

SUPPORTING THE ROLE OF ASSET MANAGEMENT IN THE SIU



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Time for bold changes to enhance asset manager's competitiveness

The recent UCITS and AIFMD reviews will help, once implemented by asset managers, to reinforce the resilience of investment funds, primarily in terms of liquidity risk management; the reviews were not completed with a competitiveness mandate in mind. The ELTIF Regulation review, however, was conceived to make ELTIFs more appealing to retail investors and facilitate the funnelling of their savings into longer-term investments. Now that the ELTIF Regulation has entered into application, only time will tell whether it ignited appetite from retail investors to move into these investment products.

The SIU strategy, as presented by the European Commission in March, goes beyond the well-known rules of collective asset management to support investor protection and financial stability. It aims at tackling potential operational barriers created by regulation that hamper the growth of the asset management sector.

The first barrier to eliminate lies with the diverging supervisory practices between EU jurisdictions. This is a plea constantly made by cross-border asset managers. As a national competent authority ("NCA"), we call for the elimination of regulatory arbitrage and for the prevention of a race to the bottom fed by this lack of supervisory convergence. Since the creation of ESMA, NCAs have been working collectively toward this goal of convergence, but it has become clear that the tools at our disposal are so time- and resources-intensive that we cannot expect to make sufficient progress on this front.

Diverging interpretations of the European Rulebook take root, for a part, from the choice to regulate by way of Directives instead of Regulations, from the persistence of national options, and sometimes also from a form of "constructive ambiguity" in the very language of some legislative provisions. While such ambiguity may be convenient to achieve compromises among co-legislators, it then plays against a clear understanding of the rules, which consequently requires long and detailed level 2 and 3 texts, such as Regulatory Technical Standards, Guidelines and Q&As.

In an ideal world, centralised supervision of cross-border asset managers would guarantee that only one interpretation of the Rulebook prevails, enabling those managers to operate smoothly within the Single Market without divergent requirements.

Establishing an integrated reporting could be coupled with creating a European single data hub.

A second operational barrier that could be addressed concerns the delegation of investment management functions, such as portfolio or risk management, within the same group in the EU. As of today, the authorisation and supervision of an asset management group are performed in silos, at the level of each legal entity with a UCITS or AIFM license. This framework implies an unnecessary duplication of resources and costs for large EU groups, who would legitimately wish to be able to

centralise functions to benefit from economies of scale.

The recognition of a group structure taking into consideration all the legal entities within the EU that perform the collective management of UCITS and/or AIFs would allow asset managers to allocate resources more efficiently and reduce costs. Accordingly, NCAs involved in the supervision of the group would gain access to a consolidated picture of the group structure, its organisational resources and its systems and controls, thus facilitating a more global understanding of risks and potential conflicts of interest.

A third initiative is related to regulatory reporting. As part of the UCITS and AIFMD reviews, ESMA and NCAs are currently working on the possibility to integrate the different regulatory reports that assets managers are subject to, at European and national levels. The integration and harmonisation of these reports would, again, benefit managers' efficiency and reduce costs.

Establishing an integrated reporting could be coupled with creating a European single data hub to facilitate data sharing among authorities. Access to a common repository of reporting data would facilitate the exchange of information among NCAs, especially in relation to pan-European groups.

If we want a legal framework that supports our European groups and helps them compete on equal par with their non-European competitors, we need to be bold and make important changes to the supervisory architecture of the asset management sector. These changes should focus on making asset managers more efficient by eliminating unnecessary operational costs, without affecting the capacity to supervise them adequately.



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The review of the ELTIF, UCITS and AIFMD framework supporting the SIU strategy

As stated by the European Commission, “the savings and investments union (SIU) aims to create better financial opportunities for EU citizens, while enhancing our financial system’s capability to connect savings with productive investments. This will lead to more choice for savers who wish to grow their household wealth and allow businesses across Europe to grow.”

In line with this objective, ELTIF 2, alongside updates to the Alternative Investment Fund Managers Directive (AIFMD) and Undertakings for Collective Investment in Transferable Securities Directive (UCITSD) (both being referred together as AIFMD 2) introduce transformative reforms aiming to channel capital into European markets.

ELTIF 2 makes ELTIFs a more versatile and attractive investment vehicle, unlocking capital for long-term projects across Europe. It further enhances flexibility for master-feeder and fund-of-funds structures by allowing feeder ELTIFs to invest in master ELTIFs and permits ELTIF fund-of-funds to invest in a wider range of underlying

funds, including UCITS and European AIFs managed by European AIFMs, in addition to ELTIFs, EuSEFs, and EuVECAs, subject to specific conditions. By significantly widening the scope of eligible investment assets, ELTIF 2 is designed to allow for more global investment strategies. While ELTIFs remain primarily closed-ended to support long-term investments, managers may now offer open-ended ELTIFs with tailored redemption policies, enhancing liquidity without fixed minimum holding periods, provided investor fairness is ensured, asset diversification requirements are respected by ELTIFs distributed to retail investors and appropriate liquidity risk management is taking place.

Most importantly, ELTIF 2 provides for enhanced retail investor access, in that the €10,000 minimum investment requirement and the 10% aggregate investment cap for retail investors with portfolios below €500,000 have been abolished, lowering the entry point for retail participation. Suitability assessments are now aligned with MiFID II requirements, eliminating additional ELTIF-specific checks and reducing administrative burden for investors and distributors. In addition, the need for local facilities to support distribution in each Member State has been eliminated, simplifying cross-border marketing and reducing costs for fund managers.

**Real success will
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AIFMD 2 refines the AIFMD and UCITSD frameworks to support non-bank lending in the alternative space, enhance liquidity management, and broaden ancillary services. These changes aim to strengthen Europe’s investment ecosystem. AIFMD 2 establishes a standardised EU-wide regime for loan-originating AIFs, addressing the growing role of non-bank lending in financing the real economy. The AIFMD 2 framework further enables AIFMs to originate loans across EU Member States as part of the core functions available under the AIFMD passport.

AIFMD 2 introduces mandatory liquidity management requirements to strengthen the resilience of open-ended funds during periods of market stress. As part of these requirements, open-ended AIFs and UCITS (excluding money market funds)

must select and implement at least two liquidity management tools (LMT) from a prescribed list, such as redemption gates, extended notice periods, swing pricing, or anti-dilution levies. Money market funds are required to adopt at least one LMT. National competent authorities can require AIFMs or UCITS management companies to activate LMTs in exceptional circumstances, hereby ensuring proactive management of liquidity risks.

This suggests that the changes in relation to ELTIF 2 and AIFMD 2 strengthen the legal framework by making – subject to strong governance and risk management requirements – investment vehicles more flexible, accessible, and appealing to both professional and retail investors. They aim to foster sustainable growth and long-term investment in key sectors like infrastructure, real estate, and small and medium-sized enterprises (SMEs).

However, real success will be measured by the effective and harmonised adoption of these changes at European and national level. Meeting the following key objectives will certainly contribute to a successful SIU:

- Make investment products available to savers/retail investors by (i) not limiting the investment possibilities of those products, such as UCITS which are trusted investment products, have had a proven positive track record for decades and which constitute one of the rare European financial products benefitting from a true and unprecedented cross-border distribution success and by (ii) opening, in a controlled manner, alternative investment products to savers who are in search of new investment possibilities;
- Make an effective and efficient use of the existing EU passport for products such as UCITS and ELTIFs and for alternative investment fund managers and completely abolish national barriers hindering the free distribution and management of investment funds and leading to market fragmentation.



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The investment funds sector: An Irish perspective

The Savings and Investment Union (SIU) is critical because capital markets:

- First, provide greater choice for savers and investors, through a greater range of savings and investment choices (beyond banks), catering for different risk preferences and needs;
- Second, facilitate diversified financing needs for the economy and its businesses; and
- Third, promote overall macro-financial resilience, with a diversified system of bank-based financial and capital markets likely to be more resilient to adverse shocks.

It will be crucial for us to keep coming back to the role of capital markets if SIU is to deliver for Europe, for companies, for investors and for the wider economy.

As we embark on this project, we need to take stock of how EU capital markets are currently operating and, as the second largest domicile for regulated investment funds in the EU, our experience in Ireland can provide a useful perspective.

Ireland is the leading domicile for ETFs in the EU. The investment strategies which can be delivered through an ETF are wide and offer investors (retail and

institutional) the ability to efficiently access different forms of exposure (subject to UCITS requirements). Over time, we have seen the trends in ETFs seeking authorisation change considerably. These have moved from being simple market capitalisation weighted index tracking ETFs to a full complement of strategies – generally index based which reflect investor needs. We are currently seeing increased interest in the provision of active (i.e. non-index based) strategies within ETFs.

In November 2024, the Central Bank of Ireland amended its UCITS Q&A to allow for the ETF naming requirement to be applied at share class level. In April this year, we set out our expectations allowing for an ETF to disclose its portfolio holdings on a periodic basis.

Investment funds, in particular UCITS, provide a highly efficient channel for investment in the real economy, supporting economic growth, job creation and innovation. The sector has a pivotal role to play in driving the success of the SIU by enabling European citizens to meet their savings and investment needs through well-regulated and well-designed investment products. This is particularly important in the context of generating household wealth and ensuring that individuals have long-term financial security.

Over the last decade we have also seen significant growth in global and European private asset investment and a growing demand for fund structures that provide exposure to this asset class.

Crucial to keep coming back to the role of capital markets if SIU is to deliver for Europe.

As the funds sector has continued to grow and become more integral to the wider functioning of several key financial markets, the macro-prudential perspective has increased in importance. The package of measures from the FSB and IOSCO on money market fund resilience and on liquidity management of open-ended funds represents a significant potential development. During the period of heightened volatility in Spring 2025, the Central Bank of Ireland conducted close surveillance of market data and capital flows accompanied by enhanced supervisory engagement. Markets continued to function in an orderly manner, with no unmanageable

liquidity demands reported by Irish authorised funds.

Recent AIFMD and UCITS Directive Reviews have introduced enhanced reporting for AIFMs that is also being extended to UCITS management companies and a harmonised set of liquidity management tools, driven by a concern to ensure stability. There is a need to ensure that management companies are equipped to deal with liquidity pressures in times of stress. Additionally, it is important that regulatory authorities continue to close the data gaps to provide a more complete and timely view of the fund ecosystem.

Europe has made progress in enabling greater investment in private assets, particularly by retail investors through the revised European Long-term Investment Fund (ELTIF) label. The objectives of the ELTIF are closely aligned to the objectives of the SIU – to channel investment into long-term projects across Europe and the real economy such as infrastructure, real estate and importantly SMEs, which are the lifeblood of so many economies across Europe.

The European Venture Capital Fund (EuVECA) label, which established a framework for venture and growth capital funds across the single market, has seen uneven success across member states. Similar to the ELTIF, there is merit to reviewing relevant product rules to ensure they are not preventing EuVECAs from scaling up in Europe and that requirements are proportionate while allowing managers sufficient flexibility to design products in this space.



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Unlocking Europe's capital: Can regulatory reform power a real economy revival?

The recent revisions to the UCITS, AIFMD, and ELTIF frameworks represent a decisive step in transforming the EU asset management sector into a more integrated, resilient, and investor-inclusive ecosystem. These reforms are not merely technical upgrades—they are strategic tools to activate Europe's vast savings and channel them into long-term, productive investments aligned with the objectives of the Savings and Investments Union (SIU) that could revitalize the European economy and create the infrastructure needed to lead Europe to a new era provided that investor protection is also safeguarded.

The ELTIF review stands as the most transformative. By eliminating the minimum investment threshold and enabling retail investor access to a broader spectrum of eligible assets—including third-country companies, green bonds, and STS securitizations—the ELTIF framework now meaningfully connects long-term capital with real-economy needs. The removal of the economic benefit requirement for real assets, coupled with simplified portfolio

composition rules, marks a clear shift: retail capital is no longer sidelined from alternative investments. This long-term vehicle now opens the possibility for retail investors to invest in unlisted asset classes, thus meeting one of the objectives of the SIU, to benefit from long-term supports and to raise capital from retail investors, in addition to institutional investors, to finance the real economy. Importantly, ELTIFs are the only AIFs with a marketing passport that includes retail investors, expanding their cross-border potential.

According to the latest ESMA register, 211 ELTIFs have been authorized, with 125 accessible to retail investors—concentrated in specific jurisdictions. These figures are modest but promising. With implementation support and effective supervisory monitoring, ELTIFs could become the flagship retail vehicle for financing infrastructure, innovation, and green transition projects.

AIFMD II addresses several long-standing gaps. The harmonization of liquidity management tools (LMTs) across Member States creates the conditions for a level playing field and facilitates the proper functioning of the European marketing passport as well as more efficient supervision of risk management. An effective liquidity risk management could also facilitate the channeling of investors' funds into less liquid assets while maintaining an appropriate level of liquidity to honor redemption requests according to predefined transparent rules. Common supervisory reporting standards, leveraging digital tools, promise more proactive oversight. Clarifications on delegation and depositary arrangements aim to preserve substance within the EU while offering flexibility where local depositary options are insufficient.

EU reforms to steer savings into the real economy hinges on implementation and investor protection.

Crucially, loan origination rules fill an important legislative void, enabling AIFs to originate loans under a harmonized regime and benefit from the passporting mechanism. This facilitates credit provision to SMEs and infrastructure projects, strengthening the sector's resilience.

The UCITS Directive, long regarded as the EU's gold standard for retail

investment funds, also evolves under this package. Alignment with AIFMD on key issues like delegation, LMTs, supervisory reporting, and depositary services reinforces supervisory convergence and enhances investor protection. The adjustments ensure UCITS remain a dynamic and competitive product in a shifting market landscape—essential for preserving investor trust and fostering capital markets participation.

Together, these reforms lay the groundwork for stronger capital market-based financing in the EU. They aim to rebalance the EU's reliance on bank intermediation and expand the role of asset managers in financing innovation, sustainability, and growth. Yet, ambition alone does not guarantee success.

Implementation will be decisive. Regulatory convergence, supervisory cooperation, and effective communication to retail investors are critical to realizing the full potential of these reforms. Additionally, national authorities must resist the temptation to layer on gold-plating or create new barriers under the guise of discretion.

In this context, the SIU provides a forward-looking policy framework. By articulating a coherent EU vision that links financial regulation with long-term strategic objectives—such as digitalization, green transition, and economic competitiveness—the SIU can stimulate both political and market momentum. If fully supported and embedded in the EU's legislative and supervisory agendas, the SIU could evolve into a cornerstone of European financial sovereignty.

Europe's regulatory revamp of its asset management framework, if implemented consistently focusing at the same time on investor protection, and accompanied by strategic SIU policy coordination, could usher in a new era of capital mobilization. Asset managers have a pivotal role to play in this transition—not only as allocators of capital but as architects of Europe's economic renewal.



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The success of SIU will depend on a thriving asset management sector

2025 has so far been a year of geopolitical challenges and upheaval for the EU, especially in trade and defence. Luckily, it is also turning out to be a year of increasing mobilisation on the part of EU policymakers around a sense of urgency that Europe should “seize its moment”. In another hopeful signal, capital markets are increasingly recognized as the starting place to address many of the challenges facing the EU, as demonstrated by the sharp focus of the Letta and Draghi’s reports and the (re)launch of the Savings and Investments Union.

The benefits of leading capital markets are difficult to understate and the fund sector sits at the heart of the EU economy by helping turn savings into economic growth. Households and savers secure their financial future by investing for their pension and future wellbeing. In doing so, savings are directed to companies and projects, fueling economic growth. This economic reality should be the premise for focusing the SIU on two fundamental measures of success: broadening the EU investor base and ensuring that investors can access products that are relevant for

their investment objectives with as little friction as possible.

Flexible and simple EU Savings and Investment Accounts (SIAs)

Let’s start with the first. SIAs are a powerful tool to foster a culture of long-term investing and enhance financial wellbeing, and have been rightfully identified by the EU Commission as one of the key drivers of SIU. Looking at successful investment accounts in other jurisdictions (such as the Swedish ISK or the UK ISA) can help identify some foundational principles and features.

Successful SIAs should remain simple to understand, easy to open, and frictionless to use. Simplicity and ease of access should be built around digital onboarding processes, automated tax reporting and clear, jargon-free communication. Moreover, attractive and equitable tax incentives are the most powerful tool to encourage long-term investing. There are many ways to design a successful tax incentive while minimizing the impact on public finances, and the returns in terms of higher economic growth and financing for the real economy are bound to offset any short term fiscal cost.

Overall, instead of hard limits set by regulation, behavioural nudges (e.g. “use-it-or-lose-it” annual allowances) have proven to be most effective in encouraging regular contributions. This applies as well to the range of products that should be eligible for the account, with evidence showing that without geographical mandates take-up of the accounts is much faster.

**Our sector sits at
the centre between
EU citizens financial
wellbeing and broad,
sustained economic.**

Clearly, a successful regulatory framework can only go so far if it’s not supported by a new risk-taking culture in Europe. Public awareness and a robust educational campaign are essential for the success of SIAs as it is instilling early habits around investments with financial education in schools. A more risk friendly culture should also extend to the way regulation is currently made in the EU, and the renewed efforts of the EU Commission for simplification and better law making, including a new competitiveness check, are the right approaches.

Investment products and distribution channels are constantly evolving

The SIU is also a call for action for the fund sector to continue evolving its product offering and finding ways to reach new investors, learning from the democratization of investments that ETFs have brought to the investing world. We see across the EU ETF adoption accelerating, driven by online brokers and ETF saving plans. As outlined in the latest State Street Global ETF outlook², retail investors using ETFs are typically younger than those investing in other investment vehicles, and in their prime earnings (and savings) years.

Building on this momentum behind ETFs, it is important that product innovation continues to allow investors in ETFs to access broader parts of the investment universe, with UCITS remaining the wrapper of reference. The UCITS brand is strong and it should continue to evolve to make sure it remains relevant and able to deliver the best diversification. Innovations such as the use of fractional share ownership help further the scalability of ETFs investments and empowers investors with low capital to develop regular saving habits.

Finally, the SIU agenda should also be fertile ground to foster an innovation-friendly environment allowing a wide range of providers to participate in distribution. The recent emergence of digital platforms and neo brokers has been one of the key drivers in the increased retail participation.

As the industry evolves, its ability to channel capital into sustainable, innovative, and inclusive growth will define its relevance. Policymakers and market participants must work together to ensure that the sector remains competitive and aligned with Europe’s long-term priorities.

1. ECB President Christine Lagarde, “Europe’s global euro moment”, June 2025.
2. State Street, “2025 Global ETF Outlook: The expansion accelerates”, February 2025.



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SIU Strategy's role in unlocking opportunities for investors and asset managers

The Savings and Investment Union (SIU) has emerged as a horizontal enabler for EU's strategic priorities on competitiveness, growth and security. Its focus on deeper, more integrated capital markets and long-term investment solutions have a strong link to asset managers' role in offering adequate investment strategies for savers as well as driving benefits from cross-border distribution and leveraging the scale of the single market for investors. This includes channeling citizens' savings into productive investments, financing companies for their green and digital transition and diversifying risks to enhance the system's resilience.

SIU has the potential to unlock significant new opportunities and address remaining challenges in a number of critical areas for asset managers:

- Enhance long-term investment solutions for savers across Europe.
- Allow more diversified investment opportunities to the benefit of investors.
- Ensure a securitisation regime that focuses on substance over format.

- Reduce regulatory burden and remove persisting barriers to cross-border distribution.

Acknowledging the significant mismatch between savings primarily held in bank deposits and the growing but less served investment needs of investors, companies and the overall economy the SIU seeks to develop a European blueprint for savings and investments accounts. This is a welcome step, the success of which, will depend on putting savers' needs at the forefront and providing adequate incentives to support them on this journey. Success here would require non-restrictive access within these accounts to a diverse set of investment strategies, asset classes, geographies and sectors based on the investors' preferences and financing objectives. Also crucial is the need for a supportive tax regime tackling both relevant incentives, and simplified reporting. EU citizens would also benefit from further coordination towards well-designed employer-based pension schemes. Key drivers for that are: promoting auto-enrolment and enhanced levels of contributions from employers and employees as best practices in the EU, qualifying life-cycling strategies as default investment options and enhancing the role of professional management.

**Deeper, more integrated
capital markets and
long-term investment
solutions have a
strong link to asset
managers' role.**

Access to diversified and fit for purpose investment opportunities has a critical role to play in increasing retail investors' participation in capital markets. One key example is the role of private markets and securitisation, and the level of access allowed to these assets. In relation to private markets there are still significant hurdles to offering investment solutions to retail investors that can combine exposure to public and private assets in a flexible way that avoids overconcentrating risks to the private part of the portfolio, while leveraging cross-border distribution and economies of scale. It is important that the EU considers an appropriate framework for such cross-border private/public investment strategies in a flexible way - same as we see in the US - that sets the right safeguards for investor protection - e.g., in terms of investment limits and liquidity management - allowing new

competitive solutions for investors and increasing investment opportunities across EU's economy.

The investor's perspective is also vital for the review of EU's securitisation regime. The legislative proposal that was recently announced outlines burden reduction and simplification as key objectives; however, it retains burdensome templates when investing in non-EU assets. As many times non-EU issuers comply with the substance of the EU requirements but oppose complying with burdensome templates, maintaining complex procedures seems to prioritise format over substance, bringing unnecessary restrictions to the investment universe for EU products, and, in turn, less diversified market and fewer opportunities for investors. Instead, a principles-based approach to transparency is needed across all securitisation assets to ensure meaningful due diligence and an enriched investment universe for EU investors.

A competitive and well-integrated financing ecosystem requires efficient cross-border distribution of investment products to the benefit of end-investors. Given the persisting barriers identified by market participants, regulators and supervisors need to prioritise work in this area and use the effective tools already at their disposal to enhance coordination and address divergences in interpretation and application of the relevant rules, among others on authorisation, marketing, distribution and notification. There is also an urgent need to address the extensive reporting requirements via assessing the extent to which these result into meaningful information for investors and supervisors, and removing contradictory, duplicative or overly burdensome disclosures.



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The competitiveness of EU asset managers is key for the success of the SIU

In a context of geopolitical uncertainties combined with economic instability and a high market volatility, the EU asset management sector is definitely facing substantial challenges. In a very fierce competitive environment, long-term UCITS (active and passive funds), equity UCITS and multi-assets average costs have dropped between 2020 and 2024: from 1.11% to 1.02% for active long-term UCITS average costs, from 0.22% to 0.20% for passive ones, from 0.95% to 0.75% for equity UCITS average costs, and from 1.26% to 1.16% for multi-assets UCITS.¹

At the same time, this pressure on revenues is combined with a rising inflation of costs, with notably a substantial increase in fees paid to data providers over the past few years. This has translated into a loss of market shares for EU actors compared to their non-EU peers over the last decade. Indeed, while European actors had more than 73% of market shares in the EU in 2013, they represent less than 60% in 2025². Conversely, in the US, European actors still struggle to penetrate the local market, with a market share stagnating under 2%.

Against this background, the EU asset management sector has no choice but to constantly innovate to remain

competitive. But these figures should also be a wake-up call for policy makers to consider at last the financial sector as a key element of the European Strategic Autonomy. Given that asset managers play a crucial role as intermediaries in channelling European savings into the real economy, it is essential to make sure that the regulatory environment is fit for purpose. In this perspective, several measures in the Savings and Investments Union's (SIU) strategy are likely to enhance investor participation, streamline regulations and promote long-term investment. Alongside the wider simplification and burden reduction agenda, this should foster the competitiveness of both the asset management sector and the EU economy.

Among other initiatives, the upcoming recommendations on a Savings and Investments Account, and the implementation by certain Member States of the 'Finance Europe' label framework will be crucial to foster retail participation and encourage investments in the EU. In this respect, the Securitisation Review Package, proposed by the Commission this summer and aiming at developing the securitisations market in the EU, is a step in the right direction.

The SIU should also contribute to further integration and the scaling up of the EU fund market. In particular, the improvement of the distribution of cross-border products is instrumental to allow more efficiency and cost gains. Fostering regulatory convergence within the EU is also essential. The diverging applications of EU rules, triggered by gold-plating and the general complexity of European legislations regarding financial services, contribute to unnecessary burdens, weakening the competitiveness of the European asset management sector.

Asset managers play a crucial role in channelling European savings into the real economy.

In addition, long-term investment is a key driver of growth for both citizens and the EU economy. Financial literacy efforts and initiatives to encourage citizens to invest in the long-term, while substantially simplifying the customer journey, should be a top priority. Past initiatives such as ELTIFs, but also ongoing discussions on tax incentives at national level, and upcoming supplementary pensions

recommendations, will be game changers if crafted with the necessary ambition.

Regarding supervision, having a single supervisor for large cross-border asset managers would not necessarily deliver on the improvements expected by its proponents. Indeed, this new architecture could potentially lead to disconnect asset management firms from the National Competent Authorities (NCAs) which already know them best. In addition, it would not avoid duplications as entities in scope would still be subject to national supervision for – at least – some of their products, adding further complexity and unnecessary administrative layers. Instead, we advocate for a more pragmatic approach, which would notably include the recognition of the concept of EU group in the European regulation, without changing the supervisory set up. With the aim of supporting the competitiveness of European groups, this approach could simplify some existing regulatory requirements (e.g. intra-group delegation). In parallel, further improvements must be achieved in terms of data standardisation and sharing of information between NCAs in order to enhance supervisory efficiency.

To conclude, the SIU proposed measures are very encouraging for the EU asset management sector, as they recognize its strategic role in channelling savings towards investment in the economy and pinpoint important workstreams. It is however paramount for these upcoming measures to strike the right balance between gains and burdens, in order to deliver progress towards a better integrated internal market, efficiency gains and, ultimately, growth and competitiveness.

1. EFAMA, *Factbook 2025*.

2. *Broadrige*.