

SUMMARY OF CONCLUSIONS

Board of Supervisors – conference call

Date: 20 March 2020
Time: 14h00 – 15h30
Location: Conference call
Contact: frederiek.vermeulen@esma.europa.eu Tel: +33 1 58 36 43 37

1. Adoption of agenda Decision

Decision: The Board adopted the agenda. The Chair informed the meeting that the Head of the UK Financial Conduct Authority was invited to attend the meeting in line with the UK withdrawal agreement, in the interest of the Union and with the objective to ensure financial stability.

2. Confirmation of absence of conflict of interests Decision

Decision: The Board endorsed the Chair's statement not to have received any indication by a Board Member of any interest which might be considered prejudicial to her/his independence in relation to any items on the agenda.

3. Market Assessment: exchange of views Information

The Head of Risk Assessment and Economics presented the financial market impact.

The Board discussed the financial market situation, in particular:

- The developments in the asset management industry, including fund suspensions, the use of *gating* and the use of *swing pricing* to adjust funds' Net Asset Value (NAV); and
- The adequate functioning of financial market infrastructures.

Conclusion: The Board discussed ESMA's assessment of the COVID19-related impact on financial markets. It was agreed that the Investment Management Standing Committee (IMSC) should continue its co-operation on the developments in the asset management industry as agreed during the 18 March 2020 Board of Supervisors meeting, including discussion on the use of *gating* and whether further ESMA' coordination is needed in relation to the use of *swing pricing*.

4. CRA activity

1) Presentation Discussion

The Head of Ratings, Indices and Securitisation Department provided the Board with an update on ESMA's ongoing activities as direct supervisors of credit rating agencies (CRAs).

The Board discussed the update, in particular:

- The expected economic impact and the planned actions by CRAs; and
- The impact on corporate bonds, in particular those rated at BBB-level.

Conclusion: The Board took note of the presentation and will be updated on rating activity by CRAs and any possible supervisory activities by ESMA on a regular basis.

5. Standing Committee activity

- | | | |
|----|---|------------|
| 1) | Update Note on Investment Management Standing Committee (IMSC) activity | Discussion |
| 2) | Update Note on Investor Protection and Intermediaries Standing Committee (IPISC) activity | Discussion |

The Head of Investors and Issuers Department updated the Board on the ongoing discussion within IMSC and IPISC.

The Board welcomed the update highlighting ESMA's investor protection mandate.

Conclusion: The Board took note of the update and asked IMSC and IPISC to continue the co-ordination on the COVID19 related impact on financial markets and market participants.

6. Application of tick size regime to systematic internalisers Discussion

The Head of Trading Unit presented the note on the application of the tick size regime to systematic internalisers.

The Board discussed the expectation for competent authorities not to prioritise their supervisory actions in relation to the new tick-size regime until 26 June 2020. The Board also considered whether ESMA should develop a wider set of cross-sectoral principles to support the Board in assessing such delays.

Decision: The Board adopted the proposed public statement. It was agreed that ESMA should develop in due course a set of cross-sectoral principles to support the Board in assessing the delay of supervisory actions.

7. Oral update by the Chair Discussion

The Chair reported on:

- The importance of sharing information among the national competent authorities and ESMA;
- Data submission by NCAs on short-selling positions and the fact that some authorities had not submitted any data yet;
- The fact that ESMA staff was preparing an additional Risk Dashboard which will be presented to the Board of Supervisors for approval by written procedure; and
- The planned workshop on 'remote supervision by competent authorities' organised by ESMA staff following the suggestion of a Board Member.

8. Possible other policy responses Discussion

- Jean Paul Servais (BE) suggested that ESMA should look into the disclosure requirements applicable to all financial market participants triggered by the COVID19 impact on financial markets and how ESMA could contribute to ensuring consistency of such disclosures.
- Magdalena Lapsa-Parczewska (PL) informed the Board that the KNF had issued a statement delaying the financial reporting set out in the Transparency Directive.

Conclusion: The Board asked the Corporate Reporting Standing Committee (CRSC) to consider whether further ESMA activity is needed in relation to (i) the disclosures triggered by the COVID19 financial market impact and (ii) regarding the deadlines set out in the Transparency Directive.

9. A.O.B.

/

Participants list

Voting members

Member State	Representative	Accompanying Person
Belgium	Jean-Paul Servais	
Bulgaria	Dimitar Koychev (alternate)	
Croatia	Jurica Jednacak (alternate)	
Czech Republic	Karel Juras (alternate)	
Denmark	Karen Dorteab Abelskov	
Germany	Elisabeth Roegele	
Estonia	Andre Nõmm	
Ireland	Derville Rowland	
Greece	Vasiliki Lazarakou	
Spain	Sebastian Albella	
France	Robert Ophèle	
Italy	Carmine Di Noia (alternate)	
Cyprus	Liana Ioannidou (alternate)	
Latvia	Ieva Ose (alternate)	
Lithuania	Vaidas Cibas (alternate)	

Luxembourg	Claude Marx	
Hungary	Krisztian Csaky (alternate)	
Malta	Lorraine Vella (alternate)	
Netherlands	Jos Heuvelman (alternate)	
Austria	Birgit Puck (alternate)	
Poland	Magdalena Łapsa-Parczewska	
Portugal	Gabriela Figueiredo Dias	
Romania	Florentina Boboc (alternate)	
Slovenia	Milos Čas	
Slovakia	Peter Tkáč	
Finland	Anneli Tuominen	
Sweden	Malin Omberg (alternate)	
ESMA Chair	Steven Maijoor	

Non-voting members

European Commission	Ugo Bassi	
EBA		

EIOPA	Patrick Hoedjes	
ESRB	Francesco Mazzaferro	
Iceland	Páll Friðriksson (alternate)	
Liechtenstein	Reto Degen (alternate)	
Norway	Anne Merethe Bellamy	
EFTA Surveillance Authority	Gunnar Thor Petursson (alternate)	

ESMA

Executive Director	Verena Ross
Summary of Conclusions	Frederiek Vermeulen
Head of Governance and External Affairs	Roxana De Carvalho
Head of Risk Analysis and Economics	Steffen Kern
Head of Investors and Issuers Department	Evert van Walsum
Head of Ratings, Indices and Securitisation Department	Iliana Lani
Head of Trading Unit	Carsten Osterman

Observer

United Kingdom	Edwin Schooling Latter (alternate)
----------------	------------------------------------



Done at Paris on 24 April 2020

Steven Maijor

For the Board of Supervisors