

## SUMMARY OF CONCLUSIONS

### Board of Supervisors

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**Date:** 28 May 2020  
**Time:** 13h00 – 17h00  
**Location:** Conference call  
**Contact:** [ESMABoard@esma.europa.eu](mailto:ESMABoard@esma.europa.eu)

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**1. Adoption of agenda** Decision

**Decision:** The Board adopted the agenda.

**2. Confirmation of absence of conflict of interests** Decision

**Decision:** The Board took note of the conflict of interest declared by the Chair, the Executive Director and Carmine di Noia (IT) for the discussion on the recruitment of ESMA's next Chair and Executive Director (item 15). The session will be chaired by the vice-Chair and the ESMA Chair, Executive Director and Carmine di Noia will abstain from taking part in the discussion and the decision on the item.

**3. Oral Report by Chair and Executive Director** Information

The ESMA Chair reported on:

- His recent interactions with the European Parliament on the establishment of the CCP Supervisory Committee and on implementing acts under PRIIPs Regulation and the Sustainable Finance Disclosure Regulation, and the receipt of an invitation from the Chair of the EP's Committee on Economic and Monetary Affairs (ECON) to discuss the post-COVID-19 crisis response and recovery measures;
- The activities of the European Supervisory Authorities (ESAs)' Joint Committee, including the election of a new Chair of the Sub-Committee on Consumer Protection and Financial Innovation (JC SC CPFI);
- Final report on the review of the Delegated Regulation for the Key Information Document (KID) for packaged retail and insurance-based investment products (PRIIPs);
- ESMA's participation in the High Level Forum on the Capital Markets Union as observer;
- ESMA's international activities, in particular in response to COVID-19-related market developments;
- The May 2020 Management Board, in particular discussions on the most recent activity report and ESMA's 2019 accounts, as well as the endorsement of ESMA's 2019 annual report; and
- Status of COVID-19-related restrictive measures under the Short-Selling Regulation.

The Executive Director reported on the:

- Impact of COVID-19 on ESMA's activities;
- Work of the recently reactivated International Relations Network;

- Informal Financial Services Committee meeting of 13 May 2020; and
- European Parliament’s adoption of ESMA’s 2018 Discharge report.

#### 4. COVID-19

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| 1) Update | Discussion |
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**Conclusion:** The Board discussed the COVID-19 market update.

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| 2) Way forward on open access for exchange-traded derivatives | Decision |
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**Decision:** The Board agreed to publish a statement on actions to mitigate the impact of COVID-19 on the EU financial markets with regards to MiFIR open access provisions for exchange traded derivatives (ETDs).

#### 5. Determination relevant competent authority under SSR

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| 1) Issues Note      | Decision    |
| 2) Letter from CNMV | Information |

**Decision:** The Board agreed that, for the purpose of the ban-imposition process under the Short Selling Regulation (SSR), the competent authority responsible for shares is also the competent authority responsible for related financial instruments.

#### 6. ESA/EMIR review

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| 1) Cover Note                       | Discussion |
| 2) Data Reporting Service Providers | Discussion |

**Decision:** The Board discussed the initial assessment of the impact of the upcoming transfer of the powers of authorisation and supervision of certain data reporting service providers (DRSPs) from national competent authorities to ESMA. This transfer derives from changes to the Market in Financial Instruments Directive and Regulation (MiFID and MiFIR), introduced by the review of the European Supervisory Authorities (ESAs)’ founding regulations.

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| 3) Peer reviews               |          |
| ○ Peer Review Methodology     | Decision |
| ○ CCP Peer Review Methodology | Decision |

**Decision:** The Board adopted the revised methodology for peer reviews under ESMA’s founding regulation and the revised methodology for CCP peer reviews under the European Market Infrastructure Regulation (EMIR) subject to the CCP Supervisory Committee’s approval (after the arrival of the Chair and the Independent Members of the CCP Supervisory Committee).

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| 4) Breach of Union Law and mediation | Discussion |
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**Conclusion:** The Board discussed the Rules of Procedure on Breach of Union law investigation and those on mediation. They will be brought back to the Board of Supervisors for adoption by written procedure.

## 7. Review of the Non-Financial Reporting Directive

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| 1) Cover Note  | Discussion  |
| 2) ESMA Response to the EC Consultation on the review of the Non-Financial Reporting Directive | Decision    |
| 3) 3 ESA chair letter to EVP Dombrovskis on NFRD standard-setting                              | Information |

**Decision:** The Board adopted the ESMA response to the Non-Financial Reporting Directive. The Board also took note of the European Supervisory Authorities (ESAs)' joint Chairs letter to Executive Vice-President of the European Commission Valdis Dombrovskis, expressing concerns regarding the European Commission's plans to give a mandate for development of disclosure standards for non-financial information (under NFRD) to EFRAG as a standard setter rather than to the ESAs.

## 8. UK withdrawal from the EU

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| 1) Update note        | Discussion |
| 2) Presentation       | Discussion |
| 3) SCN Closing Report | Discussion |

**Decision:** The Board discussed the update on the United Kingdom's withdrawal from the European Union. The Board also discussed the Supervisory Convergence Network (SCN)'s closing report and approved the closing of the group and its holding of an exceptional final meeting.

## 9. AIFMD Review: ESMA proposals to the European Commission

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| 1) Presentation | Discussion |
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**Conclusion:** The discussion was postponed to a future meeting due to time constraints.

## 10. 2019 accounts

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| 1) Cover Note                                   | Discussion  |
| 2) Final 2019 Accounts                          | Information |
| 3) Report on Budgetary and Financial Management | Information |
| 4) Representation Letter 2019 Accounts          | Information |
| 5) Draft Opinion                                | Discussion  |

**Conclusion:** The Board discussed the 2019 accounts. The Board of Supervisors' formal opinion will be adopted by written procedure once the European Court of Auditors has delivered its opinion on ESMA's final accounts for 2019.

#### 11. 2019 Annual Report

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| 1) Cover Note    | Discussion |
| 2) Annual Report | Decision   |

**Decision:** The Board adopted the 2019 annual report.

#### 12. 2020 Work Programme Reprioritisation Exercise

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| 1) Presentation | Decision |
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**Decision:** The Board endorsed the 2020 work programme reprioritisation.

#### 13. 2020 and 2021 budget revision

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| 1) Note                        | Decision |
| 2) Budget amendment – Revenue  | Decision |
| 3) Budget amendment – Expenses | Decision |

**Decision:** The Board adopted amendment number. 1 of ESMA's 2020 budget. The Board also agreed with the proposed management of the EU advance, as well as the proposed budgetary and fee recovery process in the context of the COVID-19 pandemic.

#### 14. Composition of the Securities and Markets Stakeholder Group

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| 1) Issues Note               | Decision    |
| 2) List of SMSG Applications | Information |

**Decision:** The Board appointed the proposed new members of the Securities and Markets Group and confirmed the proposed reserve list.

#### 15. Recruitment Chair / Executive Director

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| 1) Cover Note                                  | Discussion |
| 2) Recruitment process ESMA Chair              | Discussion |
| 3) Recruitment process ESMA Executive Director | Discussion |
| 4) Vacancy Notice ESMA Chair                   | Discussion |

**Conclusion:** The Vice-Chair chaired the meeting for the duration of the item. The Board discussed the recruitment process for the ESMA Chair and Executive Director. The Board also discussed the vacancy notice for the ESMA Chair.

#### 16. ESA review

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| 1) Cover Note | Information |
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| 2) Guidelines: Reinstatement of the delegation to the Chair in relation to the compliance notifications of competent authorities | Decision |
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**Decision:** The Board adopted the delegation to the Chair in relation to the compliance notifications by competent authorities.

**17. Terms of Reference Standing Committees and Taskforces**

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| 1) Cover Note                           | Information |
| 2) Corporate Finance Standing Committee | Decision    |

**Decision:** The Board adopted the terms of reference for the Corporate Finance Standing Committee.

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| 3) Corporate Governance Working Group | Decision |
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**Decision:** The Board adopted the terms of reference for the Corporate Governance Working Group.

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| 4) Corporate Reporting Standing Committee | Decision |
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**Decision:** The Board adopted the terms of reference for the Corporate Reporting Standing Committee.

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| 5) European Enforcers Coordination Sessions (EECS) | Decision |
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**Decision:** The Board adopted the terms of reference for EECS.

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| 6) European Single Electronic Format Working Group (ESEF WG) | Decision |
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**Decision:** The Board adopted the terms of reference for the ESEF WG.

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| 7) International Financial Reporting Standards Project Group (IFRS PG) | Decision |
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**Decision:** The Board adopted the terms of reference for the IFRS PG.

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| 8) International Relations Network | Decision |
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**Decision:** The Board adopted the terms of reference for the International Relations Network.

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| 9) IT Management Group (ITMG) | Decision |
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**Decision:** The Board adopted the terms of reference for the ITMG.

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| 10) Maintenance IT Task Force | Decision |
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**Decision:** The Board adopted the terms of reference for the Maintenance IT Task Force.

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| 11) Markets IT Task Force | Decision |
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**Decision:** The Board adopted the terms of reference for the Markets IT Task Force.

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| 12) Narrative Reporting Working Group (NRWG) | Decision |
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**Decision:** The Board adopted the terms of reference for the NRWG.

- 13) Transparency Operational Working Group (OWG) Decision
- Decision:** The Board adopted the terms of reference for the Transparency OWG.
- 14) Prospectus OWG Decision
- Decision:** The Board adopted the terms of reference for the Prospectus OWG.
- 15) Take-Over Bids Network Decision
- Decision:** The Board adopted the terms of reference for the Take-Over Bids Network.
- 16) Transparency IT Task Force Decision
- Decision:** The Board adopted the terms of reference for the Transparency IT Task Force.
- 18. CRA Technical Committee**
- 1) CRA Technical Committee Report Information
- Conclusion:** The Board took note of the CRA Technical Committee report.
- 2) Q&As on securitisation Decision
- Decision:** The Board adopted the Q&As on securitisation.
- 19. Corporate Reporting Standing Committee (CRSC)**
- 1) CRSC Report Information
- Conclusion:** The Board took note of the CRSC report.
- 2) Final Report on the draft RTS on the 2020 update of the taxonomy to be used for the ESEF Decision
- Decision:** The Final Report will be presented for adoption in written procedure.
- 20. Data Standing Committee (DSC)**
- 1) DSC Report Information
- Conclusion:** The Board took note of the report.
- 2) Report on the application of the Legal Entity Identified (LEI) Supervisory Briefing Decision
- Decision:** The Board adopted the report on the application of the LEI Supervisory Briefing.
- 3) EMIR Q&A Decision
- Decision:** The Board adopted the EMIR Q&A.
- 21. Financial Innovation Standing Committee (FISC)**
- 1) FISC Report Information
- Conclusion:** The Board took note of the report.

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| 2) | Consultation Paper on Guidelines on outsourcing to cloud service providers | Decision |
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**Decision:** The Board adopted the consultation paper on guidelines on outsourcing to cloud service providers.

**22. Investment Management Standing Committee (IMSC)**

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| 1) | IMSC Report | Information |
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**Conclusion:** The Board took note of the IMSC Report.

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| 2) | Supervisory briefing on the supervision of costs in UCITS and AIFs | Decision |
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**Decision:** The Board adopted the supervisory briefing on the supervision of costs in UCITS.

**23. Investor Protection and Intermediaries Standing Committee**

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| 1) | IPISC Report | Information |
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**Conclusion:** The Board took note of the IPSC Report.

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| 2) | Report on outcome of 2019 Common Supervisory Action (CSA) on MiFID II appropriateness requirements | Information |
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**Conclusion:** The Board took note of the report on the outcome of the 2019 CSA on MiFID II appropriateness requirements.

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| 3) | Final Report on MiFID II guidelines on the compliance function | Decision |
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**Decision:** The Board adopted the Final Report on MIFID II guidelines on the compliance function.

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| 4) | MIFID II Q&As | Decision |
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**Decision:** The Board adopted the MIFID II Q&As.

**24. Post-Trading Standing Committee**

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| 1) | PTSC Report | Information |
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**Conclusion:** The Board took note of the report.

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| 2) | Technical advice on the commercial terms for providing clearing services under EMIR (FRANDT) | Decision |
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**Decision:** The Board adopted the technical advice on the commercial terms for providing clearing services under EMIR (FRANDT).

**25. Secondary Markets Standing Committee**

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| 1) | SMSC Report | Information |
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**Conclusion:** The Board took note of the SMSC report.

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| 2) | MIFID II Q&As | Decision |
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**Decision:** The Board adopted the MIFID II Q&As.

**26. A.O.B.**

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**Participants list**

**Voting members**

<b>Member State</b>	<b>Representative</b>	<b>Accompanying Person</b>
Belgium	Jean-Paul Servais	
Bulgaria	Maria Filipova	
Croatia	Ante Zigman	
Czech Republic	Vojtech Belling	
Denmark	Karen Dorte Abelskov	
Germany	Elisabeth Roegele	
Estonia	Andre Nõmm	
Ireland	Derville Rowland	
Greece	Vasiliki Lazarakou	
Spain	Ana Martinez Pina (alternate)	
France	Robert Ophèle	
Italy	Carmine Di Noia (alternate) (except item 15)	
Cyprus	Demetra Kalogerou	
Latvia	Santa Purgaile	
Lithuania	Mindaugas Salcius	

Luxembourg	Claude Marx	
Hungary	Krisztián Csáky (alternate)	
Malta	Christopher Buttigieg	
Netherlands	Jos Heuvelman (alternate)	
Austria	Eduard Mueller	
Poland	Magdalena Łapsa-Parczewska Joanna Kott (ad hoc alternate)	
Portugal	Gabriela Figueiredo Dias	
Romania	Florentina Boboc (alternate)	
Slovenia	Milos Cas	
Slovakia	Peter Tkáč	
Finland	Anneli Tuominen	
Sweden	Erik Thedeen	
ESMA Chair	Steven Maijoor (except item 15)	

#### Non-voting members

European Commission	Ugo Bassi	
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EBA	Anne Tiedeman	
EIOPA	Kai Kosik	
ESRB	Francesco Mazzaferro	
Iceland	Páll Friðriksson (alternate)	
Liechtenstein	Reto Degen (alternate)	
Norway	Anne Merethe Bellamy	
EFTA Surveillance Authority	Jonina Sigrun Larusdottir (alternate)	

## ESMA

Executive Director	Verena Ross (except item 15)
Summary of Conclusions	Roxana de Carvalho Frederiek Vermeulen

Done at Paris on 18 August 2023

[signed]

Verena Ross

For the Board of Supervisors