

PRIIPs KID – New Requirement to Submit to the CBI

What You Need to Know

The Central Bank and the European Supervisory Authorities have recently issued guidance on both the filing processes and content of PRIIP KIDs.

Background

The PRIIPs Regulation (EU) 1286/2014 ("PRIIPS Regulation") introduced a mandatory key information document ("PRIIPs KID") for packaged retail and insurance-based investment products ("PRIIPs"), including investment funds, which are made available to retail investors in the EEA. For more information please see, *Preparing for the PRIIPs KID for UCITS*¹.

UCITS and AIFs which are made available to retail investors in the EEA are therefore required to provide those investors with a PRIIPs KID in good time before those investors invest in the respective fund.

A PRIIPs KID is a short pre-sale disclosure document aimed at providing retail investors with the information necessary to make an informed investment decision.

The Central Bank of Ireland ("Central Bank") and the European Supervisory Authorities ("ESAs") recently issued additional guidance on both the filing processes and content of PRIIP KIDs.

Central Bank Q&As

On 27 November 2023, the Central Bank updated its UCITS Q&A² and AIFMD Q&A³.

A new ID 1109 in the UCITS Q&A confirms that, from 1 January 2024, UCITS authorised prior to 1 January 2023 that are required to produce a PRIIPs KID should submit the KID through the Central Bank's portal ("Portal").

The filing may be made through the Portal as an ad hoc return, but it will not be a scheduled return on the Portal. Notably the Central Bank have not sought to impose any deadlines/timelines on when filings must be made. Rather the Central Bank's updated PRIIPs Guidance⁴ notes that it is the responsibility of each UCITS *"to be aware of and comply with its regulatory reporting obligations in respect to the initial filing and the submission of any subsequent amendments to the PRIIPs KID"*.

The PRIIPs KID will need to be accompanied by a declaration from the responsible person or legal advisor that the PRIIPs KID complies in full with the requirements of the PRIIPs Regulation and Level 2 PRIIPs Regulation and that it does not conflict with the fund's prospectus.

UCITS funds authorised post 1 January 2023, and which were required to produce a PRIIPs KID, were already required to submit a PRIIPs

¹ <https://maples.com/en/knowledge-centre/2022/6/preparing-for-the-priips-kid-for-ucits>

² https://www.centralbank.ie/docs/default-source/regulation/industry-market-sectors/funds/ucits/guidance/40th-edition-ucits-qa.pdf?sfvrsn=f3869d1d_1

³ https://www.centralbank.ie/docs/default-source/regulation/industry-market-sectors/funds/aifs/guidance/qa/49-edition-of-aifmd-qa.pdf?sfvrsn=a1869d1d_1

⁴ <https://www.centralbank.ie/regulation/industry-market-sectors/funds/key-investor-information/priips-kid>

KID to the Central Bank as part of their authorisation application.

Where a PRIIPs KID that has been previously submitted to the Central Bank is updated, the amended PRIIPs KID should also be submitted to the Central Bank through the Portal.

Where a UCITS produces both a UCITS KIID and PRIIPs KID, the latest versions of both should be filed with the Central Bank through the Portal.

ID 1126 of the updated AIFMD Q&A also confirms that AIFs which are required to produce a PRIIPs KID should also file this through the Portal.

ESA Q&A

On 5 December 2023, the ESAs updated its Consolidated Q&A on the PRIIPs KID⁵. Among the updates was a new Q&A stating that in the case of an investment fund (UCITS or AIF) the PRIIP manufacturer can only be the management company or AIFM. The full response is:

Question - In the case of an investment fund (UCITS or AIF), can the manufacturer of the PRIIP be an entity to which collective portfolio management functions, or other functions, have been delegated to by the fund or by the management company (manager) or alternative investment fund manager of the fund (those entities to which functions have been delegated might, for example, be referred to as the fund promoter, sponsor, etc.)?

Answer - No, even if the fund delegates functions to third parties, the PRIIP manufacturer can only be the management company or the alternative investment fund manager of the fund, or, in particular in the case of a self-managed UCITS or internally managed AIF, the fund itself.

How can we help?

The Maples Group provides ongoing support and assistance to funds and their managers in complying with their PRIIPs Regulation obligations.

We can assist by:

- advising on the application of the technical requirements of the PRIIPs Regulation;
- preparing disclosures for the production of PRIIPs KIDs;
- assisting with the implementation of appropriate governance and oversight frameworks of the production and maintenance of PRIIPs KID on an ongoing basis;
- completion of PRIIP KIDs filings with the Central Bank; and
- providing support in transition projects including consideration of implications for UCITS registered in other EU member states, and translation requirements.

Further Information

For further information, please liaise with your usual Maples Group contact or any of the persons listed below.

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⁵ https://www.esma.europa.eu/sites/default/files/2023-05/JC_2023_22_-_Consolidated_JC_PRIIPs_Q_As.pdf

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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 2022).

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