



Meeting DATE and PLACE : 8 July 2019, DG FISMA, Brussels

Name ORGANISATION(S)/INDIVIDUAL(S): [REDACTED]

Nathalie De Basaldua (Cabinet Katainen), Andrea Beltramello (Cabinet Dombrovskis), [REDACTED]

Main ISSUES DISCUSSED:

The Managed Funds Association (MFA) has presented its policy position on the EU asset management issues and CMU-related aspects as detailed below. The MFA membership totals ~ 220 institutional global investment managers; around 10 to 20 have an AIFMD license. Key issues raised:

- The MFA keeps a keen interest in the ongoing work on the review of the AIFMD. The MFA finds it useful to maintain the national placement regimes, which could run in parallel with the AIFMD license authorisations. Other topics of interest to the MFA are leverage and remuneration. The MFA has specifically raised the issue of disclosure and reporting requirements in view of the double or overlapping reporting to the SEC and the EU NCAs.
- The MFA expressed keen interest on a range of CMU-related topics and the overall direction of the future policy work, and inquired about the role of the new Commission and of the European Parliament in implementing policies in this area. On Sustainable Finance, the MFA is particularly supportive of the ESG work at EU level, however prefers that the ESG criteria are not set up as a compulsory but rather as a voluntary standard. The MFA supports the inclusion of the ESG preferences as part of the MIFID suitability test. In late 2018, the U.S. Department of Labour has issued guidelines that ERISA funds cannot take into account the ESG because this would arguably violate the fiduciary duty. The MFA has alluded to the possible conflict between the U.S. and the EU rules in this area.
- The MFA has argued that the CMU should explicitly address the issue of confidentiality and protection of data. According to the MFA, the recent IT vulnerabilities of the U.S. SEC have exposed the proprietary information reported by the MFA members. As a result, the MFA sees it beneficial to ensure a higher level of the data security at EU level, and advocates for a coordinated policy discussion on these matters.

Abbreviation of the DIRECTORATE/UNIT : [REDACTED]

Name of the AUTHOR of the minutes : [REDACTED]