

SUMMARY OF CONCLUSIONS

Securities and Markets Stakeholder Group

Date: 24 March 2021
Time: 14.00 – 16.30
Location: Phone conference system
Contact: louise.waller@esma.europa.eu T: +33 1 58 36 42 74

1. Report from the Steering Committee

The Steering Committee reported on the ongoing SMSG working groups and the ESMA consultations on which the SMSG had decided not to draft advice.

The Steering Committee also noted that it would be the Group's last meeting with the current ESMA Chair and Executive Director as their ten-year mandates were ending. They thanked them for the good cooperation over the years.

2. Adoption of summary of conclusions from 9 February 2021

The summary of conclusions was adopted.

3. Recent market developments

For ESMA, Christian Winkler, presented ESMA's latest Trends, Risks and Vulnerabilities report. He summarised the report's key findings which included a continued high risk across financial markets with a decoupling of valuations and an uneven recovery. He also highlighted some of the issues revealed by the analysis done on money market funds, fund portfolio's from a climate risk perspective, stress simulation in the context of COVID-19, the use of SupTech for PRIIPs KIDs, and ESG ratings.

The Group discussed the issues raised including ESG ratings and SFDR, non-performing loans, the further applications of SupTech, and PRIIPs.

4. Sustainable Finance update

For ESMA, Alessandro d'Eri updated the meeting on ESMA's sustainable finance work including ESMA's Sustainable Finance Strategy, its work on sustainable product disclosures including an upcoming consultation paper on taxonomy-related disclosures, and the work undertaken by ESMA in this area as a direct supervisor.

The Group discussed the update and commented upon the need for reliability in ESG ratings and for clarity with regards to SFDR data, as well as on the need for standardised and supervised labels for ESG products.

The Group decided to set up a working group to provide advice to ESMA on taxonomy-related disclosures.

5. Appropriateness

The rapporteur of the working group, Barbara Alemanni, presented the draft advice on appropriateness describing the main lines of response and issues identified by the working group.

The Group discussed the draft advice including issues of information overload and the need for regular updates.

6. Peer reviews

For ESMA, Dora Blanchet presented the upcoming peer reviews on Brexit, Prospectus and CSDs' supervision, as well as the preparation of the peer review work plan for 2022-2023.

The Group commented on the planned peer reviews, in particular those on Brexit and on CSDs, and suggested for ESMA to also plan a peer review in the area of Appropriateness.

ESMA noted the input and provided further clarification on those situations in which peer reviews can be the appropriate convergence tool.

7. AOB

The Group discussed a communication received from the Chair of the IRSG regarding European Commission representation at ESA Stakeholder Groups. It was agreed that for the SMSG the Commission's presence at the joint SMSG and ESMA Board of Supervisors meetings or upon explicit invitation of the SMSG was sufficient.

PARTICIPANT LIST

Barbara Alemanni	Full professor University of Genoa and SDA Bocconi affiliate professor	Present
Emilios Avgouleas	Professor Law and Finance, University of Edinburgh	Present
Henning Bergmann	CEO and member of the Board of Deutscher Derivate Verband (German Derivatives Association)	Present
Geoffrey Bezzina	Chairman (in executive role), Board of Management and Administration, Office of the Arbiter for Financial Services, Malta	Excused
Piotr Biernacki	Vice President of the Polish Association of Listed Companies and President of the Foundation for Reporting Standards	Present
Florence Bindelle	Secretary General at European Issuers AISBL	Present
Lubomir Christov	Advisor to the Bulgarian National Association “Active Consumers”	Present
Veerle Colaert	Professor of Financial Law, KU Leuven University	Present
Jasper De Meyer	Financial Services Officer, European Consumer Organisation (BEUC)	Present
Urban Funered	CEO, Swedish Securities Dealers Association	Excused
Adina Gurau Audibert	Head of Asset Management, Association Française de la Gestion financière (AFG)	Present
Christiane Hölz	Lawyer, DSW	Present
Dermott Jewell	Policy and Council Advisor Consumers' Association of Ireland	Present
Eric Litvack	Managing Director at Société Générale	Present
Sari Lounasmeri	CEO at Finnish Foundation for Share Promotion	Present
Stjepan Mandic	Founder and Managing Director of Concepto Ltd	Present
Martha Oberndorfer	Member of the Advisory Council, Austrian Shareholder Association	Present
Morten Bruun Pedersen	Senior economic advisor at the Danish Consumer Council	Absent

Giovanni Petrella	Full Professor of Banking, Università Cattolica	Present
Guillaume Prache	Managing Director, Better Finance	Present
Rainer Riess	Director General, Federation of European Securities Exchanges (FESE)	Present
Virginie Saade	Head of Government and Regulatory Policy for Europe at Citadel	Present
Ignacio Santillán	CEO, Spanish Investors Compensation Scheme for investment firms (FOGAIN)	Present
Martin Scheck	CEO and Member of the Board of the International Capital Market Association (ICMA)	Present
Alexander Schindler	Member of the Executive Board, Union Asset Management Holding AG	Present
Jean-Marc Servat	Chair, European Association of Corporate Treasurers (EACT)	Present
Christian Martin Stiefmueller	Senior Adviser, Research & Advocacy at Finance Watch AISBL	Present
Tanguy van de Werve de Schilde	Director General EFAMA	Present
Chris Vervliet	Deputy Secretary & Member of Select Committee European Works Council at KBC Group, KBC Asset Management, Brussels (Belgium)	Present