

PUBLIC STATEMENT

ESMA recommends action by financial market participants for COVID-19 impact

The European Securities and Markets Authority (ESMA), together with National Competent Authorities (NCAs), is closely monitoring the situation in view of the continuing impact of the COVID-19 outbreak on financial markets in the European Union (EU). Following a Board of Supervisors discussion examining the market situation and contingency measures taken by supervised entities, ESMA is making the following recommendations to financial market participants:

- **Business Continuity Planning** – All financial market participants, including infrastructures should be ready to apply their contingency plans, including deployment of business continuity measures, to ensure operational continuity in line with regulatory obligations;
- **Market disclosure** – issuers should disclose as soon as possible any relevant significant information concerning the impacts of COVID-19 on their fundamentals, prospects or financial situation in accordance with their transparency obligations under the Market Abuse Regulation;
- **Financial Reporting** – issuers should provide transparency on the actual and potential impacts of COVID-19, to the extent possible based on both a qualitative and quantitative assessment on their business activities, financial situation and economic performance in their 2019 year-end financial report if these have not yet been finalised or otherwise in their interim financial reporting disclosures; and
- **Fund Management** – asset managers should continue to apply the requirements on risk management, and react accordingly.

ESMA, in coordination with NCAs, continues to monitor developments in financial markets as a result of the COVID-19 situation and is prepared to use its powers to ensure the orderly functioning of markets, financial stability and investor protection.

Notes for editors

1. ESMA's mission is to enhance investor protection and promote stable and orderly financial markets.

It achieves these objectives through four activities:

- i. assessing risks to investors, markets and financial stability;
 - ii. completing a single rulebook for EU financial markets;
 - iii. promoting supervisory convergence; and
 - iv. directly supervising specific financial entities.
2. 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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