

Legal Update

CBI updates UCITS ETF transparency Rules

The Central Bank of Ireland (the “CBI”) issued an updated version of its Questions and Answers (“Q&A”) document pertaining to UCITS on 17th April 2025. This new edition – the 42nd – contains a newly revised Q&A ID 1012 which encompassed changes to ETF portfolio transparency and disclosure of information on the portfolio.

Background

The CBI issues Q&As on various topics to assist market participants and legal practitioners to understand its interpretation of various aspects of financial services law. The CBI reserves the right to alter its approach to any matter covered in such Q&As. Regulation 85(3) of the Central Bank UCITS Regulations requires that the prospectus, PRIIPs KID and/or UCITS KIID and marketing communications of a UCITS ETF or UCITS ETF Share Class of a UCITS (“UCITS ETF”) disclose the policy regarding portfolio transparency and where information on the portfolio may be obtained.

New Requirements

The updated Q&A clarifies that UCITS ETFs shall disclose the identities and quantities of portfolio holdings on either a daily periodic basis as follows:

a) Daily basis: the Responsible Person must ensure:

- the prospectus discloses the type of information that will be provided in relation to the portfolio; and,
- the portfolio information is made available on a non-discriminatory basis.

b) Periodic Basis: the Responsible Person ensures:

- appropriate information is disclosed daily to facilitate an effective arbitrage mechanism;
- the prospectus discloses the type of information that is provided in point (i);
- this information is made available on a non-discriminatory basis to Authorised Participants and Market Makers;
- there are documented procedures to address circumstances where the arbitrage mechanism of the ETF is impaired;
- there is a documented procedure for investors to request portfolio information;
- the portfolio holdings as at the end of each calendar quarter are disclosed publicly within 30 business-days of the quarterend.

How Clerkin Lynch Can Help

Clerkin Lynch’s asset management team can advise on compliance with any of the topics addressed in the Q&As of the CBI, including in relation to UCITS generally and ETFs in particular.

Contact us for more information.



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