

NOVEMBER  
2024



© Picture of  
Hümá H. Yardim  
on Unsplash

## Market insights

### AIF List - FPS Finance - BE

- 30.09.24 - Removal from the list of SIC institutionnelle / Institutionele BMS : *DSFB* (and its 6 sub-funds)
- 22.10.24 - New Private Privak : *Heran Health Tech Fund II*
- 05.11.24 - New FIIS/GVBF : *Intervest Real Estate Holdings*
- 08.11.24 - New Private Privak : *Top Tier Access Buyout III*
- 08.11.24 - New subfund of SIC institutionnelle / Institutionele BMS: *Compartiment Belgian Lion RMBS III* (Belgian Lion)
- 14.11.24 - New FIIS/GVBF : *HAI Belgium 3*

### AIFM List - FSMA - BE

- 05.11.24 : Notification of an EU AIFM to use the "Freedom of Service" in Belgium: *CIM Europe S.A.R.L* (**Luxembourg**)
- 12.11.24: New small-size AIFM : *H4PE Oracle*
- 12.11.24 : Notification of an EU AIFM to establish a **branch** in Belgium: *Financière de l'Echiquier* (**France**)
- 19.11.24 : Withdrawal of small-size AIFM: *Crodar*

### EU ELTIF List - ESMA

- 08.11.24 - New ELTIF : *PGIM Fixed Income Large Cap Private Credit Fund - (subfund) PGIM Large Cap Private Credit ELTIF I* (**Ireland**)

### EU AIFM List - ESMA

- 16.10.2024 : New AIFM in **Hungary**: *Polaris Equity Magántőkealap-kezelő Zártkörűen Működő Részvénytársaság*
- 31.10.2024 : Withdrawal of AIFM authorisation: *Exus Renewables Investments, SGEIC, S.A* (**Spain**)
- 05.11.2024 : New AIFM in **Italy**: *ARSENALE REAL ESTATE SGR S.P.A.*
- 13.11.2024 : New AIFM in **Hungary**: *MERKUR Befektetési Alapkezelő Zártkörűen Működő Részvénytársaság*
- 22.11.2024 : Withdrawal of AIFM authorisation: *CCRF Management GmbH* (**Austria**)
- 22.11.2024 : Withdrawal of AIFM authorisation : *Zadig Asset Management S.A* (**Luxembourg**)



### ESMA - Data collection exercise 14.11.24 - EN

💡 On costs linked to investments in AIFs and UCITS :

- Information requested from manufacturers will provide an indication on the different costs charged for the management of the investment funds.
- Information requested from distributors will inform on the fees paid directly by investors to distributors.

### ESMA responds to the EC consultation on Non-Bank Financial Intermediation 22.11.24 - EN

💡 Regarding the adequacy of macroprudential policies :

- "competent authorities could require funds that invest in assets that are not liquid to be structured as closed-ended funds"
- "ESMA suggests enhancing coordination between competent authorities by the creation of a formal reciprocation mechanism for leverage limits under the AIFMD"

### ESMA - Guidelines Compliance Table 28.11.24 - EN

💡 Lists the authorities that (intend to or already) comply with

ESMA's Guidelines on marketing communications under the EU Regulation on the cross-border distribution of funds :

- All EU Member States as well as the EEA EFTA States (Iceland, Liechtenstein and Norway).

## FSMA Supervision

### Guidelines on fund names containing ESG or sustainability-related terms 12.11.24 - FR / NL

💡 The Guidelines apply from November 21, 2024. This means that (sub-funds of) UCIs established from this date onwards must comply with the Guidelines. For (sub-funds of) UCIs existing before this date, the transition period ends on May 21, 2025.

The FSMA will incorporate these guidelines into its supervisory framework starting from their effective date.

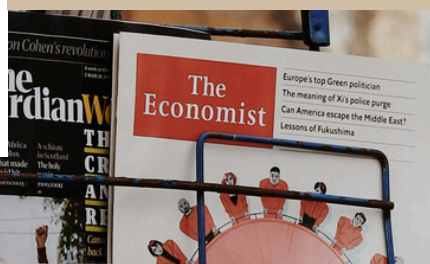
### IFRS accounts - data in investment property valuation models 27.11.24 - FR / NL

💡 For companies with a substantial volume of investment property on their balance sheet, such as Belgian regulated real estate investment companies (SIR/GVV), the fair value of these investments is a key determinant of the company's value. The FSMA sets out its expectations regarding the disclosures on this topic in the IFRS financial statements.

### ELTIF Delegated Regulation - Corrigendum

06.11.24 - EN

💡 There was a typo - Articles 8 and 9 were referring to "existing" investors instead of "exiting" investors.

NOVEMBER  
2024© Picture of  
Hümâ H. Yardim  
on Unsplash

## ESMA - DORA

15.11.24 - EN

- The ESAs published a decision on the information that competent authorities must report to them for the designation of critical ICT third-party service providers under the Digital Operational Resilience Act (DORA). In particular, the Decision requires competent authorities to report by 30 April 2025 the registers of information on contractual arrangements of the financial entities with ICT third-party service providers.
- The ESAs also published a list of validation rules that will be used when analysing the registers of information and the visual representation of the data model.
- Financial entities who would like to learn more about how to prepare their registers of information and hear about the outcomes of the 2024 Dry Run exercise, are invited to take part in an **information workshop on 18 December 2024**.
  - The workshop will be held virtually from 10:00 to 13:00. Interested parties can register by 16 December 2024.

## ESMA - Fit-For-55 climate stress test 19.11.24 - EN

**Context:** The European Union's Fit-for-55 package aims to stimulate investment and innovation in the transition to a green economy and plays a crucial role in the EU's goal to achieve an emissions' reduction of 55% by 2030 and climate neutrality by 2050.

**Exercise:** One-off climate risk scenario analysis to assess the resilience of the EU financial sector to withstand climate-related shocks and to support the green transition even under conditions of stress. Overall, the exercise assesses the impact of the three scenarios on different financial participants including 59 000 funds (of which 22 000 in the EU):

- Under the baseline scenario, the Fit-for-55 package is implemented in an economic environment that reflects the ESCB's June 2023 forecasts, while still facing additional cost related to the green transition.
- Under the first adverse scenario, transition risks materialise in the form of "Run-on-Brown" shocks, whereby investors shed assets of carbon-intensive firms. This hampers the green transition, since "brown" firms don't have the financing they need to green their activities.
- Under the second adverse scenario, the "Run-on-Brown" shocks are amplified with other standard macro-financial stress factors.

💡 At the end of 2022, EU UCITS had almost EUR 10 trillion of assets, while **AIFs** had EUR 6.8 trillion. Among **AIF types**, funds of funds accounted for 17% of net assets, followed by real estate funds (16%), private equity funds (11%) and hedge funds (2%).

Over the 8-year horizon, total first-round losses stand between 5.2% and 6.7% of starting point exposures, in each sector. The second-round losses are mostly relevant for **investment funds**, and amount to 11.2% of starting point exposures.

## FAQ - EU Taxonomy 29.11.24 - EN

- "references to NACE codes should be understood as indicative and that they should not prevail over the specific definition of the activity provided in the description";
- "a mere reference to ESRS disclosures is therefore not sufficient to demonstrate compliance with the DNSH criteria";
- "from 1 January 2024 until 31 December 2025, financial undertakings should disclose only the proportion of their total covered assets of Taxonomy-eligible and Taxonomy non-eligible economic activities included in the **Taxonomy Environmental Delegated Act** and economic activities added to the **Taxonomy Climate Delegated Act by the amending regulation**. In addition, financial undertakings should disclose the qualitative information included in Annex XI relating to those economic activities. From 1 January 2026, financial undertakings should disclose the KPIs for Taxonomy-alignment relating to economic activities covered by the **Taxonomy Environmental Delegated Act** and economic activities added to the **Taxonomy Climate Delegated Act by the amending regulation**."

## EU Commission Notice C/2024/6792

13.11.24 - EN

May financial market participants assume that any indicator reported as non-material by an investee undertaking subject to the CSRD does not contribute to the corresponding indicator of principal adverse impacts in the context of the SFDR disclosures?

💡 Yes (cf. FAQ 90 for more information)

## EU Commission Notice C/2024/7494

08.11.24 - EN

💡 On the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of the EU Taxonomy Regulation on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets :

- What is the level of group consolidation of the reporting entity for the purpose of the Taxonomy disclosures ? (cf. Q&A B.2)
- How should exposures to special purpose vehicles ("SPVs") be treated? (cf. Q&A E.b.14) etc.