

Press release

Luxembourg, 16 November 2016

AUSTRALIA'S INSTITUTIONAL INVESTORS GET EASIER ACCESS TO LUXEMBOURG UCITS

ALFI has successfully negotiated an AFS licence relief for financial services providers regulated by the CSSF.

The Association of the Luxembourg Fund Industry (ALFI) has announced that it has successfully negotiated an exemption from the obligation to hold an Australian financial services (AFS) licence to provide financial services in Australia. The exemption applies to Chapter 15 Management Companies and UCITS Self-Managed SICAV regulated by the Luxembourg financial supervisory authority *Commission de Surveillance du Secteur Financier* (CSSF).

This relief will enable Australia's institutional investors, including superannuation funds, to get easier access to Luxembourg UCITS.

As a rule, a foreign financial services provider (FFSP) needs to hold an Australian financial services (AFS) licence to provide financial services in Australia, unless relief is granted.

The Australian Securities and Investments Commission (ASIC) can exempt a foreign financial services provider from this requirement on the twofold condition that the financial services are provided to wholesale (institutional) clients only and that these financial services are regulated by an overseas regulatory authority.

The regulatory regime overseen by the relevant overseas regulatory authority needs to be 'sufficiently equivalent' to the Australian regulatory regime and effective cooperation arrangements must also exist before relief is granted. ASIC and the CSSF have signed such an MoU on mutual cooperation and the exchange of information related to the supervision of regulated entities in September 2013.

An application for a licence relief has to be made through an industry association, such as ALFI, for a group of FFSPs regulated by a particular overseas regulatory authority. When granted, the relief will then apply to all these financial services providers. In this case, the relief will cover all CSSF regulated Chapter 15 Management Companies and UCITS Self-Managed SICAV.

Welcoming this development, ALFI Chairman Denise Voss explains that ALFI has launched the negotiations on behalf of its members in light of their growing interest to do business with Australian institutional players.

"This relief is a further step in strengthening the relations between our two financial centres", Denise Voss says. "ALFI is currently planning a roadshow to Australia next March. We intend to organise seminars in Sydney and Melbourne and will travel with a delegation from our member firms. It will be a good occasion for Luxembourg and Australian players to meet and build even stronger relations."

- Ends -

About the AFS licence relief:

The Australian financial services regulator, the Australian Securities and Investments Commission (ASIC) has issued ASIC Corporations (CSSF Regulated Financial Services Providers) Instrument 2016/1109 which sets out the conditions of this AFS licensing relief. It enters into force on 16 November 2016. A copy of the Relief Instrument is available [here](#).

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The Association of the Luxembourg Fund Industry (ALFI) is the representative body of the Luxembourg investment fund community. Created in 1988, the Association today represents over 1500 Luxembourg domiciled investment funds, asset management companies and a wide range of service providers such as custodian banks, fund administrators, transfer agents, distributors, legal firms, consultants, tax experts, auditors and accountants, specialist IT providers and communication companies. Luxembourg is the largest fund domicile in Europe and its investment fund industry is a world leader in cross-border fund distribution. Luxembourg-domiciled investment structures are distributed in over 70 countries around the globe. For further information, do not hesitate to consult our website at www.alfi.lu.

To keep up with all the news from ALFI and the fund industry in Luxembourg, join us on [LinkedIn](#) (The Luxembourg Fund Industry Group by ALFI), [Twitter](#) (@ALFI-funds), [Youtube](#) and [Vimeo](#).