

Template for comments

Public consultation on the draft recast ECB Regulation on investment fund statistics

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General comments

We thank the European Central Bank (ECB) for the opportunity to comment on the draft recast Regulation on investment fund statistics

As the association representing the European private equity, venture capital and infrastructure fund managers, we understand the need for the ECB to collect an appropriate amount of information on investment funds. We recognise that collecting investment fund statistics can help it achieving some of its objectives, which include looking at the role these funds play in the overall EU finance ecosystem

As a trade association, we also collect data on fundraising, investment and exit data from our members and beyond. We pride ourselves in having the best data set in Europe on fundraising, investment, divestments and job creation. While our statistics do not and are not intended, to replace those collected under existing law frameworks, they demonstrate the commitment of our asset class to transparency and accountability

We wish to take the opportunity given by this consultation to stress our concerns with the risk that this recast could lead to situations where national competent authorities would be forced to introduce new reporting requirements that would either not be in line with the ones already required under existing EU law, or would supplement those

Reporting requirements have significantly increased since the AIFMD entered into force in 2013, both because of the increasing needs of regulators on existing fields or because of additional fields of reporting, in particular in the ESG space

Even if many of these fields have been created for good reasons and are not always related to this specific Regulation, this general increase should give pause to the regulators and to the ECB. Indeed, these requirements increasingly act as a barrier to entry for smaller managers and as a significant cost for larger ones, as demonstrated by the exponential growth of compliance and reporting teams in firms across the Union

In that context, we would warn the ECB to take all steps it is able to take to avoid that this exercise leads to any new requirements for fund managers that would not be proportionate to the benefits they would bring

ensure all aspects of its recast are in line with existing fields required under the EU body of law, not least the UCITS and AIFM-Directives

Particular attention should be given to whether some of this reporting could affect the objectives of the Capital Markets Union, if it makes it too complex for some fund managers to set up national or cross-border structures

Going forward, we would suggest that it would be preferable for the ECB to always directly rely on statistics computed under EU law by the competent European authorities, such as ESMA in this case, as is noted by the ECB itself in one of its recitals. While it is tempting to think that more information will necessarily mean better information, the significant swelling of compliance costs over the past few years show that this is not necessarily the case in the long run and that ECB should take every step to avoid, directly or indirectly leading national lawmakers to introduce new requirements

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Please enter all your feedback in this list.

When entering feedback, please make sure that:

- each comment deals with a single issue only;
- you indicate the relevant chapter/article/paragraph/page, where appropriate;
- you indicate whether your comment is a proposed amendment, clarification or deletion.

Deadline: 12-Feb-24

ID	Chapter	Article	Paragraph	Page	Type of comment	Detailed comment	Concise statement as to why your comment should be taken on board	Name of commenter	Personal data
1	Regulation	Recital 14			Amendment	<p>Primary law, whether AIFMD or UCITS, determines what information must be shared by fund managers with their national competent authorities. In the case of AIFMD, Article 104 of Delegated Regulation 2013/0231/EC already lays out the Content and format of the balance sheet or statement of assets and liabilities and of the income and expenditure account. Such information, which is most often detailed in Annex IV of the AIFMD for alternative investment funds, is already very comprehensive. We therefore agree with the ECB comment in Recital 14 that “the quality of the statistical information collected, and analyses performed by the ECB, would be improved if it received data from ESMA reported under AIFMD and UCITS”. However, the ECB should be clear that it does not require any data <i>beyond</i> what is required under AIFMD and UCITS. This either includes (i) any new data for already regulated fund (due to the presence of a different field in the ECB Annexes) or (ii) data from firms that are not subject to these Direc to stress our concerns with the risk that this recast could lead to situations where national competent authorities would be forced to introduce new reporting requirements that would either not be in line with the ones already required under existing EU law, or would supplement those.</p> <p>Reporting requirements have significantly increased since the AIFMD entered into force in 2013, both because of the increasing needs of regulators on existing fields or because of additional fields of reporting, in particular in the ESG space.</p> <p>Even if many of these fields have been created for good reasons and are not always related to this specific Regulation, this general increase should give pause to the regulators and to the ECB. Indeed, these requirements increasingly act as a barrier to entry for smaller managers and as a significant cost for larger ones, as demonstrated by the exponential growth of compliance and reporting teams in firms across the Union.</p> <p>In that context, we would warn the ECB to take all steps it is able to take to:</p> <ul style="list-style-type: none"> - avoid that this exercise leads to any new requirements for fund managers that would not be proportionate to the benefits they would bring - ensure all aspects of its recast are in line with existing fields required under the EU body of law, not least the UCITS and AIFM Directives. <p>Particular attention should be given to whether some</p>	Establishing integrated reporting systems, based on requirements set in Level 1 text, should become the way forward if the EU is to remain competitive against its international counterparts. It is important that this ECB recast takes this directly into consideration.	Invest Europe	Publish
2	Regulation	Recitals 11, 12			Clarification	<p>One of the key changes introduced by the ECB in its review is the frequency of reporting of the information. We note that the ECB however recognised that the applicable frequency may differ from fund to fund. This is very true of private equity funds, which are long-term illiquid funds for the most part. To avoid any undue requirements for managers due to lack of clarity, we would suggest for the ECB to further clarify that long-term fund managers that are not trading daily/weekly should never be required to produce reporting more frequent than quarterly.</p>		Invest Europe	Publish