

Ponencia sobre EC - Public consultation on the review of the European Long Term Investment Funds (ELTIF) regulatory framework

Comité Consultivo de fecha 18 de enero de 2021

El Comité Consultivo agradece la posibilidad de presentar para su discusión la ponencia que desarrollamos a continuación y contribuir con sus comentarios a la consulta sobre modificación del Reglamento de ELTIF.

Antecedentes:

La Comisión Europea lanza una consulta enmarcada en su decisión de retomar la potenciación de un instrumento de inversión, los llamados “European Long Term Funds” (o ELTIFs), cuya regulación original, bajo la forma de REGLAMENTO (UE) 2015/760 DEL PARLAMENTO EUROPEO Y DEL CONSEJO DE 29 DE ABRIL DE 2015 SOBRE LOS FONDOS DE INVERSIÓN EUROPEOS, data, como así se indica, del año 2015.

Por diversas razones, que intentaremos analizar en la ponencia, estos instrumentos no han despertado el interés esperado entre la comunidad financiera y, en concreto, la inversora y, por tanto, procede un análisis previo de las causas de esta situación y esto es concretamente lo que persigue la mencionada consulta.

Como consideraciones previas, estimamos conveniente resaltar lo siguiente:

En primer lugar, analizando el Reglamento original, podríamos valorarlo como bien construido y, sin duda, muy completo, en cuanto al objetivo de transmitir los elementos básicos de regulación del instrumento. Entendemos que recoge con claridad todas aquellas cuestiones necesarias en términos de definiciones e información para que los agentes económicos, básicamente la comunidad inversora europea, pueda sentirse cómoda y segura de cara a la implementación y puesta en marcha de los ELTIFs sin incurrir en fallos ligados a elementos regulatorios no previstos o mal definidos. Por tanto, no vemos que se trate de un Reglamento incompleto o que genere dudas sobre dichos requerimientos regulatorios, al menos en los puntos fundamentales de los mismos. Esto, como es sabido, no ha sido el caso en otras situaciones. Dicho lo cual, estimamos mejorables algunos aspectos del mismo.

En segundo lugar, nos parece muy pertinente retomar la potenciación del vehículo ELTIFs en los momentos actuales, ya que los mismos pueden resultar especialmente adecuados para estructurar operativamente la infinidad de potenciales proyectos de inversión que se pondrán en marcha (o al menos solicitarán su autorización) en el marco del Plan de Reconstrucción y Desarrollo que está iniciándose en estos momentos y donde los países se juegan una importantísima fuente de recursos provenientes de las arcas de la UE (bien vía transferencias, bien a través de préstamos).

En tercer lugar y muy ligado al punto anterior, entendemos que la iniciativa de retomar la actividad de los ELTIFs tiene mucho sentido pues, de entrada, (aunque ya veremos sus inconvenientes) se trata de un vehículo que se puede adaptar razonablemente a este gran plan de apoyo fiscal a las consecuencias económicas derivadas de la pandemia y que de forma apropiada se ha puesto en marcha en Europa ya que los ELTIFs están

orientados a proyectos a largo plazo (sostenibilidad, digitalización e inclusión, como más destacados), con una estructura de los vehículos que podría incorporar su capacidad de seguimiento y control de forma adecuada ya que una de las cuestiones básicas que nos encontraremos al gestionar los proyectos será que estos sean fácilmente monitorizados no solo por las autoridades políticas sino por los propios mercados, coadyuvando al control de posibles conflictos de intereses o incluso de posibles prácticas no adecuadas por parte de los gestores. En definitiva, transparencia, información suficiente a inversores y capacidad de “auditoría” de las autoridades.

En todo caso, entendemos que la figura del ELTIF es plenamente consistente con los objetivos marcados por la Unión de Mercados de Capitales (CMU, en inglés). Sin embargo, la realidad es que ha tenido escasa acogida entre los grupos financieros europeos lo que nos lleva a otra línea de argumentación en busca de las razones por la que esto ha sido así.

La regulación debe tratar de dar respuesta a una demanda previa del mercado y tratar de impulsar los mecanismos para favorecer la consecución de los objetivos perseguidos. Pero parece que la demanda, en este caso, ha sido reducida.

¿Por qué no han funcionado los ELTIFs hasta este momento?

La respuesta puede encontrarse en las siguientes circunstancias:

- El Reglamento no ha sido seguido de normativa de desarrollo (Reglamentos Delegados o de Ejecución) y la tramitación de los expedientes se hace por los supervisores locales -aunque el registro del vehículo se hace en ESMA-. De esta forma, queda un amplio margen de interpretación de la norma (por otra parte, reciente y con poco recorrido) que da cabida a la imposición de criterios restrictivos por los supervisores locales que podrían plantear cuestiones de Convergencia Supervisora y demorar la resolución de los expedientes.

Para abordar esta cuestión podrían abrirse dos caminos: (i) en primer lugar desarrollar el nivel 3 del proceso Lamfalussy mediante Q&A y Guidelines de ESMA que armonicen criterios y sienten las bases para obtener una autorización ágil de estos vehículos y (ii) en segundo lugar y de forma complementaria, hacer residir el registro de los ELTIF en las autoridades locales liberando a ESMA de esta tarea.

- Un pobre estímulo de índole financiero fiscal. Los ELTIFs compiten con otros productos financieros que también presentan objetivos de largo plazo y limitación de liquidez, pero que reciben un mejor tratamiento fiscal. Notoriamente, su comparación con las IIC europeas, que, a diferencia de los ELTIF, gozan de neutralidad fiscal, mediante la tributación del vehículo o del inversor (dependiendo del país), pero no de ambos.

En concreto, en España la tributación es a cargo del inversor (que tributa por su impuesto personal, sea Impuesto sobre la Renta de las Personas Físicas, Impuesto sobre la Renta de no Residentes o Impuesto sobre Sociedades) y, aunque la neutralidad no es plena (pues el vehículo también tributa al 1%), lo cierto es que

este régimen fiscal, unido al diferimiento en caso de reinversión, es más ajustado a la naturaleza del producto que el previsto para los ELTIFs, que tributan al tipo general del 25%, al menos en España, lo que genera una doble tributación y les sitúa en inferioridad de condiciones respecto a los fondos de inversión libre que pueden hacer inversiones similares y compiten en el mismo terreno de juego. También en el ámbito del capital riesgo y de los fondos de pensiones o de algunos productos en el campo de los seguros, aunque en estos casos sus beneficios fiscales son más limitados, se dan parecidas circunstancias.

- La financiación de las Pymes europeas mediante vías alternativas a la financiación bancaria sigue siendo una tarea pendiente (y una prioridad de la CMU) que pone a la UE en clara situación de desventaja respecto a otras jurisdicciones con las que competimos (ie: EEUU). Por ello, es preciso buscar un espacio regulatorio y comercial en el que los grandes distribuidores de vehículos de inversión (básicamente las redes bancarias) y las Pymes encuentren atractiva la creación y utilización de vías alternativas a la financiación bancaria tradicional. Es en este campo en el que los ELTIFs podrían jugar un papel destacado.
- La calificación de ELTIF se otorga a los fondos de inversión alternativa que cumplan con las condiciones y requisitos adicionales exigidos en el Reglamento, lo que supone que su creación y gestión queda circunscrita a los gestores de fondos de inversión alternativa (GFIA) que además deben optar entre éste y otros productos con menor carga regulatoria, y mayores ventajas impositivas como los FCR.

El colectivo de GFIA representa una parte reducida de la oferta de gestión total del sistema en la industria global de gestión de activos, lo cual obviamente limita a unos relativamente pocos especialistas estas capacidades con los nuevos instrumentos. Por tanto, podría ser conveniente abrir el espectro de los “gestores habilitados”, fundamentalmente porque existe una gran cantidad de instituciones que no han “abrazado” la gestión alternativa pero que disponen no solo de los conocimientos para realizarla, sino de una gran experiencia en la estructuración de productos atractivos para los inversores y que, sin necesariamente entrar en costes adicionales para su autorización como GFIA, podrían realizar la labor en condiciones equivalentes de seguridad, transparencia y calidad de la gestión y la información a inversores, donde, sin duda, tienen mayor experiencia.

- La lista de activos aptos para la inversión del Reglamento ha sido hasta ahora bastante limitativa. Además, la distribución a inversores minoristas que cumplan con determinados requisitos respecto a sus activos financieros restringe el colectivo inversor. Ambas materias deberían ser abordadas.

Por un lado, el artículo 10 de la propuesta sobre activos aptos para inversión, amplía la oferta de activos aptos y la hace más heterogénea, lo que puede ampliar la capacidad de los gestores de estructurar carteras de activos que permitan una gestión y administración eficiente del binomio rentabilidad-riesgo, consustancial a cualquier esquema de gestión de activos.

Por otro lado, la flexibilización de la inversión de los inversores minoristas (con las debidas cautelas de información y transparencia) sería interesante para el desarrollo del producto.

- Por último, y relacionado en cierta medida con el punto anterior, no está claro que existan métricas de valoración comúnmente aceptadas para determinados activos lo que podría llevar, en momentos de “stress” financiero, a dificultades para establecer una valoración fidedigna de la cartera. El documento de Reglamento parece insistir en la posibilidad de que las valoraciones puedan realizarse sobre la base de un clásico descuento de flujos de caja (DFC), pero esto no siempre es posible. Una valoración por DCF se ha demostrado muy teórica ya que ni los flujos pueden ser calculados fácilmente ni tampoco existe unanimidad tanto de la tasa de descuento de los mismos (especialmente en este momento tan peculiar respecto de los tipos nominales de la economía) como de las primas de riesgo aplicadas en los cálculos correspondientes del “factor de descuento”.

Consultation questions

CHOOSE YOUR QUESTIONNAIRE

Please indicate whether you wish to respond to the short version (6 questions) or full version (42 questions) of the questionnaire.

The short version only covers the general aspects of the ELTIF regime.

The full version comprises 36 additional questions addressing more technical features.

Note that only the questions that are part of the short version are also available in French and German.

I want to respond only to the **short version of the questionnaire** (6 questions)

I want to respond to the **full version of the questionnaire** (42 questions)

SHORT VERSION OF THE QUESTIONNAIRE

Questions 1 to 3 are common to the short and full version of the questionnaire. There are specific questions 4 to 6 to each version.

1. INTRODUCTORY QUESTIONS

Question 1. Please specify to what extent you agree with the statements below?

	1 (fully disagree)	2 (somewhat disagree)	3 (neutral)	4 (somewhat agree)	5 (fully agree)	Don't know - No opinion - Not applicable
The ELTIF framework has been successful in achieving its objective of raising and channelling capital towards European long-term investments in the real economy	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The scope of the ELTIF authorisation is appropriate	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	1 (fully disagree)	2 (somewhat disagree)	3 (neutral)	4 (somewhat agree)	5 (fully agree)	Don't know - No opinion - Not applicable
The costs of launching and operating an ELTIF, and the regulatory and administrative burdens are appropriate	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
The ELTIF regime is relevant to the needs and challenges in EU asset management	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
The existing ELTIF regime is consistent with the CMU objectives	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

	1 (fully disagree)	2 (somewhat disagree)	3 (neutral)	4 (somewhat agree)	5 (fully agree)	Don't know - No opinion - Not applicable
The ELTIF regime has brought added value to investors in and the financing of long-term projects	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The ELTIF investor protection framework is appropriate	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

Question 1.1 Please explain your position on your responses to question 1, providing key arguments to support your answers:

Overall, ELTIF’s provide a strong tool to promote long term financing to long term projects in the same way and fashion as other privately held instruments such as private Equity or Infrastructure Funds but results so far have shown that they lack some of the characteristics to be fully successful, as will be discussed later on.

Question 2. Please indicate the areas and provisions in the ELTIF regime where policy action would be most needed to improve the functioning of the ELTIF regulatory framework? Please rate as follows:

	1 (no policy action needed)	2 (policy action could be considered)	3 (policy action desirable)	4 (policy action needed)	5 (policy action very strongly needed)	Don't know - No opinion - Not applicable
General principles and definitions used in the ELTIF Regulation	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Market capitalisation threshold defining an SME equity or debt issuer	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Authorisation requirements	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Operational conditions	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	1 (no policy action needed)	2 (policy action could be considered)	3 (policy action desirable)	4 (policy action needed)	5 (policy action very strongly needed)	Don't know - No opinion - Not applicable
Passportability of ELTIFs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Rules pertaining to eligible investments	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Clarification and/or practical guidance on the eligibility requirements, notably in relation to investments in real assets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Rules pertaining to the prohibition to undertake certain activities	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Rules concerning the qualifying portfolio undertakings	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	1 (no policy action needed)	2 (policy action could be considered)	3 (policy action desirable)	4 (policy action needed)	5 (policy action very strongly needed)	Don't know - No opinion - Not applicable
Conflict of interests related rules, including the ban on co-investment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Portfolio composition and diversification rules and their application	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Concentration limits	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Rules and limitations related to the borrowing of cash	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Redemption related rules and life-cycle of ELTIFs	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Rules concerning the disposal of ELTIF assets	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	1 (no policy action needed)	2 (policy action could be considered)	3 (policy action desirable)	4 (policy action needed)	5 (policy action very strongly needed)	Don't know - No opinion - Not applicable
Transparency requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Prospectus-related provisions	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Cost disclosure related rules	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Rules pertaining to the facilities available to investors for making subscriptions	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Requirements concerning the marketing and distribution of ELTIFs to investors	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

	1 (no policy action needed)	2 (policy action could be considered)	3 (policy action desirable)	4 (policy action needed)	5 (policy action very strongly needed)	Don't know - No opinion - Not applicable
Specific provisions concerning the depositary of an ELTIF marketed to retail investors	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Provisions and rules pertaining to the marketing of ELTIFs to retail investors	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Provisions integrating the EU Taxonomy for sustainable activities into the ELTIF framework	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Inconsistent or duplicative application of the ELTIF related requirements by Member States	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	1 (no policy action needed)	2 (policy action could be considered)	3 (policy action desirable)	4 (policy action needed)	5 (policy action very strongly needed)	Don't know - No opinion - Not applicable
Issues arising from the supervisory practices within Member States	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Cross-border marketing related challenges	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Excessive reliance on distribution networks to market ELTIFs	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Excessive costs of setting up and operating ELTIFs	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Competition from existing national fund structures	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Taxation related issues	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other aspects	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please specify what are the other aspects of the ELTIF regime where policy action would be most needed to improve the functioning of the ELTIF regulatory framework:

Question 2.1 Please explain your position on your answer to question 2, providing your arguments, and where appropriate, concrete examples and data to support your answers:

Our position is that action should be taken primarily on the following areas: a) A bit more clarification on some of the definitions used; b) passportability of ELTIFs; c) Guidance in relation to investments in real assets; d) Conflicts of interest's rules; e) Portfolio composition and diversification rules; f) Transparency requirements; g) Marketing and distribution; h) Competition from existing national fund structures.

Additionally, some Guidelines and Q&A questionnaires of ESMA to improve Supervisory Convergence would be welcome.

Question 3. Please rate the following characteristics of the ELTIF framework based on how positive or negative their impact is, as follows:

	-2 significant negative impact	-1 negative impact	0 no impact	1 positive impact	2 significant positive impact	Don't know - No opinion - Not applicable
Broad scope of eligible assets under the ELTIF regime	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Long-term and illiquid nature of the investments of an ELTIF	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Operational conditions	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Transparency requirements	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Availability of ELTIFs to retail investors	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	-2 significant negative impact	-1 negative impact	0 no impact	1 positive impact	2 significant positive impact	Don't know - No opinion - Not applicable
Requirements and safeguards for marketing of ELTIFs to retail investors	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Validity of an authorisation as an ELTIF for all Member States	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other aspects	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please specify what are the other aspects of the ELTIF you refer to in your answer to question 3:

Question 3.1 Please explain your position on your answer to question 3, providing your arguments, and where appropriate, concrete examples and data to support your answers:

Impacts could be negative such as the illiquid nature of the product without other positives such as a favorable tax treatment. As well, some operational conditions could have another negative effect if not given sufficient additional information, specifically regarding valuation criteria. We have already stressed more transparency should be introduced while there are some questions regarding the process of marketing to retail investors since there is no sign of clear investment arguments within what we may regard as “rag pack” group of investment possibilities.

2. SCOPE OF THE ELTIF AUTHORISATION AND PROCESS

Question 4. Is the scope of the ELTIF authorisation and operating conditions appropriate?

Please explain your answer.

We believe that the overall scope of the ELTIF authorization and operating conditions are basically appropriate. This means that it should be considered that other investment managers (not only Alternative Investment Managers) could also be providers of the product, while operating conditions should be made more clear. Moreover, we consider it could be appropriate that the registration in the public Registry, and not only the processing of the authorization, would be made by local authorities.

Question 5. Should the ELTIF framework be amended to enhance the use of the ELTIF passport?

- Yes
- No
- Other
- Don't know / no opinion / not relevant

Question 5.1 Please explain how you think the ELTIF framework should be amended to enhance the use of the ELTIF passport.

Please explain your suggestions, including benefits and disadvantages as well as potential costs thereof, where possible:

Please specify what you mean by other in your response to question 5:

We have already mentioned some possible amendments to the Rule to enhance distribution in the UE through the European passport. The improvement of the Supervisory Convergence, a better taxation treatment of the vehicle and the relief of certain restrictions to retail investors could be of help.

3. INVESTMENT UNIVERSE, ELIGIBLE ASSETS AND QUALIFYING PORTFOLIO UNDERTAKINGS

Question 6. Should any of the following investments be eligible under the revised ELTIF framework? Please rate as follows:

	-2 investments should be strongly discouraged	-1 investments should be discouraged	0 no impact	1 investments should be encouraged	2 investments should be strongly encouraged	Don't know - No opinion - Not applicable
Investments in innovative technologies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Investments in green, sustainable and/or climate related projects	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Investments in projects that classify as sustainable under the EU taxonomy for sustainable activities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

	-2 investments should be strongly discouraged	-1 investments should be discouraged	0 no impact	1 investments should be encouraged	2 investments should be strongly encouraged	Don't know - No opinion - Not applicable
Post-COVID 19 recovery related projects	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Any financial assets with long-term maturities	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Investments in digital assets and infrastructure	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Investments in social infrastructure and social cohesion	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Investments in energy infrastructure and energy efficiency	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Any real estate assets, including commercial and residential real estate without a perceived economic or social benefit under the Union's energy, regional and cohesion policies	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	-2 investments should be strongly discouraged	-1 investments should be discouraged	0 no impact	1 investments should be encouraged	2 investments should be strongly encouraged	Don't know - No opinion - Not applicable
The scope of the investment universe of ELTIFs and eligible assets as currently set out in the ELTIF Regulation be further expanded to other areas and asset classes	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The scope of the investment universe of ELTIFs and eligible assets as currently set out in the ELTIF Regulation be more restricted or limited to a narrower set of assets /investments	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	-2 investments should be strongly discouraged	-1 investments should be discouraged	0 no impact	1 investments should be encouraged	2 investments should be strongly encouraged	Don't know - No opinion - Not applicable
Other types of assets and investment targets, and /or other regulatory approaches should be pursued	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please specify what are the other types of assets and investment targets, and/or other regulatory approaches should be pursued you refer to in your reply to question 6:

Question 6.1 Please explain your position on your responses to question 6, including the benefits and disadvantages as well as potential costs thereof, where possible.

Our position with regards eligible assets is that ELTIFs should respond strongly to those defined as essential or with priority within the “Next Generation EU” broad objectives. That means anything that deals with innovative technologies, “green” and sustainable climate related projects, post COVID-19 recovery related projects and investments in digital and social infrastructure. This could clarify the focus on the product ELTIF while other infrastructure projects may as well have another more appropriate type of vehicles like private Equity or infrastructure funds.

Nevertheless, this proposal should not exclude other more traditional sectors and SMEs that make up the European productive fabric.

In particular, please indicate if you consider that any changes in the ELTIF regime are necessary, and if so which ones, and why? Should you be of the opinion that investments in certain eligible assets be strongly encouraged, please provide further details on the possible definitions and scope of such different assets (e.g. references to existing or new legal definitions, examples, etc.):

Question 7. Should some of the definitions related to the investment universe of ELTIFs and eligible assets used in the ELTIF Regulation, such as “long- term”, “capital”, “social benefit”, “debt”, “sustainable”, “energy, regional and cohesion policies” and “speculative investments” be revised to enhance the clarity and certainty around the application of the ELTIF regime?

They are already quite neatly defined as such.

If so, how should those definitions be amended and why?

Question 8. Is the ELTIF framework appropriate in respect of the provisions related to investments in third countries?

- Yes
- No
- Don't know / no opinion / not relevant

Question 8.1 Please explain your answer to question 8.

We believe that the target of ELTIF regulation and its more important motivation is to facilitate the access to financing of European SME as an alternative to that offered by the banking system. Therefore, given that the main objective, the proportion of investments in third countries should not be elevated. The present framework is appropriate.

In particular, please describe in detail any necessary adjustments to enhance legal certainty, for instance, with respect to the proportion invested in EU Member States with a view to benefit the ELTIF market, their managers and the broader European economy.

Question 9. Which provisions and requirements related to the eligibility of investments and investment assets set out in the ELTIF Regulation should be updated to improve the functioning of the ELTIF framework? Please rate as follows:

	1 (no policy action needed)	2 (policy action could be considered)	3 (policy action desirable)	4 (policy action needed)	5 (policy action very strongly needed)
A size requirement of at least EUR 10 000 000 for eligible real assets investments	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A condition for an exposure to real estate through a direct holding or indirect holding through qualifying portfolio undertakings of individual real assets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

	1 (no policy action needed)	2 (policy action could be considered)	3 (policy action desirable)	4 (policy action needed)	5 (policy action very strongly needed)	Don't know - No opinion - Not applicable
Limitation on eligible investment assets to units or shares of ELTIFs, EuVECAs and EuSEFs, as opposed to other potential fund categories	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Inability to invest in a "financial undertaking"	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
EUR 500 000 000 market capitalisation threshold set out in the ELTIF Regulation for investing in listed issuers	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	1 (no policy action needed)	2 (policy action could be considered)	3 (policy action desirable)	4 (policy action needed)	5 (policy action very strongly needed)	Don't know - No opinion - Not applicable
Rules related to investments in third-country undertakings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Other conditions and requirements related to eligible investment assets and qualifying portfolio undertakings	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please specify what are the other conditions and requirements related to eligible investment assets and qualifying portfolio undertakings you refer to in question 9:

Question 9.1 Please provide your assessment of the adequacy and effectiveness of the ELTIF framework with respect to the execution of fund-of- fund investment strategies, real assets investment strategies and any restrictions on investments in other funds throughout the ELTIF's life.

Funds of Funds could become a very convenient vehicle. Specially for property investments. This could produce more clarifying elements with assets that are normally difficult to assess in terms of their valuation in the markets.

Please explain and provide your suggestions which specific provisions of the ELTIF Regulation may benefit from improvements, and why:

4. TYPES OF INVESTORS AND EFFECTIVE INVESTOR PROTECTION

Question 10. Please describe key barriers to the development of the ELTIF market, whether regulatory or of another nature, if any, to institutional investments that you consider reduce the attractiveness of the ELTIFs for institutional investors?

Please explain:

Fiscal incentives should be considered. Also, a more clarifying explanation on the valuation methods used for infrastructure projects could be introduced. The latter could help to assess the risk-return expectations that are common in any investment vehicle.

Question 11. Should any of the following provisions of the ELTIF legal framework be amended, and if so how, to improve the participation and access of retail investors to ELTIFs?

We believe that the participation of retail investors in an AIF as it is allowed for ELTIFs is of great importance for its growth and should be kept. Nevertheless, we think that the regime set out in article 30 in relation to (i) the size of the initial minimum amount for retail investors, (ii) the withdrawal period of two weeks and (iii) the specific requirements concerning the distribution of ELTIFs, as well as (iv) the suitability test referred to in article 27 are adequate and good enough to enhance the growth of the vehicle.

Even more, the possibility of extending the participation of retail investors in other kind of AIF should be considered.

Please explain which of the following provisions should be amended and give specific examples where possible and explain the benefits and disadvantages of your suggested approach, as well as potential effects and costs of the proposed changes.

- a) Amendment of the size of the initial minimum amount for retail investors, and net worth requirement**

- Yes
 No

Don't know / no opinion / not relevant

Please explain your answer to question 11.a, as well as your suggested approach if you responded yes:

b) Amendment of the specific requirements concerning the distribution of ELTIFs to retail investors (suitability test)

- Yes
 No

Don't know / no opinion / not relevant

Please explain your answer to question 11.b, as well as your suggested approach if you responded yes:

c) Withdrawal period of two weeks

- Yes
 No

Don't know / no opinion / not relevant

Please explain your answer to question 11.c, as well as your suggested approach if you responded yes:

d) Possibility to allow more frequent redemptions for retail investors

- Yes
 No

Don't know / no opinion / not relevant

Please explain your answer to question 11.d, as well as your suggested approach if you responded yes:

e) Procedures and arrangements to deal with retail investors complaints

- Yes
No
 Don't know / no opinion / not relevant

Please explain your answer to question 11.e, as well as your suggested approach if you responded yes:

f) Provisions related to the marketing of ELTIFs

- Yes
No
 Don't know / no opinion / not relevant

Please explain your answer to question 11.f, as well as your suggested approach if you responded yes:

g) Other provisions and requirements related to retail investors

- Yes
 No
 Don't know / no opinion / not relevant

Please explain your answer to question 11.f, as well as your suggested approach if you responded yes:

All points are ticked as Not Relevant except for point f), where we have already stated the importance of providing more clarifications with regards the type of marketing procedures and tools so as to have more relevant assurance that overall retail marketing standards are conveniently undertaken by managers.

Question 12. Which safeguards, if any, should be introduced to or removed from the ELTIF framework to ensure appropriate suitability assessment and effective investor protection, while considering the specific risk and liquidity profile of ELTIFs, including sustainability risks, investment time horizon and risk-adjusted performance?

The most important ones, in our opinion, relate to the investment horizon and to risk-adjusted criteria. This should provide the common and most highly used metrics as much as possible to make them comparable with other possible investment possibilities in the market. We do not deem that these will create excessive costs for managers.

Please give examples where possible and present the benefits and disadvantages of your suggested approach, as well as potential costs of the change:

5. CONFLICT OF INTERESTS

Question 13. Are mandatory disclosures under the ELTIF framework sufficient for investors to make informed investment decisions?

- Yes
 No
 Other
 Don't know / no opinion / not relevant

Please specify what you mean by other in your response to question 13:

The answer is “Other” because there is a lack of sufficient information, as already stated with risk-reward issues. One again, within this point we don’t believe relevant costs should be borne by managers to this respect.

Question 13.1 Please explain your position on your responses to question 13, including benefits and disadvantages of the potential changes as well as costs:

Question 14. Which elements of mandatory disclosure requirements, if any, should be tailored to the specific type of investor?

Mandatory disclosures could include overall “Investment Guidelines” and risk tolerance information as well as total Assets Under Management.

Please explain your position, including benefits and disadvantages of the potential changes as well as costs:

Question 15. Are the ELTIF rules on conflicts of interest appropriate and proportionate?

- Yes
- No
- Other
- Don’t know / no opinion / not relevant

Question 15.1 Please explain how you think how should such rules on conflicts of interest be amended.

Please explain the benefits and disadvantages of the potential changes as well as costs, as well as how specifically such amendments could facilitate the effective management of conflicts of interests, co-investment strategies and indirect investment strategies:

Question 15.1 Please specify what you mean by other in your response to question 15:

6. BORROWING OF CASH AND LEVERAGE

Question 16. Which of the following policy choices related to the leverage of the ELTIF funds do you find most appropriate?

- Increasing total allowed leverage Decreasing total allowed leverage
- Maintaining the current leverage-related rules set out in the ELTIF regime intact
- Other
- Don’t know / no opinion / not relevant

Please specify what other policy choice(s) related to the leverage of the ELTIF funds you would find most appropriate:

Question 16.1 Please explain your response to question 16 with the description of the advantages and disadvantages of your proposed approach, including its implications for ELTIF managers, the performance and risk and liquidity profile of the fund, the risk-adjusted returns of investors and the attractiveness of the ELTIF regime:

Question 17. What should be the optimal maximum allowed net leverage allowed for ELTIF funds?

Please explain:

No criteria at this point to answer this question.

Question 18. How should regulation of leverage for ELTIFs marketed to retail investors be different from that of the ELTIFs marketed solely to professional investors?

The regulation of leverage obviously should be the same, apart from the fact that disclosures on these issues should provide retail investors a more comprehensive and not excessively technical set of information.

Which safeguards are particularly relevant and appropriate, and why?

Question 19. Do the requirements related to the “contracting in the same currency” as the assets to be acquired with borrowed cash, maturity-related rules and other limits on the borrowing of cash constitute significant limitations to the operations and leverage strategy of ELTIFs?

It does not look as these provisions might limit the ELTIFs investment purposes.

Question 20. Please explain which regulatory safeguards, if any, you deem appropriate to ensure the effective management of liquidity, subscriptions and the financing of assets in the investment portfolio.

In addition, please explain if you consider it appropriate to provide for any alternative regulatory approach for the borrowing of cash rules specifically during the ramp-up period in the ELTIFs’ life:

No need to incorporate additional safeguards apart from the standard ones available in the market.

7. RULES ON PORTFOLIO COMPOSITION AND DIVERSIFICATION

Question 21. Which of the following policy choices pertaining to the ELTIF rules on diversification do you consider most appropriate?

Not possible to answer. Additional information required.

Please specify what other policy choice(s) pertaining to the ELTIF rules on diversification you would consider most appropriate:

Question 21.1 Please explain your response to question 21 with the description of the advantages and drawbacks of your preferred policy approach.

In particular, should you consider that the diversification and portfolio composition related rules under the ELTIF Regulation need to be amended, please explain, to what extent and why?

Question 22. Do you consider the minimum threshold of 70% of eligible assets laid down in Article 13(1) of the ELTIF Regulation to be appropriate?

- Requiring greater diversification Requiring less diversification
- Fewer regulatory requirements and more flexibility by ELTIF managers with respect to portfolio composition and diversification
- Maintaining the current rules pertaining to the portfolio composition and diversification set out in the ELTIF regime intact
- Other

Please specify what you mean by other in your response to question 22:

Question 22.1 Please explain your position on your response to question 22 by assessing the advantages and drawbacks of your preferred policy option pertaining to asset diversification rules:

8. REDEMPTION RULES AND LIFE OF ELTIFs

Question 23. Please provide a critical assessment of the impacts of the ELTIF Regulation rules on redemption policy and the life-cycle of ELTIFs, including the appropriateness of the ELTIF Regulation for the structuring of the ELTIF funds, taking into account the legitimate interests of the investors and achieving the stated investment objective of ELTIFs:

ELTIF redemption policies seem adequate.

Question 24. If longer-term investments were to be limited only to those with certain maturities, what threshold might be considered appropriate?

- Shorter maturity of between 5 to 10 years Maturity of 5 years and more
- Only investments with a maturity +10 years
- Only investments with a maturity +15 years
- Other possible maturity
- Don't know / no opinion / not relevant

Please specify what other threshold might be considered appropriate:

Question 24.1 Please explain your answer to question 24:

Question 25. If shorter-term investments were allowed to be included into the portfolio, what proportion of the portfolio should be permitted?

- 0% to 15%
- 15% to 30%
- Above 30%
- Other options
- Don't know / no opinion / not relevant

Please specify what other proportion of the portfolio should be

permitted: Question 25.1 Please explain your answer to question 25:

Question 26. Do you consider that “mid-term” redemption should be allowed?

- Yes
- No
- Other
- Don't know / no opinion / not relevant

ELTIFS are long term vehicles. Mid-term redemptions are granted only in limited circumstances according to article 18 which we consider are appropriate. No modifications are suggested.

Please specify what you mean by other in your response to question 26:

Question 26.1 Please explain your position on your responses to question 26 and provide for advantages and disadvantages of your policy choice from the perspective of ELTIF managers, ELTIF liquidity and risk profile, returns of investors, and other regulatory aspects:

Question 27. Do you consider it appropriate to allow for regular redemptions or an “evergreen” vehicle approach (no maturity)?

- Yes
- No
- Other
- Don't know / no opinion / not relevant

Please specify what you mean by other in your response to question 27:

Question 27.1 How frequent should ELTIF redemptions be, and if so, which additional safeguards would you consider necessary to cater for the illiquidity, redemptions and other fund cycle related aspects of the ELTIF framework?

Question 28. Is it appropriate to provide for any alternative regulatory approach with respect to the redemption rules or portfolio composition, diversification rules, etc. for ELTIFs during the ramp-up period in the ELTIFs' life-cycle?

- Yes
- No
- Other
- Don't know / no opinion / not relevant

Please specify what you mean by other in your response to question 28:

Question 28.1 Please explain your position and provide for advantages and disadvantages of your policy choice:

Secondary market and issuance of new units or shares

Question 29. Are the provisions of the ELTIF Regulation pertaining to the admission to the secondary market and the publication of “periodical reports” clear and appropriate?

They seem clear and appropriate

Question 30. Are the limitations of the ELTIF Regulation regarding the issuance of the new units or shares at a price below their net asset value without a prior offering of those units or shares at that price to existing investors clear and appropriate?

They might not be appropriate

Question 31. Should the provisions in the ELTIF framework related to the issuance of new units or shares be amended, and if so how?

No

9. MARKETING STRATEGY FOR ELTIFs AND DISTRIBUTION RELATED ASPECTS

Question 32. What are the key limitations stemming from the ELTIF framework that you consider reduce the attractiveness of the ELTIF fund structure or the cross-border marketing and distribution of ELTIFs across the Union?

Please explain:

No opinion

Question 33. Do you consider that review of the ELTIF rules related to the equal treatment of investors is warranted?

- Yes
- No
- Other
- Don't know / no opinion / not relevant

Please specify what you mean by other in your response to

question 33: Question 33.1 Please explain your position on your

answer to question 33:

Question 34. Is it necessary to clarify the ELTIF framework with regard to the application of the principle of equal treatment of investors at the level of individual share classes, and any other specific arrangements for individual investors/group of investors?

If possible, please provide a specific suggestion:

No opinion

10 MISCELLANEOUS

Question 35. Is the effectiveness of the ELTIF framework impaired by national legislation or existing market practices? Please provide any examples you may have of “goldplating” or wrong application of the EU acquis.

Please explain:

No opinion

Question 36. Are you aware of any national practices or local facility requirements for ELTIF managers or distributors of ELTIFs that require a local presence or otherwise prevent the marketing of ELTIFs on a cross-border basis?

Please explain and provide specific examples:

We are not aware

Question 37. Which features of the current ELTIF framework, if any, should be defined in more detail and which should be left to contractual arrangements?

Please explain:

Everything related to marketing to individuals

Question 38. Which specific provisions in the ELTIF framework could be amended, and how, in order to lower costs and reduce compliance, administrative or other burdens in a manner that would not lead to an increase in material risks from the perspective of effective supervision or investor protection?

No opinion

Question 39. Please elaborate on whether and to what extent the current ELTIF regime is appropriate for the AIFMs falling under Article 3(2) of Directive 2011/61/EU to have an incentive to market ELTIFs.

Please explain:

No opinion

Question 40. Please provide examples of any national taxation regimes towards long- term investment funds that are either discriminatory or that you deem materially reduce the relative attractiveness of the ELTIF framework vis- à-vis other (national) fund vehicles, also taking into account the interaction with foreign tax systems? Please provide specific examples of such cases:

- Yes
- No
- Don't know / no opinion / not relevant

We can refer to the Spanish tax framework where ELTIFs compete with Fondos de Inversión Libre (FIL), a kind of hedge funds (AIF) authorized under the Spanish CIS legislation. These institutions are subject to a reduced tax scheme (1% of yearly profits against 25% that have to pay ELTIFs). Likewise, Spanish Private Equity entities enjoy a deduction of 99% on the taxable base.

The existence of different tax regimes applicable to vehicles which compete and are addressed to a similar target markets is an important disruption of the level playing field.

If the objective is to promote the dissemination of ELTIFs in the single market, a tax harmonization in the EU for investment products would be more than desirable.

Question 41. You are kindly invited to make additional comments on this consultation if you consider that some areas have not been adequately covered. Please elaborate, more specifically, which amendments of the ELTIF framework could be beneficial in providing additional clarity and practical guidance in facilitating the pursuit of the ELTIF strategy. Please include examples and evidence on any issues, including those not explicitly covered by the questions raised in this public consultation:

Everything related to marketing to individuals

Question 42. Would you be willing to provide additional clarifications or follow-up input upon a direct request from the Commission services?

No additional comments

Question 42.1 Please specify under which conditions you would be willing to provide additional clarifications or follow-up input upon a direct request from the Commission services:

