

Central Bank issues update on AIFMD Q&A

On 8 November 2013 the Central Bank of Ireland (the Central Bank) published an updated AIFMD Questions and Answers publication (AIFMD Q&A) which sets out answers to queries likely to arise in relation to the implementation of the AIFMD in Ireland.

The key update to the AIFMD Q&A issued is the inclusion of a new question and answer regarding special purpose vehicles (SPV's).

The additional Central Bank AIFMD Q&A provides that SPVs which are either:

A. Registered Financial Vehicle Corporations within the meaning of Article 1(2) of the FVC Regulation (Regulation (EC) no 24/2009 of the European Central Bank), or

B. Financial vehicles engaged solely in activities where economic participation is by way of debt or other corresponding instruments which do not provide ownership rights in the financial vehicle as are provided by the sale of units or shares;

are advised that they do not need to seek authorisation as, or appoint, an AIFM, unless the Central Bank issues a Q&A replacing this one advising them to do so.

The statement goes on to say that the Central Bank does not intend to issue a further Q&A at least for so long as ESMA continues its current work on this matter. If entities which believe they fall under (b) but not (a) wish to write to the Central Bank of Ireland in this regard, they may email AIFMDsecuritisation@centralbank.ie.

This provides very welcome guidance from the Central Bank for participants in the debt and structured capital markets.

The updated AIFMD Q&A is available on the Central Bank website.

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