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AIFMD 2.0: What's To Come With Six Months To Go

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With six months to go, fund managers should be ramping up their preparations for complying with the legislative changes to EU Alternative Investment Fund Managers Directive ("AIFMD"), commonly referred to as "AIFMD 2.0", which will come into effect on 16 April 2026. The majority of the changes will apply to EU authorised alternative investment fund managers ("EU AIFMs"), but there will be elements of AIFMD 2.0 that will also apply to non-EU AIFMs.

Several key regulatory components to AIFMD 2.0 remain outstanding, as summarised below.

In this update, we outline what's still to come. This is the first publication in the **AIFMD 2.0 Digest** series, which will feature articles and podcasts on AIFMD 2.0.

For more detailed background on AIFMD 2.0, see our earlier insights:

- AIFMD 2.0 – Evolution Rather than Revolution
- AIFMD 2.0 – Draft RTS and Final Guidelines Published on Liquidity Management Tools

Liquidity Management Tools – finalised Regulatory Technical Standards

Under AIFMD 2.0 an EU AIFM must select and use at least two liquidity management tools (LMTs) for each open-ended fund they manage. The European Supervisory Markets Authority ("ESMA") delivered its Final Report with the *draft* regulatory technical standards ("RTS") on liquidity management tools on 15 April 2025, and sent them to the European Commission (the "Commission") for adoption. The Commission normally has three months (extendable by one) for adoption, but this has slipped beyond the initial summer window. We're therefore still awaiting the Commission's formal adoption and publication of the LMTs RTS in the Official Journal.

Open?ended loan?originating AIFs ? finalised Regulatory Technical Standards

ESMA previously consulted on the RTS that will set the requirements allowing a loan-originating AIF to operate as open-ended. This covered the liquidity framework, liquid asset buffers, stress testing and redemption policy. ESMA signalled that its final report and submission to the Commission on these areas would be made in Q3/Q4 2025, but this is yet to happen. In October 2025, the European Commission published a letter announcing it would not adopt non-essential Level 2 acts before 1 October 2027, at the earliest. “Level 2 acts” refers to delegated or implementing legislation in the EU that provides technical and operational details for a “Level 2 act”, such as AIFMD. The list of deprioritised/delayed Level 2 acts included the RTS for loan-originating funds to maintain and operate an open-ended structure. It remains to be seen if EU Member States will introduce requirements for loan originating funds which are open-ended ahead of the delayed RTS. EU AIFMs of open-ended loan-originating AIFs should closely monitor developments in this area.

Member State Implementation

AIFMD 2.0 is an EU Directive which means that national laws and supervisory materials must be updated by 16 April 2026, to implement the AIFMD 2.0 into the local law of each Member State. Some jurisdictions have already started to develop their approach: for example, Ireland’s Department of Finance has set out decisions on national discretions, and the Central Bank has flagged rulebook updates, but the full implementation into local law remains outstanding in key EU Member States.

Annex IV Reporting – due April 2027

The enhanced Annex IV (Article 24) supervisory reporting goes live with AIFMD 2.0, but ESMA’s new reporting RTS and implementing technical standards, which will reshape the templates (including delegation data), are due by 16 April 2027. That means the new reporting content arrives in 2026 while the fully refreshed templates follow a year later. These changes will be relevant to non-EU AIFMs marketing their funds in the EU, as well as EU AIFMs.

What’s Next?

Fund managers currently within the scope of AIFMD, and specifically EU AIFMs, should monitor:

- The European Commission's adoption of ESMA's RTS on liquidity management tools;
- Additional guidance from ESMA on loan origination and liquidity risk; and
- National implementation measures across EU Member States.

As the close of 2025 is on the horizon and April 2026 will arrive soon enough, the focus is shifting from legislative drafting to operational readiness, despite the gaps above. EU AIFMs, and fund structures that utilise EU AIFMs, should continue reviewing delegation frameworks, updating fund documentation and aligning liquidity management processes with the evolving regulatory expectations.

For further information, please contact ukreg@proskauer.com – and look out for further features in our **AIFMD 2.0 Digest** series.

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