

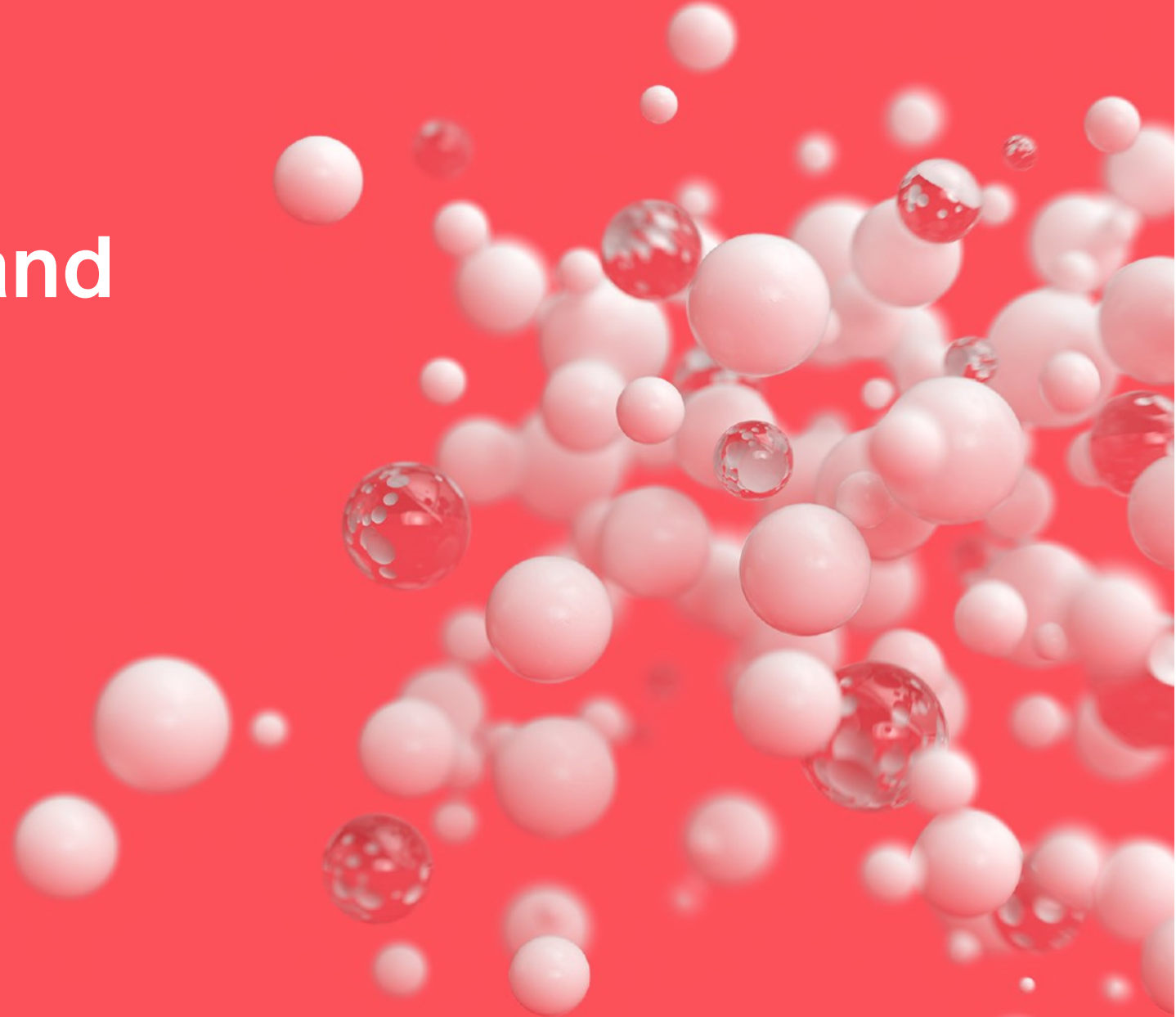
Irish Funds & Regulatory Quarterly Update

1 July – 30 September 2026



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Central Bank of Ireland (“CBI”) Updates



CBI published Markets Update No. 12 of 2026

In Markets Update No. 12 of 2026, the CBI published its Feedback Statement to Consultation Paper 161 (“**CP161**”), together with updated CBI UCITS Regulations and revised Guidance on Performance Fees for UCITS and certain Retail Investor AIFs. The amendments primarily focus on liquidity management tools (“**LMTs**”), performance fee oversight and disclosure requirements, reflecting developments introduced under the amended UCITS framework and related ESMA guidance.

Following industry feedback, the CBI has refined a number of proposals. Key changes include aligning definitions more closely with the UCITS Directive and ESMA Performance Fee Guidelines, clarifying the new LMT requirements to ensure consistency with the terminology used in the amended UCITS Directive, and retaining the requirement for UCITS responsible persons to consider adopting at least one anti-dilution tool and one quantitative-based LMT from the UCITS Directive toolkit. These changes are intended to strengthen liquidity risk management while maintaining regulatory consistency.

The CBI has also clarified the role of depositaries in relation to performance fees. Responsible persons must ensure that depositaries verify that appropriate procedures have been implemented so that performance fees are calculated and accrued in accordance with the UCITS constitutional document and prospectus. In addition, the CBI has removed the proposed requirement for standardised prospectus disclosure relating to anti-dilution levies, while introducing a new requirement for prospectus disclosure of NAV-based fees. Further drafting amendments have been made to the Performance Fee Guidance to ensure consistency with both the revised UCITS Directive and ESMA's requirements.

Although Markets Updates Nos. 11, 13 and 14 covered a range of other regulatory developments, including ESAP-related filing requirements, short selling registration requirements, ESMA’s reminder on binary option rules and preparations for the move to T+1 settlement, the CP161 feedback and resulting UCITS amendments are likely to be of greatest significance to Irish fund promoters and management companies. In particular, firms should review their liquidity management frameworks, performance fee arrangements and prospectus disclosures to ensure compliance with the updated regulatory requirements.

Update	1 July – 30 September 2026
Regional Impact	Ireland
Sector Focus	Asset Management and Investment Funds, Institutional Managers, Regulated Funds
Link	Simmons Insights Article CBI Markets Update No. 12

For further information, please see links to our full Simmons Insights Article and the CBI Markets Update.

New CBI UCITS Regulations enter into force

The Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2026 were published on 10 July 2026, repealing and replacing the 2019 CBI UCITS Regulations, alongside the CBI’s Feedback Statement on CP161 and updated Guidance on Performance Fees for UCITS and certain Retail Investor AIFs. This follows the proposals set out in CP161, which last quarter's update covered at the consultation stage; those proposals have now been finalised and taken effect.

Key changes include:

- Existing dealing mechanisms, including in-specie dealing, redemption gates, anti-dilution levies and redemption charges, have had their drafting aligned with the formal LMT taxonomy under UCITS VI, with the recommendation retained (not mandated) that responsible persons select at least one anti-dilution tool and one quantitative-based LMT.
- A new prospectus disclosure requirement now requires UCITS management companies to disclose the maximum fee payable for any recurring NAV-based fees deducted from fund assets, though paying distribution or representative agent fees at normal commercial rates remains unaffected.
- UCITS ETFs may adopt different dealing cut-off times for cash and in-kind dealing, and across hedged and unhedged share classes, without needing a separate waiver.
- Performance fee methodologies have been relaxed to permit hurdle rates, fulcrum fees and other symmetrical models, with the previous payment frequency restriction replaced by one based on crystallisation frequency.

Managers of UCITS and Retail Investor AIFs should review their performance fee models, constitutional documents, prospectuses, LMT frameworks and governance arrangements against the new Regulations and Guidance. Firms that have not yet aligned should treat this as a live compliance gap rather than a forward-looking item.

Update	1 July – 30 September 2026
Regional Impact	Ireland
Sector Focus	Asset Management and Investment Funds, Institutional Managers, Regulated Funds
Link	Feedback Statement Consultation Paper 161 Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2026

CBI publishes Markets Update No. 15 of 2026

On 30 July 2026, the CBI published [Issue No 15 2026](#) of its regular Markets Update, in which it sets out alerts of interest to Irish regulated firms and other market participants. For our summaries of the previous issues, please see the right-hand column of this page.

The new update contains a single item:

Publication of updated AIF Rulebook

On 29 July 2026, the Central Bank published an updated version of its [AIF Rulebook](#).

This includes amendments made to the following Parts within Chapter 2:

- Part III – Additional provisions applicable to Qualifying Investor AIFs which have a Registered AIFM and
- Part IV - Additional provisions applicable to Qualifying Investor AIFs which have a Non-EU AIFM.

The changes made by the CBI

- Insert a requirement that the registered or non-EU AIFM comply with Regulations 16(6)(d), 16(6A), 16(6B) and 17A of the AIFM Regulations (I.e., the AIFMD 2 loan origination provisions) and
- clarify that, where a loan origination AIF has a registered AIFM, the obligation to ensure that the AIF is closed-ended rests with the AIFM.

Update	1 July - 30 September 2026
Regional Impact	Ireland
Sector Focus	Asset Management and Investment Funds, Financial Services Regulation and Regulated Funds
Link	Simmons Insights Article CBI markets update No. 15

For further information, please see links to our full Simmons Insights Article along with the CBI's markets update.

CBI reviews delegations in the funds sector

The CBI’s July 2026 Thematic Review of Delegation in the Irish Funds Sector confirms that delegation remains a fundamental and accepted feature of Ireland’s funds industry, particularly for UCITS management companies and AIFMs. The review’s findings will inform a broader reassessment of the governance framework applicable to Irish fund management companies (“**FMCs**”), including the delegation regime, the PCF framework and the possible extension of the Individual Accountability Framework (“**IAF**”) and Senior Executive Accountability Regime (“**SEAR**”) to the funds sector. While the CBI recognises the benefits of delegation, particularly access to non-EU investment expertise, it emphasises that FMCs must retain effective control, oversight and accountability and avoid becoming “letterbox” entities.

The review covered all FMCs operating in Ireland and included quantitative and qualitative surveys, desk-based reviews and on-site inspections. Overall, the CBI found that most FMCs operate effective delegation frameworks with strong governance arrangements, oversight processes and control environments. However, some firms were found to require enhancements to their governance and operating models and a small number fell materially below supervisory expectations, resulting in remediation programmes. The CBI’s findings were grouped into five key areas: governance, portfolio management, risk management, delegate oversight and data capabilities.

In the area of governance, the CBI highlighted the importance of genuine local substance, independent decision-making and adequate resourcing. While many firms demonstrated experienced boards, clear reporting lines and effective oversight structures, some showed insufficient board independence, overreliance on group-level governance arrangements and inadequate seniority or capacity among designated persons. Similar themes arose in relation to portfolio management and risk management, where firms generally demonstrated robust oversight but, in some cases, lacked sufficient documented procedures, contingency planning, independent challenge or access to timely and reliable risk data. The CBI stressed that FMCs must be able to demonstrate autonomous oversight and effective control over delegated functions at all times.

Update	1 July – 30 September 2026
Regional Impact	Ireland
Sector Focus	Asset Management and Investment Funds, Financial Institutions and Financial Services Regulation
Link	Simmons Insights Article

For further information, please see link to our full Simmons Insights Article

Continued – CBI reviews delegations in the funds sector

The review also identified delegate oversight and data management as increasingly important supervisory priorities. While most FMCs employ structured due diligence, performance monitoring and regular reviews of delegates, some firms rely too heavily on group processes and do not sufficiently involve local management in oversight activities. The CBI also highlighted the growing importance of data as a strategic asset, noting that firms with strong data governance and reporting capabilities are generally better positioned to oversee delegates and manage risk effectively. Looking ahead, the review signals a continued regulatory focus on governance, accountability, operational substance and data-driven oversight as key components of the Irish funds management framework.

The CBI has indicated that it will undertake a broader review of the FMC governance framework during 2026, reflecting the increasingly complex operating environment faced by fund management companies. This review will consider enhancements to the existing delegation regime, including updates to CP86 and the Cross-Industry Guidance on Outsourcing, simplification and strengthening of the PCF framework, and the potential extension of the IAF and SEAR to the funds sector. The CBI expects all FMCs to assess the review findings against their own governance and operating models, identify any gaps and implement time-bound remediation plans by year-end.

The review sends a positive signal for Ireland’s funds industry by reaffirming that delegation remains a legitimate and integral part of the Irish and broader European asset management model. However, the CBI is clearly signalling that strong governance, local substance, effective oversight and robust data capabilities must accompany delegated arrangements. Boards should therefore be reviewing the independence and effectiveness of their governance structures, the adequacy of designated person resourcing, the extent to which delegate oversight is genuinely exercised at FMC level, and whether they have direct access to the data, risk management tools and contingency planning necessary to exercise meaningful control over delegated activities.

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Regional Impact	Ireland
Sector Focus	Asset Management and Investment Funds, Financial Institutions and Financial Services Regulation
Link	Simmons Insights Article

For further information, please see link to our full Simmons Insights Article

CBI commissions independent review of enforcement activities

The CBI has commissioned an independent review of its enforcement framework, to be led by Josephine Feehily, former Chair of the Revenue Commissioners and the Policing Authority. The review reflects the CBI’s view that, given the increasing size, complexity and interconnectedness of the financial system, together with significant developments in regulatory and enforcement frameworks, it is timely to assess the effectiveness and efficiency of its enforcement activities. The review will examine the CBI’s enforcement structures, decision-making processes, case selection criteria, timeliness of investigations and the transparency of enforcement actions for firms, individuals and the public.

Alongside the review, the CBI has published Supplemental Guidance on Prohibition Notices under the Fitness and Probity Regime. The guidance provides greater clarity on the factors considered when deciding whether a prohibition is appropriate, as well as its scope, duration and conditions. It also addresses the publication, variation and revocation of Prohibition Notices and confirms that personal circumstances, privacy considerations and submissions from affected individuals will be taken into account when publication decisions are being made.

The review comes against the backdrop of increased judicial scrutiny of the CBI’s enforcement and fitness and probity processes, particularly following the High Court’s decision in **Central Bank of Ireland v CD [2026] IEHC 203**, where the Court declined to confirm a Prohibition Notice due to concerns regarding procedural fairness. Governor Gabriel Makhlouf has confirmed that the CBI is taking the judgment seriously and will fully implement its findings, while emphasising that the independent review will examine the broader enforcement framework rather than revisit the specific case itself.

The initiative continues a broader trend of independent assessments of the CBI’s regulatory processes. Following the Enria Review of the fitness and probity framework, the CBI implemented all twelve recommendations made to improve fairness, efficiency and effectiveness. Similarly, the current review is expected to result in further enhancements to the CBI’s investigative, supervisory, fitness and probity and enforcement functions. A final report, including recommendations, is due to be provided to the Governor by 31 January 2027 and will be published thereafter.

Update	1 July – 30 September 2026
Regional Impact	Ireland
Sector Focus	Financial Institutions, Financial Services Regulation
Link	Simmons Insights Article

For further information, please see link to our full *Simmons Insights Article*

CBI publishes Feedback Report on Common Supervisory Action on Compliance and Internal Audit Functions

On 3 August 2026, the CBI published its Feedback Report on the Common Supervisory Action ("**CSA**") on the effectiveness of compliance and internal audit functions of fund managers, prepared as the CBI's contribution to the wider ESMA-led exercise. The CBI found that firms have generally established the core governance structures required for effective compliance and internal audit functions and are broadly operating in line with regulatory expectations, although areas for enhancement were identified.

While many firms have mature functions in place, the CBI flagged the need for more consistent compliance policies and procedures, strengthened resourcing and training, more robust monitoring and testing, enhanced board engagement, and stronger oversight of delegated or group-level arrangements.

On the compliance side, the CBI observed that some firms lacked a single Board-approved compliance framework capturing planning, monitoring, policy reviews and reporting in one place, and noted cases where group-level policies had already been approved before being presented to the local board, limiting the board's ability to tailor policies to the firm.

On internal audit, the CBI was broadly satisfied with the conditions in place, but noted that all sampled firms outsourced internal audit to group level, with board influence over audit coverage varying significantly.

The CBI expects well-established compliance functions to be underpinned by sound governance, clearly defined policies and procedures, risk-based planning, rigorous testing protocols and comprehensive oversight, with internal audit functions expected to demonstrate equivalent independence, documented plans and robust follow-up on findings, all supported by active board engagement, challenge and accountability.

Update	1 July – 30 September 2026
Regional Impact	Ireland
Sector Focus	Asset Management and Investment Funds, Institutional Managers, and Regulated Funds
Link	<u>CBI Feedback Report – CSA on Compliance and Internal Audit Functions</u>

Next Steps for firms

Firms are expected to review their compliance and internal audit arrangements against the observations in this report, together with ESMA's related Final Report, and to develop time-bound remediation plans addressing any deficiencies identified. The CBI expects both reports to be discussed thoroughly with the board and relevant personnel to support informed decision-making.

For further information, please see link to the CBI's Feedback Report.

CBI Christmas Deadlines 2026

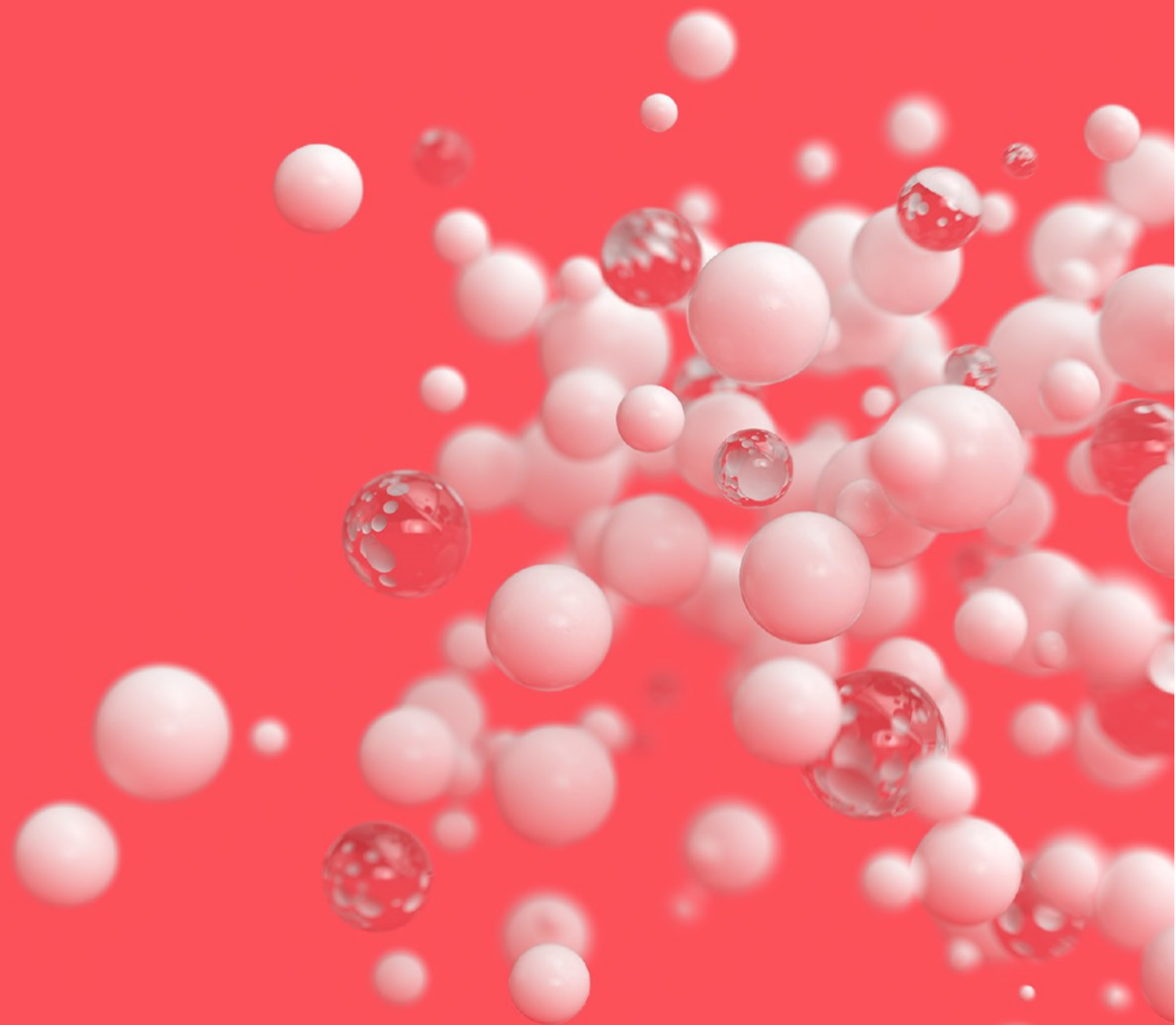
The CBI has published its year-end filing timetable for fund and fund service provider submissions, with amended cut-off dates applying across QIAIFs, ELTIFs, UCITS, RIAIFs, ICAV registrations and revocations.

- QIAIF/professional and qualified ELTIF authorisations, approvals and notings will continue under normal timelines until **22 December 2026**, with specific submission deadlines applying for approvals sought between **23 December 2026 and 4 January 2027**.
- QIAIF change of service provider filings effective between 24 December and 4 January must be submitted by 18 December, while ICAV registration/conversion/migration applications seeking an effective date between **23 and 31 December must be filed by 11 December**.
- For UCITS, RIAIFs and retail ELTIFs, **24 and 29-31 December 2026 and 4-8 January 2027** will not count towards regulatory comment periods, reflecting the CBI's year-end processing arrangements.
- The first authorisation/approval/noting date in 2027 will be **4 January**. Revocation applications targeting year-end must be submitted by 5pm on **15 December 2026**.

Update	1 July – 30 September 2026
Regional Impact	Ireland
Sector Focus	Asset Management and Investment Funds, Institutional Managers, and Regulated Funds

Filing Type	Authorisation / Effective Date	CBI Submission Deadline
QIAIF / Professional & Qualified ELTIF Authorisations, Approvals & Notings	23-24 Dec 2026	3pm on 22 Dec 2026
	29 Dec 2026	3pm on 23 Dec 2026
	30-31 Dec 2026	3pm on 29 Dec 2026
	4 Jan 2027	5pm on 30 Dec 2026
QIAIF Change of Service Provider Filings	Effective 24 Dec 2026 - 4 Jan 2027	5pm on 18 Dec 2026
ICAV Registration / Conversion / Migration Applications	Effective 23-31 Dec 2026	5pm on 11 Dec 2026
UCITS, RIAIF & Retail ELTIF Authorisations / Approvals / Notings	23, 24, 29, 30 & 31 Dec 2026	Executed documents due by close of business on 21 Dec 2026
Revocation Applications	Year-end 2026 revocations	Complete application and levy payment by 5pm on 15 Dec 2026

Irish Government Updates



Irish Government launches consultation on reform of the Limited Partnerships Act 1907

The Irish Government has launched a consultation on reforms to the Limited Partnerships Act 1907 (“[1907 Act](#)”), seeking to modernise Ireland’s private limited partnership regime and improve its competitiveness relative to jurisdictions such as the UK, Luxembourg and Delaware. The consultation focuses on three longstanding issues: the cap on the number of limited partners, uncertainty regarding activities that limited partners can undertake without jeopardising their limited liability, and restrictions on the withdrawal of capital contributions. The reforms build on the success of the Investment Limited Partnerships Act 2020, which modernised Ireland’s regulated partnership framework and increased the use of partnership structures for private capital funds.

One of the key proposals is to increase the maximum number of limited partners from 20 to 149, aligning the limit with the maximum number of members permitted in a private company. The current cap has long been viewed as a significant obstacle for investment structures, often requiring sponsors to use parallel or aggregation vehicles to accommodate larger investor bases. While the proposed increase is a welcome development, many industry participants may favour the complete removal of the cap, consistent with competing jurisdictions that impose no such restriction.

The consultation also proposes introducing a statutory “whitelist” of activities that limited partners may undertake without being regarded as participating in the management of the partnership. This is intended to provide greater legal certainty for investors engaging in common governance and oversight functions, such as serving on advisory committees, approving key partnership decisions and overseeing conflicts or valuation matters. Similar safe harbour provisions already exist in jurisdictions such as the UK, Luxembourg and Delaware, as well as under Ireland’s Investment Limited Partnerships regime.

Update	1 July – 30 September 2026
Regional Impact	Ireland
Sector Focus	Asset Management and Investment Funds
Link	Simmons Insights Article



Next Steps

The Consultation had closed on 14 August 2026. Simmons & Simmons made a submission.

We will continue to monitor developments arising from this Consultation and the progress of the broader LP reform programme and will provide further updates as they become available.

For further information, please see link to our full Simmons Insights Article linked above.

Ccontinued - Irish Government launches consultation on reform of the Limited Partnerships Act 1907

A further area of focus is the treatment of capital contributions. Under the current legislation, limited partners risk losing their limited liability if they withdraw capital contributions during the life of the partnership. The Government is considering reforms that would allow withdrawals and capital adjustments, subject to safeguards such as solvency tests, creditor protection measures and disclosure requirements. This would better align the Irish regime with modern private capital fund structures, which typically operate using commitment-and-drawdown models rather than fixed capital contributions.

If implemented, the reforms would represent the most significant update to Ireland’s limited partnership regime in over a century. Although targeted in scope, they would remove a number of historical constraints and make 1907 Act partnerships more suitable for private equity, venture capital, infrastructure, real estate and private credit structures. Together with recent transparency initiatives, the proposals signal Ireland’s intention to further strengthen its position as a modern and competitive jurisdiction for partnership-based investment vehicles.

Update	1 July – 30 September 2026
Regional Impact	Ireland
Sector Focus	Asset Management and Investment Funds
Link	Simmons Insights Article



Next Steps

Interested parties should consider whether to respond to the Consultation, which closed on 14 August 2026. Simmons and Simmons made a submission.

We will continue to monitor developments arising from this Consultation and the progress of the broader LP reform programme and will provide further updates as they become available.

For further information, please see link to our full Simmons Insights Article linked above.

CRD VI Transposed into Irish Law: What Firms Need to Know

The transposition of CRD VI into Irish law through the European Union (Capital Requirements) (Amendment) Regulations 2026 introduces a harmonised EU framework governing the provision of certain banking services by third-country undertakings (TCUs). From 11 January 2027, non-EU firms providing in-scope “core banking services” into Ireland, namely deposit-taking, lending, and the provision of guarantees and commitments, will generally be required to establish and obtain authorisation for an Irish third-country branch unless a specific exemption applies. Ireland has largely adopted a “copy-out” approach, implementing the directive with minimal additional national requirements.

CRD VI contains several important exemptions that may enable non-EU firms to continue servicing Irish clients without establishing a branch. These include services provided at the exclusive initiative of a client (reverse solicitation), interbank transactions, intra-group business, certain MiFID-related ancillary activities and grandfathering provisions for contracts entered into before 11 July 2026. However, firms should exercise caution when relying on these exemptions, particularly reverse solicitation, which EU regulators generally interpret narrowly and which requires clear evidence that the client initiated the relationship without active marketing by the firm.

Update	1 July – 30 September 2026
Regional Impact	Ireland
Sector Focus	Regulation and Financial Services Regulation, Financial Institutions
Link	Simmons Insights Article

Next Steps for firms

The new CRD VI third-country branch regime will require many non-EU firms to reassess how they provide banking services into the EU. Simmons & Simmons advises clients across Ireland and Europe on the regulatory, structuring and operational implications of these changes, including branch authorisations, exemption analysis, governance requirements and cross-border business models.

We are supporting clients with the assessment of reverse solicitation and grandfathering exemptions, the review of existing and proposed transactions, the development of migration and implementation strategies, and the updating of internal cross-border frameworks to reflect the new requirements across multiple jurisdictions.

If you would like to discuss the impact of CRD VI on your organisation, please contact our Dublin or European [Financial Service Regulatory](#) teams.

For further information, please see link to our full Simmons Insights Article

Continued - CRD VI Transposed into Irish Law: What Firms Need to Know

Where an exemption is unavailable, firms will need to establish an authorised third-country branch and comply with a range of prudential and supervisory requirements relating to governance, capital, liquidity, risk management and regulatory reporting. CRD VI also introduces a classification system under which larger or higher-risk branches will be subject to enhanced regulatory oversight. Importantly, third-country branches will not benefit from EU passporting rights, meaning that a branch authorised in one Member State cannot automatically provide services across the EU, potentially making an EU-authorised subsidiary a more attractive structure for firms operating in multiple jurisdictions.

Overall, Ireland's proportionate implementation of CRD VI provides regulatory clarity while preserving flexibility for international firms assessing their future operating models. Although the new regime represents a significant change for non-EU institutions, a range of structuring options remain available, including reliance on exemptions, rebooking arrangements through EU entities, or establishing EU-authorised subsidiaries where appropriate. The framework reinforces Ireland's position as an attractive jurisdiction for cross-border financial services while ensuring greater consistency across the EU in the supervision of third-country banking activities.

Update	1 July – 30 September 2026
Regional Impact	Ireland
Sector Focus	Regulation and Financial Services Regulation, Financial Institutions
Link	Simmons Insights Article

Next Steps for firms

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For further information, please see link to our full Simmons Insights Article

Ireland for Finance: Vision 2030 – Renewed and Refocussed for a Digital Age

On 25 August 2026, the Department of Finance published "*Ireland for Finance: Vision 2030 – Renewed and Refocussed for a Digital Age*", a renewed Government strategy for Ireland's international financial services sector. The strategy signals the Government's direction on several issues relevant to fund structuring and private assets.

Funds and Asset Management

Ireland's funds and asset management sector remains substantial in scale, as the 3rd largest investment funds domicile globally, with its growth bolstered by a leading position in ETFs, an expanding private assets sector, and strong industry interest in fund tokenisation.

Irish-domiciled ETF assets under management rose from €630 billion in Q4 2020 to €1.89 trillion in Q4 2025, with Ireland domiciling roughly 70% of European ETFs and the European ETF market forecast to exceed \$6 trillion in AUM by 2030, growth which may be further supported by the Government's proposed investment account initiative.

Private Assets, Digital Assets and Fund Tokenisation

On private assets, the strategy points to European private markets being forecast to exceed €5 trillion in AUM by 2030, and highlights AIFMD-related reforms, 2025 tax changes and the ongoing modernisation of the 1907 Limited Partnership structure, with a bill currently being drafted for publication in 2026, as measures already underway to support growth in this area. On digital assets, the Government has committed to supporting fund tokenisation, with an examination of the ICAV Act and the Companies Act underway to modernise the legislative framework, building on the CBI's earlier Discussion Paper on tokenisation.

Sustainable Funds

The strategy also highlights Ireland's position as a centre for sustainable finance, noting that Ireland hosted €2 trillion of Article 8 and €36 billion of Article 9 SFDR-classified Irish-domiciled funds as at Q3 2025, with measures supporting private asset structures such as ELTIFs expected to further contribute to this growth.

Update	1 July – 30 September 2026
Regional Impact	Ireland
Sector Focus	Regulation and Financial Services Regulation, Financial Institutions
Link	Ireland for Finance Vision 2030 – Executive Summary

Roadmap for the Taxation of Retail Investment: new Investment Account and the future of deemed disposal

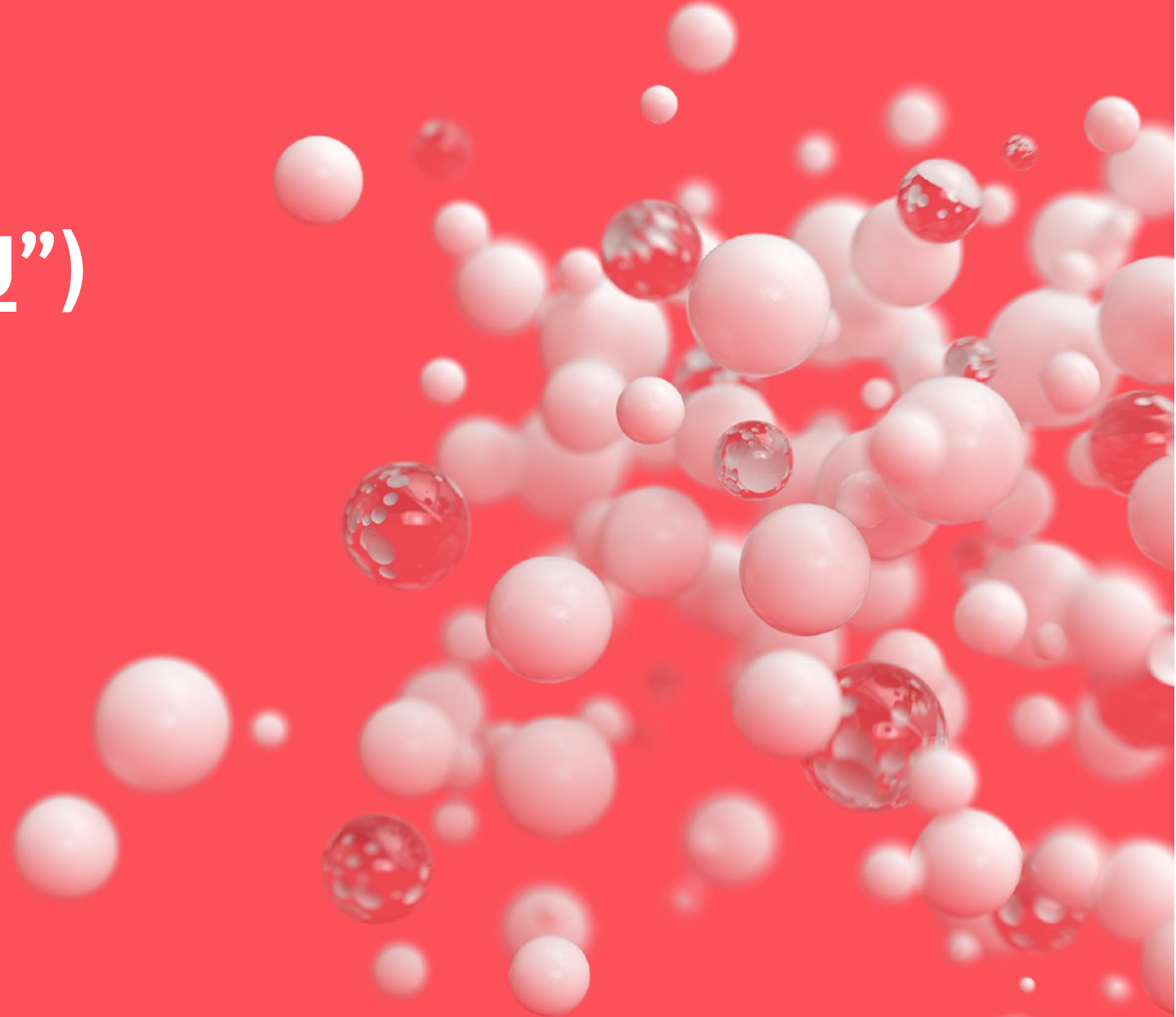
On 31 August 2026, the Department of Finance published the Roadmap for the Taxation of Retail Investment, setting out plans for a new Investment Account (“**IA**”) to be legislated for in the Finance (No. 2) Bill 2026 and made available during 2027. Irish households currently hold just 2.3% of financial assets in direct investments, against an EU average of around 7.5%, with cash and deposits making up 38% of household assets compared with an EU average of 30%.

The IA will be open to Irish tax-resident individuals aged 18 or over, one account per person, with a tax-free threshold and a low flat rate applying annually above it, with specific parameters to be confirmed in Budget 2027. Eligible investments include listed shares and bonds and a range of retail funds including ETFs, excluding derivatives, crypto and other high-risk products. Deemed disposal will not apply within the account, there is no minimum holding period, and providers rather than investors will handle tax calculation and payment. The model echoes Sweden's Investment Savings Account, where tax is administered by the provider rather than the investor and shares the same policy objective as the UK's ISA regime in encouraging retail participation through a simple wrapper.

Outside the IA, the eight-year deemed disposal rule remains firmly on the agenda. Introduced in Finance Bill 2006 to prevent indefinite roll-up of income and gains under the gross roll-up regime, the rule taxes any unrealised gain on Irish and equivalent offshore funds (including ETFs) and certain life assurance products every eight years, whether or not an actual disposal has occurred, with tax already paid creditable against the liability on eventual disposal. The Minister for Finance has repeatedly confirmed in parliamentary replies that any reform must be balanced against Exchequer protection, and Budget 2026 already reduced the applicable rate from 41% to 38%. The Roadmap lists further review of the rule as one of three areas for consideration from Budget 2028 onward, alongside further rate cuts and administrative simplification, without commitment to abolition. Firms should watch the Finance Bill and Budget 2027 for confirmation of IA parameters and eligible provider criteria, and continue to monitor the deemed disposal debate as a live industry priority.

Update	1 July – 30 September 2026
Regional Impact	Ireland
Sector Focus	Asset Management and Investment Funds, Institutional Managers
Link	Department of Finance press release

European Union (“EU”) Updates



Retail Investment Strategy nears the finish line as industry turns to implementation planning

The Retail Investment Strategy (RIS) is an omnibus Directive amending MiFID, the UCITS Directive, AIFMD, the IDD and Solvency II, together with a Regulation modernising the PRIIPs Key Information Document. The European Council and Parliament ("**Council and Parliament**") reached political agreement on 18 December 2025, and the file is now listed as "Close to adoption" on the Parliament's own tracker, with a confirmatory plenary vote pencilled in for the November 2026 session, ahead of formal publication in the Official Journal of the EU.

The most consequential element for fund managers is value for money. Rather than EU-wide cost caps, the agreed approach requires MiFID firms, AIFMs and UCITS management companies to run their own "peer group comparison" process for the products they manufacture or distribute, benchmarking costs and charges against comparable products in the market. On inducements, the European Commission's ("**Commission**") proposed ban on execution-only inducements was dropped in favour of a strengthened test, with Member States free to impose their own ban or restrict third-party inducements for certain products or services on top of it. As the core instrument is a Directive, all 27 Member States must transpose it individually, creating a real risk of divergent national implementation of the value-for-money rules in particular.

With the substance largely settled, focus is shifting to the Level 2/3 technical standards ESMA and EIOPA still need to produce to operationalise the peer-group benchmarks. Fund management companies should start scoping the cost and performance data they will need once those standards land, dovetailing with the closet indexing and value for money reviews the CBI is separately conducting in Ireland this quarter.

Update	1 July – 30 September 2026
Regional Impact	EU-wide
Sector Focus	Financial Institutions
Link	European Parliament News

Timing
November 2026
Parliament's plenary vote
Q2 2029
Estimated Application Date

ESMA launches EU-wide review of risk management function at UCITS management companies and AIFMs

On 3 July 2026, ESMA announced a new Common Supervisory Action (“CSA”) targeting the risk management function of UCITS management companies and AIFMs across the EU, to run through 2026 and 2027 in conjunction with national competent authorities, with a final report due in 2028. National regulators will assess three areas: the governance and organisational independence of the risk management function; risk identification, measurement and monitoring across market, liquidity, credit, counterparty and operational risk; and reporting and escalation to senior management and governing bodies, using a common assessment framework intended to ensure consistency across Member States.

This is the latest in a sequence of ESMA thematic reviews stretching back to its 2020 CSA on UCITS liquidity risk management, and follows directly on from the 2025 CSA on compliance and internal audit functions, whose final report (published in May 2026) similarly flagged recurring weaknesses in the independence, resourcing and effective embedding of control functions. Read together, the pattern points to ESMA systematically working through the core control functions underpinning fund governance, rather than treating each CSA as a standalone exercise.

While the detailed assessment framework has not yet been published, UCITS management companies and AIFMs should begin reviewing the independence and standing of their risk management function, adequacy of resourcing and expertise, risk identification and escalation processes, board and senior management reporting, and governance over delegated portfolio management and risk oversight arrangements. Firms should expect scrutiny of practical, evidenced operation of these frameworks, not just documentary compliance.

Update	1 July – 30 September 2026
Regional Impact	EU-wide
Sector Focus	Asset Management and Investment Funds, Institutional Managers
Link	Simmons Insights Article

European Parliament adopts position on SFDR 2.0

On 10 September 2026, the Parliament's ECON Committee adopted its position on SFDR 2.0, with formal endorsement expected at the October plenary session. Following the Commission's November 2025 proposal and the Council's June 2026 mandate reported last quarter, all three institutions' positions are now settled. Final legislation is unlikely to be published before Q2 2027 at the earliest, with the application date depending on whether an 18-month or 24-month implementation period is agreed.

Parliament has broadly retained the Council's three-category structure – sustainable, transition and ESG basics – each requiring at least 70% of assets to meet the relevant criteria. The 70% threshold may be reached at the end of a disclosed phase-in period, with neither the Commission nor Parliament proposing a maximum ramp-up, while the Council has pushed for a three-year cap. On implementation timing, Council and Parliament both favour 24 months over the Commission's proposed 18, putting application at around 2029.

The most consequential point for fund managers is the professional-investor AIF opt-out: Council and Parliament now both support exempting AIFs marketed exclusively to per se professional investors, though opted-out funds would still face restrictions on sustainability claims in names and marketing, capped at 10% of the investment strategy section. On fossil fuel exposure, Parliament has aligned with Council's approach subject to capex and emissions conditions, adding a three-year rolling capex safeguard likely to be a key trilogue issue.

Managers running Article 8 and 9 funds should map strategies against the new thresholds and monitor the October vote and trilogue, particularly the professional investor opt-out and the 70% phase-in period outcome.

Update	1 July – 30 September 2026
Regional Impact	EU-wide
Sector Focus	Asset Management and Investment Funds, Institutional Managers, ESG
Link	Simmons Analysis of SFDR 2.0

For further information, please see links to our full Simmons Insights Article and the CBI Markets Update.

Important Dates for Q3 2026

Date	Matter
15 July 2026	AMLA consultation on draft business-wide risk assessment guidelines – response deadline.
31 July 2026	EMIR Annual Assessment Report/Representativeness Reporting deadline for in-scope entities.
3 August 2026	CBI Consultation Paper 168 (Money Market Funds) response deadline.
6 August 2026	ESMA MMFR stress-testing consultation response deadline.
3 September 2026	AMLA consultation on ongoing monitoring of business relationships – response deadline.
30 September 2026	CBI Consultation Paper 170 on Regulatory Impact Assessments – response deadline.
H2 2026	CBI Delegation Review Feedback Report expected. The CBI is scheduled to publish observations arising from its review of delegation frameworks operated by Irish fund management companies.
H2 2026	CBI review of Fund Management Company Guidance. Expected review of governance, delegation and oversight requirements applicable to Irish UCITS management companies and AIFMs.
Q4 2026 (notification) / 28 February 2027 (submission deadline)	CBI to resume domestic collection of Outsourcing Registers, with a submission deadline of 28 February 2027 (data reference date 31 December 2026), limited to firms that submitted registers in the 2024 cycle; the CBI will contact in-scope firms in Q4 2026 with further details.

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