

SUMMARY OF CONCLUSIONS

Board of Supervisors – conference call

Date: 1 April 2020
Time: 15h00 – 16h00
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 Developments

1) Presentation Discussion

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;
- Adequate functioning of central securities depositories (CSDs) and the fact that the increased number of settlements fails is expected to be short-lived;
- Guidance provided by the European Banking Authority (EBA) to credit institutions on remuneration policies and refraining from dividend payments; and
- Impact of firms outsourcing activities outside the European Union (EU) and the impact on their business continuity.

Conclusion: The Board discussed ESMA's assessment of the COVID19-related impact on financial markets and confirmed the ongoing co-ordination activity within the relevant standing committees. It was agreed that no further initiative was needed by ESMA for non-financial institutions regarding remuneration policies or dividend pay outs.

4. ESMA emergency actions

1) Issues Note

Decision

The Head of Governance and External Affairs Department presented the note on ESMA's emergency actions.

The Board discussed the note on emergency actions, in particular:

- The already ongoing information sharing among national competent authorities and ESMA and the coordination by ESMA both within the Standing Committees and the Board of Supervisors on financial market developments;
- The importance of ESMA to make full use of the tools and powers available under the ESMA regulation to fulfil its coordination role both in line with Article 31 and Article 18;
- How to implement the invitation for ESMA to participate as an observer in any relevant gathering by the relevant national authorities under paragraph 18(1);
- Whether ESMA staff should consider a scenario envisaged under Article 18(2) where one or all of the European Supervisory Authorities (ESAs), the European Systemic Risk Board (ESRB) or the European Commission would need to issue a recommendation or request to the Council of the European Union to determine an emergency situation;
- Which criteria ESMA should use to identify whether the need for such a recommendation or request to the Council may arise; and
- Whether there is a need to inform the public of ESMA's decision when using ESMA powers under Art 18.

Decision: The Board confirmed the importance of information sharing and ESMA's coordination role in response to the financial market developments. The Board asked ESMA staff to look into, for discussion during the next Board of Supervisors meeting, how article 18(1) would operate in practice by highlighting that ESMA's emergency activities should remain efficiently organised. Regarding the invitation for ESMA to participate in relevant gatherings it was agreed that this would be mainly relevant for issues with a cross-border impact. Finally, the Board asked ESMA staff to continue preparatory work especially in case market developments would worsen and to understand how ESMA would operate in case the Council of the EU would decide on an emergency situation. The Board decided that no specific communication on ESMA's discussions on this agenda item should take place.

5. Oral Report by the Chair

Oral

Discussion

The Chair reported that national competent authorities were asked within the Post-Trading Standing Committee (PTSC) to share reports on settlement fails daily.

6. A.O.B.

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Participants list

Voting members

| Member State | Representative | Accompanying Person |
|---------------------|-------------------------------|----------------------------|
| Belgium | Jean-Paul Servais | |
| Bulgaria | | |
| Croatia | Jurica Jednacak (alternate) | |
| Czech Republic | Vojtech Belling | |
| Denmark | Karen Dorte Abelskov | |
| Germany | Elisabeth Roegele | |
| Estonia | Andre Nõmm | |
| Ireland | Derville Rowland | |
| Greece | Vasiliki Lazarakou | |
| Spain | Sebastian Albella | |
| France | Benoit de Juvigny (alternate) | |
| Italy | Carmine Di Noia (alternate) | |
| Cyprus | Demetra Kalogerou | |
| Latvia | Ieva Ose (alternate) | |
| Lithuania | Vaidas Cibas (alternate) | |

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| Luxembourg | Claude Marx | |
| Hungary | Krisztian Csaky (alternate) | |
| Malta | Christopher Buttigieg | |
| Netherlands | Jos Heuvelman | |
| Austria | Eduard Mueller | |
| Poland | Magdalena Łapsa-Parczewska | |
| Portugal | Gabriela Figueiredo Dias | |
| Romania | Florentina Boboc (alternate) | |
| Slovenia | Milos Cas | |
| Slovakia | Peter Tkáč | |
| Finland | Anneli Tuominen | |
| Sweden | Malin Omberg (alternate) | |
| ESMA Chair | Steven Maijoor | |

Non-voting members

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|---------------------|----------------|--|
| European Commission | Ugo Bassi | |
| EBA | Anne Tiedemann | |
| EIOPA | Kai Kosik | |

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|-----------------------------|-----------------------------------|--|
| ESRB | Francesco Mazzaferro | |
| Iceland | Adalsteinn Eymundsson (alternate) | |
| Liechtenstein | Reto Degen (alternate) | |
| Norway | Anne Merethe Bellamy | |
| EFTA Surveillance Authority | Franck Buchel | |

Observer

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| United Kingdom | Edwin Schooling Latter (alternate) |
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ESMA

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| Executive Director | Verena Ross |
| Summary of Conclusions | Frederiek Vermeulen |
| Head of Governance and External Affairs Department | Roxana de Carvalho |
| Head of Risk Analysis and Economics | Steffen Kern |

Done at Paris on 27 April 2020

Steven Maijor

For the Board of Supervisors