



EUROPEAN COMMISSION
Directorate General Internal Market and Services

Director General

Brussels, **02 DEC. 2010** -892960
DG MARKT G4 UE/gc (2010) 976215

Subject: Provisional request for a technical advice on the Directive for Alternative Investment Fund Managers (AIFM) level 2 measures

Dear Mr Tavares,

I would like to request the advice of the Committee of European Securities Regulators on the preparation of the level 2 measures foreseen in the AIFM Directive (see attached provisional request for advice).

The provisional nature of this request stems from the fact that the Directive still awaits its final adoption. It is however based on the compromise which has been achieved in the 'trialogue' and endorsed by the Council and voted in the European Parliament on 11 November 2010. The formal adoption by Council should take place in January 2011 after the legal revision. My services will keep you informed of any development in this respect, including any changes in the text introduced at the level of the legal revision.

We are aware that this request represents a significant workload and a many-fold challenge for CESR. We recognize that this is an ambitious and complex mandate covering new issues like a 'passport' for third country fund managers and new types of fund that have so far not been in the scope of CESR's work.

It is up to CESR to organise and prioritise its work with a view to delivering its advice. To help in that process, we have divided our request into four parts. This division of the mandate is function to a natural grouping of the issues based on the structure of the level 1 Directive.

- Part I: General provisions, authorisation and operating conditions:

Carlos Tavares
Chairman of the Committee
of European Securities Regulators
Avenue de Friedland 11-13
F-75015 Paris

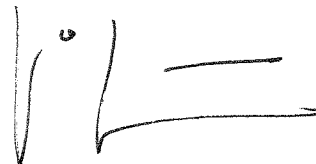
- Part II: Depositary
- Part III: Transparency Requirements and Leverage
- Part IV: Supervision

Although no deadlines have been set for level 2 measures in the Directive, there is a common understanding that level 2 measures should be transposed within the same deadline as the level 1 Directive, i.e. two years after the entering into force of the AIFM Directive which is expected for early 2011. In order to leave enough time for Member States to implement the level 2 measures which take the form of a Directive, these should be adopted by the European Commission one year before the end of the transposition period. This implies, in turn, that we would request to receive CESR's advice by September 16, 2011.

There may be some scope for prioritisation and flexibility in the timing of CESR's advice in respect to some parts of the request; in particular those level 2 measures which refer to supervisory cooperation and the passport regime for third country funds and managers and those which will take the legal form of a regulation and would therefore not need to be transposed into national law. On this question, discussion is still ongoing within the Commission. We will come back to you on this as soon as possible.

The Commission services are looking forward to working closely with CESR on this important project. We are confident in CESR's capacity to deliver this important piece of work within the ambitious deadline we set for it. We will in any case remain at your disposal to provide the assistance you may find necessary during this process.

Yours sincerely,



Jonathan Faull

Contact: Uwe Eiteljoerge, Telephone: +32 2 29 98369, Uwe.Eiteljoerge@ec.europa.eu

Enclosure: Provisional request for a technical advice

c.c.: P. Dejmek, B. Dumont, D. Millerot (Cab), C. Hughes (COMM), N. Calviño, E. Paulis, MARKT List G4