



Meeting: 1 October 2019

Stakeholder : [REDACTED] (AIMA), [REDACTED] (Kreab)

Commission : , Andrea Beltramello, [REDACTED]

Transparency register number : 232566516087-90 (AIMA)

- Referring to the recent Ignite article AIMA wondered whether COM plans to scrap the **AIFMD third country passport**. COM stated that it is currently working on a retrospective assessment of the AIFMD and at the moment there are no contemplations about its future design.
- AIMA values **NPPRs** and wishes to keep them, if possible, indefinitely. AIMA would support centralised role of ESMA regarding third country entities.
- **Delegation regulation** under the AIFMD is another worry. AIMA opined that following ESMA's guidelines on this matter, the market has moved to ensure more economic substance of fund managers' activities in the EU, i.e. as regards the location of investment and portfolio management functions. They prefer **qualitative** as opposed to **quantitative** approach to the requirements of economic substance.
- AIMA supports revising **leverage** in line with the IOSCO's recommendations. Breaking down portfolio into classes of assets and weighing leverage with respect to that class of assets, according to AIMA, may provide meaningful data to supervisors for understanding the extent of generated risks.
- AIMA expressed some misgivings about COM initiative concerning **sustainable finance**. In particular, AIMA wondered whether it is clever to juxtapose short-term and long-term decisions of a corporate company branding one as being better than the other, without considering the specific situation of a particular corporation. AIMA was sceptical whether it is possible to distinguish by law between 'good' and 'bad' shareholder activism.

Abbreviation of the DIRECTORATE/UNIT : CAB & Unit C4

Name of the AUTHOR of the minutes : [REDACTED]