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AMF modifies its policy to facilitate the implementation by asset management companies of the Delegated Regulation of the SFDR

With the application on 1 January 2023 of new transparency requirements for non-financial approaches of UCITS managers and AIFM, the AMF amends its policy on the investor letters.

Details on the Regulatory Technical Standards of the EU Sustainable Finance Disclosure Regulation (RTS SFDR)

The RTS SFDR will enter into application on 1 January 2023. Their transparency requirements for non-financial strategies of Article 8 and 9 funds will lead to the publication of new non-financial engagements in these funds' precontractual documentation, such as minimum proportion of sustainable investment (as defined in A2(17) of SFDR) or minimum Taxonomy alignment.

Adaptation of measures related to fundholders' information

With the current applicable doctrine, any modification of a Undertaking for Collective Investment's (UCI) non-financial criteria requires sending a specific information to investors (an investors' letter). The AMF modified its doctrine to avoid a situation where on 1 January 2023 an excessive number of investor letters will have to be sent for Article 8 and 9 funds that have actually not modified their underlying non-financial strategy. This policy modification aligns the fundholders' information requirements applicable to non-financial

changes with the ones on risk/return by defining significant non-financial changes that require an investor letter. Any other change in funds' non-financial criteria is considered non-significant and only requires and information of investors by any means.

Non-financial modifications that require an investor letter

The following non-financial deteriorations or modifications are deemed significant and require sending an investor letter:

- Deterioration of the SFDR classification (change from an Article 9 category to an Article 8 or 6 category; change from an Article 8 to an Article 6 category), unless the deterioration does not lead to any modifications in the product's non-financial criteria;
- Reduction of the non-financial communication level based on the AMF policy DOC-2020-03 requirements;
- Reduction of more than 10% in relative value and 500 points in absolute value of the fund's minimum percentage of Taxonomy alignment or its minimum percentage of sustainable investment whose publications are required by SFDR. For example, the reduction of the fund's minimum percentage of Taxonomy alignment or sustainable investment from 15% to 13.5% does not require an investors' letter since the reduction is inferior to 10% in relative value and 500 points in absolute value. This also applies for a reduction of the minimum percentage of Taxonomy or sustainable investment from 70% to 64% that is above 500 points but below 10% in relative value. However a reduction of the minimum percentage from 60% to 53% requires an investor letter since it is superior to 10% and 500 points;
- The UCI stops considering principal adverse impact (PAI) at product level (article 7 of the SFDR regulation).


Instruction DOC-2011-19, DOC-2011-20, DOC-2011-21, DOC-2011-22 and DOC-2011-23 have been amended accordingly to reflect these new requirements.

Read more

- Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosure in the financial services sector

- Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 supplementing
- ✚ Regulation (EU) 2019/2088 of the European Parliament and of the Council
 - ✚ AMF Policy
 - ✚ AMF Instruction DOC-2011-19 - Annex XII - Apparent changes (in french only)
 - ✚ AMF Instruction DOC-2011-20 - Annex XII - Apparent changes (in french only)
 - ✚ AMF Instruction DOC-2011-21 - Annex X - Apparent changes (in french only)
 - ✚ AMF Instruction DOC-2011-22 - Annex X - Apparent changes (in french only)
 - ✚ AMF Instruction DOC-2011-23 - Annex VIII - Apparent changes (in french only)

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