential refining could enhance utility of the AIFM passport, gathering data on concrete costs and benefits of the suggested improvements, at the same time ensuring that the investor and financial stability interests are served in the best way. A number of questions focus on the level playing field between AIFMs and other financial intermediaries.

Question 1. What is your overall experience with the functioning of the AIFMD legal framework?

- Very satisfied
- Satisfied
- Neutral
- Unsatisfied
- Very unsatisfied
- Don't know / no opinion / not relevant

Question 2. Do you believe that the effectiveness of the AIFMD is impaired by national legislation or existing market practices?

- Fully agree
- Somewhat agree
- Neutral
- Somewhat disagree
- Fully disagree
- Don't know / no opinion / not relevant

Question 2.1 Please explain your answer to question 2, providing concrete examples and data to substantiate it:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Assogestioni believes that the AIFMD, in general, has introduced a good level of harmonization by imposing same obligations across the EU and, at the same time, by giving access to the management and marketing passport. The framework has set out a high standard of harmonisation in the alternative investment fund

management sector by ensuring a consistent regulatory approach to potential risks of the financial system, better co-ordinated oversight, a high level of investor protection and a more integrated market of EU AIF. Consequently, the framework for AIFMs (and indirectly for AIFs) is much better today than before the introduction of the Directive.

Notwithstanding what explained above, there are still some areas where supervisory authorities of the Member States have maintained or added some national specificities, in particular with reference to the distribution of AIFs at national level. Difficulties are encountered when AIFs are marketed on a cross-border basis (although the review on the cross border distribution of funds has addressed most of those issues).

Question 3. Please specify to what extent you agree with the statements below:

The AIFMD has been successful in achieving its objectives as follows:

	1 (fully disagree)	2 (somewhat disagree)	3 (neutral)	4 (somewhat agree)	5 (fully agree)	Don't know - No opinion - Not applicable
creating internal market for AIFs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
enabling monitoring risks to the financial stability	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
providing high level investor protection	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

Other statements:

	1 (fully disagree)	2 (somewhat disagree)	3 (neutral)	4 (somewhat agree)	5 (fully agree)	Don't know - No opinion - Not applicable
The scope of the AIFM license is clear and appropriate	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
The AIFMD costs and benefits are balanced (in particular regarding the regulatory and administrative burden)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

<p>The different components of the AIFMD legal framework operate well together to achieve the AIFMD objectives</p>	○	○	○	✗	○	○
<p>The AIFMD objectives correspond to the needs and problems in EU asset management and financial markets</p>	○	○	○	○	✗	○
<p>The AIFMD has provided EU AIFs and AIFMs added Value</p>	○	○	○	○	✗	○

Question 3.1 Please explain your answer to question 3, providing quantitative and qualitative reasons to substantiate it:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

In general, the AIFMD has allowed a high level of harmonization in many areas, in particular for what concern the conditions required to be authorized as an AIFM in the EU and the corresponding requirements in terms of organization, risk management policies and relationships with other stakeholders (such as custodians and external valuers). Finally, it has contributed to increasing investor protection and facilitated cross-border distribution (although different interpretations or requests by national authorities remain in relation to cross-border distribution, which must be overcome). Beyond this positive general judgement, however, there is still room for improvement.

Question 4. Is the coverage of the AIFM licence appropriate?

- Yes
- No
- Don't know / no opinion / not relevant

Question 4.1 What other functions would you suggest adding to the AIFM licence?

Please explain your choice also considering related safeguards and requirements, such as protecting against potential conflicts of interest, where appropriate, disadvantages and benefits of the proposed approach:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 5. Should AIFMs be permitted to invest on own account?

- Yes
- No
- Don't know / no opinion / not relevant

Question 5.1 If yes, what methods and limitations to this possibility should be imposed?

Please explain your proposition in terms of conflicts of interest, benefits and disadvantages as well as costs, where possible:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 5.1 Please explain your answer to question 5:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Assogestioni believes that the activities and the services covered by the AIFM license should not extend to dealing on “own account” (i.e. trading against proprietary capital as defined in Article 4(1)(6) MiFID II). Allowing asset managers to deal on own accounts would change their entire business model and risk taking. Otherwise AIFM managers should be able (to continue) investing on “own account” in AIFs (also managed) if they see fit, to the extent that they will always comply with the current initial capital and own funds regime.

Question 6. Are securitisation vehicles effectively excluded from the scope of the AIFMD?

- Yes
- No
- Don't know / no opinion / not relevant

Question 6.1. What elements would you suggest introducing into the AIFMD to exclude securitisation vehicles from the scope of the AIFMD more effectively and reducing regulatory arbitrage possibilities?

Please explain:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Article 2 of the AIFMD is entitled “*Scope*”. Paragraph 3, letter g) of Article 2 of the AIFMD provides as follows: “*This Directive shall not apply to the following entities: (...) (g) securitisation special purpose entities*”. The “*securitization special purpose entities*” are clearly defined in Article 4, paragraph 1, letter (an) of the AIFMD as follows: “*“securitisation special purpose entities” means entities whose sole purpose is to carry on a securitisation or securitisations within the meaning of Article 1(2) of Regulation (EC) No 24/2009 of the European Central Bank of 19 December 2008 concerning statistics on the assets and liabilities of financial vehicle corporations engaged in securitisation transactions (1) and other activities which are appropriate to accomplish that purpose*”. In conclusion, the text of the directive seems clear in excluding “*securitization vehicles*” from its scope, but it is very important updating of regulatory references.

Question 7. Is the AIFMD provision providing that it does not apply to employee participation schemes or employee savings schemes effective?

- Yes
- No
- Don't know / no opinion / not relevant

Question 7.1 Please explain your answer to question 7:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 8. Should the AIFM capital requirements be made more risk-sensitive and proportionate to the risk-profile of the managed AIFs?

- Yes
- No
- Don't know / no opinion / not relevant

Question 8.1 Please explain your answer to question 8, presenting benefits and disadvantages of your approach as well as potential costs:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Rigorous capital requirements for investment management companies are already

imposed by the AIFM (or UCITS) Directive. These requirements consider that asset managers do not have custody over the assets of the funds (AIF or UCITS), as these are held - or more precisely, 'safe-kept' - by depositaries. The assets in the fund portfolio are kept segregated and are thus never part of the asset manager's own balance sheet. Therefore, there is no direct link between the risk exposure of the fund managed assets and the solvency of the manager's balance sheet. We believe the current capital requirements of the managed AIFs are fit for purpose.

Question 9. Are the own funds requirements of the AIFMD appropriate given the existing initial capital limit of EUR 10 million although not less than one quarter of the preceding year's fixed overheads?

- Yes
- No
- Don't know / no opinion / not relevant

Question 9.1 Please explain your answer to question 9, detailing any suggestion of an alternative policy option, and presenting benefits and disadvantages of the entertained options as well as costs:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 10. Would the AIFMD benefit from further clarification or harmonisation of the requirements concerning AIFM authorisation to provide ancillary services under Article 6 of the AIFMD?

- Fully agree
- Somewhat agree
- Neutral
- Somewhat disagree
- Fully disagree
- Don't know / no opinion / not relevant

Question 10.1 Please explain your answer to question 10, presenting benefits

and disadvantages of the entertained options as well as costs:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

UCITS Directive and AIFMD are very clear as regards the scope of permitted activities. There is no need for any further legislative action. If existing legislation is not consistently applied across all Member States this should not trigger additional legislation but measures allowing consistent interpretation of the rules.

Question 11. Should the capital requirements for AIFMs authorised to carry out ancillary services under Article 6 of the AIFMD be calculated in a more risk-sensitive manner?

- Yes
- No
- Don't know / no opinion / not relevant

Question 11.1 Please explain your answer to question 11, presenting benefits and disadvantages of your suggested approach as well as potential costs of the change, where possible:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Assogestioni does not see any need to amend the current well-functioning regime. Changing calculation methods would not bring any added value and it would only create complexity. We are not aware neither higher nor lower own capital requirements are needed to cover potential risks of ancillary services in a more risk sensitive manner.

Question 12. Should the capital requirements established for AIFMs carrying out ancillary services under Article 6 of the AIFMD correspond to the capital requirements applicable to the investment firms carrying out identical services?

- Yes
- No
- Don't know / no opinion / not relevant

Question 12.1 Please explain your answer to question 12, presenting benefits and disadvantages of your suggested approach as well as potential costs of the change, where possible:

There is no need to amend a very well running system. The new K-factor approach developed under the investment firm framework is not tested in practice yet and will lead to an administrative burden in view of changing the calculation method, internal processes for calculation and monitoring. Moreover, the investment firm framework does not consider risk mitigating measures such as capital commitments given within a group by the parent company or coverage of risks through insurances and is still focusing on any risk-driving factors. Therefore, we are not convinced of adapting methods that work well to methods that have not yet been tested. Furthermore, changing the capital requirements of asset managers can only be based on compelling reasons. We are not aware of such reasons.

Question 13. What are the changes to the AIFMD legal framework needed to ensure a level playing field between investment firms and AIFMs providing competing services?

Please present benefits and disadvantages of your suggested approach as well as potential costs of the change, where possible:

Assogestioni does not see the need to make changes on this specific point, separate regimes should be maintained for the reasons mentioned previously. Adopting such an approach would result in much more constraining rules that would over-regulate the AIFMs in view of the risks they generate and in the nature of their activities. It is important to consider the different core businesses and services of investment firms and those of management companies, where the latter cannot execute orders on behalf of clients, nor dealing on own account.

Question 14. Would you see value in introducing in the AIFMD a Supervisory Review and Evaluation Process (SREP) similar to that applicable to the credit institutions?

- Yes
- No
- Don't know / no opinion / not relevant

Question 14.1 Please explain your answer to question 14, presenting benefits and disadvantages of your suggested approach as well as potential costs of the change, where possible:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

There is no need to introduce measures like the ones introduced for credit institution or investment firms, considering the potential risk of asset managers that do not deal on own account. The SREP is designed for a balance sheet model and not for an agency model. It is a complicated piece of work to do which is costly and burdensome, without bringing any benefit in a cost-benefit analysis. The existing supervisory system works well and is sufficient.

Question 15. Is a professional indemnity insurance option available under the AIFMD useful?

- Yes
- No
- Don't know / no opinion / not relevant

Question 15.1 Please explain your answer to question 15, presenting benefits and disadvantages of your suggested approach as well as potential costs of the change, where possible:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 16. Are the assets under management thresholds laid down in Article 3 of the AIFMD appropriate?

- Yes
- No
- Don't know / no opinion / not relevant

Question 16.1 If not, please suggest different thresholds and explain your choice, including benefits and disadvantages of your suggested approach as well as potential costs of the change, where possible:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 17. Does the lack of an EU passport for the sub-threshold AIFMs impede capital raising in other Member States?

- Yes
- No
- Don't know / no opinion / not relevant

Question 17.1 Please further detail your answer to question 17, substantiating it, also with examples of the alleged barriers:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 18. Is it necessary to provide an EU level passport for sub- threshold AIFMs?

- Yes
- No
- Don't know / no opinion / not relevant

Question 18.1 If yes, should the regulation of the sub-threshold AIFM differ from the regulation of the full-scope AIFMs under the AIFMD and in which way?

Please explain your proposition, including costs/benefits of the proposed approach:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 18.1 Please explain your answer to question 18:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 19. What are the reasons for EuVECA managers to opt in the AIFMD regime instead of accessing investors across the EU with the EuVECA label?

Please explain your answer:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 20. Can the AIFM passport be improved to enhance cross-border marketing and investor access?

- Yes
- No
- Don't know / no opinion / not relevant

Question 20.1 If so, what specific measures would you suggest?

Please explain your suggestions, presenting benefits and disadvantages as well as potential costs thereof, where possible:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The AIF market needs greater flexibility for what concern the authorization and marketing process in cross-border situations. Notwithstanding the Directive 2019/1160 on facilitating cross-border distribution of collective investment undertakings, there are still difficulties in accessing the market and delays where the AIFM is a management company authorized by an authority in a different country than the country of establishment of the AIF. In particular, our Members report considerable difficulties related to the authorization process, to the timing of some national authorities that are not consistent with the timing required by the authorization process of other national authorities, to the additional notifications/communications requested by the national authorities (moreover in a manner different from each other).

II. Investor protection

The AIFMD aims to protect investors by requiring AIFMs to act with the requisite transparency before and after investors commit capital to a particular AIF. Conflicts of interest must be managed in the best interest of the investors in the AIF. AIFMs must also ensure that the AIF's assets are valued in accordance with appropriate and consistent valuation procedures established for an each AIF. The AIF assets are then placed in safekeeping with an appointed depositary that also oversees AIF's cash flows and ensures regulatory compliance.

Questions in this section cover the topic of investor categorisation referencing to MiFID II, stopping short of repeating the same questions that have been raised in its [recent public consultation on MiFID II](#), rather inviting comments on the most appropriate way forward. Views are also sought on the conditions that would make it possible to open up the AIF universe to a larger pool of investors while considering their varying degrees of financial literacy and risk awareness. Examples of redundant or insufficient investor disclosures are invited.

Greater clarity on stakeholders' views of the AIFMD rules on depositaries is sought in particular where such rules may require clarification or amending. The introduction of the depositary passport is desirable from an internal market point of view, but stakeholders are invited to propose other potential legal solutions, if any, that could address the issue of the short supply and concentration of depositary services in smaller markets.

a) Investor classification and investor access

Question 21. Do you agree that the AIFMD should cross-refer to the client categories as defined in the MIFID II (Article 4(1)(ag) of the AIFMD)?

- Yes
- No
- Don't know / no opinion / not relevant

If no, how could the investor classification under the AIFMD be improved?

Please give examples where possible and present benefits and disadvantages of your suggested approach as well as potential costs of the change:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 21.1 Please explain your answer to question 21:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Assogestioni strongly believes that the client categories should be the same throughout all EU financial services legislations in order to have the needed alignment among them and avoid additional red tape. For this reason we believe that the basis for the client categorisation should be provided by the MiFID II and there should be only a cross reference between the latter discipline and the AIFMD. We believe that this approach is necessary because the current MiFID categories lacks granularity that take into account the different needs of different types of investors and this could represent an issue for AIFs which cover a large variety of fund structures with very different risk profile.

Question 22. How AIFM access to retail investors can be improved?

Please give examples where possible and present benefits and disadvantages of your suggested approach as well as potential costs of the change:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

In order to broaden the audience of AIF investors, Assogestioni considers it necessary to introduce a new category of semi-professional investors.

We do believe that the best place for a definition of semi-professional investor would be the MiFID II. However, if this result cannot be achieved, we are in favor of an introduction of this definition in the AIFMD that takes into account that similar figures are already present in EuVECA and EuSEF.

In this perspective, the introduction in the AIFMD of a definition of “semi-professional investor” (i) should recognize, at the same time, the possibility to benefit of the “European passport” for AIF’s marketing to this category; (ii) should be coordinated with the MiFID II discipline (in order to apply the conduct rules) and the prospectus discipline (in order to the offer). Relating to this last point, Assogestioni believes that, if the MiFID regime applicable to semi-professional investors would be equalized to the one provided for retail investors, it would be necessary to simplify the investor disclosure, without any references to the Prospectus regime, and defining a proper AIFMD discipline on the prospectus, in line with what has been done in the UCITS Directive.

With regard to the content of this client category, whether it is present in the MiFID or in the AIFMD, we do believe that the following criteria should be take into consideration

(as we have already said in our response to the MiFID Consultation): the semi-professional client's category could be identified alternatively in those who: (i) subscribe or purchase units or shares of the AIF for a total amount of not less than five hundred thousand euros; or (ii) undertake to invest, in the context of the provision of the investment advice, an amount of not less than one hundred thousand euro and this amount does not exceed, at the time of investment, a certain percentage (10-20%) of their financial portfolio, that includes financial instruments, insurance investment products and bank deposits. The semi-professional client's category identified under (ii) is based on the assumption that the provision of advisory and management services implies an assumption of responsibility by the intermediary regarding the operations respectively recommended and executed, suitable to make up for any lack of knowledge and skills of the customer. In this sense, it would be in line with the approach already concretely adopted by the European legislator in the regulatory frameworks on ELTIF.

The identification of the aforementioned category of "semi-professional" investors within the AIFMD would then constitute a first regulatory basis on which the proposal for a more general reclassification of customers in the aforementioned context of the MiFID II review could be supported.

Question 23. Is there a need to structure an AIF under the EU law that could be marketed to retail investors with a passport?

- Yes
- No
- Don't know / no opinion / not relevant

Question 23.1 If yes, what are the requirements that should be imposed on such AIFs?

Please give examples where possible and present benefits and disadvantages of your suggested approach as well as potential costs of the change:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 23.1 Please explain your answer to question 23:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

In general, the positive or negative answer basically depends on the acceptance by the European Commission of the following proposals: (i) the introduction of a definition of a semi-professional investor with European passport (this would allow to reach a wider category of investors without imposing restrictions on the product); (ii) the “broad” revision of the ELTIF Regulation (in order to make the product more “attractive” to retail investors).

b) depositary regime

Question 24. What difficulties, if any, the depositaries face in exercising their functions in accordance with the AIFMD?

Please provide your answer by giving concrete examples identifying any barriers and associated costs.

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 25. Is it necessary and appropriate to explicitly define in the AIFMD tri-party collateral management services?

- Yes
- No
- Don't know / no opinion / not relevant

Question 25.1 Please explain your answer to question 25:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 26. Should there be more specific rules for the delegation process, where the assets are in the custody of tri-party collateral managers?

- Yes
- No
- Don't know / no opinion / not relevant

Question 26.1 Please explain your answer to question 26, presenting benefits and disadvantages of your suggested approach as well as potential costs of

the change, where possible:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 27. Where AIFMs use tri-party collateral managers' services, which of the aspects should be explicitly regulated by the AIFMD?

Please select as many answers as you like

- the obligation for the asset manager to provide the depositary with the contract it has concluded with the tri-party collateral manager
- the flow of information between the tri-party collateral manager and the depositary
- the frequency at which the tri-party collateral manager should transmit the positions on a fund-by-fund basis to the depositary in order to enable it to record the movements in the financial instruments accounts opened in its books
- no additional rules are necessary, the current regulation is appropriate**
- other

Please explain why you think the obligation for the asset manager to provide the depositary with the contract it has concluded with the tri-party collateral manager should be explicitly regulated by the AIFMD.

Please present benefits and disadvantages of this approach as well as potential costs of the change, where possible:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Assogestioni believes that triparty services should not be mandated. Regarding the obligations applicable to providers, each service and each provider must be forced to guarantee an offer that allow to segregate all accounts. In addition, any offered service should remember that each sub-fund must remain independent from each other, account-wise and asset-wise, to guarantee the absence of solidarity between them.

Please explain why you think the flow of information between the tri-party collateral manager and the depositary should be explicitly regulated by the AIFMD.

Please present benefits and disadvantages of this approach as well as potential costs of the change, where possible:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain why you think the frequency at which the tri-party collateral manager should transmit the positions on a fund-by-fund basis to the depositary in order to enable it to record the movements in the financial instruments accounts opened in its books should be explicitly regulated by the AIFMD

Please present benefits and disadvantages of this approach as well as potential costs of the change, where possible:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please specify what are the other aspect(s) that should be explicitly regulated by the AIFMD.

Please present benefits and disadvantages of this/these approach(es) as well as potential costs of the change, where possible:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 28. Are the AIFMD rules on the prime brokers clear?

- Yes
- No
- Don't know / no opinion / not relevant

Question 28.1 Please explain your answer to question 28, providing concrete examples of ambiguities and where available suggesting improvements:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Probably not as the definition of the prime broker figure itself is not clear, especially regarding the range of services (depository but not only) the prime broker can provide.

Question 29. Where applicable, are there any difficulties faced by depositaries in obtaining the required reporting from prime brokers?

- Yes
- No
- Don't know / no opinion / not relevant

Question 29.1 Please explain your answer to question 29, providing concrete examples and suggesting improvements to the current rules and presenting benefits and disadvantages of the potential changes as well as costs:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

One of the difficulties for the depository could be to obtain clear confirmation from the prime broker about real segregation of the clients' assets in prime broker books, as prime brokers are applying a simple "books and records" segregation model.

Question 30. What additional measures are necessary at EU level to address the difficulties identified in the response to the preceding question?

Please explain your answer providing concrete examples:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 31. Does the lack of the depositary passport inhibit efficient functioning of the EU AIF market?

- Yes
- No
- Don't know / no opinion / not relevant

Question 31.1 Please explain your answer to question 31:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The introduction of a depositary passport would lead to an extreme concentration of the depositary market. Furthermore, the lack of geographical proximity of the depositary with the investor and with the competent supervisory authority of the fund could complicate, in the former case, the possibility of activating lawsuits in other jurisdictions (in the event of loss of assets held or other damage caused by the depositary's misconduct or negligence) and, in the second case, the exercise of supervisory action.

Question 32. What would be the potential benefits and risks associated with the introduction of the depositary passport?

Please explain your position, presenting benefits and disadvantages of your suggested approach as well as potential costs of the change, where possible:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please see the answer to Question 31.

Question 33. What barriers are precluding introducing the depositary passport?

Please explain your position providing concrete examples and evidence, where available, of the existing impediments:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please see the answer to Question 31.

Question 34. Are there other options that could address the lack of supply of depositary services in smaller markets?

Please explain your position presenting benefits and disadvantages of your suggested approach as well as potential costs of the change:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 35. Should the investor CSDs be treated as delegates of the depositary?

- Yes
- No
- Don't know / no opinion / not relevant

Question 35.1 Please explain your answer to question 35, providing concrete

examples and suggesting improvements to the current rules and presenting benefits and disadvantages as well as costs:

Assogestioni deems that the so called “investor” CSDs should be treated as delegates of the depositary. In this respect, it is appropriate to consider the dual role that CSDs can play as either “issuer” or “investor” CSDs in the relevant articles of the directive (i.e. not in the recitals), also for the purposes of the liability regime. However, it should also be noted that relying solely on the distinction between CSD “issuer” and CSD “investor” can be problematic. Indeed, it is important to consider what does it mean in practice that some CSDs are able to act in a dual capacity, i.e. as (i) “issuer” CSD for a limited number of issues, and as (ii) “investor” CSD in commercial competition with depositaries and their delegates (i. e. global custodian). In view of this, in the absence of a comparable and harmonised liability regime for CSDs, Assogestioni believes that the “investor” CSD type ought therefore to be treated as “delegate” under AIFM rules in a number of very clear and prescribed circumstances.

c) transparency and conflicts of interest

Question 36. Are the mandatory disclosures under the AIFMD sufficient for investors to make informed investment decisions?

- Yes**
- No
- Don't know / no opinion / not relevant

Question 36.1 If not, what elements of the mandatory disclosures under the AIFMD could be amended?

Please explain your position presenting benefits and disadvantages of the potential changes as well as costs:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

In general, it could be argued that the requirements of art. 23 of the AIFMD, relating to information to professional investors, are excessive in quantitative terms and are therefore often ignored or prevent investors from obtaining a clear understanding of the investment proposal of the AIF. As the KPMG Report shows, experienced and well-informed investors have different information needs.

Question 37. What elements of mandatory disclosure requirements, if any, should differ depending on the type of investor?

Please explain your position, presenting benefits and disadvantages of the potential changes as well as costs:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 38. Are there any additional disclosures that AIFMs could be obliged to make on an interim basis to the investors other than those required in the annual report?

- Yes
- No
- Don't know / no opinion / not relevant

Question 38.1 Please explain your answer to question 38, presenting benefits and disadvantages of the potential changes as well as costs:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Assogestioni believes that the annual AIFMD disclosure requirements nowadays provided, adequately responds to the investor's needs. We want to take the chance to recommend some improvements to the Level 1 Regulation (Article 22(e)) and Level 2 Regulation (Article 107). We believe that, because this type of remuneration is disclosed at the AIFM level, the AIFMs should not be obliged to disclose this information for each AIF's annual report. It does not to be forgotten that remuneration is paid out of the management charge (already disclosed in the annual report) and it is not a direct charge to the fund. For this reason, we do believe that it could be sufficient to report in the annual report where the investors can find (for example, it could be indicating the AIFMs website address). This approach would be in line with the one expressed in Article 434 of the CRD IV Regulation, which states that institutions may determine the appropriate medium, location and means of verification to comply effectively with the disclosure requirements.

Question 39. Are the AIFMD rules on conflicts of interest appropriate and proportionate?

- Yes
- No
- Don't know / no opinion / not relevant

Question 39.1 If not, how could the AIFMD rules on conflicts of interest be amended?

Please provide your suggestions, presenting benefits and disadvantages of the potential changes as well as costs:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

d) valuation rules

Question 40. Are the AIFMD rules on valuation appropriate?

- Yes
- No
- Don't know / no opinion / not relevant

Question 40.1 Please explain your answer to question 40, presenting benefits and disadvantages of the potential changes as well as costs:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Assogestioni believes that the AIFMD rules on valuation provide a robust framework. These rules also provide some flexibility in how the valuation is determined, recognizing that valuation practices may vary for different asset types, while ensuring in each case there is strong governance on this process.

Question 41. Should the AIFMD legal framework be improved further given the experience with asset valuation during the recent pandemic?

- Yes
- No
- Don't know / no opinion / not relevant

Question 41.1 Please explain your answer to question 41, presenting benefits and disadvantages of the potential changes as well as costs:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 42. Are the AIFMD rules on valuation clear?

- Yes
- No
- Don't know / no opinion / not relevant

Question 42.1 Please explain your answer to question 42:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 43. Are the AIFMD rules on valuation sufficient?

- Yes
- No
- Don't know / no opinion / not relevant

Question 43.1 Please explain your answer to question 43, explaining what rules on valuation are desirable to be included in the AIFMD legal framework:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 44. Do you consider that it should be possible in the asset valuation process to combine input from internal and external valuers?

- Yes
- No
- Don't know / no opinion / not relevant

Question 44.1 Please substantiate your answer to question 44, also in terms of benefits, disadvantages and costs:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 45. In your experience, which specific aspect(s) trigger liability of a valuer?

Please provide concrete examples, presenting costs linked to the described occurrence:

5000 character(s) maximum

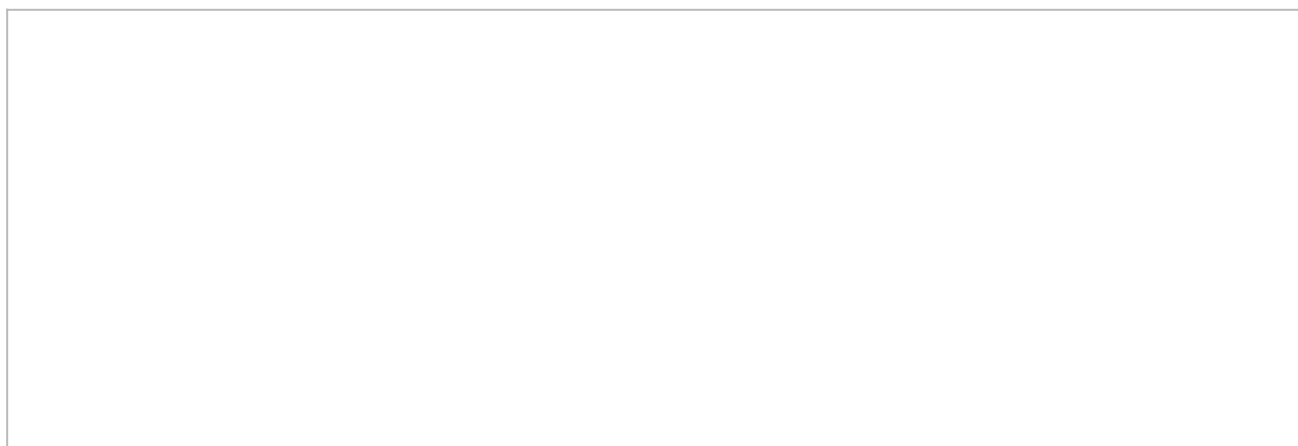
including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 46. In your experience, what measures are taken to mitigate/offset the liability of valuers in the jurisdiction of your choice?

Please provide concrete examples, presenting benefits and disadvantages as well as costs of the described approach:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.



III. International relations

Considering the global nature of financial services, the AIFMD interacts with the third country regulatory regimes. By adopting the AIFMD the EU co-legislators sought to put in place a legal framework for tackling risks emanating from AIF activities that may impact the EU financial stability, market integrity and investor protection. The questions below are seeking views on where to strike the balance of having a functioning, efficient AIF market and ensuring that it operates under the conditions of a fair competition without undermining financial stability. Besides posing general questions on the competitiveness of the EU AIF market, this section seeks views on how the EU market could interact with international partners in the area governed by the AIFMD. The focus is on the appropriateness of the AIFMD third country passport regime and delegation rules.

Question 47. Which elements of the AIFMD regulatory framework support the competitiveness of the EU AIF industry?

Please explain providing concrete examples and referring to data where available:

Assogestioni considers that a number of elements in the AIFMD framework support the competitiveness of the EU AIF industry. First of all, the passporting mechanism for EU AIFMs sets the basis for a level playing field within the internal market regarding distribution of EU AIFs. It has become difficult for Member States to isolate their local industry against competition from AIFMs domiciled in other Member States, at least as far as products for professional clients are concerned. The passporting rules require non-EU AIFMs wanting to access the EU market to adhere to regulatory standards similar to those ones provided for EU AIFMs and thus protect the latter from unfair third country competition. Another important element is delegation. One of the main strengths of the EU AIF industry is that a fund can be registered in one Member State while simultaneously being managed from other Member States, given that AIFMs can have their portfolio management and risk management teams in different jurisdictions. In addition to the elements mentioned above, the “brand awareness” for AIFMD also supports the competitiveness, as a coherent set of rules for alternative investment funds is increasing on a global level. It has the potential to evolve into a quality standard in the fund sector for regulators worldwide. Finally, the flexibility allows to take into consideration the specificities of each type of non-UCITS funds and it has also contributed to the success of the AIFMD. Instead of imposing a too restrictive all-

fit-one approach to all AIFs, it enables to maintain a wide of range of investment funds adapted to the various needs of end-investors.

Question 48. Which elements of the AIFMD regulatory framework could be altered to enhance competitiveness of the EU AIF industry?

Please explain providing concrete examples and referring to data where available:

Assogestioni suggests considering the following points:

- (i) first of all, it would be necessary to think about a reduction of the burdens with an essentially “bureaucratic” flavor, as they are not strictly functional to an effective protection of the investor: we are thinking, for example, to the simplification of marketing procedures, the simplification of reporting obligations vis-à-vis the supervisory authorities, to the rationalization the information to be provided to investors;
- (ii) a flexible regulatory framework should be defined that allows managers to achieve economies of scale, for example, through the definition of an efficient system of delegation of functions, including intra-group functions;
- (iii) finally, it would be necessary to systematize the discipline on collective asset management, in order to allow the immediate identification also from the regulatory point of view of the asset management industry in general and that one of alternative investments in particular (the so-called European single rulebook).

Question 49. Do you believe that national private placement regimes create an uneven playing field between EU and non-EU AIFMs?

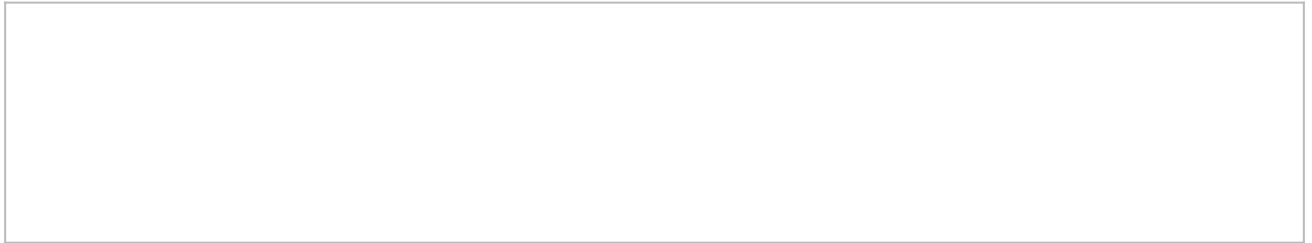
- Yes
- No
- Don't know / no opinion / not relevant

Question 49.1 If you believe there is an uneven playing field between EU and non-EU AIFMs, which action would you suggest to address the issue?

Please explain your choice, presenting benefits and disadvantages of the potential changes to the AIFMD as well as potential costs associated with your preferred option:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.



Question 50. Are the delegation rules sufficiently clear to prevent creation of letter-box entities in the EU?

- Yes
- No
- Don't know / no opinion / not relevant

Question 50.1 Please explain your answer to question 50:

Assogestioni believes that the delegation is a fundamental tool for ensuring the competitiveness of the industry.

AIFMD establishes a clear framework when it provides the “general principle” that prevent asset managers from becoming “letter-box” entities. We refer, in particular, to article 82, paragraph 1, letter a), b) e c) of the AIFMR. In particular we share the fundamental principle according to which “the AIFM no longer has the power to take decisions in key areas which fall under the responsibility of the senior management or no longer has the power to perform senior management functions in particular in relation to the implementation of the general investment policy and investment strategies”.

The letter d) of the aforementioned article 82, on the other hand, lends itself to different interpretation by the Authorities of the various Member State. In this regard, Assogestioni believes that:

i) the principle referred to in Article 82, par. 1) lett. d) must be evaluated and applied consistently by the supervisory authorities of each Member States, so as to avoid regulatory arbitrage [according to this principle, the AIFM shall be considered as a letter-box entity when the investment management functions delegated by the AIFM substantially exceed the investment management functions performed by the AIFM itself];

ii) this is not the current situation: with regard to the issue of the extent of the notion of letter-box entity, a quick comparison of the interpretations given by some supervisory authorities shows the following: while some authorities consider “possible for an AIFM to delegate the performance of both the risk management and portfolio management functions provided that there is adequate Board supervision”, other authorities deem

that “the rules about letter-box entities cannot be considered complied where the delegating company maintains only the risk management function or maintains the risk management function and a non-substantial part of the portfolio management function. This is because art. 82, par. 1, lett. d), of the Delegated Regulation provides that, in order to avoid that the asset manager is not qualified as a “letter-box entity”, the investment management functions delegated do not substantially exceed the management functions maintained by the asset manager”;

iii) at the same time, the consistent application of guidelines among the various authorities should not be pursued by introducing quantitative criteria or a list of functions that cannot be delegated: this approach would lead to an excessive “plastering” of the delegation and, however, it would not solve the problem of letter-box entities (a list is never exhaustive);

iv) the principle in question requires to assess the existence of a letter-box entity at the level of a single AIF rather than the asset manager (see the ESMA Q&A according to which “The provisions on letter-box entities in Article 82 of the implementing Regulation apply in relation to the management of a particular AIF and not in relation to a group of AIFs. The assessment should therefore be carried out at the level of each individual AIF”): this approach makes the evaluation in question very widespread and thus very complex; in the opinion of Assogestioni, therefore, it is necessary to shift the assessment in relation to the existence of a letter-box entity at the level of the asset manager’s governing body (which, moreover, is the body in charge for the adequacy of the organizational structures of the company and definition of the investment policy of the funds);

v) it should be clarified that giving a management delegation to another entity belonging to the same group as the delegating asset manager must be considered as a suitable element for excluding the existence of a letter-box entity: in case of intragroup delegation, the exercise of management and coordination powers allows a more intense and efficient monitoring of the delegated entity by the delegating party, in full compliance, therefore, with the principle of protecting investor confidence;

vi) in order to prevent any regulatory arbitrage, the application of the AIFMD standards should be imposed regardless of the geographical location of the delegated entity;

vii) only the so-called operational essential or important corporate functions (and not, therefore, all the functions indicated in Annex 1, including the so-called supporting tasks) should be subject to the rules about delegation, according to the approach already followed in MiFID. Consequently, the rules on the delegation should not be applied in the case of the distribution of units or shares of an investment fund, if it is carried out by a third-party intermediary, as stated by ESMA in its Questions and Answers for the Application of the AIFMD, Section VIII: Delegation, Q&A 2.

Question 51. Are the delegation rules under the AIFMD/AIFMR appropriate to ensure effective risk management?

- Yes
- No
- Don't know / no opinion / not relevant

Question 51.1 Please explain your answer to question 51, presenting benefits and disadvantages of the current rules and where available providing concrete examples substantiating your answer:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Assogestioni believes that there is not sufficient evidence that demonstrate that delegation, as it is currently regulated under the AIFMD/AIFMR framework, leads to improper or poor risk management by the management company over its delegates. For this reason and because of an absence of any evidence or sign of market failures, we do believe that the existing rules of the AIFMD regime - in particular Article 75, letter f) and Article 77 (for the delegates) - are already adequate for the outcomes ESMA has considered.

Question 52. Should the AIFMD/AIFMR delegation rules, and in particular Article 82 of the Commission Delegated Regulation (EU) No 231/2013, be complemented?

- Yes
- No
- Don't know / no opinion / not relevant

Question 52.1 Should the delegation rules be complemented with:

Please select as many answers as you like

- quantitative criteria
- a list of core or critical functions that would be always performed internally and may not be delegated to third parties
- other requirements

Please explain why you think the AIFMD/AIFMR delegation rules should be complemented with quantitative criteria, presenting benefits and disadvantages of the potential changes as well as costs:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Assogestioni does not believe that the AIFMD/AIFMR delegation rules should be complemented with quantitative criteria.

Please explain why you think the AIFMD/AIFMR delegation rules should be complemented with a list of core or critical functions, presenting benefits and disadvantages of the potential changes as well as costs:

Assogestioni does not believe that the AIFMD/AIFMR delegation rules should be complemented with a list of core or critical functions.

Please explain with what other requirements the AIFMD/AIFMR delegation rules should be complemented, presenting benefits and disadvantages of the potential changes as well as costs:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 53. Should the AIFMD standards apply regardless of the location of a third party, to which AIFM has delegated the collective portfolio management functions, in order to ensure investor protection and to prevent regulatory arbitrage?

- Yes
- No
- Don't know / no opinion / not relevant

Question 53.1 Please explain your answer to question 53:

The AIFMD standards should be applied regardless of the location of a third party, to which AIFM has delegated the collective asset management functions, in order to avoid the circumvention of the legislation in case of delegation in Third Countries. To this end it can be employed the approach followed by ESMA regarding remuneration policies.

Question 54. Do you consider that a consistent enforcement of the delegation rules throughout the EU should be improved?

- Yes
- No
- Don't know / no opinion / not relevant

Question 54.1 Please explain your answer to question 54, presenting benefits and disadvantages of the current rules and where available providing concrete examples substantiating your answer:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

As mentioned in the responses to the questions above, there is no sufficient evidence that NCA enforcement actions against management companies found in breach of delegation requirements are not effective.

Question 55. Which elements of the AIFMR delegation rules could be applied to UCITS?

Please explain your position, presenting benefits and disadvantages of the potential changes as well as costs:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

At the time being, in Italy, the delegation provisions provided by the AIFMD Regulation, are also applied to the UCITS manager, excluding the letter d) of the article 82 of the Delegated Regulation (EU) No 231/2013.

IV. Financial stability

One of the main objectives of the AIFMD is to enable supervisors to appreciate and mitigate systemic risks building up in financial markets from different sources. To this end, AIFMs are subject to periodic reporting obligations and supervisors are equipped with certain market intervention powers to mitigate negative effects to the financial stability that may arise from the activities on the AIF market.

The section below invites opinions whether the intervention powers and a tool-kit available to the relevant supervisors are sufficient in times of severe market disruptions. Shared views on the adequacy of the AIFMR supervisory reporting template will be important in rethinking the AIFM supervisory reporting obligations. According to the FSB report, markets for leveraged loans and CLOs have grown significantly in recent years exceeding pre-crisis levels ([FSB, Vulnerabilities associated with leveraged loans and collateralised loan obligations \(CLOs\), PLEN/2019/91-REV, 22 November 2019](#)). While most leveraged loans are originated and held by banks, investment funds are also exposed to the leveraged loan and CLO markets. In order to assess risks to the financial stability and regulatory implications associated with leveraged loans and CLOs it would be commendable to continue collecting the relevant data and monitoring the market. The stakeholders are invited to cast their views on the matter.

With particular regard to the loan originating AIFs, suggestions on the optimal harmonisation of the rules that could apply to these collective investment vehicles are welcome. Finally, questions are raised whether leverage calculation methods could benefit from further standardisation of metrics across the AIF market and potentially also across the UCITS for the supervisors to have a complete picture of the level of leverage engaged by the collective investment funds.

a) macroprudential tools

Question 56. Should the AIFMD framework be further enhanced for more effectively addressing macroprudential concerns?

- Yes
- No
- Don't know / no opinion / not relevant

Question 56.1 If yes, which of the following amendments to the AIFMD legal framework would you suggest?

Please select as many answers as you like

- improving supervisory reporting requirements
- harmonising availability of liquidity risk management tools for AIFMs across the EU
- further detailing cooperation of the NCAs in case of activating liquidity risk management tools, in particular in situations with cross-border implications
- further clarifying grounds for supervisory intervention when applying macroprudential tools
- defining an inherently liquid/illiquid asset
- granting ESMA strong and binding coordination powers in market stress situations
- other

Please explain why you would suggest improving supervisory reporting requirements.

Please present benefits and disadvantages of the potential changes as well as costs:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Assogestioni is in favour of a more coordinated and harmonized European reporting regime, provided that the current excessive (European and national) reporting obligations and administrative burdens on management companies are reduced. The management companies, in fact, provide various types of reporting at European and national level, where, in case of market stress, the information is still not enough.

Therefore, the (AIFMD) reporting framework of funds should be improved by better coordinating and harmonizing data requests at European level, starting from the European Central Bank's and ESRB's requests and arriving to those ones of the NCAs.

We believe that such a long-term vision will benefit all stakeholders, but it requires an appropriate time to consolidate and to rationalize the actual European and national reporting regimes. Until the end of such coordinate revision, only minor amendments to the AIFMD reporting together with a better use of the information already collected at European and national level should be made. For example, we find appropriate the obligation to use international identifier already included in the reporting template (please see further suggestions in other responses).

Addressing concerns of the current AIFMD reporting with ad hoc silos response, such as its revision in the short term, will not be an appropriate approach. The one-off implementation costs would be significant (Changes to the Annex IV Reporting template) and asset manager should still made various reporting: one for ECB (through the NCA reporting scheme) and one for AIFMD (through the ESMA reporting scheme). Furthermore, if the AIF is a money market fund, an additional reporting should be made (through the ESMA reporting scheme). We find extremely inefficient the provision of two or three different reports for the same fund.

Finally, we invite the EC to support the application of technological innovation to control tools to acquire information for supervisory purpose on the documentation provided to investors. A coordination of the work at European level, for example, for extraction and analysis, using research software at the internal text (text mining), of the information contained in the disclosure documents would avoid requests, at national level, for information in machine-readable-format.

Please explain why you would suggest harmonising availability of liquidity risk management tools for AIFMs across the EU.

Please present benefits and disadvantages of the potential changes as well as costs:

Assogestioni believes that the Commission should take the opportunity of the revision of the AIFMD to harmonize a minimum set of liquidity management tools (LMTs). It is important that all LMTs set out in recommendation A of the ESRB [(Recommendation of the European Systemic Risk Board of 7 December 2017 on liquidity and leverage risks in investment funds (ESRB/2017/6)] are made available to funds. However, there is a need for a principle-based approach, and, in every case, it should be at the discretion of the manager of the funds which tools they want to use because of very different fund types and structures. It is important to state that liquidity management depends on the types of assets, investors, investment strategies, markets, and possible national legal or contractual restrictions under the investment funds' rules for changing investment strategies. The use of LMTs should be made dependent on concrete circumstances and should vary according to the nature, scale and investment strategy of the investment fund. As a last resort, redemptions should be suspended under the precondition that no alternative measure is available under the fund rules or other potential liquidity management tools are inappropriate.

Please explain why you would suggest further detailing cooperation of the NCAs in case of activating liquidity risk management tools, in particular in situations with cross-border implications.

Please present benefits and disadvantages of the potential changes as well as costs:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain why you would suggest further clarifying grounds for supervisory intervention when applying macroprudential tools.

Please present benefits and disadvantages of the potential changes as well as costs:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain why you would suggest defining an inherently liquid/illiquid asset.

Please present benefits and disadvantages of the potential changes as well as costs:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain why you would suggest granting ESMA strong and binding coordination powers in market stress situations.

Please present benefits and disadvantages of the potential changes as well as costs:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain what other amendments to the AIFMD legal framework you would suggest.

Please present benefits and disadvantages of the potential changes as well as costs:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 56.1 Please explain your answer to question 56:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Assogestioni believes that the AIFM framework could be improved in the short and long term to better address macroprudential concerns. In the short term, the first objective is to encourage the availability of liquidity management tools in all jurisdictions. This would increase the capacity of fund managers to manage requests for redemption appropriately and effectively at all times, especially in stressed market conditions. In the long term, the current excessive reporting obligations and administrative burdens on management companies need to be reduced to a reasonable level.

We very support a long-term vision with an overall objective to have a reporting environment that delivers accurate, comparable, and timely data to supervisory authorities at EU or national level. The relevant data should enable the monitoring and assessing of market developments and allow to understand the relevant trends, potential risks and vulnerabilities that may contribute to systemic risk and to be used by NCA also for supervisory purpose. However, we believe that addressing macroprudential concerns with an ad hoc silos response and a short term approach, such as the review of the AIFM reporting (or the addition of an ad hoc UCITS reporting), is not an appropriate approach as it would only entail additional burdens and costs for asset managers. This should be strongly avoided.

In addition, we invite the EC to support the application of technological innovation to control tools to acquire information for supervisory purpose on the documentation provided to investors. A coordination of the work at European level, for example, for extraction and analysis, using research software at the internal text (text mining), of the information contained in the disclosure documents would avoid requests, at national level, for information in machine-readable-format.

We believe that such long-term vision will require an appropriate time to consolidate and to rationalize the actual European and national reporting regimes. Until the end of such coordinate revision, only minor amendments to the AIFMD reporting should be

made and we encourage better use and sharing of information already collected at European and national level.

Question 57. Is there a need to clarify in the AIFMD that the NCAs' right to require the suspension of the issue, repurchase or redemption of units in the public interest includes financial stability reasons?

- Yes
- No
- Don't know / no opinion / not relevant

Question 57.1 Please explain your answer to question 57, presenting benefits and disadvantages of the potential changes to the existing rules and processes as well as costs:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Assogestioni believes that there is no need to clarify in the AIFMD framework that NCAs have the right to require the suspension of the issue, repurchase, or redemption of units for financial stability reasons. The authorities already have at their disposal the appropriate intervention powers in extreme cases and we believe they are properly equipped for that. On the other hand, we would stress that risk management is a function that is directly linked to specific investment strategies and therefore cannot fit either into a one-size fits-all approach nor be based on a prescriptive approach on behalf of the regulator. It requires discretion at the asset manager's level along with adequate transparency as to the tools used and effective supervision from the regulators.

Question 58. Which data fields should be included in a template for NCAs to report relevant and timely data to ESMA during the period of the stressed market conditions?

Please provide your suggestions, presenting benefits and disadvantages of the potential changes as well as costs:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

It is a challenging task to identify ex-ante the type of data needed in exceptional circumstances and we caution in following this path as it may only increase administrative burden and costs to asset managers to be ready to provide such type of information in the next stressed market situation, without any substantial certainty that the additional disclosure fulfils the purpose.

The only additional information that might be needed during the market stress period should be limited to the monitoring of redemption flows for open-ended funds with daily or weekly NAV. We find appropriate to align the way in which redemptions are reported to the NCAs on that occasion (for example, for daily NAV funds, daily subscriptions and redemptions on a weekly basis) and further on how this is reported from NCAs to ESMA and consequently to the ESRB; this would allow for meaningful aggregations and comparative analysis.

In addition, if more granular information were collected (or shared) in a more coordinated and harmonized European reporting regime (long-term scope), any authority could use the data it needs from that package and could calculate different scenarios, including an estimation of the fund's portfolio liquidity profile (with disaggregated information on the portfolio at ISIN level) and there will be less (or no) needs to collect further data during stressed market condition.

Question 59. Should AIFMs be required to report to the relevant supervisory authorities when they activate liquidity risk management tools?

- Yes
- No
- Don't know / no opinion / not relevant

Question 59.1 Please explain your answer to question 59, providing costs, benefits and disadvantages of the advocated approach:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

NCAs should remain updated about markets development and we broadly agree that management companies inform their NCA when a LMT is used. However, since there is significant variation of LMTs and some of them are used on regular basis (such as redemption fees, swing pricing, anti-dilution levy), the reporting of the activation should be limited to those LMT used not on regular basis across, i.e. in exceptional circumstances, such as redemption suspension. Burden on notification should be limited both for management companies and NCA and should respond to actual need.

Question 60. Should the AIFMD rules on remuneration be adjusted to provide for the de minimis thresholds?

- Yes
- No
- Don't know / no opinion / not relevant

Question 60.1 Please explain your answer to question 60, suggesting thresholds and justification thereof, if applicable:

5000 character(s) maximum

In order to enhance the application of the principle of proportionality, Assogestioni agrees with the introduction of de minimis thresholds which take into account the specificities of the asset management sector.

b) supervisory reporting requirements

Question 61. Are the supervisory reporting requirements as provided in the AIFMD and AIFMR's Annex IV appropriate?

- Fully agree
- Somewhat agree
- Neutral
- Somewhat disagree
- Fully disagree
- Don't know / no opinion / not relevant

Question 61.1 Please explain your answer to question 61:

Assogestioni finds the (AIFM) reporting framework for funds not appropriate. In principle, we share the ESMA view reported in the letter to the Commission on the Review of the AIFMD that, where funds are diversified, aggregate information or top exposure has not much value added to understand systemic risk, nor it would be sufficient for regulatory purposes. During the COVID-19 outbreak, management companies had to provide further and hoc data putting additional pressure on the teams in these management companies handling the crisis.

However, ESMA asks for more granular data and AIFMD reporting is currently unable to achieve this goal. The only way is to change it completely.

In our opinion, addressing concerns of the current AIFMD reporting with ad hoc silos response, such as its revision in the short term, will not be an appropriate approach as well. The one-off implementation costs would be significant (Changes to the Annex IV Reporting template) and asset manager should still make several reporting at European and national level. Different regulators and institutions ask for regular and timely information for the achievement of their individual tasks.

Instead of specific changes to AIFMD reporting, we very support a long-term vision with an overall objective to have a reporting environment that delivers accurate, comparable, and timely data to supervisory authorities at EU or national level. The jumble of different data standards and formats in the reporting system represents an enormous burden for the asset management industry and the competent authorities, both operationally and financially. It also hampers efficient supervision in the analysis.

We believe that such long-term vision will require an appropriate time to consolidate

and to rationalize the actual European and national reporting regimes. Until the end of such a coordinate revision, only minor amendments to the AIFMD reporting should be made (for example, the obligation to use international identifier already include in the AIFMD reporting template) together with a better use of the information already collected at European and national level (for example with already existing NCA and ECB statistical reporting). Please see also our response to Q56, Q61 and Q76.

Question 61.1 If you disagree that the supervisory reporting requirements as provided in the AIFMD and AIFMR's Annex IV appropriate, it is because of:

- overlaps with other EU laws
- the reporting coverage is insufficient
- the reporting coverage is superfluous
- other

Please detail as much as possible your answer providing examples of the overlaps.

Where possible, please provide concrete examples and where relevant information on costs and benefits in changing the currently applicable reporting requirements:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Fund management companies are directly involved by European reporting obligations coming from: ECB, EMIR, AIFMD, Transparency Directive, Short Selling Regulation, SFTR, MMFR. Indirect obligations may originate in the need to support insurance and reinsurance undertakings or banks, or pensions funds and PEPPs when invest in investment funds or in their reporting obligation to clients (MIFID / PRIIPs).

With specific regard to overlaps, the reporting required by ECB is on investment fund (both UCITS and AIF) while the reporting requirements coming from AIFMD is only on AIF and the reporting requirement coming from MMFR is both on UCITS and AIF. From an asset manager standpoint two different reporting should be made for an AIF, one for ECB (through the NCA reporting scheme) and one for AIFMD (through the ESMA reporting scheme). Furthermore, if the AIF is a money market fund an additional reporting should be made (through the ESMA reporting scheme). We find extremely inefficient the provision of two or three different reports for the same AIF.

Always in term of overlaps, certain parts of the AIFMD reporting may be available from other supervisory reporting. For example, some position level reporting on asset and liabilities are already requested in the ECB reporting, financial derivatives are reported under EMIR and securities financial transaction will be reported under SFTR.

Please detail as much as possible your answer providing examples of the

insufficient reporting coverage.

Where possible, please provide concrete examples and where relevant information on costs and benefits in changing the currently applicable reporting requirements:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The article 24 of AIFMD limits the details to be reported on assets held by the AIFs establishing that it refers to the main instruments (Article 24(1)), or main categories of assets (Article 24(2)(d)) or in the case of liabilities, the five main sources of borrowed cash and securities.

In principle, Assogestioni shares the ESMA's view reported in the letter to the Commission. The ESMA's view is that where funds are diversified this information has not much added value to understand systemic risk, nor it would be sufficient for regulatory purposes. During the COVID-19 outbreak, management companies had to provide further and hoc data putting additional pressure on the teams in these management companies handling the crisis.

In a more coordinated and harmonized European reporting regime (long term scope), Assogestioni believes that reporting should be, as far as possible, based on granular information (raw data) without predefined aggregations. With a set of raw data, any authority could use the data it needs from that package and could calculate different scenarios based on its own macro-prudential tools in order to fulfil its supervisory task. With raw data, the quality of the reporting will be enhanced (no more subjective interpretations on how to fulfil the dataset) and, at the same time, we believe it will be structurally more efficient for all stakeholders. For example, the number of data fields may be reduced by avoiding the collection of information that could be derived from the ones already collected or available from other database (for example through the ISIN or LEI identifier).

It is worth remembering that until the end of such coordinate revision, it should be made only minor amendments should be made to the AIFMD reporting together with a better use of the information already collected at European and national level (for example with already existing NCA and ECB statistical reporting).

Please detail as much as possible your answer providing examples of the superfluous reporting coverage.

Where possible, please provide concrete examples and where relevant information on costs and benefits in changing the currently applicable reporting requirements:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please specify for for what other reason the supervisory reporting requirements as provided in the AIFMD and AIFMR’s Annex IV are not appropriate.

Please detail as much as possible your answer providing examples of the superfluous reporting coverage.

Where possible, please provide concrete examples and where relevant information on costs and benefits in changing the currently applicable reporting requirements:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 62. Should the AIFMR supervisory reporting template provide a more comprehensive portfolio breakdown?

- Yes**
- No
- Don't know / no opinion / not relevant

Question 62.1 If yes, the more detailed portfolio reporting should be achieved by:

Please select as many answers as you like

- a full portfolio reporting by relevant identifier as provided for statistical purposes
- a more granular geographical breakdown of exposures (e.g. at country level) by asset classes, investors, counterparties, and sponsorship arrangements
- requiring more details on leverage
- requiring more details on liquidity
- requiring more details on sustainability-related information, e.g. risk exposure and/or impacts
- other

Please explain why you think the more detailed portfolio reporting should be achieved by a full portfolio reporting by relevant identifier as provided for statistical purposes.

Please include concrete examples and, where possible, provide information on the benefits, disadvantages and costs of implementing this proposition:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

In a more coordinated and harmonized European reporting regime (long term scope), a more detailed portfolio reporting (raw data) allows any authority to calculate different scenarios based on its own macro-prudential tools in order to fulfil its supervisory task.

The use of an identifier (such as ISIN and LEI) permits to combine the detailed information collected with other source of information/with other relevant database and will amplify the possibility to analyze information among various aspects without the need of collecting data on aggregate basis (for example on geographical or sectorial exposure or on type of counterparty) and ad hoc information, especially during period of markets' stress.

It is worth remembering that until the end of such coordinate revision, only minor amendments should be made to the AIFMD reporting together with a better use of the information already collected at European and national level (for example with already existing NCA and ECB statistical reporting).

Please explain why you think the more detailed portfolio reporting should be

achieved by more granular geographical breakdown of exposures by asset classes, investors, counterparties, and sponsorship arrangements.

Please include concrete examples and, where possible, provide information on the benefits, disadvantages and costs of implementing this proposition:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain why you think the more detailed portfolio reporting should be achieved by requiring more details on leverage.

Please include concrete examples and, where possible, provide information on the benefits, disadvantages and costs of implementing this proposition:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain why you think the more detailed portfolio reporting should be achieved by requiring more details on liquidity.

Please include concrete examples and, where possible, provide information on the benefits, disadvantages and costs of implementing this proposition:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain why you think the more detailed portfolio reporting should be achieved by requiring more details on sustainability-related information.

Please include concrete examples and, where possible, provide information on the benefits, disadvantages and costs of implementing this proposition:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain by what other ways you think the more detailed portfolio reporting should be achieved.

Please include concrete examples and, where possible, provide information on the benefits, disadvantages and costs of implementing this proposition:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 63. Should the identification of an AIF with a LEI identifier be mandatory?

- Yes
- No
- Don't know / no opinion / not relevant

Question 63.1 Please explain your answer to question 63, presenting benefits and disadvantages as well as costs associated with introducing such a requirement:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Assogestioni supports, to the extent possible, common terminology with precise definitions to be used across EU financial services legislation. The use of an identifier, such as the LEI, ensures an efficient reporting. Such identifier is already used in other reporting and it would not be associated with an incremental cost.

Question 64. Should the identification of an AIFM with a LEI identifier be mandatory?

- Yes
- No
- Don't know / no opinion / not relevant

Question 64.1 Please explain your answer to question 64, presenting benefits and disadvantages as well as costs associated with introducing such a requirement:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Yes, in line with previous responses, Assogestioni supports the use of a mandatory LEI.

Question 65. Should the use of an LEI identifier for the purposes of identifying the counterparties and issuers of securities in an AIF's portfolio be mandatory for the Annex IV reporting of AIFMR?

- Yes
- No
- Don't know / no opinion / not relevant

Question 65.1 Please explain your answer to question 65, presenting benefits and disadvantages as well as costs associated with introducing such a requirement:

Yes, in line with previous responses, Assogestioni supports the use of a mandatory LEI for counterparties.

Question 66. Does the reporting data adequately cover activities of loan originating AIFs?

- Yes
- No
- Don't know / no opinion / not relevant

Question 66.1 Please explain your answer to question 66:

Question 66.1. If not, what data fields should be added to the supervisory reporting template:

Please select as many answers as you like

- loans originated by AIFs
- leveraged loans originated by AIFs
- other

Please explain why you think loans originated by AIFs should be added as a data fields to the supervisory reporting template, providing information on the benefits, disadvantages and costs of implementation:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain why you think leveraged loans originated by AIFs should be added as a data fields to the supervisory reporting template, providing information on the benefits, disadvantages and costs of implementation:

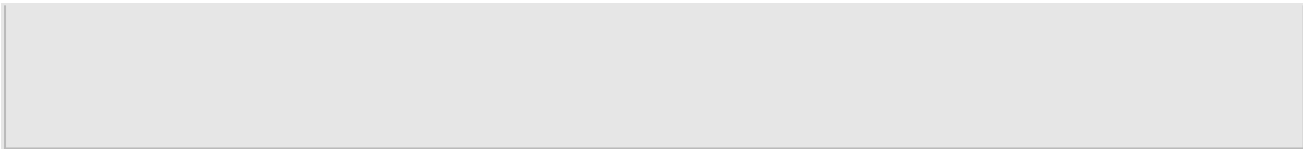
5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain what other data field(s) should be added to the supervisory reporting template, providing information on the benefits, disadvantages and costs of implementation:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.



Question 67. Should the supervisory reporting by AIFMs be submitted to a single central authority?

- Yes
- No
- Don't know / no opinion / not relevant

Question 67.1 Please explain your answer to question 67:

Currently Assogestioni does not see the need to submit the AIFMD reporting to a central authority. NCAs should remain competent for gathering data from the asset management industry, then share them with the relevant party.

Question 67.1 If yes, which one:

- ESMA
- other options

Please explain your choice, particularly substantiating 'other options', and provide information, where available, on the benefits, disadvantages and costs of implementing each proposition:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 68. Should access to the AIFMD supervisory reporting data be granted to other relevant national and/or EU institutions with responsibilities in the area of financial stability?

- Yes
- No
- Don't know / no opinion / not relevant

Question 68.1 Please explain your answer to question 68:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Yes. Assogestioni believes that the access to the reporting regime would deliver synergies and should be maximized. It is essential that all the stored data could enable the monitoring and assessing of market developments and allow to understand the relevant trends, potential risks and vulnerabilities especially for those entities dealing with the supervision of financial risk and stability, such as ESRB, the National Central Banks, the ECB and national macro-prudential authorities.

Question 68.1 If yes, please specify which one:

- ESRB
- ECB
- NCBs
- National macro-prudential authorities
- Other

Please specify to which other relevant national and/or EU institutions the access to the AIFMD supervisory reporting data should be granted:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 68.2 Please explain your answer to question 68.1:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Assogestioni believes that the access to the different reporting regime should be maximized. It is essential that all the stored data could enable the monitoring and assessing of market developments and allow to understand the relevant trends, potential risks and vulnerabilities especially for those entities dealing with the supervision of financial risk and stability, such as ESRB, the National Central Banks, the ECB and national macro-prudential authorities.

Question 69. Does the AIFMR template effectively capture links between financial institutions?

- Yes
- No
- Don't know / no opinion / not relevant

Question 69.1 If not, what additional reporting should be required to better capture inter-linkages between AIFMs and other financial intermediaries?

Please provide your suggestion(s) providing information on the costs, benefits and disadvantages of each additional reporting:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

In line with previous responses, more granular information supported with the use of an identifier, such as ISIN and LEI, would better capture inter-linkages between AIFMs and other financial intermediaries.

Question 69.1 Please explain your answer to question 69:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 70. Should the fund classification under the AIFMR supervisory reporting template be improved to better identify the type of AIF?

- Yes
- No
- Don't know / no opinion / not relevant

Question 70.1 If yes, the AIF classification could be improved by:

Please select as many answers as you like

- permitting multiple choice of investment strategies in the AIFMR template
- adding additional investment strategies
- other
- it cannot be improved, however, if a portfolio breakdown is provided to the supervisors this can be inferred

Please explain why you think the AIF classification could be improved by permitting multiple choice of investment strategies in the AIFMR template, providing information, where available, on the costs, benefits and disadvantages of this option:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain why you think the AIF classification could be improved by adding additional investment strategies, providing information, where available, on the costs, benefits and disadvantages of this option:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain by what other ways the AIF classification could be improved, providing information, where available, on the costs, benefits and disadvantages of this option:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain why you think the AIF classification cannot be improved unless a portfolio breakdown is provided to the supervisors. Please provide information, where available, on the costs, benefits and disadvantages of this option:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 70.1 Please explain your answer to question 70:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Assogestioni believes that the current macro categorization, even if it is not perfect, achieves its purpose.

Question 71. What additional data fields should be added to the AIFMR supervisory reporting template to improve capturing risks to financial stability:

Please select as many answers as you like

- value at Risk (VaR)
- additional details used for calculating leverage
- additional details on the liquidity profile of the fund's portfolio
- details on initial margin and variation margin
- the geographical focus expressed in monetary values
- the extent of hedging through long/short positions by an AIFM/AIF expressed as a percentage
- liquidity risk management tools that are available to AIFMs
- data on non-EU master AIFs that are not marketed into the EU, but which have an EU feeder AIF or a non-EU feeder marketed into the EU if managed by the same AIFM
- the role of external credit ratings in investment mandates
- LEIs of all counterparties to provide detail on exposures
- sustainability-related data, in particular on exposure to climate and environmental risks, including physical and transition risks (e.g. shares of assets for which sustainability risks are assessed; types and magnitudes of risks; forward-looking, scenario-based data)
- other

Please explain why value at Risk (VaR) should be added to the AIFMR

supervisory reporting template, providing as much detail as possible and relevant examples as well as the costs, benefits and disadvantages of this option:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The use of derivatives should not be seen as synonymous with risk (and returns) amplification. VaR information could be useful as additional measure in the risk assessment, where relevant for the AIF (i.e. this information should not be mandatory for all strategies implemented by AIFs). In addition, the collection of this information does not imply changes to the AIFMD reporting scheme (the VaR information is already included in the AIFMD template - ID 302) and does not require any new implementation from those asset managers whose NCA already requires such information, in line with the ESMA opinion “Collection of information for the effective monitoring of systemic risk under Article 24(5), first sub-paragraph, of the AIFMD” (ESMA/2013/1340).

Please explain why additional details used for calculating leverage should be added to the AIFMR supervisory reporting template, providing as much detail as possible and relevant examples as well as the costs, benefits and disadvantages of this option:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain why additional details on the liquidity profile of the fund’s portfolio should be added to the AIFMR supervisory reporting template, providing as much detail as possible and relevant examples as well as the costs, benefits and disadvantages of this option:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain why details on initial margin and variation margin should be added to the AIFMR supervisory reporting template, providing as much detail as possible and relevant examples as well as the costs, benefits and

disadvantages of this option:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain why the geographical focus expressed in monetary values should be added to the AIFMR supervisory reporting template, providing as much detail as possible and relevant examples as well as the costs, benefits and disadvantages of this option:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain why the extent of hedging through long/short positions by an AIFM/AIF expressed as a percentage should be added to the AIFMR supervisory reporting template, providing as much detail as possible and relevant examples as well as the costs, benefits and disadvantages of this option:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain why data on non-EU master AIFs that are not marketed into the EU, but which have an EU feeder AIF or a non-EU feeder marketed into the EU if managed by the same AIFM should be added to the AIFMR supervisory reporting template, providing as much detail as possible and relevant examples as well as the costs, benefits and disadvantages of this

option:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain why the role of external credit ratings in investment mandates should be added to the AIFMR supervisory reporting template, providing as much detail as possible and relevant examples as well as the costs, benefits and disadvantages of this option:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain why IEs of all counterparties to provide detail on exposures should be added to the AIFMR supervisory reporting template, providing as much detail as possible and relevant examples as well as the costs, benefits and disadvantages of this option:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain why sustainability-related data, in particular on exposure to climate and environmental risks, including physical and transition risks should be added to the AIFMR supervisory reporting template, providing as much detail as possible and relevant examples as well as the costs, benefits and disadvantages of this option:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain what other data fields should be added to the AIFMR supervisory reporting template, providing as much detail as possible and relevant examples as well as the costs, benefits and disadvantages of this option:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 72. What additional data fields should be added to the AIFMR supervisory reporting template to better capture AIF's exposure to leveraged loans and CLO market?

Please explain your answer providing as much detail as possible and relevant examples as well as the costs, benefits and disadvantages:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 73. Should any data fields be deleted from the AIFMR supervisory reporting template?

- Yes
- No
- Don't know / no opinion / not relevant

Question 73.1 Please explain your answer to question 73, presenting the costs, benefits and disadvantages of each data field suggested for deletion:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

In the short-term, Assogestioni believes that there is no need to make changes to the AIFMR reporting template. While in the longer term, in a more coordinated and a harmonized European reporting regime, the (AIFMD and other European and national) reporting should change significantly. As an example, if more granular information on financial instruments would be collected, the following part of the AIFMD reporting should be deleted:

From the "AIF file" reporting:

- Main instruments in which the AIF is trading (ID 64-77)
- Geographical focus (ID 78-93)
- 10 principal exposures of the AIF at the reporting date (ID 94-102)
- Five most important portfolio concentrations (ID 103-112)
- Individual Exposures in which it is trading and the main categories of assets in which the AIF invested as at the reporting date (ID 121-124)
- Currency of Exposures (ID 128-130)
- Measure of risks: some measures of risks, such as (net equity delta, net DV01, net CS01)
- Portfolio liquidity profile (ID 178-185)

Question 74. Is the reporting frequency of the data required under Annex IV of the AIFMR appropriate?

- Yes
- No
- Don't know / no opinion / not relevant

Question 74.1 Please explain your answer to question 74, presenting the costs, benefits and disadvantages for a suggested change, if any:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Assogestioni deems that the reporting frequency of the data required under Annex IV of the AIFMR is appropriate. However, in a more coordinated and harmonized European reporting regime (long-term scope), the (AIFMD) reporting will change significantly and we believe that the reporting frequency should also consider the type of the fund: open-ended vs closed-ended. Where for the latter a lower reporting frequency should be provided.

Question 75. Which data fields should be included in a template requiring AIFMs to provide ad hoc information in accordance with Article 24(5) of the AIFMD during the period of the stressed market in a harmonised and proportionate way?

Please explain your answer presenting the costs, benefits and disadvantages of implementing the suggestions:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

It is a challenging task to identify ex-ante the type of data needed in exceptional circumstances and we caution in following this path as it may only increase administrative burden and costs to asset managers to be ready to provide such type of information in the next stressed market situation, without any substantial certainty that the additional disclosure fulfils the purpose.

If more granular information were collected (or shared) in a more coordinated and harmonized European reporting regime (long-term scope), the additional information that might be necessary during the market stressed period could be limited to the monitoring of redemption flows for open-ended funds with daily or weekly NAV.

It is appropriate to align the way in which redemptions are reported to the NCAs (for example, daily subscription and redemptions on a weekly basis) and further on how this is reported from NCAs to ESMA and consequently to the ESRB; this would allow for meaningful aggregations and comparative analysis.

Question 76. Should supervisory reporting for UCITS funds be introduced?

- Yes
- No
- Don't know / no opinion / not relevant

Question 76.1 Please explain your answer to question 78, also in terms of costs, benefits and disadvantages:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Assogestioni is in favour of a harmonized European reporting regime, provided that it is reduced the current excessive reporting obligations and administrative burdens on management companies (please see also our response to Q56, Q61 and Q77).

In a long-term vision, the investment funds (UCITS and AIFs, including MMFs) could simply provide a basic set of raw data in uniform format and content. The data requested should reflect the nature of the fund (open-ended or closed-ended) and the type of underlying (financial instruments, real assets). They should be based on identifiers, as much as possible, and should be proportionated.

Until such a wider and coordinated revision, we do not agree to introduce a European reporting regime for UCITS since it will duplicate the reporting and the current regime already in place at national level fit for purpose.

Question 77. Should the supervisory reporting requirements for UCITS and AIFs be harmonised?

- Yes
- No
- Don't know / no opinion / not relevant

Question 77.1 Please explain your answer to question 79, also in terms of costs, benefits and disadvantages:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

As indicated in other responses, we believe that, in the long-term, the review of the reporting architecture at European (and national) level and an EU harmonized reporting are options for streamlining supervisory reporting. Until such wider and coordinate revision, we do not agree to introduce a European reporting regime for UCITS since it will duplicate the reporting and the current regime already in place at national level fit for purpose. Please see also our responses to Q56, Q61, Q76.

Question 78. Should the formats and definitions be harmonised with other reporting regimes (e.g. for derivatives and repos, that the AIF could report using a straightforward transformation of the data that they already have to report under EMIR or SFTR)?

- Yes
- No
- Don't know / no opinion / not relevant

Question 78.1 If yes, please explain your response indicating the benefits and disadvantages of a harmonisation of the format and definitions with other

reporting regimes:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

c) leverage

Question 79. Are the leverage calculation methods – gross and commitment – as provided in AIFMR appropriate?

- Fully agree
- Somewhat agree
- Neutral
- Somewhat disagree
- Fully disagree
- Don't know / no opinion / not relevant

Question 79.1 Please explain your answer to question 79 in terms of the costs, benefits and disadvantages:

Assogestioni suggests some improvements to the current regime to the hedging arrangements in the commitment method as set out in Article 8 of the AIFMR for AIFs which underlying is not based on financial instruments (such as real assets, loans). We refer for example to the hedging of the loan rate (swap on a loan) for a real estate fund or to the hedging of the credit risk for a loan fund.

According to Article 8(6) hedging arrangements can be considered when calculating the exposure of an AIF only if they fulfill several conditions, including when the hedging arrangements refer to the same asset class. Consequently, "hedging" positions in derivative financial instruments aimed at hedging the risks associated with loans or also assets other than financial instruments increase the AIF exposure as they cannot be considered as hedging arrangements.

Assogestioni see merit in amending the current rules that allow hedging arrangements also in assets other than financial instruments and therefore not only when they relate to the same asset class but also to different asset classes.

Question 80. Should the leverage calculation methods for UCITS and AIFs be harmonised?

- Yes
- No
- Don't know / no opinion / not relevant

Question 80.1 If yes, what leverage calculation methods should be chosen to be applied for both UCITS and AIFs?

Please explain your proposal, indicating the difficulties, costs and benefits of applying such methodology(ies) to both UCITS and AIFs:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 80.1 Please explain your answer to question 80:

Assogestioni understands that the harmonization of leverage methods both for AIFs and UCITS is proposed in order to receive appropriate reporting information for monitoring systemic risks and to gain a complete picture of the use of leverage by both type of funds and not to change the current UCITS regime.

It is worth noting to clearly highlight how the current UCITS regime work well, both fund managers and investors and we do not support any change since it would bring unintended consequences and competitiveness of EU-based player. Its risk resilience and value has been proved through the various market events since the global financial crisis and is one of the most advanced globally. The UCITS regime, as a directive on a product, defines eligible investment, states concentration and diversification limits and applies a limit of global exposure (art. 51(3) states that “a UCITS shall ensure that its global exposure relating to derivative instruments does not exceed the total net value of its portfolio”). Differently from the AIFMD, a definition of leverage is not foreseen under UCITS regime and the global exposure can be calculated by using the commitment approach, the value at risk approach or advance risk measurement methodologies, as further explained in the CESR’s Guidelines on Risk Measurement and the Calculation of Global Exposure and Counterparty Risk for UCITS (CESR/10-788 of 28 July 2010). The latter states also that a UCITS using VaR approaches should disclose the expected level of leverage and the possibility of higher leverage levels in the prospectus. To this aim, leverage should be calculated as the sum of the notionals of derivatives used.

From a reporting perspective, there are several methods of calculations of exposure and/or leverage in the current regime and we see some merit in harmonizing definitions and improving consistency in the event that the asset management companies manage both UCITS and AIFs. This would also reduce administrative costs of an asset manager.

With specific regard to the calculation of leverage with the commitment approach, we support the UCITS method for the reasons indicated above. Therefore, the approach should be limited to the incremental fund exposure (without cash position, i.e. net asset

value (1 or 100%) + incremental exposure) and the hedging and the netting definition under AIFMR should be aligned, where different (i.e. some definitions), with those one under the UCITS regime (including CESR/10-788). Examples and descriptions used in the CESR/10-788 should also be recalled as they help to clarify the common interpretation of the criteria. Furthermore, since eligible asset type and methods of exposure of an AIF may be different from those of a UCITS, the commitment approach should also reflect these circumstances. Therefore, as indicated in the answer to Q79.1, hedging arrangement for an AIFs should be possible also on assets other than financial instruments.

With specific regard to the calculation of leverage with the gross method, we have no preferences on which method to apply.

Question 81. What is your assessment of the two-step approach as suggested by International Organisation of Securities Commissions ('IOSCO') in the [Framework Assessing Leverage in Investment Funds published in December 2019](#) to collect data on the asset by asset class to assess leverage in AIFs?

Please provide it, presenting costs, benefits and disadvantages of implementing the IOSCO approach:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Assogestioni is supportive of the international regulators' efforts to assess the robustness of the existing regulatory frameworks that monitor the use of leverage in investment funds and enhance consistency at the global level via common measures. At the same time, these efforts should build upon existing regulatory frameworks and best practices and aim at measures that are appropriate and proportionate.

In terms of the suggested approach by IOSCO, we agree in principle with the proposal to carry out a framework for the calculation and analysis of leverage in funds in two steps (the "2-step approach"), with the aim to identify first which funds may pose risk to financial stability on the basis of the use of leverage (step 1) and then further analyse this particular subset of funds (step 2). We do not consider that every fund using derivatives is a source of risk to financial stability and as the majority of the European funds industry is not substantially leveraged (AIFs leverage below 300%) it should be filtered out at step1.

In any case, regarding the analysis of metrics by asset class discussed by IOSCO, we believe it is important to build upon existing meaningful information and take the reporting as easy as possible, whereas the cost of collecting new data should be also taken into account. In this perspective, if further data should be collected, this should be limited to the Gross Notional Exposure (GNE) without adjustments reported broken down by asset class, long and short and not GNE or adjusted GNE metrics with netting and hedging assumptions as relevant. These latest measures, which may give a deeper understanding of the AIF, would make reporting too complex.

Question 82. Should the leverage calculation metrics be harmonised at EU level?

- Yes
- No
- Don't know / no opinion / not relevant

Question 82.1 Please explain your answer to question 82, presenting the costs, benefits and disadvantages of your chosen approach:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please see our answer to Question 80, where we support the UCITS regime as the base regime, with further adjustments for AIF's characteristics.

Question 83. What additional measures may be required given the reported increase in CLO and leveraged loans in the financial system and the risks those may present to macro-prudential stability?

Please provide your suggestion(s) including information, where available, on the costs and benefits, advantages and disadvantages of the proposed measures:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 84. Are the current AIFMD rules permitting NCAs to cap the use of leverage appropriate?

- Yes
- No
- Don't know / no opinion / not relevant

Question 84.1 Please explain your answer to question 86, in terms of the costs, benefits and disadvantages:

Question 85. Should the requirements for loan originating AIFs be harmonised at EU level?

- Yes
- No
- Don't know / no opinion / not relevant

Question 85.1 Please explain your answer to question 85:

Assogestioni believes that the revision of the ELTIF regulations may constitute an opportunity to consider the product characteristics of the funds that originate loans.

Question 85.1 If yes, which of the following options would support this harmonisation:

Please select as many answers as you like

- limit interconnectedness with other financial intermediaries
- impose leverage limits
- impose additional organisational requirements for
- AIFMs allow only closed-ended AIFs to originate loans
- provide for certain safeguards to borrowers
- permit marketing only to professional investors
- impose diversification requirements
- impose concentration requirements
- other

Please explain why you think limiting interconnectedness with other financial Intermediaries would support this harmonisation.

Please provide information, where available, on the costs and benefits, advantages and disadvantages of this option. Concrete examples are

welcome:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain why you think imposing leverage limits would support this harmonisation.

Please provide information, where available, on the costs and benefits, advantages and disadvantages of this option. Concrete examples are welcome:

5000 character(s) maximum

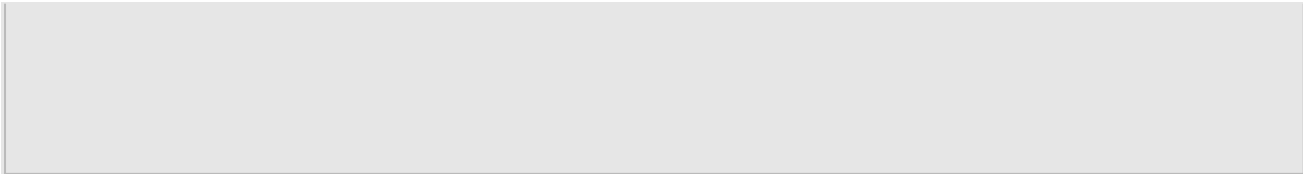
including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain why you think imposing additional organizational requirements for AIFMs would support this harmonisation.

Please provide information, where available, on the costs and benefits, advantages and disadvantages of this option. Concrete examples are welcome:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.



Please explain why you think allowing only closed-ended AIFs to originate loans would support this harmonisation.

Please provide information, where available, on the costs and benefits, advantages and disadvantages of this option. Concrete examples are welcome:

5000 character(s) maximum

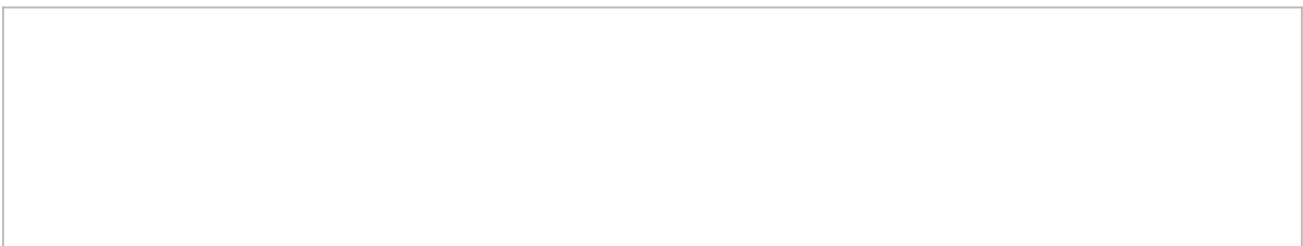
including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain why you think providing for certain safeguards to borrowers would support this harmonisation .

Please provide information, where available, on the costs and benefits, advantages and disadvantages of this option. Concrete examples are welcome:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.



Please explain why you think permitting marketing only to professional investors would support this harmonisation.

Please provide information, where available, on the costs and benefits, advantages and disadvantages of this option. Concrete examples are welcome:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain why you think imposing diversification requirements would support this harmonisation.

Please provide information, where available, on the costs and benefits, advantages and disadvantages of this option. Concrete examples are welcome:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain why you think imposing concentration requirements would support this harmonisation .

Please provide information, where available, on the costs and benefits, advantages and disadvantages of this option. Concrete examples are welcome:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain what other option would support this harmonisation.

Please provide information, where available, on the costs and benefits, advantages and disadvantages of this option. Concrete examples are welcome:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

V. Investing in private companies

The AIFMD rules regulating investing in private companies aim to increase transparency and accountability of collective investment funds holding controlling stakes in non-listed companies. This section seeks insights whether these provisions are delivering on the stated objectives and whether there are other ways to achieve those objectives more efficiently and effectively. Private equity industry has been growing for years from a few boutique firms to € 3,7 T global industry. The questions are raised therefore whether the AIFMD contains all the relevant regulatory elements that are fit for purpose.

Question 86. Are the rules provided in Section 2 of Chapter 5 of the AIFMD laying down the obligations for AIFMs managing AIFs, which acquire control of non-listed companies and issuers, adequate, proportionate and effective in enhancing transparency regarding the employees of the portfolio company and the AIF investors?

- Fully agree
- Somewhat agree
- Neutral
- Somewhat disagree
- Fully disagree
- Don't know / no opinion / not relevant

Question 86.1 Please explain your answer to question 86, providing concrete examples and data, where available:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 87. Are the AIFMD rules provided in Section 2 of Chapter 5 of the AIFMD whereby the AIFM of an AIF, which acquires control over a non-listed company, is required to provide the NCA of its home Member State with information on the financing of the acquisition necessary, adequate and proportionate?

- Fully agree
- Somewhat agree
- Neutral
- Somewhat disagree
- Fully disagree
- Don't know / no opinion / not relevant

Question 87.1 Please explain your answer to question 87, providing concrete examples and data, where available:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 88. Are the AIFMD provisions against asset stripping in the case of an acquired control over a non-listed company or an issuer necessary, effective and proportionate?

- Fully agree
- Somewhat agree
- Neutral
- Somewhat disagree
- Fully disagree

- Don't know / no opinion / not relevant

Question 88.1 Please explain your answer to question 88, providing concrete examples and data, where available:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 89. How can the AIFMD provisions against asset stripping in the case of an acquired control over a non-listed company or an issuer be improved?

Please provide your suggestion(s) including information, where available, on the costs and benefits, advantages and disadvantages of the proposed measures:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

VI. Sustainability/ESG

Integrating sustainability factors in the portfolio selection and management has a double materiality perspective, in line with the [non-financial reporting directive \(2014/95\)](#) and the [European Commission's 2017 non-binding guidelines on non-financial](#). Financial materiality refers in a broad sense to the financial value and performance of an investment. In this context, sustainability risks refer to potential environmental, social or governance events or conditions that if occurring could cause a negative material impact on the value of the investment. For example, physical risks from the consequences of climate change may concern a single investment/company, e.g. due to potential supply chain disruptions or scarcity of raw materials, and may concern welfare losses for the economy as a whole. Non-financial materiality, also known as environmental and social materiality, refers to the impacts of an investment/corporate activity on the environment and society (i.e. negative externalities). Still, there is also a financial dimension to non-financial materiality. Notably, so-called transition risks arise from an insufficient consideration for environmental materiality, for instance due to potential policy changes for mitigating climate change (e.g. to regulatory frameworks, incentive structures, carbon pricing), shifts of supply chains and end-demand, as well as stakeholder actions for mitigating climate

change.

The [disclosure regulation 2019/2088](#) requires a significant part of the financial services market, including AIFMs, to integrate in their processes, including in their due diligence processes, assessment of all relevant sustainability risks that might have a material negative impact on the financial return of an investment or advice. However, at the moment AIFMs are not required to integrate the quantification of sustainability risks. Regulatory technical standards under the disclosure regulation 2019/2088 will specify principal adverse impacts to be quantified or described. This section seeks to gather input permitting better understand and assess the appropriateness of the AIFMD rules in assessing the sustainability risks.

Question 90. The [disclosure regulation 2019/2088](#) defines sustainability risks, and allows their disclosures either in quantitative or qualitative terms.

Should AIFMs only quantify such risks?

- Yes
- No
- Don't know / no opinion / not relevant

Question 90.1 Please substantiate your answer to question 90, also in terms of benefits, disadvantages and costs as well as in terms of available data:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

SFDR requires that Financial Market Participant publish a policy on how sustainability risk is integrated in the investment policy. No specific obligation is set to disclose risk in quantitative terms and no changes should be brought to this point as it is extremely complex to assess such a risk in quantitative form. In our view, transparency regarding the approach and methodology used to assess sustainability risk is already an effective tool that allows investors to understand the risk to which their investment is exposed. A mandatory quantification of such a risk would have to rely on too many assumptions and on modelling that is still not mature, the results would be not comparable among different products and hence even potentially misleading for investors.

Question 91. Should investment decision processes of any AIFM integrate the assessment of non-financial materiality, i.e. potential principal adverse sustainability impacts?

- Yes
- No
- Don't know / no opinion / not relevant

Question 91.1 Please substantiate your answer to question 91, also in terms of benefits, disadvantages and costs. Please make a distinction between

adverse impacts and principal adverse impacts and consider those types of adverse impacts for which data and methodologies are available as well as those where the competence is nascent or evolving:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

AIFMs - in the same way as all other asset managers - manage the asset received in the best interest of their client and should be required to assess adverse impact only when it could be material to the financial return of the investor i.e. when it leads to a sustainability risk, or when it responds to a specific request of the client. It should also be noted that the changes to the MIFID DA will ensure that sustainability preferences of the client are duly collected and taken into account when assessing products suitability so no dangers exist of their preferences not to being discussed.

Question 92. Should the adverse impacts on sustainability factors be integrated in the quantification of sustainability risks (see the example in the introduction)?

- Fully agree
- Somewhat agree
- Neutral
- Somewhat disagree
- Fully disagree
- Don't know / no opinion / not relevant

Question 92.1 If you agree, please explain how and at which level the adverse impacts on sustainability factors should be integrated in the quantification of sustainability risks (AIFM or financial product level etc.).

Please explain your answer including concrete proposals, if any, and costs, advantages and disadvantages associated therewith. Please make a distinction between adverse impacts and principal adverse impacts and consider those types of adverse impacts for which data and methodologies are available as well as those where the competence is nascent or evolving

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 92.1 Please explain your answer to question 92:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Adverse impact should be always taken into account when it has financial materiality hence when in turns into risk. In our view, it should be left to the FMP, as part of its policy to integrate sustainability risk, to assess whether the adverse impact is financially material.

Question 93. Should AIFMs, when considering investment decisions, be required to take account of sustainability-related impacts beyond what is currently required by the EU law (such as environmental pollution and degradation, climate change, social impacts, human rights violations) alongside the interests and preferences of investors?

- Yes
- No
- No, ESMA's current competences and powers are sufficient
- Don't know / no opinion / not relevant

Question 93.1 If so, how should AIFMs be required to take account of the long-term sustainability and social impacts of their investment decisions?

Please explain.

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 93.1 Please explain your answer to question 93:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

See above (fiduciary duty).

Question 94. The [EU Taxonomy Regulation 2020/852](#) provides a framework

for identifying economic activities that are in fact sustainable in order to establish a common understanding for market participants and prevent green-washing. To qualify as sustainable, an activity needs to make a substantial contribution to one of six environmental objectives, do no significant harm to any of the other five, and meet certain social minimum standards. In your view, should the EU Taxonomy play a role when AIFMs are making investment decisions, in particular regarding sustainability factors?

- Yes
- No
- Don't know / no opinion / not relevant

Question 94.1 Please explain your answer to question 94:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

As required by the SFDR, EU taxonomy should be adopted when referring to sustainable investing or to investment that promote ESG characteristics. This should not lead to making mandatory for AIFM to invest in Taxonomy compliant activity but rather to grant transparency on ESG investments using the taxonomy as a reference for disclosure.

Question 95. Should other sustainability-related requirements or international principles beyond those laid down in Regulation (EU) 2020/852 be considered by AIFMs when making investment decisions?

- Yes
- No
- Don't know / no opinion / not relevant

Question 95.1 Please explain your answer to question 95, describing sustainability-related requirements or international principles that you would propose to consider.

Please indicate, where possible, costs, advantages and disadvantages associated therewith:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The Taxonomy has the merit of creating a common standard that defines the framework for all kind of sustainable/ESG investing - while the taxonomy is not yet fully developed, it would be counterproductive to introduce other requirements that go beyond the existing regulation. We would recommend allowing for the Taxonomy to fully develop and expand to cover all 6 sustainability areas and social issues rather than introducing other principles.

VII. Miscellaneous

This section contains a few questions on the competences and powers of supervisory authorities. It also opens up the floor for any other comments of the stakeholders on the AIFMD related regulatory issues that are raised in the preceding sections. Respondents are invited to provide relevant data to support their remarks/proposals.

Question 96. Should ESMA be granted additional competences and powers beyond those already granted to them under the AIFMD?

Please select as many answers as you like

- entrusting ESMA with authorisation and supervision of all AIFMs
- entrusting ESMA with authorisation and supervision of non-EU AIFMs and AIFs
- enhancing ESMA's powers in taking action against individual AIFMs and AIFs where their activities threaten integrity of the EU financial market or stability the financial system
- enhance ESMA's powers in getting information about national supervisory practices, including in relation to individual AIFM and AIFs
- no, there is no need to change competences and powers of ESMA
- other

Please explain why you think ESMA should be entrusted with authorisation and supervision of all AIFMs.

Because of the recent review of the ESAs discipline, Assogestioni believes that further powers should not be ascribed to ESMA. ESMA has already the sufficient tools to perform its tasks and, therefore, we recommend a better use of them.

Please present costs, advantages and disadvantages associated with the chosen option. Concrete examples substantiating your answer are welcome:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Assogestioni believes that, at the time being, there are not reasons to give ESMA direct supervisory powers over asset managers, be they AIFs (including EuVECA, EuSEF or ELTIFs), UCITS or other. We strongly retain that a direct supervisory exercised by the NCAs is crucial given their knowledge of the national markets and its stakeholders. We do believe that a centralised supervisory system - along the lines of the credit institutions ones - will not work in practice for an industry - as the asset manager one - that is not homogeneous. Instead, Assogestioni does believe that ESMA should focus

on areas where greater convergence through the full use of its existing toolkit is needed (e.g. subject NCAs to binding reviews, thus to remove national discretions and “gold plating”, as per the HLF report recommendations) and where centralisation proves beneficial with a clearly identifiable purpose; e.g. data centralisation (European Ratings Platform, EU-wide consolidated tape among others).

Please explain why you think ESMA should be entrusted with authorisation and supervision of non-EU AIFMs and AIFs.

Please present costs, advantages and disadvantages associated with the chosen option. Concrete examples substantiating your answer are welcome:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Assogestioni believes that the reason expressed in the above answer are applicable also to the non-EU AIFMs & AIFs, even if the AIFMD 3rd country passport is still pending.

Please explain why you think ESMA’s powers should be enhanced in taking action against individual AIFMs and AIFs where their activities threaten integrity of the EU financial market or stability the financial system.

Please present costs, advantages and disadvantages associated with the chosen option. Concrete examples substantiating your answer are welcome:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain why you think ESMA’s powers should be enhanced in getting information about national supervisory practices, including in relation to individual AIFM and AIFs.

Assogestioni believes that the ESMA’s powers are sufficient to get the needed information from the NCAs. The NCAs have already proved their availability to share with ESMA the information on their supervisory national activities.

Please present costs, advantages and disadvantages associated with the chosen option. Concrete examples substantiating your answer are welcome:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain with what other additional competences and powers ESMA should be granted.

As already mentioned in the answer to the question 96, we do not believe that ESMA should be ascribed with further powers but, instead, ESMA should guarantees the full application of them.

Please present costs, advantages and disadvantages associated with the chosen option. Concrete examples substantiating your answer are welcome:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 97. Should NCAs be granted additional powers and competences beyond those already granted to them under the AIFMD?

- Yes
- No
- Don't know / no opinion / not relevant

Question 97.1 Please explain your answer to question 97, providing information, where available, on the costs and benefits, advantages and disadvantages of implementing your suggestion:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Assogestioni believes that the NCAs have already the sufficient and needed powers and the competences to carry out the supervisory activity. We do believe that the NCAs should hence increase the application of the above-mentioned powers and avoid the gold-plating.

Question 98. Are the AIFMD provisions for the supervision of intra-EU cross-border entities effective?

- Fully agree
- Somewhat agree
- Neutral
- Somewhat disagree
- Fully disagree
- Don't know / no opinion / not relevant

Question 98.1 Please explain your answer to question 98, providing concrete examples:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Assogestioni believes that AIFMD provisions for the supervision of intra-EU cross-border entities are already effective. In fact, we are not aware of significant problems concerning the supervision of intra-EU cross-border entities. Moreover, we do believe that the NCAs can address that potential issues better than industry bodies (that usually do not have the whole picture of the cooperation among NCAs concerning the intra-EU cross-border entities' supervision).

Question 99. What improvements to intra-EU cross-border supervisory cooperation would you suggest?

Please provide your answer presenting costs, advantages and disadvantages associated with the suggestions:

As mentioned above, we do not believe that the current AIFMD provisions on intra-EU cross-border supervisory cooperation need to be improved. However, we take this opportunity to highlight the importance of certain initiatives - such as the SCN or ESMA's recent Joint Supervisory Actions (CSA) on UCITS liquidity risk management and MiFID II eligibility rules - which, by representing a way for NCAs to work more closely, it can ensure improved supervisory convergence.

Question 100. Should the sanctioning regime under the AIFMD be changed?

- Yes
- No
- Don't know / no opinion / not relevant

Question 100.1 Please explain your answer to question 100, substantiating your answer in terms of costs/benefits/advantages, if possible:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The sanctioning regime should not be changed, but better enforced by NCAs. Before considering any change to the sanctioning regime, NCAs should start by better using the tools they have to sanction non-compliant management companies. Better enforcement would not only lead to better trust in the investment management industry, but also to a more effective level-playing field across the single market.

Question 101. Should the UCITS and AIFM regulatory frameworks be merged into a single EU rulebook?

- Yes
- No
- Don't know / no opinion / not relevant

Question 101.1 Please explain your answer to question 101, in terms of costs, benefits and disadvantages:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Assogestioni believes that, at least in the medium-long term, it should be proceeded with a systematization of the European asset management regulations, in order to allow the immediate and consolidated identification, also from a regulatory point of view, of the asset management industry, thus increasing their competitiveness vis-à-vis extra EU countries.

Such a systematization, among other things, would have the advantage of creating a level playing field, avoiding fragmented regulatory interventions that essentially represent obstacles to the normal competitive regime.

In this context, Assogestioni is in favor of a convergence between the UCITS and AIFMD regulatory regimes, in particular with reference to the rules about managers and the rules of conduct about the services that are designed on the model of the MiFID. Obviously, such a convergence should be adequately calibrated according to whether it concerns the management of UCITS or AIFs and keep distinct the rules about these two products, saving the “well established” UCITS product brand. This is a convergence that has long been one of the prerequisites of the Italian national regulation on collective asset management, contained in the Italian Consolidated Law on Finance and in the secondary implementing regulations.

Question 102. Are there other regulatory issues related to the proportionality, efficiency and effectiveness of the AIFMD legal framework?

Please detail your answer, substantiating your answer in terms of costs /benefits/advantages, where possible:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Assogestioni believes that when revisiting the AIFMD it is necessary to have consideration to the competitiveness of the European market and avoid additional complexity for fund managers.

In line with the provisions of Directive (EU) 2019/878 (CRD V) for banks as well as Directive (EU) 2019/2034 (IFD) relating to investment firms, Assogestioni believes that

this consultation could be taken as an opportunity to recognize, also for asset managers, the principle of neutrality of remuneration policies with respect to gender. The principle of gender equality derives, moreover, from the same article 157 of the TFEU in the part in which it provides that “*Each Member State shall ensure that the principle of equal pay for male and female workers for equal work or work of equal value is applied*”.

Additional information

Should you wish to provide additional information (e.g. a position paper, report) or raise specific points not covered by the questionnaire, you can upload your additional document(s) here:

The maximum file size is 1 MB.

You can upload several files.

Only files of the type pdf,txt,doc,docx,odt,rtf are allowed