

Template for comments

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

Institution / Company

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General comments

We fully acknowledge that granular and timely data on financial corporations is crucial for fundamental ECB tasks such as monetary policy and financial stability. However, the collection of data and information, which has increased significantly in recent years, always imposes costs on reporting agents. For EFAMA and its members, it is crucially important to **keep the reporting burden on investment funds (IFs) as low as possible**. Therefore, we recommend **weighing as best as possible, the need and reasons for adding new data requirements** (for example the new item 'income received' in Table 4) **or modifying the reporting frequency**, otherwise this would only lead to additional costs without necessarily providing more granular or up-to-date information useful for the ECB's purposes. Data requirements should remain proportionate, also taking into account the type of funds and their relevance. Uniform EU requirements often generate disproportionately high costs for everyone, especially for smaller IFs. **Article 7** of the recast regulation is in this regard very welcome as it **allows local cooperation agreements and data sharing between NCBs and their respective NCA**. In this way, it can be avoided that IFs need to report figures twice, once to the NCB and once to the NCA. **The ECB should warmly suggest such cooperation agreements to its member NCBs**. However, for this data sharing to work efficiently, the data that needs to be reported to the NCB and to the NCA must be as aligned as possible and this does not yet appear to be the case, given different levels of granularity and frequency. Regarding the **timeline of the entry into force of the regulation (1 June 2025)**, we have some concerns, considering that part of the time will be used by NCBs to update their current reporting requirements. We invite the ECB to **allow more time for IFs to adapt their reporting framework**. Finally, we would warmly encourage the ECB to make **as much as possible of the newly collected figures available to the public** via its online data portal.

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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	4	3	7	Amendment	Please add the text in red : "The ECB shall publish the up-to-date list of IFs for statistical purposes, including by electronic means on its public website ."	Ensuring that the list of IFs that form the reporting population is easily publically accessible.	Tilley, Thomas	Publish
2	Regulation	4	4	7	Amendment	Please add the text in red "NCBs shall establish, maintain and publish an up-to-date list of OFIs and MFIs that are included in the actual reporting population, including by electronic means on their public website ."	Ensuring that the list of IFs that form the reporting population is easily publically accessible.	Tilley, Thomas	Publish
3	Regulation	8	3	9 and 10	Amendment	The timeliness of the 28th working day following the end of the period to which the statistical information relates is not always appropriate for IFs subject to national accounting rules that allow assets to be valued less frequently than monthly. We propose to extend the deadline .	If national accounting rules, for example, allowed up to 2 months to carry out the semi-annual valuation of the assets held until the end of December, the deadline of 28 January for the NCBs to send the data updated to December could never be met. In this case the IFs will only be able to provide only the latest information available (June), incurring unnecessary operational costs.	Tilley, Thomas	Publish
4	Regulation	9		10	Clarification	This Article states that IFs subject to national accounting rules shall report statistical information based on the latest available asset valuations. It would be good to clarify if, for an IF that has only a quarterly valuation basis , it will be possible to report the same statistical information during 3 monthly reports?	Ensuring that this Article provides a solution for the reporting of statistical data for IF with a quarterly (or a less than monthly) regulatory valuation.	Tilley, Thomas	Publish
5	Regulation	10	5,6,7	11	Clarification	Our reading of Article 10 would suggest that paragraphs 5 and 6 only apply to non-UCITS IFs subject to national accounting rules and paragraph 7 to all IFs (UCITS and non-UCITS) subject to national accounting rules that allow the valuation of their assets less frequently than monthly. It would be good to clarify which paragraph(s) (5/6 or 7) takes precedence for derogations granted to non-UCITS IFs . If paragraph 7 takes precedence, we refer to the next comment (Comment number 6)	Increasing the clarity of the regulation.	Tilley, Thomas	Publish
6	Regulation	10	6 and 7	11	Deletion	We propose to delete from paragraphs 6 and 7 the deadline for the end to derogations that is currently set at December 2026. There should be no time limit to continue to provide information with the timeliness required to value IFs' assets according to the national accounting rules.	After December 2026, IFs that up until then benefit from waivers and submit data to their NCB semi-annually or annually will need to adapt to monthly reporting with a mitigation measure, i.e. reporting the latest existing assessment. This will have an important impact, small funds. Maintaining an adequate principle of proportionality should guide the updating of reporting. Greater frequency will entail costs without necessarily providing more up-to-date information and, as such, useful for the ECB's purposes.	Tilley, Thomas	Publish
7	Regulation	14, 16 and 17		13	Amendment	We propose to delay when the regulation comes into force .	More time is necessary for IFs to adapt their reporting framework, considering that part of the time will be used by NCBs to update their current reporting requirements.	Tilley, Thomas	Publish
8	Annex I	Tables 1 and 2		15	Deletion	Proposal to delete the institutional sector breakdown into OFIs/ CFI and FAs .	The distinction between 'Financial auxiliaries', 'Captive financial institutions and money lenders' and 'other financial intermediaries' will not be easy to make for fund managers reporting on the holdings of their funds, as these definitions are not commonly used by fund managers.	Tilley, Thomas	Publish
9	Annex I	Table 3	6	16	Amendment	Regarding securities without an ISIN code , we welcome the introduction of a proportionality requirement, where in point (d) it is clarified that the NCB may collect data on an aggregate basis in case the market value of securities held without an ISIN code is less than more than 1% of the total IF securities in the country. However, we believe that this might not be sufficient and call for a more proportionate approach. We suggest giving greater flexibility to the NCAs/NCBs to avoid any reporting where investments in securities without an ISIN code are not relevant to specific types of funds.	Uniform EU requirements sometimes generate disproportionately high fixed costs for everyone which should be avoided. The requirements should therefore be adapted taking into account national specificities.	Tilley, Thomas	Publish
10	Annex I	Table 3 - Field 9		17	Amendment	For field 9 - instrument: Would it make sense add to an 'other' category?	Will the type of instrument always be know in the security-by-security reporting? If not, it could make sense to add a residual other category.	Tilley, Thomas	Publish

11	Annex I	Table 4 - Field 1		18	Amendment	We suggest reporting the field 1 " Income received " at the fund/asset class level and on an annual basis by close of business on 30 June of each calendar year.	The request for monthly reporting of the "Income received" on a security-by-security is burdensome. There would be significant implementation costs for IT setup of this new information and once fully operational, there will be also a significant increase in data management and production costs.	Tilley, Thomas	Publish
12	Annex I	Table 4 - Field 2		18	Amendment	We suggest deleting the reference to field 2 "Dividends paid" in the note of table 4 which states that this field should be reported on a security-by-security basis.	Information on field 2 "Dividends paid" (i.e. Funds paid by the IF to its shareholders in the form of dividends, or other equivalent distributions, during the period, allocated to each share class issued by the IF) is available on aggregated basis at fund/class level and not on a security-by-security basis.	Tilley, Thomas	Publish
13	Annex I	Table 5 - Field 9		19	Clarification	The European Fund Classification (EFC) could be used to determine the investment policy (see last comment, number 17).	The European Fund Classification (EFC) is a pan-European classification system of investment funds developed by the European Fund Categorisation Forum (EFCF), a taskforce of EFAMA. The vision of the EFCF is to create a truly pan-European classification of investment funds that is supported and recognised by the entire fund ecosystem (fund managers/groups as well as data vendors and national associations).	Tilley, Thomas	Publish
14	Annex I	Table 5 - Field 18		20	Clarification	The combination of ETF or private equity in the same field appears strange. It would be more logical to have separate fields for ETFs and for private equity. Or, alternatively, Private equity could be added to field 9: Investment policy.	To enhance the classification of IFs.	Tilley, Thomas	Publish
15	Annex II	Part 1	Table A	25	Clarification	Either Category 6 (Non-financial assets) or Category 7 (Remaining assets) should cover crypto-assets that are not covered in any of the other categories. In general, none of the asset categories descriptions in this table include any guidance on how to treat crypto-assets.	Given current market evolutions it would be good to clarify how crypto-assets should be treated.	Tilley, Thomas	Publish
16	Annex II	Part 4	Table D	32	Clarification	Clarification is needed for the definition of the field: ' Fees paid by the shareholders '.	The definition of this field is currently not very clear for reporting IFs. Are these fees prospectus commissions? Are they real calculations? Are they the fees and charges derived from subscription/redemption operations?	Tilley, Thomas	Publish
17	Annex II	Part 5	Table E	33	Clarification	Instead of basing the fund's investment policy on the types of assets they primarily invest in, we would suggest using European Fund Classification (EFC) definitions , which precisely define the minimum amount of a specific type of assets a fund should hold to be classified under a specific investment policy.	European Fund Classification (EFC) definitions can be found here.	Tilley, Thomas	Publish