

SUMMARY OF CONCLUSIONS

Board of Supervisors

Date: 26 March 2020
Time: 13h00 – 14h30
Location: Conference call meeting
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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: 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 Discussion

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

The Executive Director reported on some of ESMA's ongoing supervision activities, in particular:

- The registration of securitisation repositories;
- The reassessment of ESMA's supervisory priorities vis-à-vis credit rating agencies including among others monitoring key credit rating trends;
- The impact on trade repositories' daily activity of the recent market volatility; and
- ESMA's tentative thinking that there is no need to suspend the rebalancing of bond benchmarks.

The Chair reported on the:

- Outcome of the discussion of the Secondary Markets Standing Committee (SMSC) to maintain the 1 April 2020 application date of the equity transparency calculations;
- Discussions of the Investment Management Standing Committee (IMSC) relating to the use of swing pricing and gating and the challenges for funds to meet the legislative deadlines to produce their annual/semi-annual reports;
- The ongoing written procedure on the Statement prepared by the Corporate Reporting Standing Committee (CRSC) on the deadlines within the Transparency Directive; and

- Own- initiative report prepared by the Securities and Markets Stakeholder Group (SMSG) on the impact of COVID19 on financial market participants.

The Board discussed the financial market situation and possible policy responses, in particular:

- Developments in the asset management industry, in particular in relation to money market funds and whether further ESMA initiatives should be taken;
- Functioning of central securities depositories (CSDs) and the development of settlement fails;
- The publication by execution venues and firms of the general best execution reports required under RTS 27 and 28; and
- The need for portfolio managers to inform their clients if the value of their portfolio depreciates by more than 10 per cent.

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 to monitor the developments in the asset management industry and discuss related issues. The Board asked (i) the Post-Trading Standing Committee (PTSC) to look into the number and development of settlement fails within Central Securities Depositories (CSDs) and (ii) the Investor Protection and Intermediaries Standing Committee (IPISC) to look at best execution reports.

4. ESMA emergency actions

Discussion

The Chair presented the note on ESMA's emergency actions.

The Board discussed the note, in particular:

- 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; and
- The criteria that would trigger ESMA to consider issuing a recommendation or request to the Council of the European Union and how it would affect ESMA's activities.

Conclusion: The Board discussed the note and asked ESMA staff to prepare a more detailed analysis of ESMA's emergency actions for discussion during an ad hoc conference call meeting, and in particular a more detailed analysis on the practical impact of operating under Article 18(1).

5. A.O.B.

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Participants list

Voting members

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

Luxembourg	Claude Marx	
Hungary	Gergő Szeniczey	
Malta	Lorraine Vella (alternate)	
Netherlands	Jos Heuvelman	
Austria	Eduard Mueller	
Poland	Magdalena Łapsa-Parczewska	
Portugal	Gabriela Figueiredo Dias	
Romania	Florentina Baboc (alternate)	
Slovenia	Milos Čas	
Slovakia	Peter Tkáč	
Finland	Armi Taipale (alternate)	
Sweden	Malin Omberg (alternate)	
ESMA Chair	Steven Maijoor	

Non-voting members

European Commission	Ugo Bassi	
EBA	Anne Tiedemann	
EIOPA	Kai Kosik	

ESRB	Francesco Mazzaferro	
Iceland	Páll Friðriksson (alternate)	
Liechtenstein	Marcel Lotscher (alternate)	
Norway	Anne Merethe Bellamy	
EFTA Surveillance Authority	Marco Urcelli (alternate)	

Observer

United Kingdom	Edwin Schooling Latter (alternate)
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ESMA

Executive Director	Verena Ross
Summary of Conclusions	Frederiek Vermeulen
Head of Risk Assessment and Economics	Steffen Kern

Done at Paris on XX April 2020

Steven Maijor

For the Board of Supervisors