



Irish Association
of Investment
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European Securities and Markets Authority
103 Rue de Grenelle
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France

**Consultation Paper – ESMA’s draft technical advice to the European Commission
on possible implementing measures of the AIFM Directive**

Dear Sir/Madam,

The Irish Association of Investment Managers (“IAIM”) welcomes the opportunity to comment on proposed advice to the European Commission on possible implementing measures of the AIFM Directive.

IAIM is the institutional investment management representative body in Ireland. Member firms manage assets in excess of €250 bn.

AIF’s in Ireland are predominantly in structures known as Exempt Unit Trusts which are accessible only by occupational pension schemes and charities which have been approved by the Irish Revenue Authorities. The related AIFM’s are all regulated under MiFID and all are accustomed to the UCITS regime.

We therefore welcome the decision to align the advice with the existing provisions in the UCITS Directive and MiFID.

In the context of a MiFID/UCITS compatible regime we observe, in the case of Initial Capital and Own Funds that many of the risks identified (Box 6) may not be covered by professional indemnity insurance available in the market. Such risks, typically, are addressed by IAIM members through their ICAAP process and are already factored into levels of capital maintained.

It is acknowledged that significant further work remains before the depositary liability regime is finalised. Members are keen to stress that the requirements finally settled upon will determine the additional costs for the ultimate investors. These could be significant. It is, in our view, possible that decisions on depositary liability requirements could, if not sufficiently adaptable, limit the range of investable assets available to asset managers on behalf of their clients.

Yours faithfully,

Frank O’Dwyer
Chief Executive

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