



EFAMA

ANNUAL REVIEW

JUNE 2019 - JUNE 2020



OUR MISSION

EFAMA is the voice of the European investment management industry.

Through our 28 national associations and 59 corporate members, we represent the rich diversity of market participants that characterises the European investment management industry. This sets us apart and makes us the natural interlocutors of European policymakers.

We can also rely on the expertise of our 23 associate members, mainly consultancies, asset servicing companies and law firms.

EFAMA's purpose is to:

- promote optimal conditions for the European fund and asset management industry in its efforts to create value for investors;
- influence and support the ongoing development of the regulatory environment including the European Single Market;
- promote the interests of its members among stakeholders;
- build confidence and trust in the industry;
- promote scientific research concerning the industry.

WHO IS EFAMA?



Founded in

1974

28

Number of National Associations / Countries



Number of Corporate Members

59

23

Number of Associate Members



Number of Staff

17

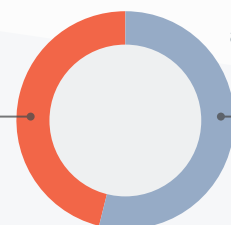


63,291

total funds at end Q1 2020

34,259

UCITS



29,032

AIFs

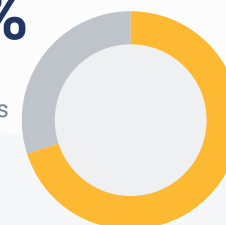


30%

Retail investors

70%

Institutional investors



Net assets of UCITS per inhabitant at end 2019

34,000

euros



UCITS and AIF assets at end Q1 2020

15.7

EUR trillions



Number of membership meetings/calls over the last 12 months

150+

(TF/SC/Platforms/Board/Other)



Direct jobs

110,000

Asset management companies

4,500+

Direct and indirect FTE jobs

500,000

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01 FOREWORD by the President

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NICOLAS CALCOEN
EFAMA President

Much has happened over the last couple of months, and we are now living through unprecedented times. The outbreak of the Covid-19 pandemic is challenging virtually every aspect of our lives in ways that few would have imagined only a few months ago. The consequences of this will also force us to reinvent ourselves, and the way in which we go about our business and daily lives.

The short-term reaction of the industry has been truly remarkable. Thanks to the enormous efforts of many thousands of professionals worldwide, our entire industry triggered, almost overnight, business continuity plans and remote working procedures, without significant disruption to the myriad of services we provide to the end-investors. This, in itself, is an achievement we all can be proud of.

In this relatively short space of time, we have witnessed the fastest switch to a bear market in history, a jump in volatility, and the reduction of liquidity across segments of the market. Despite the severity of the shock on financial markets, the industry has shown huge resilience.

Thanks to the appropriate use of available liquidity management tools, whose harmonization across Member States we have strongly supported, only a limited number of funds have had to suspend trading (76¹ out of more than 63.000²). Fund outflows, whilst significant, have also remained at manageable levels. While investors have unfortunately had to incur some losses, our firms are supporting clients by adjusting portfolios across sectors and companies to mitigate against these losses.

It remains too early to draw concrete conclusions from a crisis, that is for all intents and purposes still dominating our lives. It will certainly take some time to understand the long-term consequences. Nonetheless, as European countries progressively start to ease the lockdown we can already see that our industry has a vital role to play in the economic recovery.

As an industry, we need to focus our efforts in helping European citizens finance their short, medium, and long-term goals. At the same time, we must work to protect and improve the competitiveness of the European economy.

The current crisis calls for a swift transition towards more sustainable ways of doing business. Our industry also has an important role to play, by engaging with companies and seeking to further integrate ESG criteria into their investment and risk management processes.

In the current environment, EU institutions will inevitably have to review both the timing and make up of their work programmes. However, we believe the vast majority of the priorities identified before the crisis will remain paramount. Such cases include the fight against climate change and the urgent need to address the challenges of an ageing population. These are existential issues of our day and will rightly remain at the top of the policy making and legislative agenda. For this reason, it is crucial EFAMA continues to advocate strongly key issues and objectives, including:

- Empowering citizens to make well-informed decisions for their financial well-being through improved disclosures and a better use of available technological solutions.
- Encouraging citizens to save for their retirement to ensure their long-term welfare and the viability of our social models.
- Unleashing the vast potential of sustainable finance.
- Deepening the Single Market and continuing to build the CMU.

To meet these immense challenges, more than ever, we need a fortified and unified industry voice. We need a strong EFAMA, which is able and empowered to speak on behalf of the industry, in all its diversity. We need EFAMA to keep us at the forefront of all political debates.

In conclusion, I would like to warmly thank the Director General, the Secretariat, my two vice-presidents, all Board members, and the wider membership for their support over the last year, and as we prepare ourselves to navigate the challenging year ahead.

Kind Regards,
Nicolas Calcoen

1. Fitch rating figure.

2. EFAMA figures that include UCITS and AIFs.

02 INTRODUCTION by the Director General



TANGUY VAN DE WERVE
EFAMA Director General

Dear Member,

It gives me great pleasure to provide you with an overview of our activities since our Annual General Meeting in Paris last year.

While we were very much looking forward to hosting you all in Brussels this week, the current crisis and associated travel restrictions has forced us to improvise and turn our meeting into a virtual AGM.

On one level this is disappointing, as our annual meetings have traditionally been great opportunities to interact with our peers, get to know each other better and further forge an *esprit de corps* which is the backbone of any membership organisation. On another level, it also demonstrates the flexibility we can show in bringing everyone together remotely around one table.

This latest report is structured around the work and efforts of our nine Committees, two Platforms and our Brexit Task Force. These bodies are the life-blood of our Association as they bear overall responsibility for developing sound, unified and evidence-based common positions around relevant EU/global initiatives and campaigns.

This is not simply a matter of the number of meetings held over the last 12 months. It is what we have managed to achieve collectively, and I believe this report will give you a good sense of our achievements.

It is fair to say there has only been limited Level 1 activity during this period. However, a lot has happened at Levels 2 and 3, but also at pre-Level 1. This provides a good indication that the European Commission intends to put forward many new proposals in the coming months and years. As many of these proposals will impact our industry, it is important to ensure that EFAMA's voice is heard (and understood) loud and clear by the authorities.

This can only happen with your continuous support.

While substantial efforts have been made to increase EFAMA's visibility over the last twelve months, more can, and will, be done as we move forward. This though, should go hand in hand with increasing our research capabilities. There is little doubt that our capacity to influence is commensurate with our ability to substantiate our positions with data, facts and figures.

Increasingly, numbers speak louder than words. This and other strategic issues will be addressed by the Board later this year.

I am grateful to the EFAMA staff for its hard work and positive mindset, even more so in such a turbulent environment.

I am equally thankful to our Board members for their strong commitment and ongoing constructive approach.

I look forward to continuing to serve you, and to the year ahead.

Stay safe,

Tanguy van de Werve



03

WORK OF THE STANDING COMMITTEES, PLATFORMS & TASK FORCE

A Distribution & Client Disclosures Standing Committee

ANDREAS STEPINITZKA
Senior Regulatory Policy Advisor
andreas.stepnitzka@efama.org



The work of the Distribution and Client Disclosures Standing Committee revolved mainly around the review of the Packaged Retail and Insurance-based Investment Products (PRIIP) KID over the past 12 months, as we are still awaiting the European Supervisory Authorities' (ESAs) final report on updates to the Level 2 requirements. In addition, the European Commission has started to look at changes to the MiFID II/MiFIR framework and we engaged with FinDatEx as they finished revising their first template, the European MiFID Template (EMT).

The long-awaited PRIIPs review commences

The Committee continued to call for a much-needed review of the PRIIP KID (Key Information Document), which provides misleading information to retail investors.

A large majority of funds will be providing the UCITS KIID until the end of 2021. It is important to ensure that its planned replacement in 2022 (the PRIIP KID) provides appropriate and meaningful information. For this to happen, improvements must be made by allowing the disclosure of past performance, rethinking the current future performance scenarios and improving cost disclosures (including a necessary alignment with MiFID II and a rethink of how transaction costs are calculated).

Our continued efforts finally proved successful in early 2019 when the European Commission officially admitted that the PRIIP KID was not functioning as intended and that revisions were necessary. While the Commission was not ready to initiate a review of the Level 1 text (despite being required by the PRIIPs Regulation), it mandated the ESAs to propose revisions to its technical framework.

In this context, EFAMA held a large number of meetings and technical workshops with the ESAs in preparation for their public consultation, launched in October 2019. The Standing Committee prepared a detailed response, highlighting that, at its core, the fundamental problem stemmed from the PRIIP KID's conflicting objectives of providing clear, fair

and not misleading information while ensuring comparability between widely different investment products. Over the last couple of years, the regulatory focus has been almost solely on the latter. The pursuit of comparability has come at the cost of misleading information, which has in turn adversely impacted meaningful comparisons. Rather than providing complete comparability, EFAMA called for more flexibility to ensure each type of PRIIP can provide meaningful disclosures on costs and performance.

EFAMA's long-lasting request for the inclusion of past performance data for funds is shared by investors representatives. Its importance for retail investors was further emphasised by the Commission's own consumer testing, which concluded that investors were able to make more informed decisions with such data while being able to differentiate between past performance and future performance scenarios.

At the time of writing, we were still waiting for the publication of the ESA's final report to the Commission. We hope that pragmatism will prevail and lead to a better KID for investors.

A MiFID II refit takes shape

In February 2020, the European Commission took first steps towards possible changes to the MiFID II/MiFIR framework which came into force in January 2018. A public consultation looked at many areas that may benefit from targeted changes to the Level 1 Directive and Regulation.

From an investor protection standpoint, the Level 1 framework is by-and-large well calibrated to achieve its objective. It therefore only requires targeted amendments. In essence, more flexibility should be given to professional clients and eligible counterparties, which should be allowed to receive more tailored information or even disregard certain rules in the absence of added benefits. Also, more sophisticated investors, such as high-net-worth individuals, should be given more flexibility than mass market retail investors. With that in mind, much of the required flexibility can be achieved by simply making targeted revisions to the Level 2 framework³ and the European Securities and Markets Authority (ESMA) Q&A document.

FinDatEx finalises its first templates

In April 2019, FinDatEx⁴ officially started its work by revising the existing European MiFID Template (EMT), which is meant to standardize and facilitate exchanges of essential target market and cost information between product manufacturers and distributors. This technical work was successfully completed at the end of 2019, marking the first FinDatEx template to be endorsed and ready for use.

3. The 4-level regulatory approach recommended by the Lamfalussy report was first adopted in the securities sector and then extended to banking, insurance, occupational pensions and asset management. It has resulted in a more flexible decision-making process https://ec.europa.eu/info/business-economy-euro/banking-and-finance/financial-reforms-and-their-progress/regulatory-process-financial-services/regulatory-process-financial-services_en.

4. FinDatEx (Financial Data Exchange Templates) is a joint structure established by representatives of the European financial services sector with a view to coordinate, organise and carry out standardisation work to facilitate the exchange of data between stakeholders in application of European Financial markets legislation, such as MiFID II, PRIIPs and Solvency 2. It is chaired by EFAMA.

“The Standing Committee has worked tirelessly on a number of critical regulatory requirements impacting clients and fund investors, distilling wide-ranging and sometimes divergent views, building a consensus and suggesting pragmatic ways forward.”



JULIE PATTERSON (KPMG)
Chair of the Distribution & Client Disclosures
Standing Committee

SABINE DITTRICH (UBS AM)
Vice-Chair

B Supervision & Third-Country Developments Standing Committee

FEDERICO CUPELLI
Senior Regulatory Policy Advisor
federico.cupelli@efama.org



Ever since a political agreement was reached in March 2019 on the European System of Financial Supervision (ESFS) Review, the Committee has kept a close eye on the completion of relevant texts until their December 2019 publication in the EU Official Journal. Discussions have since then focused on U.S. regulatory developments and on the future of the EU's equivalence regime vis-à-vis third countries.

The outcome of the ESFS Review was largely welcomed by the Committee, despite falling short of an important industry request to grant the ESAs powers to make use of temporary forbearance mechanisms like “no action” letters under certain conditions. The final texts that emerged from the political dialogue published in December 2019, struck a good balance between the increased convergence powers of ESMA and the prerogatives of the competent national authorities. Nevertheless, the Committee continues to closely monitor the work of the European Commission's High Level Forum (HLF) on the Capital Markets Union (CMU), where the resulting recommendations may possibly re-open the prospect of more direct supervisory powers for the ESAs, and notably for ESMA.

U.S. developments

On U.S.-related developments we engaged proactively with FINRA⁵, by proposing amendments to the U.S. IPO Rule (Rule 5130) for the SEC to consider easing the participation of foreign funds (in particular of the UCITS type) in U.S. primary market issuance. Our recommendations were reiterated in a November 2019 filing to the SEC and ultimately approved by the latter, becoming effective as of January 2020. Other EFAMA submissions to U.S. regulators included amendments to the so-called “Solicitation Rule” in February 2020, as well as to the Volcker Agencies in April 2020. In the latter case, we

supported amendments making the temporary relief offered to foreign funds permanent (excluding them from the notion of being a “banking entity”), as well as facilitating the exclusion of foreign public funds from the same notion.

“The Committee continues to closely monitor the work of the European Commission's High Level Forum (HLF) on Capital Markets Union (CMU), where the resulting recommendations may possibly re-open the prospect of more direct supervisory powers being granted to the ESAs.”

5. <https://www.finra.org/#/>

The Commission's Communication on third-country equivalence, intended to assess how «close» non-EU jurisdictions' laws and regulations are compared to the EU's own standards, presented an opportunity for the Committee to start debating the Commission's future framework, also in light of the ongoing Brexit discussions between the UK and the EU. An EFAMA high-level, principles-based approach on the equivalence topic will be considered throughout the rest of 2020, as negotiations on Brexit progress towards the end of the transition period.



PIERRE BOLLON (AFG)

Chair of the Supervision and Third Country
Developments Standing Committee

THORSTEN ZIEGLER (ALLIANZ GI)

Vice-Chair

C Management Companies Regulation & Services Standing Committee

CHIARA SANDON
Senior Policy Advisor
chiara.sandon@efama.org



The Management Companies Regulation & Services Standing Committee (ManCo SC) has been very active in the area of risk management, which has proven extremely valuable in light of market developments during the Covid-19 pandemic.

Managing Fund Liquidity in Europe

In January 2020, EFAMA and ICMA/AMIC published an updated version of the report 'Managing Fund Liquidity in Europe' which includes an overview of rules and standards on liquidity management recently implemented at EU level, and outlines a number of proposals for further regulatory improvements. The full report was shared with a few key regulators and supervisors and was well received in the press. While the report showed that the new comprehensive framework had been tested under various market conditions and scenarios, the Covid-19 outbreak subjected the industry to a real life test. In spite of the severe market downturn, the sector has proved resilient, using the full range of Liquidity Management Tools (LMT) at its disposal.

The Committee is aware that work remains to be done to ensure all LMT are available in all EU jurisdictions.

In addition, EFAMA has kept an open dialogue with members on the implementation of the ESMA Guidelines on Liquidity Stress Tests in UCITS and AIFMD, which have become particularly significant in the current market circumstances.

Getting ready for AIFMD

Preparing for the Alternative Investment Fund Managers Directive (AIFMD) review has been at the top of the Committee agenda as well, as the Directive is positioned at the core of the legislative framework for our sector. In this context, we set up a Funds Reporting

Requirements Task Force to look at the challenges emerging from the implementation of the Directive and technical issues in the reporting requirements of Annex IV. The Task Force concluded that the outstanding technical issues should be tackled at Level 3 through further regulatory and supervisory convergence, and that better communication and data sharing between ESMA and the European Systemic Risk Board (ESRB) was warranted.

The Committee also dealt with a number of other European/international initiatives. These included an EFAMA contribution to the IOSCO⁶ consultation on the recommendations for a Framework Assessing Leverage in Investment Funds⁷. High up on the Committee's work programme are also the principal adverse impact disclosures and their integration in the UCITS & AIFMD frameworks as part of the risk management process, as well as the engagement on Level 2 measures coming out of the implementation of the Commission's Investment Firms Review package. And more recently, we started preparing a response to the ESMA consultation on the draft guidance to address leverage risks in the Alternative Investment Fund (AIF) sector.

“Our breadth of expertise on liquidity risk management has proved valuable in engaging with the European Commission and supervisors on the effectiveness of liquidity management tools in the market turmoil caused by the pandemic.”

6. <https://www.iosco.org/>

7. <https://www.efama.org/Publications/Public/Risk%20Management/19-4013.pdf>

Renewed momentum on the AML Framework

There is a renewed momentum from the European Commission (EC) to work on an Action Plan 'for a comprehensive Union policy on preventing money laundering and terrorist financing'. Under the supervision of the ManCo SC, the EFAMA Anti-Money Laundering (AML) Task Force responded to the EC Roadmap by highlighting the importance of the different business models related to the distribution of investment funds. The TF also responded to the ESAs consultation on their Risk Factors Guidelines, and is preparing its response to the European Commission's Action plan on AML.



DR. JOACHIM HEIN (UNION INVESTMENT)
Chair of the Management Companies
Regulation & Services Standing Committee

ELISA RICÓN (INVERCO)
Vice-Chair

EVELYNE CHRISTIAENS (ALFI)
Chair of the AML Task Force

“We believe the AIFMD framework has been working well, and that there is no need for an overhaul of the Directive. We would rather favour targeted Level 3 actions.”

Net assets of UCITS
per inhabitant at end 2019

34,000
euros



D

Fund Regulation, Asset Protection & Service Providers Standing Committee

FEDERICO CUPELLI

Senior Regulatory Policy Advisor

federico.cupelli@efama.org



The Committee's priorities over the past twelve months included our response to ESMA's publication of the updated UCITS Question & Answers document and to the consultation on guidelines for performance fees in UCITS. More recently, the Committee has produced a position paper on ways to improve the European Long-term Investment Fund (ELTIF) regime, contributing to the European Commission's upcoming review.

The second half of 2019 saw the Committee continue to engage with ESMA and NCAs on the UCITS Q&As' interpretation of benchmark disclosure requirements under the UCITS KIID Regulation. We followed up with additional evidence to demonstrate the unintended, negative consequences of ESMA's interpretation of the KIID Regulation. As the interpretation is unlikely to change soon, the Committee serves as a platform for members to exchange views on practical implications and remains committed to uphold its reservations in the context of the planned transition of the UCITS KIID towards the PRIIPs KID as from January 2022.

In July 2019, ESMA published an important consultation on performance fees for UCITS. The Committee responded in October, broadly welcoming the consultation's alignment with the existing IOSCO standards and making further recommendations. While meeting most of our recommendations, the final version of the guidelines published in early April 2020 fell short on one important aspect related to the duration of the performance reference (or reset) period for certain types of performance fee models.

Over the first half of 2020, the Committee also produced a position paper on a series of targeted amendments to the EU ELTIF regime and submitted it to the European Commission in view of its planned review of the relevant regulation. Our recommendations covered supply-side and demand-side constraints (incl. ways to improve retail distribution) as well as tax-related aspects.

Exchange-Traded Funds (ETF) Task Force

The ETF Task Force actively engaged with the ECB and ESRB⁸, among others, to dispel recurring concerns around potential systemic risks embedded within the ETF structure. In addition, the Task Force is close to finalising a European classification scheme for exchange-traded products (ETPs). Intended as an industry-led initiative, the classification scheme seeks to remove frequent confusion between ETFs and other ETPs noticeable in the media, in certain policy-making circles, and more broadly, in the general public. Other topics of discussion included the implications of the CSDR⁹-related settlement discipline and the growing influence of index providers in terms of their consolidation and pricing-power.

“The ETF Task Force has actively engaged with the ECB and ESRB, among others, to dispel recurring concerns around potential systemic risks embedded within the ETF structure.”

8. <https://www.esrb.europa.eu/home/html/index.en.html>

9. Central Securities Depositories Regulation

Money Market Funds (MMF) Task Force

The MMF Task Force convened over the course of the Covid-19 outbreak. Its deliverables included a formal request for ESMA to postpone reporting requirements for Money Market Funds to the second half of 2020 and a letter to the ECB recommending ways to expand its pandemic emergency purchase programme (PEPP) to better support money market liquidity.

Benchmarks Task Force

The Benchmarks Task Force has been very active this past year. The Task Force members actively engaged with the European Commission (EC) ahead of the Benchmarks Review expected later this year. They responded to the EC's consultation and participated in EC Roundtables on this topic. The Task Force also followed very closely the IBORs transition file. To support EFAMA members in navigating the challenges for the asset management sector, we organised special events and seminars together with the Euro risk-free rate working group from the ECB. Lastly, the Task Force engaged with the EC in the final steps ahead of the Commission's publication of the delegated acts on EU climate transition benchmarks and EU Paris-aligned benchmarks.

“Over the first half of 2020, the Committee produced a position paper with a series of targeted amendments to the EU ELTIF Regulation, with a view to inform the European Commission ahead of its planned review.”



MARCUS MECKLENBURG (BVI)

Chair of the Fund Regulation, Asset Protection
& Service Providers Standing Committee

POPPY ALLONBY (BLACKROCK)

Vice-Chair

CARMEN GONZALEZ-CALATAYUD (HSCB)

Chair of the Exchange-Traded Funds Task Force

NATHALIE DOGNIEZ (PWC)

Chair of the Money Market Funds Task Force

CHRISTOPHE BINET (BNP PARIBAS)

Chair of the Benchmarks Task Force

E Stewardship, Market Integrity, ESG Investment Standing Committee

ALEKSANDRA PALINSKA
Senior Regulatory Policy Advisor
aleksandra.palinska@efama.org



Following the European elections in mid-2019, the European Commission reaffirmed its strong commitment to tackle climate change and other environmental challenges and described it as this generation's "defining task".

Finance plays an important role in enabling the necessary transition. In April 2020, the Commission launched a consultation to gather views on a Renewed Sustainable Finance Strategy. To make sustainable finance work in practice, it will be important to put the pieces of the 2018 Sustainable Finance Action Plan together and ensure all the existing measures, as well as those being developed and contemplated are properly sequenced, consistent and well-coordinated.

Featuring very high on the EU agenda and given the expected major impact on the industry, sustainable finance has largely dominated the discussions of the Committee over the last twelve months. Striving to keep up with the fast pace of the regulatory developments, EFAMA has been active on many topics, including:

- the EU taxonomy regulation, aiming at establishing an EU classification framework to determine which economic activities can be classified as environmentally sustainable;
- the regulation on sustainability-related disclosures in the financial services sector (SFDR) which, together with the EU taxonomy, will result in a new regime for ESG disclosures for financial products;
- the EU Ecolabel for retail financial products, aiming at making it easy for retail investors to identify products they can invest in if they wish to support environmentally sustainable projects and activities;

- the challenges arising from the insufficient availability of quality, comparable, reliable and public ESG data.

Most of these files are still in the regulatory pipeline or to be further defined via Level 2 measures. However, to date we can outline the following key achievements:

- The Commission heard the concerns of the industry on the challenges around ESG data. To address this, a review of the Non-Financial Information Directive was announced. A legislative proposal is expected towards the end of 2020 and a public consultation on the impact assessment was recently launched. Also, the European Commission outsourced a study on the market of ESG data providers to help assess whether any initiative in this area is necessary.
- The EU taxonomy regulation focused on defining "green activities", leaving out the "brown and social taxonomy" to be re-considered during the review of the regulation in two years' time. We welcomed the incorporation of the "transitional activities" which are key in enabling a transformation towards a more sustainable economy. The disclosures for the alignment with the EU taxonomy will be required for all funds marketed as environmentally sustainable, however, there is more flexibility for funds with so called "ESG characteristics" and even more for mainstream investments.

Stewardship and Corporate Governance

We have been promoting the EFAMA stewardship code¹⁰ and assisting members with the implementation of the revised Shareholder Rights Directive. The latter was done by comparing the different approaches taken across the EU, identifying best practices and developing internal guidance. Members involvement was key and work is ongoing.

With the increasing relevance of stewardship in relation to sustainable finance, as well as potential future initiatives on sustainable corporate governance, the workstream on stewardship and corporate governance is expected to grow.

10. https://www.efama.org/Publications/Public/Corporate_Governance/EFAMA%20Stewardship%20Code.pdf



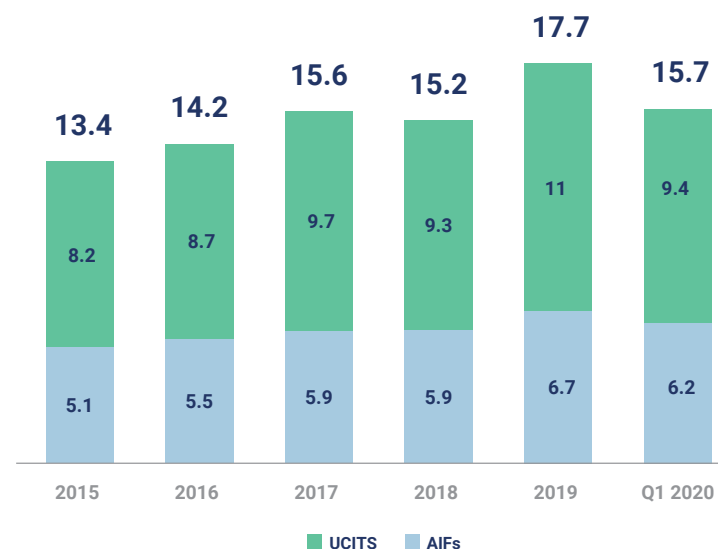
MASSIMO MENCHINI (ASSOGESTIONI)
Chair of the Stewardship, Market Integrity
& ESG Investment Standing Committee

THIERRY BOGATY (AMUNDI)
Vice-Chair

“With the increasing relevance of stewardship in relation to sustainable finance, as well as potential future initiatives on sustainable corporate governance, the workstream on stewardship and corporate governance is expected to grow.”

THE INVESTMENT FUND INDUSTRY IN EUROPE

Net Assets of UCITS and AIFs
(EUR trillions, end of period)



F Trading, Trade Reporting & Market Infrastructures Standing Committee

VINCENT DESSARD
Senior Regulatory Policy Advisor
vincent.dessard@efama.org



In the last 12 months the Committee has actively followed the completion of the European Market Infrastructure Regulation (EMIR Refit) review and the start of the MiFID II review.

EMIR Refit

The Committee welcomed the new regulatory framework defined by EMIR refit. It redefines the obligations imposed on users of derivatives, recognising and solving some issues previously existing in EMIR, such as the disproportionate regulatory regime imposed on the least risky counterparties. Indeed, thanks to the creation of specific clearing obligation rules and thresholds, European collective investment schemes, like UCITS, are subject to more proportionate risk mitigation and central clearing rules.

As a direct consequence of those revised rules, several reporting guidelines and processes needed modifications. These modifications included updates to existing definitions and the creation of new definitions. To address the need for definitions, the Committee participated in the development of best practices for the reporting of Over-the-Counter (OTC) derivatives under the auspices of ISDA¹¹.

MiFID II

The entry into force of MiFID II two years ago yielded positive results in terms of liquidity and transparency for investors. However, ESMA and some national authorities questioned the impact of certain provisions, notably the role attributed to systematic internalisers. Which is why in our response to the European Commission's consultation on the MiFID Review, we insisted that systemic internalisers are critical actors to maintain liquidity and market innovation. In addition, the investment research framework, together with all waivers and the FX regimes and definitions are to remain largely unchanged.

The Committee advocated the need of alignment between EMIR Refit and MiFID II, especially with regards to clearing and trading obligations and addressed the issue in our response to the consultations.

Asset managers and ESMA² noted a spike in costs since the MiFID II introduction two years ago. Even though MiFID II requires the development of a consolidated tape and provision of data on a "reasonable commercial basis", these requirements have not been tackled by ESMA. The Committee is insisting on their proper enforcement, as they could lead to benefits for buy-side market participants, supporting their negotiations for better market data license terms and conditions, as well as improving fair pricing and cost transparency overall. The Committee also encourages the creation of a well-structured, reasonably priced consolidated tape managed by ESMA and fed by all trading venues and systematic internalisers for all financial instruments. Giving access to such a unique data source would reduce reporting errors, avoid duplication of data feeds, and provide necessary transparency for all.

11. <https://www.isda.org/>

12. MiFID II/MiFIR Review Report No. 1 on the development in prices for pre- and post-trade data and on the consolidated tape for equity instruments, pp. 37-38.

Trade and Transactions Reporting Task Force

The Task Force has been active in supporting members with the implementation of EMIR Refit best practices on reporting and CSDR requirements. In that context, a number of meetings were held with National Competent Authorities.

The Buy-Side Traders Forum

The Forum members have provided very valuable input on issues such as MiFID market structure, FX and CSDR settlement discipline regime. This has helped produce robust, evidence-based, EFAMA positions.



RUDOLF SIEBEL (BVI)

Chair of the Trading, Trade Reporting & Market Infrastructures Standing Committee

MANUELA MAZZOLENI (ASSOGESTIONI)

Vice-Chair

MIKE RINKER (UNION INVESTMENT)

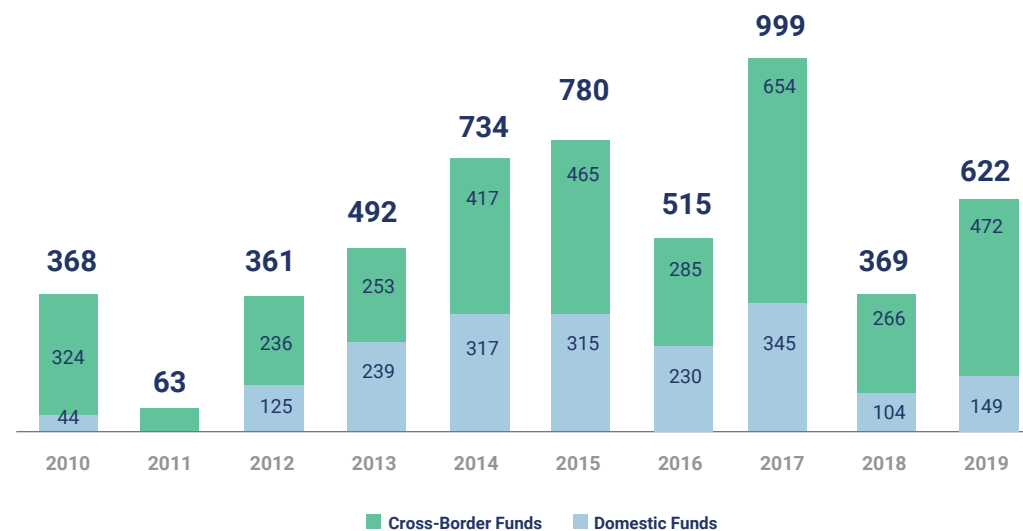
Chair of the Trade & Transactions Reporting Task Force

“The Standing Committee covers the entire spectrum of the trading activities undertaken by our members, and advocating a sound regulatory environment to ensure the availability of reasonably priced market data remains a priority for us.”

THE INVESTMENT FUND INDUSTRY IN EUROPE

Net Sales of Cross-Border and Domestic Funds

(EUR billions)



G Economics & Research Standing Committee

BERNARD DELBECQUE

Senior Director, Economics & Research

bernard.delbecque@efama.org

THOMAS TILLEY

Senior Economist

thomas.tilley@efama.org



The Economics & Research Standing Committee reviews the draft reports prepared by EFAMA's in-house research team. It does so by providing insights on relevant national developments and expert industry views. The Committee also acts as a driving force for strengthening EFAMA's research capabilities to support the Association's advocacy activities.

In this context, the Committee promoted the ideas –eventually adopted– of subscribing to Morningstar Direct, relying on the ECB Statistical Data Warehouse and seeking access to the Eurosystem's Household Finance and Consumption Survey (HFCS). Access to these additional data sources has proved valuable in projects such as:

- the launch of the first issue of **"EFAMA Market Insights"**, which put into perspective the net UCITS outflows observed in March 2020, following the outbreak of the pandemic;
- the **EFAMA Fact Book 2020** which includes a chapter dedicated to the analysis of the demand for investment funds and the evolution of the cross-border fund market;
- the forthcoming **"Household Participation in Capital Markets: Measuring progress and looking to the future"** report which is meant to contribute to efforts made at European level to increase retail investors' participation in capital markets.

These reports are prepared on top of the monthly fact sheets and quarterly statistical releases, which showcase the most recent statistics available from each EFAMA Member Association. These are essential in keeping track of the evolution of the industry at national level.

Another role of the Committee is to promote further interaction with academia. To this end, two new research workshops took place in late 2019:

- "A methodology for risk-mitigation techniques for the pension products" with Pablo Antolin of the Organisation for Economic Co-operation and Development (October 2019).
- "Financial literacy - can it be measured and can it be taught? And if so, how?", with Professor Bettina Fuhrmann of the Vienna University of Economics and Business (December 2019).

Since its launch, this research workshop series has proved very successful and become a key element of EFAMA's engagement with academic stakeholders. The Covid-19 situation prevented us from organizing workshops in the first half of 2020.

“ In today's world, credible research lies at the core of successful advocacy efforts. As the Standing Committee on Economics & Research, we are committed to support and promote EFAMA's activities further in this respect as well as to assist EFAMA's research team in its efforts to generate added value.”

Three Task Forces fall under the remit of the Committee.

The Task Force on Funds Charges & Performance was created to review ESMA's work on this topic. The Task Force analysed the second edition of ESMA's Annual Statistical Report published in April 2020. Members welcomed the fact that ESMA took on board many of the suggestions made last year following the publication of its first report and will continue engaging with the Paris-based authority on the matter.

The Task Force on Member Associations' Contributions is responsible for assessing the quality of the data used for calculating national association membership contributions. An important breakthrough was achieved in October 2019, when all EFAMA member associations consented to using central bank figures on investment fund net assets in the calculation of the contributions.

The European Fund Classification Task Force was created to monitor and promote the use of the European Fund Classification (EFC). The EFC has found a new momentum in recent months with a significant uptake in fund classifications and the publication of the second edition of its brochure on EFC categories.

Looking to the future, our research team is committed to publishing before the end of 2020 new issues of the EFAMA Market Insights, the above-mentioned report on household participation in capital markets, a new edition of the EFAMA Asset Management Report, and a report of the current state of ESG investment practices by asset managers in Europe.

The planned arrival of a senior economist in July will increase the opportunities for interaction between the research team and Committee members, and further strengthen EFAMA's research capabilities.



DR. ARMIN KAMMEL (VÖIG)

Chair of the Economics &
Research Standing Committee

THOMAS VALLI (AFG)

Vice-Chair

BERNARD AGULHON (AMUNDI)

Chair of the Funds Charges & Performance Task Force

ARMIN KAMMEL (VÖIG)

Chair of the Members Associations' Contributions Task Force

CHRISTOPHER AUDEN (UBS)

Chair of the EFC Task Force

H Pensions Standing Committee

BERNARD DELBECQUE

Senior Director, Economics & Research

bernard.delbecque@efama.org



The Pensions Standing Committee has continued to work on the pan-European Personal Pension Product (PEPP) which remains a project of key strategic importance despite significant implementation challenges. The Committee's central focus was to provide appropriate input to the European Insurance and Occupational Pensions Authority (EIOPA) and ensure that the Level 2 measures are designed in a way that facilitates the emergence of an open and competitive market, not undermines it.

The Committee focused on three key aspects for our industry:

- The risk-mitigation techniques that will need to be applied by all PEPP investment options.
- The content and design of the PEPP Key Information Document (KID) and Benefit Statement.
- The 1% cost cap of the Basic PEPP.

This intensely technical work has required additional meetings of the two specialist Task Forces (Life-Cycling and Risk Mitigation Techniques; and PEPP KID), and a second PEPP Summer Workshop in July 2019.

With the support of the EFAMA Board, we also commissioned a study from the OECD to develop a methodology to assess the risk profile of a pension product like the PEPP. Members agreed that this initiative would provide a scientific basis for EIOPA to propose the asset allocation of life-cycle investment strategies in a principles-based manner. The study, finalised in October 2019, illustrates how a stochastic methodology could be used to assess the risk profile of a PEPP and provide measures of the potential expected returns/losses associated with different investment strategies.

The Task Force on the PEPP KID continued working on the design of a workable PEPP KID and agreed on the following principles to help savers understand the key characteristics of a PEPP in a simple, standardized and flexible way:

- Disclosure should reflect the time horizon of the product.
- Cost should be presented in a transparent way.

- Design should allow for digital delivery.
- Consumer insight should inform design decisions.

In parallel, the Committee developed a position on the scope of the fee cap for the Basic PEPP, which remains the most challenging aspect of the regulatory implementation process.

We presented our position in several meetings with EIOPA and the European Commission in the second half of 2019. We also developed the arguments in our March 2020 response to the EIOPA public consultation on the PEPP. Since then, EIOPA set up a PEPP Expert Panel to act as a sounding board on policy proposals for EIOPA's Level 2 work. The Panel includes four representatives of EFAMA's Corporate Members, who allow us to follow and contribute to EIOPA's work in that area.

“The last year has been an intensely challenging one for the Committee, focusing on implementation of legislation creating the PEPP. We have worked on a wide range of technical areas, including investment design, disclosure and fee structures, and also commissioned a research project from the OECD.”

When it became apparent that EIOPA continued to favor an ‘all-inclusive’ fee cap including all costs except the costs linked to capital guarantees, EFAMA’s President N. Calcoen sent a letter to EIOPA’s Chair G. Bernardino to reiterate our concerns that this approach would prevent potential providers from developing an economically viable business model for the PEPP. This, in turn, would deprive consumers of access to a competitive, value-for-money personal pension market. This would not serve European savers well. To make the economics of the PEPP viable for all potential providers, we propose to exclude the costs of advice at least until the first review of the fee cap.

EIOPA is due to finalise its proposals by 15 August, as mandated by the PEPP Regulation. We will then pursue our engagement efforts with the European Commission.

“I am very grateful to the Secretariat, Task Force Chairs and Committee members for all their support and hard work, which I hope will help allow a viable PEPP to emerge, despite some very strong headwinds.”



JONATHAN LIPKIN
(THE INVESTMENT ASSOCIATION)
Chair of the Pensions Standing Committee

LAURE DELAHOUSSE (AFG)
Vice-Chair

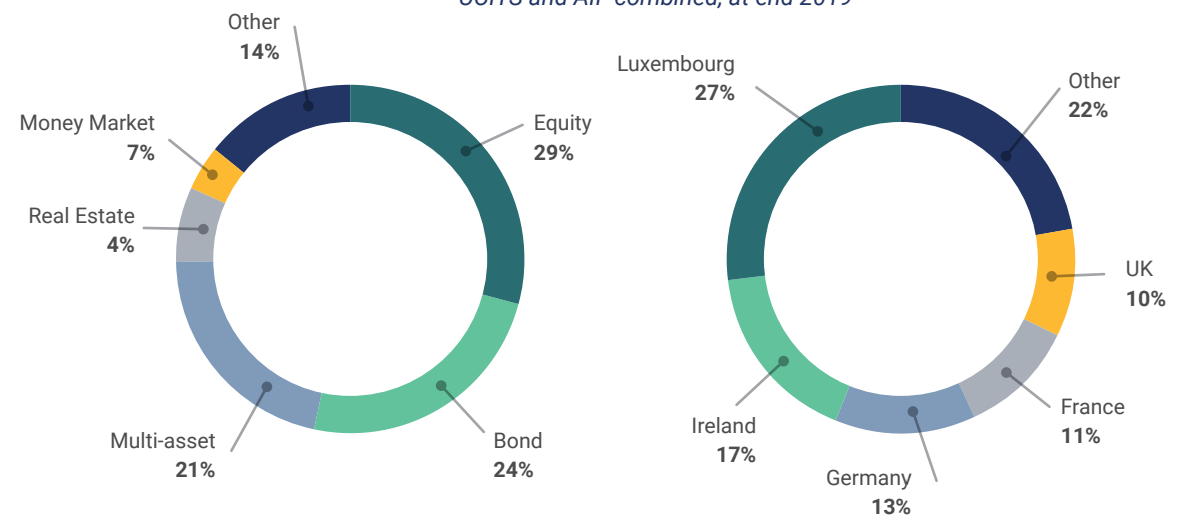
MARTIN PARKES (BLACKROCK)
Chair of the Life-Cycling &
Risk Mitigation Technique Task Force

FLORENT GAUTHIER (AMUNDI)
Chair of the PEPP KID Task Force

THE INVESTMENT FUND INDUSTRY IN EUROPE

Breakdown of Net Assets by Fund Type and Domicile

UCITS and AIF combined, at end 2019



Taxation & Accounting Standing Committee

ANTÓNIO FRADE CORREIA

Senior Tax Advisor

antonio.fradecorreia@efama.org



Over the past 12 months, EU initiatives on tax transparency remained a high priority for the Taxation & Accounting Standing Committee. We monitored the implementation of the DAC6 (Directive on administrative cooperation) across Europe and members exchanged views and experiences to identify areas where clarification is needed and where guidance could be helpful. In response to a number of challenges, not least the Covid-19 pandemic, we -alongside other trades- asked the European Commission and EU Ministers of Finance to consider providing a time deferral for reporting obligations under DAC6.

During these challenging times, EFAMA also joined forces with other trade associations calling on the OECD's Forum on Tax Administration, the European Commission, Ministers of Finance and ultimately tax authorities globally, to implement practical solutions for global withholding tax relief procedures; especially with regards to temporary relief from administrative and procedural requirements that are currently precluding treaty relief for Collective Investment Vehicles' cross-border investments. At the time of writing, the Commission has just proposed deferring certain deadlines for filing and exchanging information under the DAC6.

EFAMA continues to monitor and support the OECD's Base Erosion and Profit Shifting (BEPS) project and the efforts being made to tackle tax avoidance, improve the coherence of the international tax rules and ensure a more transparent tax environment. The Committee is following the work of the OECD/G20 Inclusive Framework on the two pillars of the BEPS Action 1, where proposals to address the tax challenges of the digital economy are being drafted. The OECD is designing rules to reallocate some profits and corresponding taxing rights (Pillar 1) and set global anti-BEPS rules to ensure that internationally operating companies pay a minimum level of taxes (Pillar 2). Our Committee ensures that our industry's voice is heard in the public consultations and that necessary carve-outs for the asset management industry and investment structures are being considered for both pillars.

We are also keeping a close eye on the ongoing negotiations on the EU Financial Transaction Tax (FTT) and stand ready to re-engage with the Member States participating in the enhanced cooperation mechanism, encouraging them to re-consider the introduction of an FTT or the scope and modalities thereof.

We continued monitoring the proposal for the implementation of the OECD TRACE project by the Finnish tax authorities, which could be a good start towards transparency as the project tests the direct exchange of information between "Authorized Intermediaries" (Custodians) and Tax Authorities. At the same time, progress was made in the design of an EFAMA proposal for a fully transparent and automated withholding tax (WHT) system. The aim is to understand whether Distributed Ledger Technology (DLT) solutions can provide a WHT Relief at Source model to deliver trust and transparency for all market participants. The work of EFAMA's Blockchain for Taxes Task Force is moving to the implementation phase and we will soon start engaging with relevant stakeholders to launch a pilot test with some tax authorities.

VAT Task Force

The VAT Task Force engaged with, and presented its views to, the European Commission's team in charge of analysing the different options for the review of the VAT treatment of financial services.

The Task Force had also the opportunity to engage with the EU VAT Expert Group (VEG) on this file and provided them with comprehensive comments as well as EFAMA's position on the VAT Exemption for management of investment funds.

Accounting Task Force

The Accounting Task Force had fruitful meetings with the technical teams of the International Accounting Standards Board (IASB)¹³ and the European Financial Reporting Advisory Group (EFRAG)¹⁴. The TF was pleased to see the fund management industry's position on IFRS9 being acknowledged and catered for. The door is now open for follow-up meetings to further share our views on the implementation of accounting standards.

13. <https://www.ifrs.org/groups/international-accounting-standards-board/>

14. <http://www.efrag.org/>

“This is an active time in tax policy globally. While this is driven partly by the desire to tax digital revenues, we also see an increase in government scrutiny and public challenges of the use of perceived ‘tax havens’. EFAMA has been, and will be, very active in engaging with tax policymakers.”



ROGER EXWOOD (BLACKROCK)

Chair of the Taxation & Accounting
Standing Committee

VILMA DOMENICUCCI (ALFI)

Vice-Chair

JONATHAN CHILD (ABERDEEN SL)

Chair of the Accounting Task Force

MICHEL LAMBION (DELOITTE)

Chair of the VAT Task Force

MARIANO GIRALT (BNY)

Chair of the Blockchain for Taxes Task Force

J Public Policy Platform

TANGUY VAN DE WERVE

Director General

tanguy.vandewerve@efama.org



On an ever-more crowded Brussels scene, speaking with a united voice is vital. This will ensure our industry is heard by the relevant bodies and that we get our messages across, avoiding cherry-picking by policymakers. Given its wide membership base, EFAMA is uniquely placed to provide that voice.

The EU decision-making process sometimes requires that the industry reacts swiftly to the latest policy developments. Our Public Policy Platform (PPP) plays a key role in providing this rapid reaction, sharing the latest intelligence and coordinating timely and effective advocacy strategies.

The rise in the number of PPP members since its inception is testament to its added value. It allows us to leverage the networks of our members, thus amplifying our reach and increasing our effectiveness.

To make the PPP more agile, we decided in late 2018 to organise *ad hoc* PPP calls as and when needed. Fewer such calls were organised over the last 12 months than during the previous period due to somewhat limited Level 1 activity. This is a temporary situation however as the European Commission is expected to make numerous new proposals. The workload at Level 2 has remained steady throughout.

Given their regular meetings with policymakers, the PPP members are among our best ambassadors on the ground. Therefore, we keep them fully informed of the work of our various Standing Committees and of our engagement plans. Also we involve them in the drafting of various documents (narratives, letters to upcoming Presidency, etc).

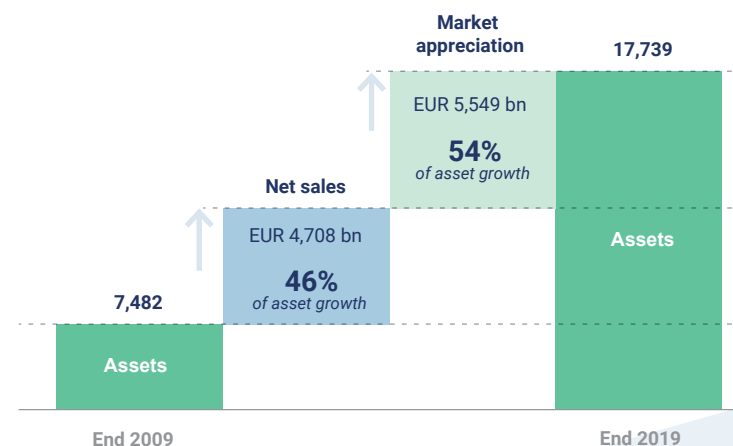
PPP members' views helped us develop our new visual identity -launched in late 2019- as well as the programme for this year's Investment Management Forum.

Going forward, the active involvement of all PPP members will be increasingly important as we seek to step up our advocacy and communication efforts (including infographics), develop a positive agenda and create powerful narratives.



THE INVESTMENT FUND INDUSTRY IN EUROPE

Growth in UCITS and AIF Assets (EUR billions, %)



K Investor Education Platform

BERNARD DELBECQUE

Senior Director, Economics & Research

bernard.delbecque@efama.org



The activities of EFAMA in the area of financial and investor education fall under the responsibility of the Investor Education Platform (IEP). Over the last twelve months the platform finalized a partnership agreement between EFAMA and the European Youth Parliament (EYP) to sponsor a ‘financial literacy committee’ in the context of the EYP’s 90th International Session held in Valencia in July 2019.

The EYP is a non-partisan and independent educational project which organises three to four International Sessions a year where young people debate European policy issues. Each Session brings together around 300 participants and lasts for 10 days, during which the EYP delegates discuss and debate, first in committees and then in a Plenary session, a number of topics.

In the context of the July 2019 Session in Valencia, 15 students from all over Europe represented the EYP ECON I group and discussed the following topic: *“Me, my pension, and I: With legislation on the Pan-European Personal Pension Product (PEPP) laying the foundation for easier cross-border retirement savings, what should the EU do to increase financial literacy among young people to ensure they benefit from such initiatives and are better equipped to save and invest for retirement, with a long term perspective and in a sustainable way?”*.

The IEP prepared a briefing for the students to guide them in their discussions which touched on issues such as the importance of saving and investing and how asset management can help in saving and investing for retirement, the role of the PEPP, and the concept of sustainable finance. The Chair and Vice-Chair of the IEP addressed the students’ questions on these issues. IOSCO’s Chair Paul Andrews was present as well and delivered a speech on the importance of financial information and consumer protection, while MEP Sophie in ‘t Veld (NL) sent a video message to reiterate her support to the initiative and the importance of getting financially educated early on.

The Resolution adopted by the EYP Plenary session called on the European Commission to become more active in the area of financial education, utilising digital tools to help the youth get more familiar with financial concepts and inform them on how to make best use of the financial advice and tools available to them¹⁵. The initiative and subsequent EFAMA-related events were covered extensively on social media such as LinkedIn and YouTube, including video interviews that helped raise EFAMA’s profile on this topic¹⁶.

“EFAMA’s sponsorship of a ‘financial literacy committee’ during the European Youth Parliament’s International Session in Valencia was a unique opportunity to connect with the younger generation of EU citizens on a topic of vital importance to their future well-being.”

15. The Resolution is available on https://issuu.com/valencia2019/docs/_resolutionbooklet.

16. <https://www.youtube.com/watch?v=MDalc-14wPU>,
<https://www.youtube.com/watch?v=l0o8Jgohk6g&feature=youtu.be>.

The IEP also supported the organization of a breakfast discussion in Brussels on 1 October 2019 in the context of IOSCO's World Investor Week. The event focused on barriers preventing younger generations to save and invest for retirement. The panel, which was moderated by the IEP Vice-Chair, included representatives from the EYP, the Belgian Financial Services and Markets Authority (FSMA), the European Commission (DG FISMA), the OECD and Better Finance.

Looking ahead, the IEP has started working on a new publication 'Ten principles for saving & investing for millennials'. We believe the Covid-19 crisis makes this project more important than ever, as the next generation will increasingly depend on their own savings and become less dependent on public sector financing. We will also start working on an update of the EFAMA report 'Building Blocks for Industry Driven Investor Education Initiatives', which was first published in March 2014.

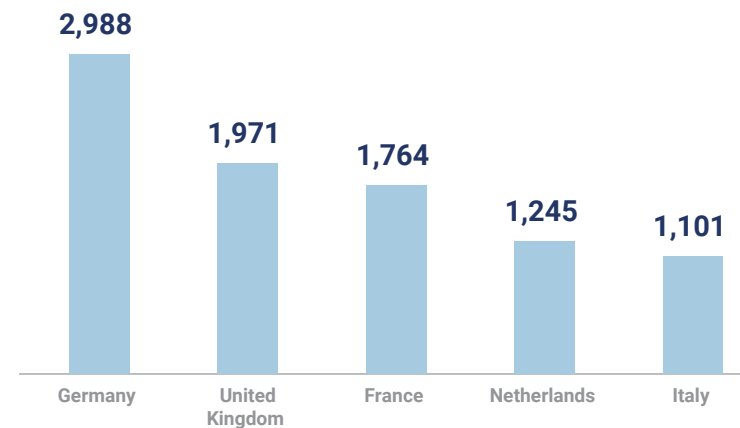


DENISE VOSS (FRANKLIN TEMPLETON)
Chair of the of the Investor Education Platform

**NATALIE WESTERBARKEY
(FIDELITY INTERNATIONAL)**
Vice-Chair

THE INVESTMENT FUND INDUSTRY IN EUROPE

Top 5 Domestic Markets of Investment Funds at End 2019 (EUR billions)



L Brexit Task Force

VINCENT INGHAM

Director, Regulatory Policy

vincent.ingham@efama.org



Created shortly after the UK referendum of June 2016, the Brexit Task Force kept monitoring political developments over the last twelve months. The aim of the Task Force is to inform policymakers about the consequences of Brexit for European asset managers and their clients (both in continental Europe and in the UK). The group also helps EFAMA members in their contingency planning to limit as much as possible potential disruptions in their operations.

The last semester of 2019 and the beginning of 2020 were dominated by high-level political negotiations between the UK government and the EU institutions, culminating with the ratification by both sides of a Withdrawal Agreement that came into force on 1st February 2020. This Withdrawal Agreement, which was welcomed by the asset management industry as an important milestone towards an orderly Brexit, also included a transition period until 31st December 2020 (which can be extended once for a maximum of two years, by joint decision of the EU and the UK before 1st July 2020).

More recently, the EU and the UK started to negotiate a new partnership for the future, based on the political declaration agreed by both parties in October 2019. The beginning of this second phase in the negotiations has proven to be particularly laborious because of the seemingly irreconcilable positions expressed by both parties. These negotiations were also significantly disrupted and slowed down by the outbreak of the Covid-19 pandemic. It is therefore unclear, if it will be possible to complete this second phase in the negotiations by the end of this year.

Whilst the prospect of a no-deal Brexit is still looming -and highly undesirable- asset managers appear to be well prepared and have developed detailed contingency plans to face a range of different possible scenarios (including that of an absence of agreement on the future trade relationship between the UK and the EU) and to mitigate their impact

on their operations and on their clients' savings. In this context, statements issued by ESMA and the UK FCA in early 2019 confirming that Multilateral Memorandums of Understanding (MMoUs) would be in place allowing cross-border delegation of asset management functions (including portfolio management) even in the case of a no-deal scenario, did provide a great deal of relief to our industry.

“EFAMA’s work aims to support the asset management industry to prepare for all Brexit outcomes, hoping to have as little disruption as possible for the value chain of the European industry to service its customers in Europe and globally.”

Against this background, the activities of the Brexit Task Force were reduced compared to earlier years and essentially consisted in monitoring political developments in the negotiations.

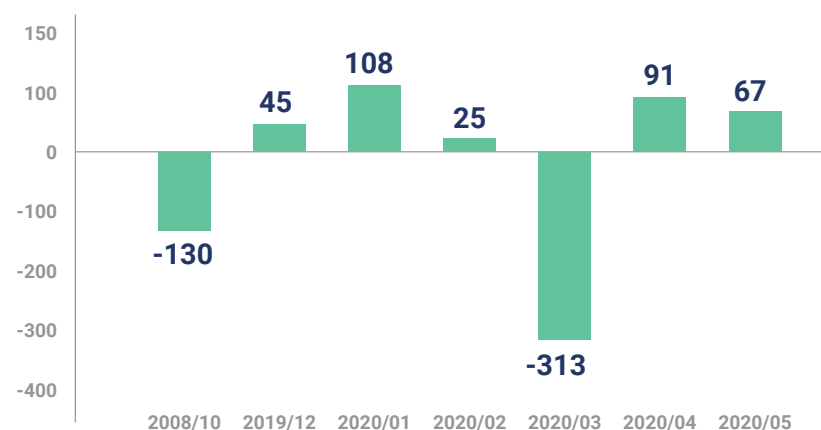
Now that the Brexit negotiations have resumed, EFAMA will seek to continue engaging constructively to represent the views and expectations of our industry in the shaping of the future trade relationship between the EU and the UK. In this respect, the ongoing work on equivalence assessments on both sides (on matters such as Central Clearing Counterparties (CCP) equivalence, trading venue equivalence or the share and derivatives trading obligations, for instance) is very important. At this stage, it remains unclear when these equivalence decisions may be taken on each side and to what extent those decisions will be tied to the overall political negotiations.



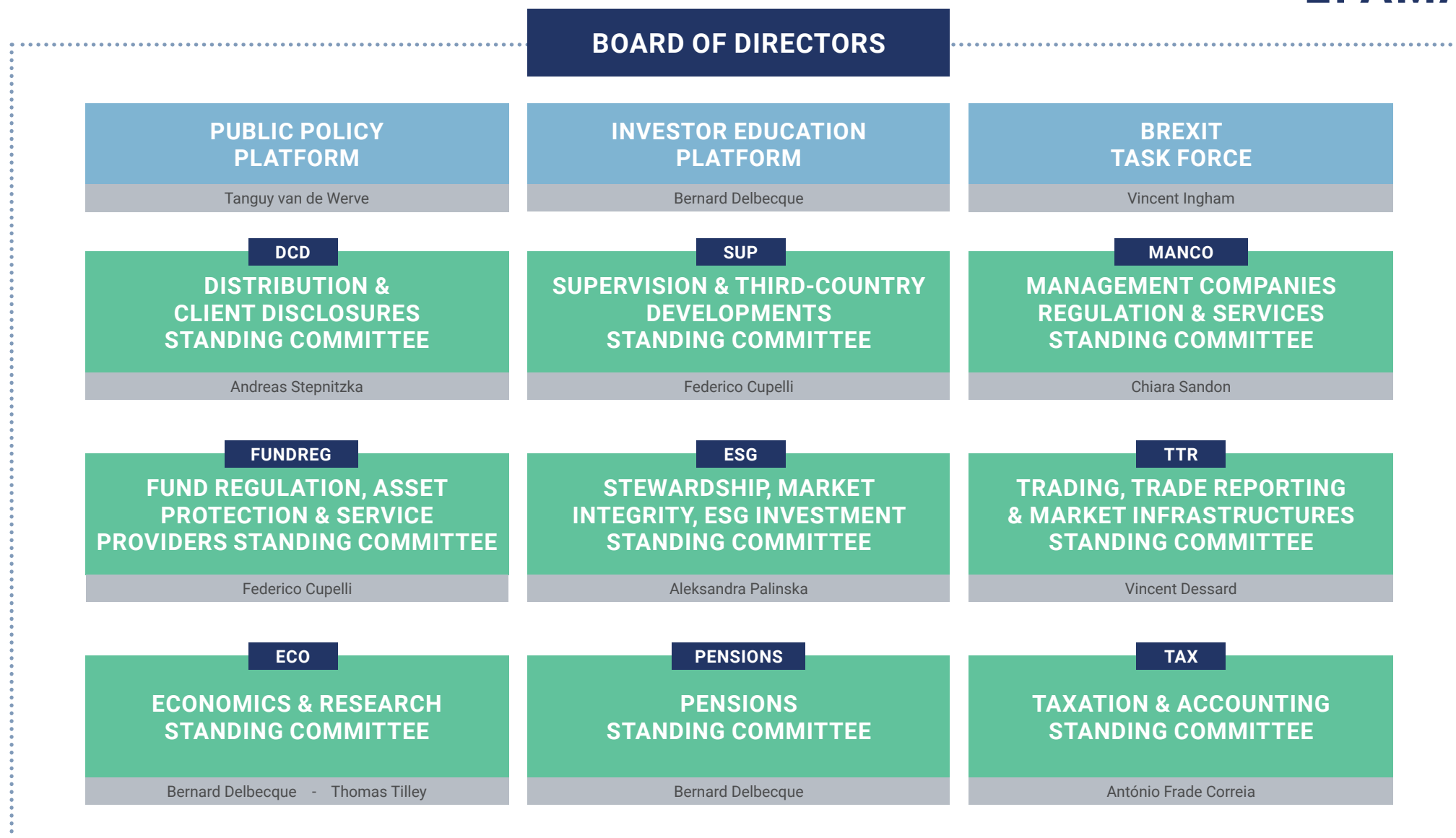
JARKKO SYRILÄ
(NORDEA ASSET & WEALTH MANAGEMENT)
Chair of the Brexit Task Force

THE INVESTMENT FUND INDUSTRY IN EUROPE

Monthly Net Sales of UCITS and AIFs (EUR billions)



GLOBAL ARCHITECTURE





04

RESEARCH & PUBLICATIONS

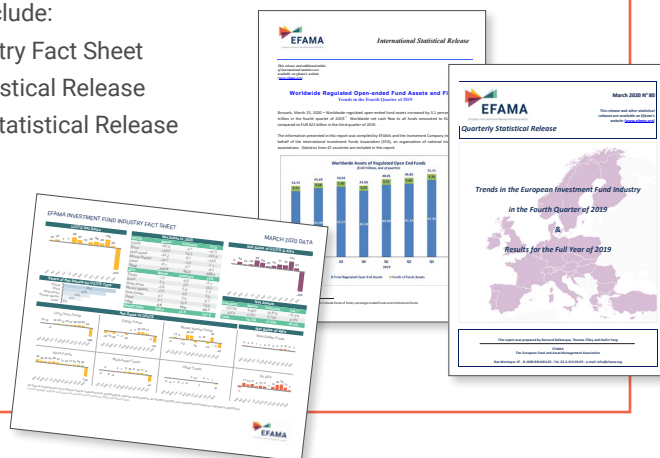
04 RESEARCH & PUBLICATIONS

EFAMA provides regular statistical updates to members and publishes key figures for the public.

→ All public information is available [here](#).

Statistical publications include:

- > European Monthly Industry Fact Sheet
- > European Quarterly Statistical Release
- > International Quarterly Statistical Release



Managing fund liquidity risk in Europe Recent regulatory enhancements & proposals for further improvements

In 2019, EFAMA and AMIC decided to publish an updated version of their initial report following important policy and regulatory developments at EU and international level. The report outlines the practical liquidity risk management processes that fund management companies follow when setting up a fund and operate during the life of the fund. It also highlights existing European and international regulatory frameworks in the area of liquidity risk management.

→ The full report is available on our [website](#).



Asset Management Report 2019

This is the 11th edition of EFAMA's asset management report. The report provides a snapshot of the European asset management industry across both the retail and institutional landscape. It focuses on the value of the assets professionally managed in Europe, rather than on their domiciliation, and differentiates between investment funds and discretionary mandates assets.

→ Download [here](#).

Fact Book 2020

EFAMA's annual Fact Book is the reference publication for comprehensive information on the European investment fund industry. As in previous years, the 18th edition of the Fact Book provides an extensive analysis of key developments in the investment industry, inside and outside Europe.

The Fact Book includes a thorough analysis of the demand for funds by type of investors, data on the sales of European investment funds abroad, and individual country reports, with detailed information on the investment fund markets and regulatory developments in 29 European countries.

→ Visit our [webshop](#).



04 RESEARCH & PUBLICATIONS

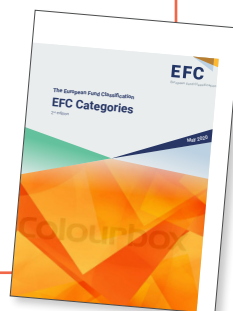
European Fund Classification EFC Categories, 2nd edition

Since the first edition of the brochure 'The European Fund Classification – EFC Categories' was published in April 2012, the fund industry has had to adapt significantly in response to the evolving market environment. New global and regional regulations have been implemented in the interest of investor protection, and fund houses created, developed and launched new funds. The revision of the EFC brochure was a logical step to adapt the EFC categories to those evolutions.

In a nutshell, the EFC is the only classification method that:

- > uses a proven, stable holdings-based classification method;
- > is reviewed on a quarterly basis to fully reflect ongoing fund repositioning activities; and
- > is free of charge and non-commercial.

➔ Download the brochure [here](#).



EFAMA Market Insights

The first Market Insights, published in May 2020, compared the UCITS outflows of March 2020 -at the height of the pandemic-induced market turmoil- with those experienced at the height of the global financial crisis of 2008.

This new publication will be issued up to four times per year, summarising a recent industry trend in a succinct and visual manner.

➔ Read more about it [here](#).



3Q2

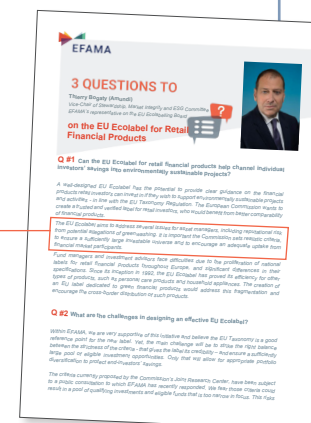
Our brand new series “3 Questions To” (3Q2) aims at raising awareness on a specific issue of interest to our membership in a clear and concise manner.

In the first issue, we spoke with Rudolf Siebel, Chair of the Trading, Trade Reporting & Market Infrastructures Standing Committee, who shared his thoughts on market data costs. In the second issue, we interviewed Thierry Bogaty, EFAMA's representative on the EU Ecolabelling Board, about the EU Ecolabel for Retail Financial Products.

➔ View our 3Q2 series [here](#).

“The EU Ecolabel aims to address reputational risk from potential allegations of greenwashing. It is important the Commission sets realistic criteria, to ensure a sufficiently large investable universe and to encourage an adequate uptake from financial market participants.”

Thierry Bogaty





05

EVENTS

05 EVENTS

Annual General Meeting in Paris

21 June 2019 | Paris, France

The 2019 Annual General Meeting was kindly hosted by AFG, l'Association Française de la Gestion financière. On that occasion, Nicolas Calcoen (Amundi) was appointed President, for a two-year term, succeeding William Nott.



1. From left to right: Nicolas Calcoen (incoming EFAMA President), Eric Pinon (AFG Chairman), Robert Ophèle (President, AMF Autorité des marchés financiers), William Nott (outgoing EFAMA President), Tanguy van de Werve (EFAMA Director General). 2. "Au pied de la Tour Eiffel" - AGM venue in Paris. 3. Bruno Le Maire (Minister for finance and the economy, France) and Nicolas Calcoen (EFAMA President).

IBOR and EONIA transition to RFRs: challenges for asset managers

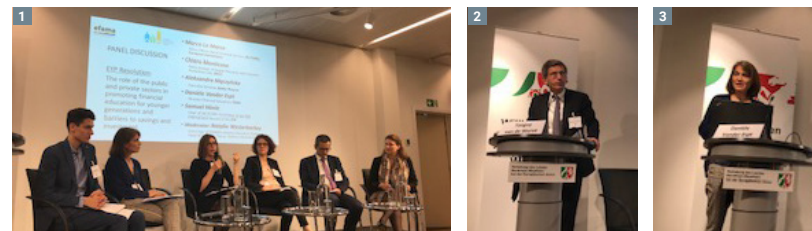
19 September 2019 with AFG | Paris, France

Workshop participants discussed the impact for asset managers of the shift from IBORs and EONIA to Risk-Free Rates and we highlighted best practices and regulatory initiatives that could help address the challenges resulting from these transitions.

How investment savvy is the young generation? Breakfast discussion

1 October 2019 | Brussels, Belgium

EFAMA took part in IOSCO's 2019 World Investor Week, a global campaign to raise awareness about the importance of investor education and protection. In this context, EFAMA organized a breakfast discussion focusing on the young generation's attitude towards investments with attendance of the European Youth Parliament.



From left to right: Samuel Hönle (European Youth Parliament), Chiara Monticone (Financial Education and Consumer Protection Unit, OECD), Aleksandra Maczynska, (Executive Director, Better Finance), Danièle Vander Espt (Director of Financial Education, FSMA, Belgium), Marco La Marca, (DG FISMA, European Commission), Natalie Westerbarkey (Vice-Chair of EFAMA's Investor Education Platform and Head of EU Public Policy at Fidelity International); Tanguy van de werve (EFAMA Director General); Danièle Vander Espt.

05 EVENTS

25th Investment Management Forum Providing solutions, delivering value

21-22 November 2019 | Brussels, Belgium

The forum is THE networking event for the European asset management industry and brings together participants from across Europe, including senior representatives of the European investment management industry, European policymakers, regulators and supervisory authorities to discuss topics of common interest and importance.



1. Nicolas Calcoen, EFAMA President. 2. John Berrigan, Director General DG FISMA, European Commission. 3. Steven Maijoor, Chair of the European Securities and Markets Authority. 4. Moderator: David Ricketts, Financial News. Panellists: Frédéric Janbon, Global CEO, BNP Paribas Asset Management; Nils Bolmstrand, CEO, Nordea Asset Management; Andreas Utermann, CEO, Allianz GI; Rachel Lord, Senior Managing Director, Head of Europe, Middle East and Africa, member of the Global Executive Committee, BlackRock.

4th and 5th EFAMA Research Workshops

1 October 2019 | Brussels, Belgium

A methodology for risk-mitigation techniques for the pension products

with Pablo Antolin, Organisation
for Economic Co-operation and
Development.

4 December 2019 | Brussels, Belgium

Financial literacy – can it be measured and can it be taught? And if so, how?

with Prof. Bettina Fuhrmann,
Vienna University of Economics
and Business for Economic
Co-operation and Development.



Webinars



EFAMA's first webinar took place in October 2019. Since then many more have been organized, mainly with Associate Members, to the benefit and satisfaction of all our National Associations and Corporate Members.

More webinars are being planned.

- > **State of the European AM Industry**
9 October 2019 with McKinsey
- > **Benchmarks Regulation**
25 November 2019 with Arendt
- > **ESG impacts across the Investment Management value chain**
27 November 2019 with Deloitte
- > **EMT V3 - Who's impacted? Which fields are changing? How to be prepared?**
11 March 2020 with Kneip
- > **IBOR transition: Opportunities and challenges for the asset management industry**
1 April 2020 with Ernst & Young
- > **How are Asset Managers tackling the challenges of Covid-19 together?**
9 April 2020 with KPMG
- > **Strategic perspective on the Asset Management industry evolution post Covid-19**
16 April 2020 with McKinsey
- > **European Central Bank present their collateral related projects**
26 May 2020 with European Central Bank
- > **Sustainability and ESG disclosure: will you be ready by 10 March 2021?**
2 June 2020 with PwC



06

EFAMA MEMBERSHIP

06 NATIONAL ASSOCIATIONS

AUSTRIA

VÖIG

Vereinigung Österreichischer Investmentgesellschaften

Austrian Association of Investment Fund Management Companies

www.voeig.at



BELGIUM

BEAMA asbl | vzw

Belgische Vereniging van Asset Managers

Association Belge des Asset Managers

Belgian Asset Managers Association

www.beama.be



BULGARIA

BAAMC

Bulgarian Association of Asset Management Companies

www.baud.bg



CROATIA

Udruženje društava za upravljanje investicijskim fondovima

Association of Investment Fund Management Companies

www.hgk.hr/udzu



CYPRUS

CIFA

Cyprus Investment Funds Association

www.cifacyprus.org



CZECH REPUBLIC

AKAT ČR

Asociace pro kapitálový trh České republiky

Czech Capital Market Association

www.akatcr.cz



DENMARK

DIA

Danish Investment Association

www.financedenmark.dk/the-danish-investment-association/



FINLAND

FFI

Finance Finland

www.finanssiala.fi



FRANCE

AFG

Association Française de la Gestion financière

French Asset Management Association

www.afg.asso.fr



GERMANY

BVI

Bundesverband Investment und Asset Management e.V.

German Investment Funds Association

www.bvi.de



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06 NATIONAL ASSOCIATIONS

GREECE

HFAMA

Hellenic Fund and Asset Management Association

www.ethe.org.gr



HUNGARY

BAMOSZ

Befektetési Alapkezelők és Vagyonkezelők

Magyarországi Szövetsége

Association of Hungarian Investment Fund
and Asset Management Companies

www.bamosz.hu



IRELAND

IRISH FUNDS

www.irishfunds.ie



ITALY

ASSOGESTIONI

Associazione Italiana del Risparmio Gestito

www.assogestioni.it



LIECHTENSTEIN

LAFV

Liechtensteinerischer Anlagefondsverband

Liechtenstein Investment Fund Association

www.lafv.li



LUXEMBOURG

ALFI

Association Luxembourgeoise

des Fonds d'Investissement

Association of the Luxembourg Fund Industry

www.alfi.lu



MALTA

MASA

Malta Asset Servicing Association

www.masa.mt



NETHERLANDS

DUFAS

Dutch Fund and Asset Management Association

www.dufas.nl



NORWAY

VFF

Verdipapirfondenes forening

Norwegian Fund and Asset Management Association

www.vff.no



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06 NATIONAL ASSOCIATIONS

PORTUGAL

APFIPP

Associação Portuguesa de Fundos de Investimento,
Pensões e Patrimónios

Portuguese Association of Investment Funds,
Pension Funds and Asset Management

www.apfipp.pt



ROMANIA

AAF

Romanian Association of Asset Managers

www.aaf.ro



SLOVAKIA

SASS

Slovenská asociácia správcovských spoločností

Slovak Association of Asset Management Companies

www.sass-sk.sk



SLOVENIA

ZDU-GIZ

Slovenian Investment Fund Association

www.zdu-giz.si



SPAIN

INVERCO

Asociación de Instituciones de Inversión Colectiva
y Fondos de Pensiones

Spanish Association of Investment and Pension Funds

www.inverco.es



SWEDEN

FONDBOLAGENS FÖRENING

Swedish Investment Fund Association

www.fondbolagen.se



SWITZERLAND

SFAMA

Swiss Funds & Asset Management Association

www.sfama.ch



TURKEY

TKYD

Türkiye Kurumsal Yatırımcı Yöneticileri Derneği

Turkish Institutional Investment Managers' Association

www.tkyd.org.tr



UNITED KINGDOM

The Investment Association

www.theinvestmentassociation.org



06 CORPORATE MEMBERS



06 ASSOCIATE MEMBERS







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EFAMA BOARD OF DIRECTORS

MARCH 2020

07 BOARD OF DIRECTORS

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	Andras TEMMEL	BAMOSZ - Association of Hungarian Investment Fund and Asset Management Companies
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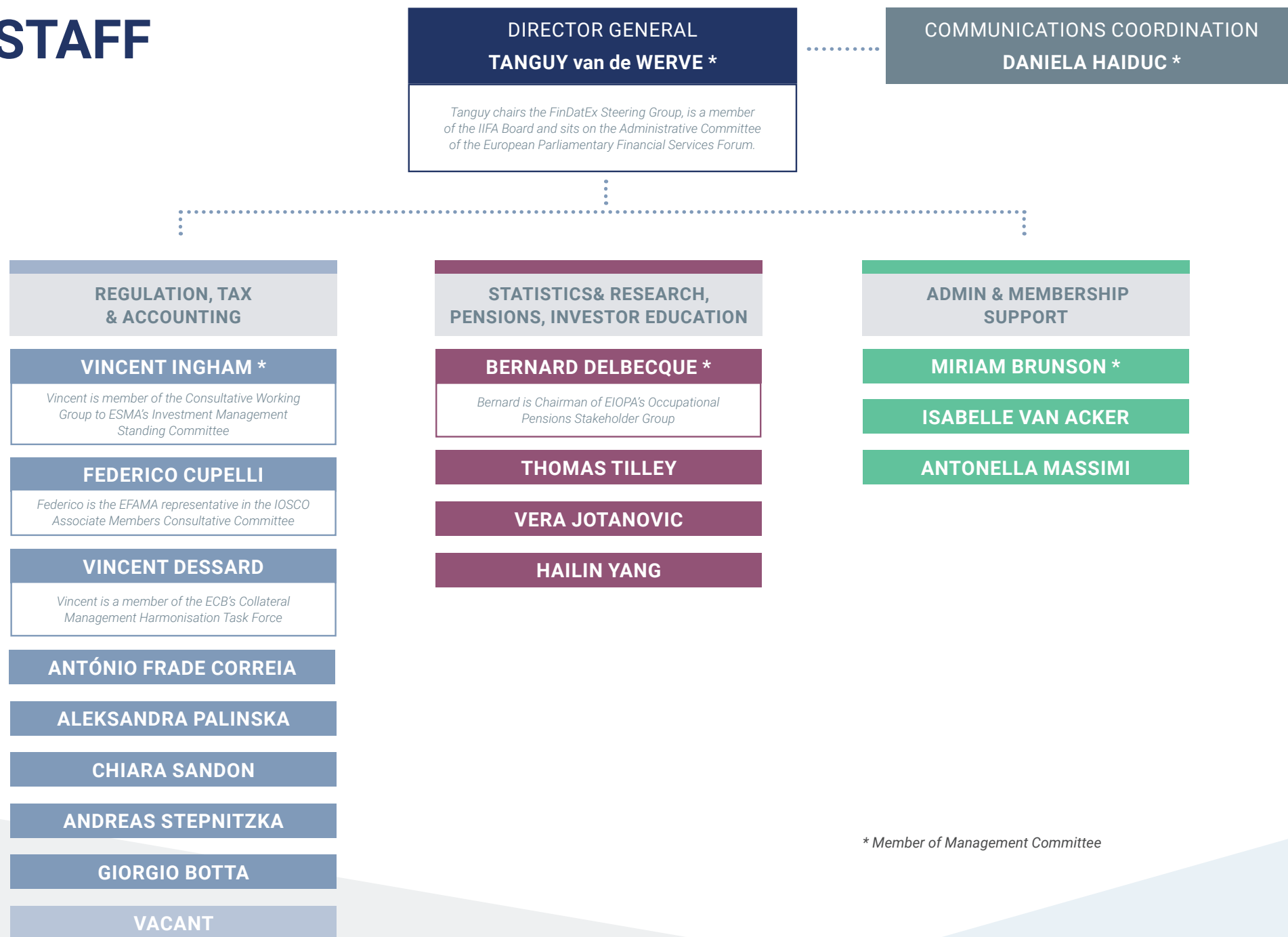
Country	Name	Association / Company
	Iris van de LOOIJ	DUFAS - Dutch Fund and Asset Management Association
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	Jan PRICOP	AAF - Romanian Association of Asset Managers
	Marian MATUSOVIC	SASS - Slovak Association of Asset Management Companies
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EFAMA
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08 STAFF



08 STAFF



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Services



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Senior Regulatory
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CHIARA SANDON
Senior Policy
Advisor



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Statistician



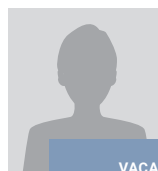
ISABELLE VAN ACKER
Executive Secretary



ANDREAS STEPnitzKA
Senior Regulatory
Policy Advisor



GIORGIO BOTTA
Regulatory Policy
Advisor



VACANT
Regulatory Policy
Advisor



ANTONELLA MASSIMI
Frontline Officer



EFAMA

EFAMA

Rue Marie Thérèse 11
1000 Brussels
(as of 1st July 2020)
+ 32 (0)2 513 39 69
info@efama.org
www.efama.org

