**ALFI - ALRIM risk management conference 2014**



(Photo: archives paperJam)

On April 29, 2014 the Association of the Luxembourg Fund Industry (ALFI) and the Luxembourg Association of Risk Management (ALRiM) hosted its fifth edition of the ALFI & ALRiM risk management conference. Practitioners demonstrated the industry’s continuing support to asset managers looking to key risk requirements of both UCITS and AIFMD proving Luxembourg’s long track record of being a business friendly, highly expert and competitive jurisdiction for both UCITS and alternative investment funds.

Luxembourg was amongst the first jurisdictions to both accept applications and grant authorisation to Alternative Investment Fund Managers under the Directive. In Luxembourg there have been 26 AIFM authorisations on the CSSF’s list with a further 16 approved that have yet to be added to the list. 191 have so far applied for authorisation in Luxembourg (figures as per April 9th 2014).

With Luxembourg’s position as the European leader in cross-border fund distribution, ALFI and ALRiM expect that the implementation of the AIFMD will further enhance Luxembourg’s leading position as a domicile for fund and management companies in the alternative sector.

This year over 250 European Risk Managers, Conducting Officers and Experts turned up to hear more about the Alternative Investment Fund Managers Directive (AIFMD) from local and international experts who discussed the implications and opportunities associated with AIFMD.

The ALFI & ALRiM Risk Management Conference has established itself as an important forum where Risk Managers, Conducting Officers and Experts from all over Europe and beyond gather and exchange information and ideas about risk governance, measurement, management and reporting in the areas of both UCITS and Alternative Investment Funds.

This year’s morning session focused on operational risks within UCITS and AIF Management and on the rules set by a series of related CSSF Circulars and elaborated what impact the new reporting obligations for alternative investment fund managers may have on risk management and how these reporting principles can be applied to the wide range of strategies in the context of AIFMD.

In the afternoon, participants could choose between a selection of interactive workshops focusing on leverage, the implementation of risk management systems for real asset funds and on counterparty and credit risk, where they have the opportunity to discuss practical aspects in smaller groups. Each workshop session was held twice in order to allow participants to attend two of the three workshops on offer.

After the workshop sessions, a panel of European industry experts compared recent trends in risk management in the UK, Ireland, France and Germany. The conference day was concluded by the panel discussion «first experience gained» since the entry into force of the AIFMD.

At the occasion of this conference, ALFI has published, in association with ALRiM, new risk management guidelines on:

* Operational Risk Management within UCITS. The aim of these Guidelines are to present best practice proposals for the management of Operational Risk and to assist Board members and senior management in the development of their risk management process,
* Guidelines on Risk Management under the Alternative Investment Fund Managers Directive (“AIFMD”)

The ALFI guidelines on Risk Management under AIFMD are complemented by the ALFI Q&A «Risk Management for AIF under AIFMD». The Q&A shall be regularly updated with additional questions to cover key aspects of Risk Management activities under AIFMD including, e.g., aspects in relation to key risk categories as well as governance/delegation topics.