Implementation of the UCITS-IV Directive in Sweden

The European Parliament approved in spring 2009 the directive (2009/65/EC) on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS-IV Directive). The UCITS-IV Directive is applicable within the European Economic Area (EEA) and will replace the old UCITS-directive (85/611/EEC) approved in 1985. The UCITS-IV Directive and the implementing directives (2010/43/EU) and (2010/44/EU) shall be implemented into Swedish law during 2011.

The UCITS-IV Directive aims to increase the effectiveness of asset management within investment funds, facilitate cross-border marketing of investment fund services and strengthen the protection of consumers of fund services. It also increases the requirements on consumer information. The UCITS-IV Directive also include a "fund managing company-passport" which allows fund managers to manage funds located in a different member state. There is also a possibility to merge funds from different EEA states.

In order to implement the UCITS-IV Directive in Sweden, the Ministry of Finance proposes that amendments shall be made to the Act on Investment Funds (Sw. lag (2004:46) om investeringsfonder) and the Act on the Securities Market (Sw. lag (2007:528) om värdepappersmarknaden). The Swedish Financial Supervisory Authority will also amend the regulations on investment services and activities (FFFS 2007:16) and the regulations on investment funds (FFFS 2008:11). The proposed amendments will, if adopted, come into force on 1 August 2011. The amendments to the regulations will not enter into force before the proposed amendments to the Act on Investment Funds and the Act on the Securities Market.

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