

A Look Forward to 2025

December 2024

As the year of democracy – in which more than half of the world’s population went to the polls – draws to a close, the geopolitical changes will shape the future regulatory and legislative agenda, along with imperatives wrought by digital innovation (particularly the rise of AI) and climate change. We have set out below a quick-glance guide to some key dates for fund managers in 2025.

<p>End 2024 / Q1 2025</p>	<p>ESMA Fund Naming Guidelines</p>	<p>The European Securities and Markets Authority (“ESMA”) may issue guidance relating to the implementation of its Guidelines on Funds’ Names using ESG or Sustainability-related terms, including guidance on the treatment of EU green bonds and the definition of “invest meaningfully”.</p>
<p>End 2024 / Q1 2025</p>	<p>Sustainable Finance Disclosure Regulation – Level 2</p>	<p>ESMA published its final report on revised RTS under the Sustainable Finance Disclosure Regulation (“SFDR”) in December 2023. The draft regulatory technical standards (“RTS”) address an extension of the social principal adverse impact (“PAI”) indicators, other changes to the PAI framework and a new financial product disclosure of greenhouse gas emission reduction targets, as required by the mandate from the European Commission (“Commission”). The ESAs have also proposed amendments to the mandatory templates set out in the annexes to the RTS, including a new “dashboard” intended to provide a clear summary of key information. The revised RTS are expected to be published at the end of 2024 / start of 2025 after the constitution of the new Commission.</p>
<p>Q1 2025</p>	<p>Individual Accountability Framework</p>	<p>The first confirmation of completion of the certification process will relate to the 2024 calendar year and will be filed with the Central Bank as part of the Annual PCF Confirmation Process in 2025.</p>

Q1 2025	SFDR	The Central Bank of Ireland (“ Central Bank ”) is expected to publish guidance on SFDR disclosures. A date has not been set but the expectation arising from discussion at the Central Bank SFDR workshop held in October 2024 is that guidance will be issued in Q1 2025.
Q1 2025	SFDR – CSA	In Q1 2025, ESMA is expected to publish its reporting setting out its findings from the SFDR common supervisory action (“ CSA ”) in Q1 2025. The Central Bank will published its own report after the ESMA findings have been published.
1 January 2025	Corporate Sustainability Reporting Directive	The new sustainability reporting rules under the Corporate Sustainability Reporting Directive (“ CSRD ”) will take effect from 1 January 2025 for large companies not subject to the Non-Financial Reporting Directive (“ NFRD ”) (more than 250 employees and / or €50 million in turnover and / €25 million in net assets). Reports due 2026 .
17 January 2025	Digital Operational Resilience Act	The EU’s Digital Operational Resilience Act (“ DORA ”) will apply from 17 January 2025.
End Q2 2025	Exchange Traded Funds	The Central Bank issued an industry letter dated 28 November 2024 requiring fund management companies of exchange traded funds to incorporate the necessary changes to their frameworks and practices outlined in the letter by the end of Q2 2025.
April 2025	UCITS Eligible Assets Directive	ESMA’s technical advice for UCITS Eligible Assets Directive will be delivered to the Commission in April 2025 (delayed from the original October 2024 deadline).
16 April 2025	AIFMD and UCITS Directive – Liquidity Management Tools	ESMA will release final guidelines and technical standards on liquidity management tools under the revised AIFMD and UCITS Directive by 16 April 2025.
21 May 2025	ESMA’s Fund Naming Guidelines	Funds existing before 21 November 2024 have until 21 May 2025 to apply the ESMA Guidelines on Funds’ Names using ESG or Sustainability-related terms

30 June 2025	Central Counterparties	On 8 February 2022, the Commission published its decision to extend the equivalence of United Kingdom (“ UK ”) central counterparties (“ CCPs ”) to 30 June 2025 to ensure the EU’s financial stability in the short term. The Commission will have to consider whether to extend the equivalence decision.
1 July 2025	Anti-Money Laundering	On 19 June 2024, the regulation establishing the Anti-Money Laundering Authority (AMLA) (“ AMLA Regulation ”) was published in the Official Journal of the EU. The AMLA Regulation will mostly apply from 1 July 2025.
October 2025	UCITS Directive / AIFMD – Costs	On 14 November 2024, ESMA launched a data collection exercise on costs linked to investments in UCITS and AIFs. The data collection follows the Level 1 mandate received from the European Commission under the UCITS Directive / AIFMD review. A report based on these data will be submitted to the European Parliament, the Council of the EU (“ Council ”) and the Commission in October 2025. This will also be part of an enhanced 2025 ESMA market report on costs and performance of EU retail investment products.
2 November 2025	Central Securities Depositories Regulation – Mandatory Buy-in Rules	On 13 October 2022, the Commission, published legislation amending the RTS on settlement disciplines as set out in the Central Securities Depositories Regulation (“ CSDR ”) to defer the application of the mandatory buy-in rules (“ MBR ”) until 2 November 2025.
During 2025	SFDR	We can expect further developments in relation to the Commission’s review of the SFDR, initiated by the consultation process it launched in September 2022. Following the Commission’s consultation and the opinions published by the European Supervisory Authorities and ESMA in summer 2024, the direction of travel appears clear and we can expect the introduction of a product labelling regime under the SFDR.

During 2025	ESG Ratings	<p>The European Parliament adopted the text on the proposed ESG Ratings Regulation on 22 April 2024. On 8 November 2024, the Council published its agreed text. The next step is for the Council to formally adopt the legislation, which will enter into force 20 days after its publication in the Official Journal of the European Union. It will apply 18 months after its entry into force. The regulation introduces, through an amendment to the SFDR, website disclosure requirements for fund managers referring to ESG ratings in their marketing materials.</p>
During 2025	Macroprudential Policies for NBFI	<p>On 22 May 2024, the Commission launched a consultation on macroprudential policies for non-bank financial intermediation (“NBFI”). The consultation closed on 22 November 2024. Commission services will use the information gathered in this consultation to inform the policy planning of the 2024-2029 Commission. The consultation follows reports on liquidity management in open-ended funds by the Financial Stability Board and International Organisations of Securities Commissions (“IOSCO”). The Central Bank hosted a conference on macroprudential policy for investment funds in May 2024 and published a feedback statement on its discussion paper on an approach to macroprudential policy for investment funds in July 2024. While the form and content of any potential measures is as yet unclear, this will continue to be an area to watch in 2025.</p>
During 2025	Retail Investment Strategy	<p>On 23 April 2024, the European Parliament agreed its negotiating mandate with regard to the Retail Investment Strategy, which would amend the Packaged Retail and Insurance-based Investment Products (“PRIIPs”) Regulation, introduce value for money benchmarks and measures relating to financial literacy. On 12 June 2024, the Council reached an agreement on the retail investment package, paving the way for institutional negotiations to commence. The final measures are likely to be published in the Official Journal of the EU during 2025.</p>

Please get in touch with your usual Asset Management and Investment Funds Department contact or any of the contacts listed in this publication should you require further information in relation to the material referred to in this briefing note.

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