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Additional Information

Level 1 Regulation
Regulation (EU) 2022/858 - DLT Pilot Regime Regulation (DLTR)

Topic
DLT market infrastructure

Subject Matter
UCITS eligible under DLTPR

Question
Does Article 3(1), point (c), of the DLTPR require that a UCITS fund should be an ETF in order to be eligible?

ESMA Answer

27-06-2023

Original language

[ESMA70-460-189 - Heading 7 - Question 4]

Answer provided by the European Commission in accordance with Article 16b(5) of the ESMA Regulation.

Under MIFID, units in UCITS funds fall under the category of financial instruments referred to in Section C point (3) of Annex I to that Directive, socalled units in collective investment undertakings. Under Article 3(1), point (c), DLTPR, that category of financial instruments is eligible to be admitted to trading on a DLT market infrastructure, or be recorded on a DLT market infrastructure provided that those units in collective investment undertakings are covered by Article 25(4), point (a)(iv), MIFID and that the market value of the assets under management of that fund is less than EUR 500 million. There are no requirements in Article 3(1), point (c), DLTPR that would require that a UCITS fund also needs to be an exchange-traded fund within the meaning of Article 4(1), point (46) MIFID in order to be eligible for the pilot regime.

Disclaimer in relation to the answers provided by the European Commission in accordance with Article 16b(5) of the ESMA Regulation: these answers clarify provisions already contained in the applicable legislation. They do not extend in any way the rights and obligations deriving from such legislation nor do they introduce any additional requirements for the concerned operators and competent authorities. The answers are merely intended to assist natural or legal persons, including competent authorities and Union institutions and bodies in clarifying the application or implementation of the relevant legal provisions. Only the Court of Justice of the European Union is competent to authoritatively interpret Union law. The views expressed in the internal Commission Decision cannot prejudge the position that the European Commission might take before the Union and national courts.