

SUMMARY OF CONCLUSIONS

Board of Supervisors

Date: 10 June 2020
Time: 15h00 – 18h00
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.

2. Confirmation of absence of conflict of interests Oral 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. Oral Report by Chair and Executive Director Oral Information

The Chair reported on

- His meeting with Michel Barnier, the European Commission's Head of the Task Force for Relations with the United Kingdom, in particular the state-of-play with trade negotiations;
- The activities of the International Organization for Securities Commissions (IOSCO), in particular (i) the last steps towards finalisation of the IOSCO Draft Report on "Good Practices for Deference processes" and (ii) the re-election of Ashley Alder (SFC Hong Kong) as IOSCO Board Chair and Jean-Paul Servais (FSMA Belgium) as IOSCO Board Vice-Chair;
- The fact that the Market Integrity Standing Committee (MISC) will be working on a technical advice addressing points in the Short Selling Regulation as a consequence of experiences made in the current crisis, including the Board's recent discussion on the relevant competent authority in the context of long-term bans on net short positions. MISC should engage in this work in the Autumn of this year, after concluding the Technical Advice for the Market Abuse Regulation (MAR); and
- The publication of the report of the European Commission's High-Level Forum on the Capital Markets Union (CMU) which will be further discussed during the July 2020 Board of Supervisors.

The Executive Director reported on the opinion on ESMA's 2019 accounts which will be presented for adoption by written procedure in line with the discussion the Board had during its 28 May 2020 meeting.

Carmine di Noia updated the Board on the activities of the Post-Trading Standing Committee (PTSC), in particular:

- On the ongoing discussions in relation to requests to further delay or to review the CSDR settlement discipline regime; and
- The analysis being conducted as a follow-up to the supervisory incident in Target 2 Securities.

Conclusion: The Board took note of the reports.

4. Decision on thresholds for reporting net short positions

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| 1) Cover Note | Discussion |
| 2) ESMA Decision | Decision |
| 3) EFTA Decision | Decision |

The Head of Trading Unit presented the Decisions on thresholds for reporting net short positions.

The Board discussed the decision, in particular:

- The granularity and frequency of the data to be shared by national competent authorities with ESMA; and
- The need to continue the discussions within MISC to build further on ESMA's recent short-selling related activity, including an analysis of the current communications thresholds on short-selling positions.

Decision: The Board adopted the ESMA and EFTA Decision on thresholds for reporting net positions. Karen Dorte Abelskov (DK) disagreed. It was agreed that national competent authorities should continue to provide ESMA with data on a daily basis. MISC was invited to consider how the data collection and exchange could be further improved and automated.

5. Open access for exchange-traded derivatives

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| 1) Cover Note | Discussion |
| 2) Statement | Decision |

Decision: The Board adopted the Statement on open access for exchange-traded derivatives.

6. AIFMD Review: ESMA proposals to the European Commission

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| 1) Presentation | Discussion |
|-----------------|------------|

Gabriela Figueredo Dias and Christopher Buttigieg presented the potential proposals to the European Commission as part of the AIFMD review.

The Board discussed the proposals, in particular:

- Availability of liquidity management tools;
- The need to clarify the delegation and substance requirements in the AIFM and UCITS Directives, in particular in relation to the so called 'white label' business;
- Whether there is a need for an EU framework on funds' loan origination to bolster economic recovery;
- The benefits and drawback of introducing a 'semi-professional investor' category in the AIFMD; and
- Depositary passporting.

Conclusion: The Board discussed the proposals and agreed to include the suggested topics in a letter to the European Commission following further discussion within the Investment Management Standing Committee. The letter will be presented to the Board of Supervisors for adoption in Q3 2020.

7. 2020 Work Programme Reprioritisation Exercise

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| 1) Presentation | Decision |
| 2) Revised 2020 annual work programme | Decision |

The Executive Director presented the reprioritisation exercise and the revised 2020 work programme.

The Board discussed the revised 2020 annual work programme, in particular:

- The importance of ESMA's risk analysis activities as evidenced during the COVID19-pandemic;
- ESMA's work in relation to Money Market Funds stress-testing;
- The work related to the recommendation issued by the European Systemic Risk Board (ESRB) on liquidity risks in investment funds; and
- ESMA's planned peer review activity and the impact on the involved national competent authorities.

Decision: The Board adopted the revised 2020 annual work programme subject to drafting changes. It was agreed that the Board will be updated during its July 2020 meeting on ESMA's activities in relation to Money Markets Funds stress-testing.

8. CCP Supervisory Committee – selection process

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| 1) Issues Note | Decision |
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The Senior Cooperation Officer introduced the note on the arrangements for the interviews of the candidates for the position of Chair and Independent Member of the CCP Supervisory Committee.

The Board discussed the note, in particular the hearing the interactions with the European Parliament.

Decision: The Board endorsed the suggested way forward.

9. Extending the mandate of the ESMA Vice-Chair

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| 1) Cover Note | Discussion |
| 2) Decision on the extension of the mandate of the ESMA Vice-Chair | Discussion |

Decision: The Board adopted the Decision on the extension of the mandate of the ESMA vice-Chair for one year starting 25 November 2020, i.e. until 24 November 2021.

10. A.O.B.

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Participants list

Voting members

Member State	Representative	Accompanying Person
Belgium	Jean-Paul Servais	
Bulgaria	Dimitar Koychev (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	Robert Ophèle	
Croatia	Jurica Jednacak (alternate)	
Italy	Carmine Di Noia (alternate)	
Cyprus	Christiana Vovidou (alternate)	
Latvia	Ieva Ose (alternate)	
Lithuania	Vaidas Cibas (alternate)	

Luxembourg	Francoise Kauthen (alternate)	
Hungary	Krisztián Csáky (alternate)	
Malta	Christopher Butigieg	
Netherlands	Jos Heuvelman (alternate)	
Austria	Eduard Mueller	
Poland	Magdalena Łapsa-Parczewska	
Portugal	Gabriela Figueiredo Dias	
Romania	Florentina Boboc (alternate)	
Slovenia	Sabina Bester (alternate)	
Slovakia	Tomas Ambra (alternate)	
Finland	Armi Taipale (alternate)	
Sweden	Erik Thedeen	
ESMA Chair	Steven Maijoor	

Non-voting members

European Commission	Ugo Bassi	
EBA	Anne Tiedeman	

EIOPA	Kai Kosik	
ESRB		
Iceland	Inga Drofn Benediktsdottir (alternate)	
Liechtenstein	Reto Degen (alternate)	
Norway	Anne Merethe Bellamy	
EFTA Surveillance Authority	Jonina Sigrun Larusdottir (alternate)	

ESMA

Executive Director	Verena Ross
Summary of Conclusions	Frederiek Vermeulen
Head of Trading Unit	Carsten Ostermann
Senior Cooperation Officer	Frederiek Vermeulen

Done at Paris on 25 June 2020

Steven Maijor

For the Board of Supervisors