

MEMO# 32023

October 24, 2019

ESMA Consultation on UCITS Performance Fees - Draft Comment Letter

[32023]

October 24, 2019 TO: Global Operations Advisory Committee
ICI Global Regulated Funds Committee
International Compliance Advisory Committee RE: ESMA Consultation on UCITS
Performance Fees - Draft Comment Letter

As previously advised,^[1] on 16 July 2019 the European Securities and Markets Authority (ESMA) published a consultation paper (CP) on proposed guidelines for performance fees in UCITS. A member call was held to discuss the CP on Wednesday 4 September 2019. Members have not raised significant concerns over ESMA's proposals, noting the general consistency with the good practice developed by the International Organization of Securities Commissions.^[2] Members have sought clarification that ESMA's proposals will apply at share class level, as is the approach suggested by IOSCO. We intend to submit the attached comment letter to recommend this approach to ESMA.

ESMA is inviting comments to the CP by Thursday 31 October 2019. Please provide feedback on the comment letter or suggest other issues that should be included in our response to me at giles.swan@ici.org or +44 207 961 0832 by close of business on Wednesday 30 October 2019.

Giles Swan
Director of Global Funds Policy, ICI Global

[Attachment](#)

endnotes

^[1] See Memorandum No. 31887, RE: ESMA Consultation on UCITS Performance Fees, dated 5 August 2019, available from https://www.ici.org/my_ici/memorandum/memo31887

[2] *Good Practice for Fees and Expenses of Collective Investment Schemes*, Final Report, August 2016 available from <https://www.iosco.org/library/pubdocs/pdf/IOSCOPD543.pdf>

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