

PRESS RELEASE

ESMA finds NCAs' scrutiny and approval of prospectuses satisfactory

The European Securities and Markets Authority (ESMA), the EU's securities markets regulator, is today publishing its [Peer Review Report](#) on the scrutiny and approval procedures of prospectuses by competent authorities. This peer review also assessed the impact of different approaches regarding scrutiny and approval by competent authorities on issuers' ability to raise capital in the European Union.

The Report's key findings included that:

- NCAs generally scrutinise prospectuses in a satisfactory manner, albeit in various ways, with scrutiny often reinforced for heightened risk prospectuses;
- The notion of *additional criteria* that NCAs may apply during the scrutiny process lacks clarity, a point which the European Commission is invited to address with ESMA's technical assistance as needed;
- There is scope for efficiency improvements in respect of some NCAs' approval processes;
- ESMA [Guidelines](#) on risk factors are applied satisfactorily, however there is room for future supervisory convergence work in relation to their enforcement;
- Overall NCAs have sufficient and proportionate resources to scrutinise prospectuses; and
- The liability regime in Italy has a strong impact on how Consob scrutinises and approves prospectuses.

Verena Ross, Chair, said:

“The publication of this peer review is a significant step to understanding how prospectus review processes impact on issuers' ability to raise capital in the European Union. The report sets out important recommendations for NCAs, and for supervisory convergence initiatives directed to both ESMA and the European Commission, that aim at reinforcing and enhancing the scrutiny and



approval of prospectuses. Acting on these recommendations will lead to better outcomes for both issuers and investors in the EU.”

The peer review assessed all NCAs in respect of how they scrutinise and approve prospectuses. The exercise also involved onsite visits to the AMF (France), BaFin (Germany), CBI (Iceland), CONSOB (Italy), CSSF (Luxembourg), SFSA (Sweden) to gain a deeper understanding of how these NCAs scrutinise and approve prospectuses.

Next steps

ESMA expects to carry out a follow-up assessment in two years to review the level of improvements achieved based on the findings and recommendations of this peer review report.



Notes for editors

- [ESMA42-111-7170 Final Report – Peer review of the scrutiny and approval procedures of prospectuses by competent authorities](#)
- ESMA is the European Union's securities markets regulator. Its mission is to enhance investor protection and promote stable and orderly financial markets.
- It achieves these objectives through four activities:
 - assessing risks to investors, markets and financial stability;
 - completing a single rulebook for EU financial markets;
 - promoting supervisory convergence; and
 - directly supervising specific financial entities.
- ESMA achieves its mission within the European System of Financial Supervision (ESFS) through active cooperation with the European Banking Authority (EBA), the European Insurance and Occupational Pensions Authority (EIOPA), the European Systemic Risk Board, and with national authorities with competencies in securities markets (NCAs).

Further information:

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