

CBI Provides Details for Taxonomy Regulation and SFDR Level 2 Fast-Track Processes

On 15 November 2021, the Central Bank of Ireland ("Central Bank") issued a Notice¹ formally confirming its intention to establish a fast-track filing process and also clarified the filing requirements for pre-contractual documentation updates in relation to the Taxonomy Regulation² ("TR") and Sustainable Finance Disclosure Regulation³ Level 2 measures ("SFDR L2").

The TR requirements will apply from 1 January 2022. SFDR Level 1 requirements came into force on 10 March 2021 and SFDR L2 requirements will apply from 1 July 2022. UCITS, RIAIFs and QIAIFs ("AIFs") will have to update pre-contractual documentation accordingly.

Process Clarifications

The fast-track regime will involve a specific filing process and both UCITS management companies and AIFMs will be required to certify compliance, through a prescribed attestation, that the amendments relate to the TR requirements only and do not contain any other amendments to the pre-contractual documentation.

The attestation and the updated pre-contractual documentation must be submitted by email in a prescribed format to a dedicated mailbox.

¹ <https://www.centralbank.ie/docs/default-source/regulation/industry-market-sectors/funds/industry-communications/taxonomy-regulation-sfdr-clarification-document.pdf?sfvrsn=4>

² <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A32020R0852>

³ <https://eur-lex.europa.eu/eli/reg/2019/2088/oj>

The Central Bank will note these filings on a same day basis but intends to review / spot-check a sample of submissions received.

Both UCITS and AIFs will have to follow the fast-track process.

The proposed filing deadline for the 1 January 2022 TR requirements is 14 December 2021, although late filings may be permitted on an exceptions basis.

In a positive development, the Central Bank has indicated that it will operate a similar fast-track filing process for SFDR L2 filings and confirmed the window for filings for the SFDR L2 fast-track process will be from 1 April 2022 to 27 May 2022 for the 1 July 2022 requirements.

How can Maples Group help?

The Maples Group has developed language to address the TR disclosures required on 1 January 2022 and is also working with numerous managers to assess the SFDR L2 requirements. If you would like further information, please liaise with your usual Maples Group contact or visit our dedicated ESG Hub⁴.

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⁴ <https://maples.com/en/services/specialty-services/esg-policies-and-frameworks>

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The Maples Group's Irish legal services team is independently ranked first among legal service providers in Ireland in terms of total number of funds advised (based on the most recent Monterey Insight Ireland Fund Report, as at 30 June 2019).

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