

# Targeted consultation on the functioning of the Money Market Fund Regulation

Fields marked with \* are mandatory.

## Introduction

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The [money market funds Regulation](#), fully applicable since January 2019, aims at preserving the integrity and stability of the internal market, by addressing credit and liquidity risks challenges experienced by MMFs during the 2008 crisis, increasing the protection of MMFs investors and enhancing the supervision of MMFs.

The MMF Regulation (EU Regulation 2017/1131) requires the Commission to submit a report to the co-legislators assessing the adequacy of this Regulation from a prudential and economic point of view by summer 2022. This should be based on a robust and comprehensive evaluation of current rules. The following questionnaire aims at complementing the information collected by other initiatives and work (ESMA, ESRB/ECB, FSB) on the functioning of the existing rules on money market funds.

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**Please note:** In order to ensure a fair and transparent consultation process **only responses received through our online questionnaire will be taken into account** and included in the report summarising the responses. Should you have a problem completing this questionnaire or if you require particular assistance, please contact [fisma-money-market-funds@ec.europa.eu](mailto:fisma-money-market-funds@ec.europa.eu).

More information on

- [this consultation](#)
- [the consultation document](#)
- [the abbreviations used in this consultation](#)
- [money market funds](#)
- [the protection of personal data regime for this consultation](#)

## About you

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\* Language of my contribution

- Bulgarian
- Croatian
- Czech
- Danish
- Dutch
- English
- Estonian
- Finnish
- French
- German
- Greek
- Hungarian
- Irish
- Italian
- Latvian
- Lithuanian
- Maltese
- Polish
- Portuguese
- Romanian
- Slovak
- Slovenian
- Spanish
- Swedish

\* I am giving my contribution as

- Academic/research institution
- Business association
- Company/business organisation
- Consumer organisation
- EU citizen
- Environmental organisation
- Non-EU citizen
- Non-governmental organisation (NGO)

- Public authority
- Trade union
- Other

\* First name

katie

\* Surname

KELLY

\* Email (this won't be published)

katie.kelly@icmagroup.org

\* Organisation name

*255 character(s) maximum*

International Capital Market Association

\* Organisation size

- Micro (1 to 9 employees)
- Small (10 to 49 employees)
- Medium (50 to 249 employees)
- Large (250 or more)

Transparency register number

*255 character(s) maximum*

Check if your organisation is on the [transparency register](#). It's a voluntary database for organisations seeking to influence EU decision-making.

0223480577-59

\* What type of entity are you?

- Financial entity
- Non-financial corporate
- Institutional investor
- Other

\* What type of financial entity are you?

- AIFM
- UCITS management company
- Association representing asset managers
- Bank or credit institution
- Insurance
- Other

Please describe your entity, including elements with regard to its size (if applicable):

*1500 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

ICMA has around 600 members active in all segments of international debt capital markets in 64 jurisdictions globally. Among our members are asset and fund managers, private and public sector issuers, banks and securities dealers, insurance companies, law firms, capital market infrastructure providers and central banks.

#### \* Country of origin

Please add your country of origin, or that of your organisation.

- Afghanistan
- Åland Islands
- Albania
- Algeria
- American Samoa
- Andorra
- Angola
- Anguilla
- Antarctica
- Antigua and Barbuda
- Argentina
- Armenia
- Aruba
- Australia
- Austria
- Azerbaijan
- Bahamas
- Bahrain
- Bangladesh

- Barbados
- Belarus
- Belgium
- Belize
- Benin
- Bermuda
- Bhutan
- Bolivia
- Bonaire Saint Eustatius and Saba
- Bosnia and Herzegovina
- Botswana
- Bouvet Island
- Brazil
- British Indian Ocean Territory
- British Virgin Islands
- Brunei
- Bulgaria
- Burkina Faso
- Burundi
- Cambodia
- Cameroon
- Canada
- Cape Verde
- Cayman Islands
- Central African Republic
- Chad
- Chile
- China
- Christmas Island
- Clipperton
- Cocos (Keeling) Islands
- Colombia
- Comoros
- Congo

- Cook Islands
- Costa Rica
- Côte d'Ivoire
- Croatia
- Cuba
- Curaçao
- Cyprus
- Czechia
- Democratic Republic of the Congo
- Denmark
- Djibouti
- Dominica
- Dominican Republic
- Ecuador
- Egypt
- El Salvador
- Equatorial Guinea
- Eritrea
- Estonia
- Eswatini
- Ethiopia
- Falkland Islands
- Faroe Islands
- Fiji
- Finland
- France
- French Guiana
- French Polynesia
- French Southern and Antarctic Lands
- Gabon
- Georgia
- Germany
- Ghana
- Gibraltar

- Greece
- Greenland
- Grenada
- Guadeloupe
- Guam
- Guatemala
- Guernsey
- Guinea
- Guinea-Bissau
- Guyana
- Haiti
- Heard Island and McDonald Islands
- Honduras
- Hong Kong
- Hungary
- Iceland
- India
- Indonesia
- Iran
- Iraq
- Ireland
- Isle of Man
- Israel
- Italy
- Jamaica
- Japan
- Jersey
- Jordan
- Kazakhstan
- Kenya
- Kiribati
- Kosovo
- Kuwait
- Kyrgyzstan

- Laos
- Latvia
- Lebanon
- Lesotho
- Liberia
- Libya
- Liechtenstein
- Lithuania
- Luxembourg
- Macau
- Madagascar
- Malawi
- Malaysia
- Maldives
- Mali
- Malta
- Marshall Islands
- Martinique
- Mauritania
- Mauritius
- Mayotte
- Mexico
- Micronesia
- Moldova
- Monaco
- Mongolia
- Montenegro
- Montserrat
- Morocco
- Mozambique
- Myanmar/Burma
- Namibia
- Nauru
- Nepal



- Netherlands
- New Caledonia
- New Zealand
- Nicaragua
- Niger
- Nigeria
- Niue
- Norfolk Island
- Northern Mariana Islands
- North Korea
- North Macedonia
- Norway
- Oman
- Pakistan
- Palau
- Palestine
- Panama
- Papua New Guinea
- Paraguay
- Peru
- Philippines
- Pitcairn Islands
- Poland
- Portugal
- Puerto Rico
- Qatar
- Réunion
- Romania
- Russia
- Rwanda
- Saint Barthélemy
- Saint Helena Ascension and Tristan da Cunha
- Saint Kitts and Nevis
- Saint Lucia

- Saint Martin
- Saint Pierre and Miquelon
- Saint Vincent and the Grenadines
- Samoa
- San Marino
- São Tomé and Príncipe
- Saudi Arabia
- Senegal
- Serbia
- Seychelles
- Sierra Leone
- Singapore
- Sint Maarten
- Slovakia
- Slovenia
- Solomon Islands
- Somalia
- South Africa
- South Georgia and the South Sandwich Islands
- South Korea
- South Sudan
- Spain
- Sri Lanka
- Sudan
- Suriname
- Svalbard and Jan Mayen
- Sweden
- Switzerland
- Syria
- Taiwan
- Tajikistan
- Tanzania
- Thailand
- The Gambia

- Timor-Leste
- Togo
- Tokelau
- Tonga
- Trinidad and Tobago
- Tunisia
- Turkey
- Turkmenistan
- Turks and Caicos Islands
- Tuvalu
- Uganda
- Ukraine
- United Arab Emirates
- United Kingdom
- United States
- United States Minor Outlying Islands
- Uruguay
- US Virgin Islands
- Uzbekistan
- Vanuatu
- Vatican City
- Venezuela
- Vietnam
- Wallis and Futuna
- Western Sahara
- Yemen
- Zambia
- Zimbabwe

\* In which jurisdiction are you domiciled?

- an EU or an EEA Member State
- United States of America
- United Kingdom
- Other

\* Field of activity or sector (if applicable)

- Accounting
- Auditing
- Banking
- Credit rating agencies
- Insurance
- Pension provision
- Investment management (e.g. hedge funds, private equity funds, venture capital funds, money market funds, securities)
- Market infrastructure operation (e.g. CCPs, CSDs, Stock exchanges)
- Social entrepreneurship
- Other
- Not applicable

The Commission will publish all contributions to this targeted consultation. You can choose whether you would prefer to have your details published or to remain anonymous when your contribution is published. **For the purpose of transparency, the type of respondent (for example, 'business association, 'consumer association', 'EU citizen') is always published. Your e-mail address will never be published.** Opt in to select the privacy option that best suits you. Privacy options default based on the type of respondent selected

\* **Contribution publication privacy settings**

The Commission will publish the responses to this public consultation. You can choose whether you would like your details to be made public or to remain anonymous.

**Anonymous**

Only the organisation type is published: The type of respondent that you responded to this consultation as, your field of activity and your contribution will be published as received. The name of the organisation on whose behalf you reply as well as its transparency number, its size, its country of origin and your name will not be published. Please do not include any personal data in the contribution itself if you want to remain anonymous.

**Public**

Organisation details and respondent details are published: The type of respondent that you responded to this consultation as, the name of the organisation on whose behalf you reply as well as its transparency number, its size, its country of origin and your contribution will be published. Your name will also be published.

I agree with the [personal data protection provisions](#)

# 1. Questions addressed to all

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Question 1. In your view, what is the impact of the MMFR on the MMF industry in the EU?

**a) Effectiveness: Has the Regulation been overall effective in delivering on its objective in terms of**

	1 (least effective)	2 (rather not effective)	3 (neutral)	4 (rather effective)	5 (most effective)	Don't know - No opinion - Not applicable
Ensuring the liquidity of the fund is adequate to face redemption requests	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Preventing risk of contagion	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Enhancing the financial stability of the internal market	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Increasing MMF investor protection	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Reducing first mover advantage incentives in times of stress	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Transparency	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Supervision	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other aspects	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**Please explain your answer to question 1 a), providing quantitative information to the extent possible:**

*3000 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

**What factors have reduced the effectiveness / rendered the framework less effective than anticipated? Which rules have proven less effective than anticipated?**

*1500 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

ICMA would suggest that a shift of focus away from individual MMF structures towards the efficiency and resilience of the underlying market would be more appropriate. Significant amendments to the MMFR may be unnecessary – for instance, cessation of LVNAV or CNAV, the purpose and operation of which are clear, with good structural transparency – and may cast doubt over the integrity of the regulation, and of LVNAV and CNAV MMFs.

ICMA recently released a White Paper on The European Commercial Paper and Certificates of Deposit Market (submitted alongside this response), which describes how the commercial paper (CP) market performed during the Covid-related turmoil of March-April 2020 and after, by reference to market participants' experiences. It addresses potential vulnerabilities in the CP market, and proposes initiatives and recommendations that could support the development of market structure and enhance resilience, particularly in the event of future shocks. ICMA would be happy to discuss the contents of the White Paper further.

**b) Efficiency: Has the framework been cost efficient?**

- 1 - Least efficient
- 2 - Rather not efficient
- 3 - Neutral
- 4 - Rather efficient
- 5 - Most efficient
- Don't know / no opinion / not applicable

**Please explain your answer to question 1 b), providing quantitative information to the extent possible:**

*1500 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

**Is there any undue burden created by the MMFR? What scope is there to realise cost efficiencies via further simplification?**

*1500 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

**Should enforcement of the rules and supervision be strengthened?**

*1500 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

**c) Relevance: Is the framework overall relevant (in terms of evolving objectives and needs, has the market significantly evolved compared to when the MMFR was designed?)?**

- 1 - Least relevant
- 2 - Rather not relevant
- 3 - Neutral
- 4 - Rather relevant
- 5 - Most relevant
- Don't know / no opinion / not applicable



**Please explain your answer to question 1 c), providing quantitative information to the extent possible:**

*1500 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

**How relevant is it, or what needs to change, in light of market developments?**

*1500 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

ICMA would suggest that a shift of focus away from individual MMF structures towards the efficiency and resilience of the underlying market would be more appropriate. Significant amendments to the MMFR may be unnecessary – for instance, cessation of LVNAVs or CNAVs, the purpose and operation of which are clear, with good structural transparency – and may cast doubt over the integrity of the regulation, and of LVNAV and CNAV MMFs.

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#### d) Coherence

	1 (least coherent)	2 (rather not coherent)	3 (neutral)	4 (rather coherent)	5 (most coherent)	Don't know - No opinion - Not applicable
Is the legislative framework coherent with other related frameworks, at EU level?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Are existing EU provisions coherent with each other?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**Please explain your answers to question 1 d), providing quantitative information to the extent possible:**

*1500 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

**e) EU value-added: Has intervention at EU level been justified, and does it continue to be justified?**

- 1 - Least successful
- 2 - Rather not successful
- 3 - Neutral
- 4 - Rather successful
- 5 - Most successful
- Don't know / no opinion / not applicable

**Please explain your answer to question 1 e), providing quantitative information to the extent possible:**

*1500 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

**What has been the value-added compared to national frameworks?**

*1500 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

**Question 2. a) To what extent has MMFR made MMFs more resilient during March 2020 and compared to 2007 (i.e. considering equivalents to MMFs at that time)?**

- 1 - Least successful
- 2 - Rather not successful
- 3 - Neutral
- 4 - Rather successful
- 5 - Most successful
- Don't know / no opinion / not applicable

**Please explain your answers to question 2 a), in case you have the experience /information to make such a comparison:**

*1500 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

**Question 2. b) Through which channels has MMFR made MMFs more resilient during March 2020 and compared to 2007?**

	1 (least successful)	2 (rather not successful)	3 (neutral)	4 (rather successful)	5 (most successful)	Don't know - No opinion - Not applicable
MMFR rules on credit risk	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
MMFs asset composition	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Definition of liquidity	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**Please explain your answers to question 2 b), in case you have the experience /information to make such a comparison:**

*1500 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

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**Question 3. If LVNAV were not available anymore, what impacts would you expect on you, and other relevant stakeholders? Please explain:**

*1500 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Borrowers would lose the benefits of MMFs-cost savings, diversification & flexibility of funding, access to currencies-and the availability of short-term funding would be constrained.

MMFs have more diversified credit risk exposures than uninsured bank deposits/direct investment in MMIs. LVNAV 20bp collar reflects low tolerance to volatility in the underlying market, giving investors more protection than in other products. Cessation of LVNAV MMFs could encourage investors to move to bank products which may be riskier, less transparent or are outside the EU-regulated financial market. And borrowers would have to look elsewhere for another investor base.

Cessation of LVNAV MMFs could significantly increase activity in VNAV MMFs, which, compounded with volatile pricing and deteriorating liquidity conditions around stress events, could adversely affect the ability to accurately determine mark to market values in VNAV MMFs.

Asset managers would have to close or transform their LVNAV MMFs, the costs of which could be significant, particularly for small MMFs and for investors who need to conduct diligence, implement new operating procedures, etc.

LVNAV MMFs & VNAV MMFs are more vulnerable to liquidity shocks than CNAVs, as they invest in non-public assets. Strengthening LVNAVs liquidity requirements/permitting the use of LMTs would ensure they can meet redemptions, maintain the availability of short-term funding for borrowers, and offer a stable NAV for investors

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**Question 4. If Public Debt CNAV MMFs were not available anymore, what impacts would you expect on you, and other relevant stakeholders? Please explain:**

*1500 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

This response assumes that LVNAV MMFs remain available and would be capable of using a rounded NAV, subject to the current constraints of a 20bp collar.

Cessation of CNAV MMFs would constrain the availability of short-term funding for public borrowers.

Cessation of CNAV MMFs could significantly increase activity in VNAV MMFs, which could adversely affect the ability to accurately determine mark to market values in VNAV MMFs. It is likely that there would not be such impact if activity were increased in LVNAV MMFs, and LVNAVs were able to use the amortised costs method.

Asset managers would have to close down their CNAV MMFs, or transform them into VNAV MMFs, LVNAV MMFs or other funds. The costs of ceasing or remodelling CNAV MMFs could be significant, particularly for small MMFs and for investors who need to conduct diligence, implement new operating procedures, etc

Cessation of CNAV MMFs could encourage investors to move activities to other bank products, which may be riskier, less transparent or are outside the EU regulated financial market.

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## Question 5. What elements of the MMFR could in your view be improved?

Please select as many answers as you like

- Know your customer policy
- Disclosure / transparency
- Role of credit rating
- Limitations on the use of amortised cost method
- Regulatory triggers for LMTs
- Data sharing
- Scope
- Other

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## Question 6. What regulatory developments at international level should be taken into account in the MMFR and why? Please explain:

*1500 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

**Question 7. Would the [proposal on Liquidity Management Tools](#) under the AIFMD/UCITS review contribute to strengthen the liquidity risk management in MMFs?**

- Yes
- Partially
- No
- Other
- Don't know / no opinion / not applicable

**Please explain your answer to question 7:**

*1500 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Yes. LMTs would address first-mover advantage for redeeming investors in a stress event and thus mitigate MMFs (particularly non-public debt funds) against runs, protect and reassure remaining investors against the impact of large redemptions and allow MMFs to reflect in their prices the costs arising from redemptions. But MMF managers and boards should have discretion over how and when to deploy LMTs, which should not be mandatory. Any proposed LMTs could create significant operational challenges, and could adversely affect investor behaviours and reactions to liquidity fees. LMTs would require very careful design - not all LMTs are suitable for all MMFs (as to which, see further ICMA's response to the ESMA CP on MMFR Review).

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**Question 8 a) Do you have any comment on the impact of the MMFR on the functioning of short-term markets (via investments in short-term instruments issued by banks, insurances, non-financial corporates, etc.), both in terms of costs/convenience, but also in terms of financial stability/contagion in times of crisis?**

**Please explain further and provide quantitative information if possible:**

*1500 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

**Question 8 b) In your view, is there sufficient transparency both in terms of issuance, underlying collateral and rates of short-term money market instruments in the EU insofar as covered by the MMFR?**

- Yes



- Partially
- No
- Don't know / no opinion / not applicable

**Please explain your answer to question 8 b):**

*1500 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

MMF participants are directly regulated and subject to their own transparency requirements. But in terms of underlying collateral, as there is no obligation to report money market instruments (such as commercial paper) to securities regulators, transparency in the European CP market is fragmented, and it is very difficult to have a clear, definitive, holistic overview of pre and post-trade data, as well as statistics on issuance, outstanding amounts, and market structure. According to an AMF report, activity on the secondary market in short term debt securities is almost entirely unknown, average rates at issuance are only disclosed on some segments, and credit ratings and CRAs' market shares on the short-term debt segment have not yet been assessed. Fully consolidated, publicly available information could play a role in supporting greater confidence for market participants and help with price formation, particularly in the secondary market. As described in the White Paper referred to in 1(c), feedback from the ICMA CP and Certificates of Deposit Committee suggests that this is worth exploring further. A consolidated tape for short-term markets, similar to those proposed for corporate bonds and equities, is a possible consideration. Notwithstanding the above, implementation of any solution could be potentially complex, requiring a careful balance to be struck between minimising costs for participants and end users and ensuring that the data is useful.

## **2. Questions addressed to investors in MMFs**

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**Question 9. In which type(s) of EU MMFs do you invest?**

**Please indicate in the respective cell, approximately, the total amount of your holdings in EU MMF converted in EUR:**

	<b>Public debt CVNAV</b>	<b>LVNAV</b>	<b>Standard VNAV</b>	<b>Short-term VNAV</b>
Amount in EUR as of 31/12 /2021				

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**Question 10. Which currency do you mostly invest in and for what reasons?**

**Please indicate the percentage share of your holdings at the end of 2021:**

	<b>EUR</b>	<b>GPB</b>	<b>US Dollars</b>	<b>Other currencies</b>
In LVNAV				
In public debt CNAV				
In VNAV				

## Please explain your answer to question 10:

*1500 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

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## Question 11. a) What are the reasons/needs for investing in **public debt CNAV** ?

Please select as many answers as you like

- Short-term investment: optimise returns while preserving liquidity
- Margin call management
- Operational use (payment of invoices and bills, etc.)
- Other cash management reasons
- As part of investment products offered to retail investors (life insurance product, pensions products, fund of funds – please specify which one(s) and why
- Regulatory incentives, please specify which one(s) and why
- Tax reasons, please specify which one(s) and why
- Accounting reasons (e.g. Classification in “cash and cash equivalents” investment, others.)
- Other

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## Question 11. b) What are the reasons/needs for investing in **LVNAV**?

Please select as many answers as you like

- Short-term investment: optimise returns while preserving liquidity
- Margin call management
- Operational use (payment of invoices and bills, etc.)
- Other cash management reasons
- As part of investment products offered to retail investors (life insurance product, pensions products, fund of funds – please specify which one(s) and why

- Regulatory incentives, please specify which one(s) and why
  - Tax reasons, please specify which one(s) and why
  - Accounting reasons (e.g. Classification in “cash and cash equivalents” investment, others.)
  - Other
- 

**Question 11. c) What are the reasons/needs for investing in standard VNAV?**

Please select as many answers as you like

- Short-term investment: optimise returns while preserving liquidity
  - Margin call management
  - Operational use (payment of invoices and bills, etc.)
  - Other cash management reasons
  - As part of investment products offered to retail investors (life insurance product, pensions products, fund of funds – please specify which one(s) and why
  - Regulatory incentives, please specify which one(s) and why
  - Tax reasons, please specify which one(s) and why
  - Accounting reasons (e.g. Classification in “cash and cash equivalents” investment, others.)
  - Other
- 

**Question 11. d) What are the reasons/needs for investing in short-term VNAV?**

Please select as many answers as you like

- Short-term investment: optimise returns while preserving liquidity
- Margin call management
- Operational use (payment of invoices and bills, etc.)
- Other cash management reasons
- As part of investment products offered to retail investors (life insurance product, pensions products, fund of funds – please specify which one(s) and why
- Regulatory incentives, please specify which one(s) and why
- Tax reasons, please specify which one(s) and why

- Accounting reasons (e.g. Classification in “cash and cash equivalents” investment, others.)
  - Other
-

**Question 12. What is your investment horizon when investing in these MMFs?**

**Please specify time frame and please indicate “on demand” when you invest in MMF due to keeping a liquid cash balance:**

	<b>Investment horizon</b>
Public debt CVNAV	
LVNAV	
Standard VNAV	
Short-term VNAV	

**Please explain your answer to question 12:**

*1500 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

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**Question 13. Do the levels of DLA and WLA profile published by MMFs play a role in your investment/disinvestment decision?**

- Yes
- Partially
- No
- Don't know / no opinion / not applicable

**Please explain your answer to question 13:**

*1500 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

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**Question 14. Except for immediate cash needs, what are the most typical reasons why you would divest from a given MMF?**

**a) Drift of risk indicators (WAM, WAL, DLA, WLA)**

- 1 - Not important
- 2 - Rather not important
- 3 - Neutral
- 4 - Rather important
- 5 - Very important
- Don't know / no opinion / not applicable

**Please explain your answer to question 14 a):**

*1500 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.



**b) Fund's recent performance**

**Volatility of the NAV and MTM (shadow) NAV**

- 1 - Not important
- 2 - Rather not important
- 3 - Neutral
- 4 - Rather important
- 5 - Very important
- Don't know / no opinion / not applicable

**Please explain your answer to question 14 b) on volatility of the NAV and MTM (shadow) NAV:**

*1500 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

**Difference between constant NAV and MTM (shadow) NAV that widens (question relevant for LVNAV and Public Debt CNAV)**

- 1 - Not important
- 2 - Rather not important
- 3 - Neutral
- 4 - Rather important
- 5 - Very important
- Don't know / no opinion / not applicable

**Please explain your answer to question 14 b) on the difference between constant NAV and MTM (shadow) NAV that widens (question relevant for LVNAV and Public Debt CNAV):**

*1500 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

c) By anticipation due to the market context

**Risk of non-accessibility or partial access to the cash in case of LMTs being triggered (e.g. suspension, gates)**

- 1 - Not important
- 2 - Rather not important
- 3 - Neutral
- 4 - Rather important
- 5 - Very important
- Don't know / no opinion / not applicable

**Please explain your answer to question 14 c) on risk of non-accessibility or partial access to the cash in case of LMTs being triggered (e.g. suspension, gates):**

*1500 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

**Emerging risks, anticipation of further markets deterioration that may affect the MMF's performance**

- 1 - Not important
- 2 - Rather not important
- 3 - Neutral
- 4 - Rather important
- 5 - Very important
- Don't know / no opinion / not applicable

**Please explain your answer to question 14 c) on emerging risks, anticipation of further markets deterioration that may affect the MMF's performance:**

*1500 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

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**Question 15. Would the mandatory availability of LMTs to pass on the cost of liquidity to redeeming investors be a reassurance to the remaining investors?**

- Yes
- Partially
- No
- Don't know / no opinion / not applicable

**Please explain your answer to question 15:**

*1500 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

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**Question 16. If LVNAV were not available anymore, or not available in your preferred currency, what alternative investment(s) would correspond to your needs?**

Please select as many answers as you like

- Bank deposits
- Short-term VNAV
- Standard VNAV
- Public debt CNAV
- EU investment funds other than MMFs
- Non-EU MMFs

- Non-EU investment funds other than MMFs
- Direct investments in money market instruments (such as short-term treasury bills, etc.)
- Other financial instruments
- Other

**Please further explain your answers to question 16 if necessary:**

*1500 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

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**Question 17. If Public Debt CNAV MMFs were not available anymore, or not available in your preferred currency, what alternative investment(s) would correspond to your needs?**

Please select as many answers as you like

- Bank deposits
- Short-term VNAV
- Standard VNAV
- EU investment funds other than MMFs
- Non-EU MMFs
- Non-EU investment funds other than MMFs
- Direct investments in money market instruments (such as short-term treasury bills, etc.)
- Other financial instruments
- Other

**Please further explain your answers to question 17 if necessary:**

*1500 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.



**Question 18. Do you already invest in these alternative investments? If so, in which ones?**

	<b>Percentage share invested (end 2021)</b>	<b>Further comment if necessary</b>
Alternative investments		
Bank deposits		
Non-EU MMFs		
Non-EU investment funds other than MMFs (please specify which ones)		
Direct investments in money market instruments		
Other financial instruments (please specify which ones)		
Other (please specify which ones)		

**Question 18 a) Would it be feasible for you to transfer all your MMF holdings into these instruments?**

- Yes
- No
- Don't know / no opinion / not applicable

### **3. Questions addressed to MMFs asset managers**

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**Question 19. Which type(s) of MMFs do you manage, in which currency and for which amount (end of 2021 position converted in EUR)?**

	<b>CNAV - Total NAV EUR</b>	<b>LVNAV - Total NAV in EUR</b>	<b>Standard VNAV - Total NAV in EUR</b>	<b>Short-term VNAV - Total NAV in EUR</b>
Euro-denominated				
USD-denominated				
GBP-denominated				
Other currencies (please specify)				

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**Question 20. Do the MMFs you manage invest in debt issued or guaranteed by public authorities or institutions?**

Please select as many answers as you like

- Debt issued or guaranteed by EU public issuers
  - Debt issued or guaranteed by non-EU public issuers
-

**Question 21. When monitoring the evolution of the difference between the constant NAV and MTM (shadow) NAV, on a regular basis or during the March 2020 crisis, what actions were/are taken to maintain this difference below the threshold mentioned in Article 33(2)(b) of Regulation 2017/1131 for LVNAV or to maintain a constant NAV for public debt CNAV?**

	<b>Action taken on a day to day basis</b>	<b>Specific actions taken during the March 2020 crisis</b>
Public debt CNAV		
LVNAV		

**Question 22. Can you explain the direct and indirect impacts (on the type of MMF and on the broader markets) of the central banks' intervention since March 2020 up to now?**

**a) CNAV:**

	<b>1</b> (low impact)	<b>2</b> (rather low impact)	<b>3</b> (neutral)	<b>4</b> (rather high impact)	<b>5</b> (very high impact)	Don't know - No opinion - Not applicable
Impact of outright purchases of CP by central banks on cumulative MMFs outflows/inflows	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
On prices of short-term financial instruments bought by the ECB /BoE/FED	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Impact on market confidence -decreasing outflows (EUR)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other impact(s)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**Please specify the central bank your answer to question 22 a) refers to (ECB, BoE, FED):**

*5000 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

**B) LVNAV:**

	1 (low impact)	2 (rather low impact)	3 (neutral)	4 (rather high impact)	5 (very high impact)	Don't know - No opinion - Not applicable
Impact of outright purchases of CP by central banks on cumulative MMFs outflows/inflows	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
On prices of short-term financial instruments bought by the ECB /BoE/FED	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Impact on market confidence -decreasing outflows (EUR)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other impact(s)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**Please specify the central bank your answer to question 22 b) refers to (ECB, BoE, FED):**

*5000 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

**C) VNAV:**

	1 (low impact)	2 (rather low impact)	3 (neutral)	4 (rather high impact)	5 (very high impact)	Don't know - No opinion - Not applicable
Impact of outright purchases of CP by central banks on cumulative MMFs outflows/inflows	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
On prices of short-term financial instruments bought by the ECB /BoE/FED	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Impact on market confidence -decreasing outflows (EUR)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other impact(s)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>



**Please specify the central bank your answer to question 22 c) refers to (ECB, BoE, FED):**

*5000 character(s) maximum*

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

## Additional information

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Should you wish to provide additional information (e.g. a position paper, report) or raise specific points not covered by the questionnaire, you can upload your additional document(s) below. **Please make sure you do not include any personal data in the file you upload if you want to remain anonymous.**

The maximum file size is 1 MB.

You can upload several files.

Only files of the type pdf,txt,doc,docx,odt,rtf are allowed

**fab5474e-f047-49e7-9064-15047d8c6ac0/ICMA-CPC-white-paper-The-European-Commercial-Paper-and-Certificates-of-Deposit-Market-September-2021-290921.pdf**

### Useful links

[More on this consultation \(https://ec.europa.eu/info/publications/finance-consultations-2022-money-market-funds\\_en\)](https://ec.europa.eu/info/publications/finance-consultations-2022-money-market-funds_en)

[Consultation document \(https://ec.europa.eu/info/files/2022-money-market-funds-consultation-document\\_en\)](https://ec.europa.eu/info/files/2022-money-market-funds-consultation-document_en)

[Abbreviations \(https://ec.europa.eu/info/files/2022-money-market-funds-abbreviations\\_en\)](https://ec.europa.eu/info/files/2022-money-market-funds-abbreviations_en)

[More on money market funds \(https://ec.europa.eu/info/business-economy-euro/growth-and-investment/investment-funds\\_en#mmf\)](https://ec.europa.eu/info/business-economy-euro/growth-and-investment/investment-funds_en#mmf)

[Specific privacy statement \(https://ec.europa.eu/info/files/2022-money-market-funds-specific-privacy-statement\\_en\)](https://ec.europa.eu/info/files/2022-money-market-funds-specific-privacy-statement_en)

[More on the Transparency register \(http://ec.europa.eu/transparencyregister/public/homePage.do?locale=en\)](http://ec.europa.eu/transparencyregister/public/homePage.do?locale=en)

## **Contact**

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