



Jersey Financial
Services Commission

Feedback on changes to the alternative investment fund code to transpose the EU's Alternative Investment Fund Managers Directive II

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Contents

1	Executive summary	3
1.1	Overview.....	3
1.2	Feedback received.....	3
1.3	Next steps.....	3
2	Summary of consultation responses.....	4
2.1	Feedback received.....	4
2.2	Question 1: Clarity of proposals	4
2.3	Question 2: Impact of AIF Code update on businesses.....	4
2.4	Other comments	4
3	Next steps	5
	Glossary	6

1 Executive summary

1.1 Overview

- 1.1.1 On 2 October 2025, we published a consultation paper on changes to our code of practice for alternative investment funds and alternative investment fund services business (**AIF Code**) to transpose the EU Alternative Investment Fund Manager Directive II (**EU AIFMD II**). We asked for relevant stakeholders' views on the proposed changes and their impact.
- 1.1.2 Through applicable legislation and our current AIF Code, we operate a dual alternative investment fund manager (**AIFM**) regime which complies with the EU AIFMD and the UK AIFM Regulations. This ensures Jersey's equivalence and its resulting market access in the EU and UK through the Private Placement Rules.
- 1.1.3 The EU AIFMD was updated in April 2024 to take account of EU AIFMD II, which must be implemented by April 2026. To maintain market access in the EU, Jersey must adapt its AIFM regime to reflect and align with the EU AIFMD regime changes.
- 1.1.4 The EU and UK AIFM regimes are diverging. The EU's changes are already finalised while the UK's new approach remains under development. Our proposal was to split the AIF Code to reflect:
 - (i) EU AIFMD II requirements by 16 April 2026 (**EU AIF Code**)
 - (ii) the final agreed UK AIFM proposals (**UK AIF Code**) in due course
- 1.1.5 The purpose of this paper is to provide feedback on the response received to the consultation paper on the EU AIF Code.

1.2 Feedback received

- 1.2.1 We received one response to the consultation. Section 2 of this paper presents the comments received and our response.
- 1.2.2 We are grateful to the respondent for taking the time to consider and comment on the proposals. We are also grateful to the working group for their work prior to the consultation being issued.

1.3 Next steps

- 1.3.1 We will proceed in line with the consultation as there were no material comments on the proposals.
- 1.3.2 Any queries should be directed to policy@jerseyfsc.org.

2 Summary of consultation responses

2.1 Feedback received

- 2.1.1 This section summarises the comments received in response to the consultation. There was only one response to the consultation.
- 2.1.2 The limited number of responses was expected, as the working group of fund sector experts, led by the JFSC, had reviewed AIFMD II to assess any necessary legislative or code updates.
- 2.1.3 The working group concluded that the consequential amendments to the AIF Code to take account of EU AIFMD II should not materially impact Jersey as a third country.
- 2.1.4 The Jersey depositaries we contacted before the consultation gave limited comments in relation to the changes to paragraph 15 of the AIF Code.
- 2.1.5 The comments we received on the consultation can be split into those responding to specific questions and those on other matters. This section is structured on those lines.

2.2 Question 1: Clarity of proposals

- 2.2.1 The question was: Are there any matters that are unclear regarding the proposals?
- 2.2.2 The respondent did not have comments on the clarity of the proposals.

2.3 Question 2: Impact of AIF Code update on businesses

- 2.3.1 The question was: What will be the impact of the updated EU AIF Code, effective from April 2026, on your business?
- 2.3.2 The respondent answered the impact of the updated code on their business would be minor.

Our response

We note the impact of the updated EU AIF Code changes is not considered material.

In relation to the EU AIFMD II changes that impact the Private Placement Rules, we have not transposed into the AIF Code the EU's requirements in respect of third countries. Please note that industry should however be aware of the EU lists of high-risk and non-cooperative jurisdiction changes in respect of third countries.

2.4 Other comments

- 2.4.1 The respondent suggested changes not related to the EU AIFMD II update. These were to add:
 - › a minimum span of control requirement for the standalone alternative investment fund services businesses
 - › clearer wording in relation to the provision of audited financial statements which would assist service providers

Our response

We will consider these points as part of our work on future UK AIFM regime changes.

3 Next steps

- 3.1.1 As the response did not raise any material issue, the proposals will proceed in line with the original consultation.
- 3.1.2 We are grateful to all stakeholders who engaged and submitted responses to this consultation. Any further comments or queries should be directed to policy@jerseyfsc.org.

Glossary

Defined terms are indicated throughout this document as follows:

AIF	Alternative Investment Fund
AIFM	Alternative Investment Fund Manager
AIF Code	Code of Practice for Alternative Investment Funds and AIF Services Business
EEA State	State which is a Member State or any other State which is a contracting party to the agreement on the European Economic Area signed at Oporto on 2 May, 1992 as adjusted by the Protocol signed at Brussels on 17 March 1993 (currently Iceland, Liechtenstein and Norway) or a State which becomes a contracting party to these arrangements in the future, to which the AIFM Directive applies
EU AIFMD	Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No. 1060/2009 and (EU) No. 1095/2010, as amended
EU AIFMD II	Directive (EU) 2024/927 of the European Parliament and of the Council of 13 March 2024 amending EU AIFMD as regards delegation arrangements, liquidity risk management, supervisory reporting, the provision of depositary and custody services and loan origination by alternative investment funds
Jersey Depositary	Jersey depositary within the meaning of the paragraph 15.1 of the AIF Code
JFSC	Jersey Financial Services Commission
Member State	Member State of the European Union or other EEA State
Private Placement Rules	Member States' national private placement rules under which Jersey AIFMs are permitted to market AIFs
UK AIFM Regulations	Alternative Investment Fund Managers Regulations 2013 of the United Kingdom (S.I. 2013/1773), as amended