IRISH FUNDS INDUSTRY ASSOCIATION

Irish Funds Industry Association's Response to CESR's Consultation Paper on A common definition of European money market funds

(Ref. CESR/09-850)

The Irish Funds Industry Association (IFIA) is the industry association for the international investment fund community in Ireland, representing the custodian companies, administrators, managers, transfer agents and professional advisory firms involved in the international fund services industry in Ireland. Given that as at the end of October 2009 there were 5,073 Irish domiciled funds, including sub-funds, with a Net Asset Value of €708 billion, €310 billion of which are currently classified as money market funds, all developments in this area are of particular interest and relevance to the Irish industry. We welcome both the publication of and the opportunity to comment on CESR's consultation paper - A common definition of European money market funds.

By way of general comment we wish to highlight that we support CESR's intention to enforce a common definition of money market funds across Europe. This we believe will relieve investor confusion about the risk characteristics of money market funds and help achieve a more integrated and transparent European market for money market funds. Furthermore, we agree with the proposal to apply the harmonized definition of money market funds to both UCITS and non-UCITS money market funds. All funds carrying the "money market" fund label should be subject to the same requirements.

As members of EFAMA and active participants on the EFAMA/IMMFA Working Group, which in July 2009 published a Recommendation for a European Classification and Definition of Money Market Funds, the IFIA supports the joint EFAMA/IMMFA response to this consultation paper.[1]

IFIA
December 2009

[1] Response of EFAMA and IMMFA to the Consultation Paper on CESR's proposal for a common definition of European Money Market Funds (CESR/09-850) dated 16 December 2009