



Focus on
COVID-19
Coronavirus

Statements and press releases from Irish and European financial regulators (as of 18 November 2020)

A&L Goodbody's Financial Regulation Team has prepared the below table with commentary, which compiles statements by the Central Bank of Ireland, the European Banking Authority, the European Central Bank and the European Securities and Markets Authority related to the COVID-19 pandemic.

These statements outline regulators' expectations of regulated financial services providers in an uncertain economic and regulatory landscape.

Legend:

- CBI – Central Bank of Ireland
- EBA – European Banking Authority
- ECB – European Central Bank
- ESMA – European Securities and Markets Authority
- NCA – National Competent Authority



You will find a full range of timely materials for businesses in our dedicated **COVID-19 HUB** on our website.

Central Bank of Ireland (CBI)

Date	Description of statement/press release	ALG COVID-19 hub resource	Impacted entity type(s)	Key statements/measures announced
4 March 2020	Statement: COVID-19 Virus	COVID 19: CBI Statement	All Regulated Financial Services Providers	<p>The CBI is closely monitoring the evolving situation and expects regulated firms to have appropriate contingency plans in place to be able to deal with major operational events.</p> <p>The CBI stated it is ready to work with the ECB other central banks to take appropriate and targeted measures, as necessary.</p>
13 March 2020	Statement by the Governor of the Central Bank of Ireland, Gabriel Makhoul		All Regulated Financial Services Providers, but particularly Credit Institutions	<p>CBI Governor Gabriel Makhoul referred to the measures introduced by the ECB's Governing Council on 12 March 2020 aimed at supporting households and firms affected by the economic impact of the pandemic.</p> <p>He stated that the CBI expects banks to use the positive effects of these measures to support the economy and not to increase dividend distributions or variable remunerations. This reiterates the expectation of the ECB as stated on 12 March 2020 (see statement below). The expectation is also reflected in the EBA's request for banks to refrain from dividends distribution or share buybacks for the purpose of remunerating shareholders (see statement of 31 March 2020 below).</p>
18 March 2020	Central Bank of Ireland releases Counter Cyclical Capital Buffer	COVID-19: Central Bank releases capital buffer	Credit Institutions	<p>The CBI has released the Counter Cyclical Capital Buffer (CCyB), which banks are required to hold in order to support the continued provision of credit to households and businesses. The CCyB is a time-varying capital requirement and will be reduced from 1% to 0% no later than 2 April 2020. The CBI does not intend to increase the CCyB before Q1 2021.</p> <p>The CBI expects banks to use the positive effects of these measures solely in support of the economy and not for dividend distributions.</p>
19 March 2020	Focused on protecting consumers and supporting individuals and firms in financial difficulty - Central Bank of Ireland	COVID-19 Range of banking measures announced due to the pandemic	Credit Institutions Retail Credit Firms Credit Servicing Firms	<p>The CBI announced that retail banks will introduce three-month payment moratoria on all mortgages, personal and business loans for customers affected by the pandemic. The CBI expects all regulated firms, including banks, retail credit and credit servicing firms to take a consumer-focused approach and to act in their customers' best interests. All of the existing protections for customers who face actual or potential financial difficulties continue to apply.</p> <p>The CBI emphasised that resilience of the financial system in the short, medium and long term needs to be ensured so it can serve consumers and the wider economy.</p>

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23 March 2020	Opinion by Governor Gabriel Makhoulf in Sunday Independent		Credit Institutions	An opinion piece by Governor Gabriel Makhoulf was published in the Sunday Independent on 22 March 2020.
			Retail Credit Firms	Governor Makhoulf wrote: <i>"The Central Bank of Ireland, working with other central banks and regulators across Europe, is playing its part to reduce the economic harm to businesses and households in the country ... Believe me when I say that we, too, will spare no effort to contain the economic effects of the crisis and do everything in our power to protect consumers, households and firms. We have already taken significant action."</i>
			Credit Servicing Firms	He also noted that <i>"Banks are introducing three-month payment breaks on mortgages, and personal and business loans, for some business and personal customers affected by COVID-19. We expect that all mortgage lenders, including non-banks, will introduce this measure. We will continue to maintain oversight of the firms we regulate, in line with our mission, to help ensure this happens."</i>
31 March 2020	Statement: Essential Services	COVID-19: Central Bank Statement on Essential Services	All Regulated Financial Services Providers	<p>The CBI referred to the list of essential services published by the Irish Government on 27 March 2020, which includes banking and financial services. The CBI expects the Chief Executive Officer or other relevant member of senior management to be accountable for ensuring an adequate process so that only individuals in roles necessary to perform essential financial services, who cannot work remotely, are designated as essential financial services workers.</p> <p>The CBI expects boards and senior management to actively monitor developments in order to be able to maintain essential financial services. This includes, but is not limited to:</p> <ul style="list-style-type: none"> ■ Ensuring Business Continuity Plans are kept under review with appropriate contingency plans in the context of evolving developments both locally and globally. ■ Ensuring appropriate designation of staff as essential financial services workers in order to be able to rotate and/or replace essential staff as necessary. ■ Engaging with critical services providers, contractors and other services to ensure maintenance of services and designation of their staff as essential service staff as necessary. ■ Ensuring cooperation with other financial services providers in order to seek to ensure continuity of essential consumers services in a service sector or region. ■ Notifying the CBI, as soon as possible, where they believe circumstances present a risk to the maintenance of essential services to consumers, industry or markets.

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7 April 2020	“Central Bank actions will contribute to easing the economic impact of the pandemic” - Governor Gabriel Makhoulouf		All Regulated Financial Services Providers	<p>Governor Gabriel Makhoulouf discussed two recent CBI publications: an Economic Letter entitled “COVID-19: monetary policy and the Irish economy” and a Financial Stability Note entitled “Releasing the CCyB to support the economy in a time of stress”. The publications describe the implications of the COVID-19 pandemic for financial stability and outline recent monetary policy responses from the CBI and ECB.</p> <p>Governor Makhoulouf reiterated the CBI’s commitment to containing the economic impacts of the COVID-19 crisis and to protecting consumers, households and business. He stated:</p> <p><i>“The economic challenge facing the country is enormous, but the policy response at EU and domestic level has been rapid and significant”.</i></p>
13 April 2020	Transcript of Governor Gabriel Makhoulouf’s interview with Ian Guider, Markets Editor, Business Post		All Regulated Financial Services Providers	The CBI published the transcript of an interview Governor Makhoulouf held with the Business Post. Governor Makhoulouf addressed the anticipated economic impacts of the COVID-19 pandemic and the road to recovery from these. He also discussed the measures already taken by the CBI and at an EU level to counter the effects of the crisis, and the scope for further EU action in the near future.
15 April 2020	Governor’s Blog: COVID-19: The Irish Economy in a Global Context		All Regulated Financial Services Providers	<p>In this blog post, Governor Makhoulouf discussed the impact of COVID-19 on the Irish economy in a global context. He referred to the biannual update for the global outlook published by the IMF noting that it anticipated a recession in 2020.</p> <p>He discussed the sudden drop in activity and employment in Ireland and the various emergency measures put in place to reduce the amount of ‘scarring’ inflicted on the Irish economy i.e. the number of jobs lost and firms that go out of business permanently.</p> <p>Governor Makhoulouf concluded by noting that it will be difficult to assess how severe the final impact will be on the Irish economy but that the Central Bank, along with its European partners, will do everything they can to contain the economic effects and protect consumers, households and businesses.</p>
17 April 2020	The macroeconomic effects of Covid-19 in Ireland - Deputy Governor Sharon Donnery			<p>CBI Deputy Governor Sharon Donnery delivered a speech via videolink at a conference entitled ‘Ireland’s COVID19 Crisis Response: Perspectives from Social Science Conference, 17 April 2020’.</p> <p>Deputy Governor Donnery covered the economic effects of the COVID-19 pandemic, the CBI’s response and the path towards economic recovery. She also explained how the CBI has carried out its mandate over the last decade through employment of macroeconomic measures.</p>

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17 April 2020	COVID-19: Flexibility in Regulatory Requirements for Securities Markets, Investment Management, Investment Firms and Fund Service Providers	COVID-19: CBI announces more flexibility measures in response to the pandemic	UCITS, AIFs, Fund Service Providers, Investment Managers and Investment Firms	<p>The CBI, recognising the ongoing challenges faced by firms and financial market participants, announced a range of measures introducing a more flexible approach to regulatory requirements for UCITS, AIFs, Fund Service Providers, Investment Managers and Investment Firms.</p> <p>The CBI has postponed the deadlines for filing a number of regulatory returns and other information. In most cases, the CBI has asked that it, along with investors and any other usual supervisors, be notified of anticipated delays and provided with the estimated date for delivery of the relevant filings as soon as possible.</p> <p>The CBI has also announced that it will adhere to a number of statements by ESMA asking NCAs not to prioritise supervisory actions against firms and financial market participants experiencing or likely to experience difficulties in complying with certain regulatory obligations due to the COVID-19 pandemic.</p>
17 April 2020	CBI issues letters to Credit Unions, Insurers and Reinsurers and SPRVs on supervisory flexibility		Credit Unions Insurers and Reinsurers Special Purpose Reinsurance Vehicles	<p>The CBI has published letters written to credit union Chairs and Compliance Officers of insurers, reinsurers and Special Purpose Reinsurance Vehicles (SPRVs) announcing certain measures of supervisory flexibility.</p> <p>These measures include postponement of deadlines to submit annual reports for insurers, reinsurers and SPRVs, along with a postponement of deadlines for quarterly prudential reports and public disclosures of information for insurers and reinsurers.</p> <p>Credit Unions have been granted extensions of the deadlines for submitting regulatory returns and operational risk and security assessment reports. In addition, the CBI will consider extensions to specific Risk Mitigation Programme implementation dates, though credit unions able to meet existing Risk Mitigation Programme implementation dates are encouraged to do so.</p>

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20 April 2020	COVID-19 - Prudential Regulatory Flexibility Measures – Credit Institutions		Credit Institutions	<p>In addition to the above measures, the CBI has taken steps to ease regulatory requirements for Credit Institutions. Deadlines for remedial actions and measures will be postponed by six months. Remittance dates for certain regulatory returns have also been extended to May and June 2020. The CBI expects to be notified of any delay in supervisory reports or Pillar 3 disclosures and to be provided with the reason for such delay and, to the extent possible, the anticipated publication date.</p> <p>The CBI has also adopted capital and liquidity measures announced by the ECB and Single Supervisory Mechanism, along with other measures recommended by the EBA to provide regulatory flexibility.</p> <p>The CBI has also called on Credit Institutions to review their remuneration policies to ensure they promote sound risk management. Deferral periods should be considered. Dividends for 2019 and 2020 should not be declared until at least 1 October 2020 and share buy-backs with the aim of remunerating shareholders should be avoided.</p>
23 April 2020	Central Bank publishes research on understanding SMEs in the Covid-19 pandemic		Credit institutions, financial services providers who invest in the SME sector and consumers	<p>The CBI has published two new Financial Stability Notes (FSNs) detailing with the impact of COVID-19 on liquidity. The first FSN discusses the likelihood that SMEs will need some form of external liquidity (it estimates around EUR 2.4 billion) if they are to continue to operate. In the event that private sector liquidity is insufficient to meet demand, the authors outline three options available to policymakers. These include credit guarantee schemes, lending schemes, and direct fiscal supports. The second FSN discusses issues in the supply chain due to the fact that trade credit is used heavily in Ireland, relative to other countries in the EU.</p>
23 April 2020	Governor's Blog: Covid-19 and the Financial System		All Regulated Financial Services Providers	<p>In this blog post, Governor Makhoul discussed the role of the financial system in the economy as it copes with the impact of COVID-19 and what the Central Bank are doing about it. He noted that capital and liquidity buffers have been built up since the last financial crisis highlighting that the Irish system is much better placed to withstand shocks.</p> <p>Governor Makhoul outlined that the Central Bank's priorities have been to: i) ensure the financial system is better placed to support households and business through the crisis; and ii) support the recovery out of the crisis. The various emergency monetary policies were put in place to absorb, rather than amplify, the shock of the crisis supporting the recovery.</p>
24 April 2020	Letter to Credit Unions		Credit Unions	<p>Patrick Casey, the Central Bank's Registrar of Credit Unions has written to the Irish League of Credit Unions setting out, in detail, aspects of regulatory forbearance which can be expected during the COVID-19 pandemic. The CBI recognised that many credit unions are under significant organisational stress and said that limited regulatory flexibility would be introduced in relation to the filling of pre-approval controlled function (PCF) roles on a temporary basis and reporting deadlines.</p>

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30 April 2020	Measures related to investment funds in light of ongoing market uncertainty due to Covid-19	Asset Management & Investment Funds: Irish Practice Developments - Apr 2020	Fund management companies, investment management firms and their regulated parent undertakings	<p>The letter sets out the Central Bank's expectation that effective liquidity management includes an assessment as to whether a UCITS or AIF has appropriate liquidity management tools in place. Where such tools are required or other changes need to be made to address liquidity management, the fund management company should take the necessary steps to amend the relevant fund documentation, giving notice to investors.</p> <p>Fund management companies are expected to minimise the potential for breaches of the Central Bank UCITS Regulations or the AIF Rulebook. Where breaches have occurred they should be reported to the Central Bank and may be subject to supervisory engagement. Remediation should be a priority objective, taking account of the interests of investors. Fund management companies should consider the appropriateness of communicating the occurrence of breaches to investors.</p> <p>Fund management companies should also ensure that there is full disclosure of risks and other information material to investors' decisions.</p> <p>The letter also includes details on maintaining a minimum of two Irish resident directors and data collection.</p>
30 April 2020	Press Release		Credit Institutions and borrowers	The Central Bank welcomed the announcement by the Banking and Payments Federation of Ireland that payment breaks are to be extended from three months to six months for affected borrowers. The Central Bank set out its expectation that borrowers should be given the option to repay the loan within the remaining term or extend the term and both options should be explained to the borrower. The payment break will not specifically be identified on the borrower's credit report on the Central Bank Credit Register.
6 May 2020	Governor's Blog: The COVID-19 Crisis and the Monetary Policy Response		All Regulated Financial Services Providers	In this blog post, Governor Makhoul provided an overview of the discussions had by the Governing Council of the European Central Bank at its latest meeting where the focus remained on COVID-19. Updates included the lowering of the interest rates in TLTRO III and announcing new pandemic emergency longer-term refinancing operations (PELTRO), the objective of which is to provide liquidity support to the euro area financial system and contribute to preserving the smooth functioning of money markets.
13 May 2020	Governor's Blog: COVID-19 and Developments in Credit		All Regulated Financial Services Providers	In this blog post, Governor Makhoul discusses the provision of credit to the economy outlining the important role it plays in supporting households and businesses. He discussed the balance that must be met in providing the right amount of credit, the credit cycle and credit developments.

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20 May 2020	Confirmation of Regulatory Flexibility		MiFID Investment Firms subject to CRR/CRD IV	The Central Bank confirmed that it would apply various measures outlined by European Supervisory Authorities in relation to the application of the prudential framework on targeted aspects in the area of market risk and on additional supervisory measures in the COVID-19 pandemic. The Central Bank also confirmed its approach to certain deadlines for bilateral margining under EMIR.
20 May 2020	Governor's Blog: What can we Learn from History?		All Regulated Financial Services Providers	<p>In this blog post, Governor Makhoulf looks back at previous pandemics to see if we can learn from them. Drawing from the 1918 Great Influenza, Governor Makhoulf looks at the economic shocks, the cost of the pandemic and some current areas of focus in deciphering three lessons to be learned:</p> <ol style="list-style-type: none"> 1. The impact of pandemics can have long term structural effects that we may not be able to identify for some time after the event. 2. The short term economic costs from pandemics can be severe but containment measures are necessary and without them we would still face an economic downturn with an even worse public health emergency. 3. The most important lesson is that protecting lives is the overriding economic priority.
27 May 2020	Governor's Blog: Transparency, accountability and central banking		All Regulated Financial Services Providers	Governor Makhoulf posted on his blog after the CBI published its Annual Report and Annual Performance Statement 2019. Governor Makhoulf highlighted the importance of open communication from the CBI as a way of building trust. Key features of the report include a €2bn surplus being transmitted back to the exchequer, and his announcement that the CBI will shortly publish its Financial Stability Review, detailing the risks posed by COVID-19.
5 June 2020	Protecting Consumers, Investors and SMEs during Covid-19 - Director General Derville Rowland		All Regulated Financial Services Providers and Consumers	<p>The CBI's Director General, Derville Rowland, made these remarks while addressing the Association of Compliance Officers in Ireland. She addressed the scale of the economic impact of COVID-19 that the CBI foresees, and highlighted some of the key measures the CBI has taken since the beginning of the COVID-19 pandemic, with a focus on consumer protection.</p> <p>The Director General referred to the CBI's expectation that Irish GDP may fall by as much as 8.3% in 2020, and then rebound thereafter. She also highlighted the release in Ireland of some capital liquidity buffers, instructions to banks to provide payment breaks to customers and guidance issued to insurers, instructing them to act honestly and fairly.</p>
8 June 2020	Dear CEO Letter - Central Bank's expectations for payment breaks in banks and other lenders		Credit Institutions Retail Credit Firms	The CBI sent a letter to CEOs of banks and other lenders in relation to COVID-19 related payment breaks. The letter encourages such entities to be pro-active and consumer-centric in their measures to protect borrowers affected by COVID-19. The CBI sets out its overarching supervisory expectations and what is to be included in communications related to COVID-19 payment breaks in the appendices to the letter. The letter also lists a series of next steps required in order to comply with CBI expectations. Finally, the CBI notes that as the pandemic continues, it will continue to engage with firms to assess levels of compliance with expectations and effectiveness of each firm's operating models and capabilities.

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8 June 2020	Dear Chair Letter - Central Bank expectations for payment breaks in credit unions		Credit Unions	<p>The CBI sent a letter to Chairs of Irish credit unions concerning COVID-19 related payment breaks. The letter notes that there has not been a major number of loan forbearance requests, and the total amounts to approximately 5% of gross loans outstanding.</p> <p>Credit unions have provided a variety of non-uniform support measures to borrowers impacted by COVID-19. The letter sets out uniform key expectations for credit unions regarding payment breaks. It also instructs credit unions not to label COVID-19 payment breaks as being “missed”, “past due” or “restructured”. Credit unions should instead provide the information via the appropriate CBI template. Finally, credit unions should continue to engage in appropriate risk mitigation programmes in order to identify, manage and mitigate risks.</p>
11 June 2020	Governor's Blog: The Economic Outlook and Monetary Policy		All Regulated Financial Services Providers	<p>In this blog post, Governor Makhoul focused on the economic outlook for the Euro Area and on the decision of the ECB to increase the envelope of purchases under the Pandemic Emergency Purchase Programme (PEPP) to €1,350 billion. The PEPP will contribute to an easing of the monetary policy stance and help to maintain supportive financing conditions for the real economy.</p> <p>He noted the decline of 3.6% of GDP in the euro area in Q1 2020 and the sharp deterioration in labour markets, resulting in downward revisions of macroeconomic projections from 2020-22. Governor Makhoul also noted World Environment Day and reiterated the CBI's pledge to a low carbon economy.</p>
16 June 2020	Press release: Impact of COVID-19 pandemic on real economy has yet to fully materialise - Central Bank of Ireland		All Regulated Financial Services Providers and Consumers	<p>The CBI published its first Financial Stability Review of 2020 in June. The review found that the macro-financial outlook has deteriorated significantly as a result of the COVID-19 pandemic, and is intimately linked to it. Fiscal, monetary, micro and macro prudential actions are working to mitigate amplification of the shock, and enable the financial system to support households and businesses. Both groups have benefitted from the payment breaks afforded to borrowers, and businesses will require access to liquidity and solvency supports to prevent permanent economic damage in the future. These conditions put pressure on banks' financial positions, but good policy and action means they are better placed to absorb the shock.</p>
17 June 2020	Risks, Resilience and Policy Responses to COVID-19 - Deputy Governor Sharon Donnery		All Regulated Financial Services Providers	<p>Deputy Governor Sharon Donnery addressed the Institute of International and European Affairs on 17 June 2020. She spoke about the macro financial environment in Ireland amid COVID-19, risks to Irish financial stability, the economy's increased resilience and ability to withstand shocks and the CBI's and greater European policy responses to COVID-19.</p> <p>Noting the risks to financial stability because of greater defaults, and a decline in appetite for risky assets, the Director General stated that the CBI is working to ensure the financial system can absorb the shock of COVID-19, and not amplify it. The firm footing of the financial system compared to a decade ago puts Ireland in a good place to weather the storm.</p>

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17 June 2020	Governor's Blog: COVID-19: The Impact on Firms and Households		All Regulated Financial Services Providers and Consumers	<p>In this post, Governor Makhoul discussed the impact of COVID-19 on firms and households. He noted three key messages:</p> <ol style="list-style-type: none"> 1. The speed, size and pervasive nature of the economic shock have presented both immediate challenges and tighter financing conditions, as well as a sharp deterioration in the macro-financial outlook. 2. Households, businesses and the financial system have entered into the current phase in a more resilient position compared to the onset of the financial crisis a decade ago, but the resilience has a limit. 3. The policy actions taken in the area of fiscal and monetary policy – as well as macroprudential and supervisory policy – have been necessary to mitigate the amplification of the immediate shock.
19 June 2020	CBI COVID-19 Hub: COVID-19 - Consumer FAQ		All Regulated Financial Services Providers and Consumers	On 19 June 2020, the CBI updated the Consumer FAQs section on its COVID-19 hub. The section provides up to date advice on consumer issues related to the pandemic, such as mortgage payment breaks, scams and fraud, insurance and general banking and investment issues.
22 June 2020	CBI COVID-19 HUB		All Regulated Financial Services Providers and Consumers	The CBI updated its COVID-19 hub's general FAQ section, which provides insight into the CBI's response to COVID-19 and what it is doing to provide assistance to firms and consumers during the crisis.
24 June 2020	Governor's Blog: Protecting consumers through COVID-19		Consumers and All Regulated Financial Institutions	In this blog post, Governor Makhoul reflected on his recent meetings with leaders from civil society. He pointed out how such meetings help shape the CBI's policy approach to issues of mutual interest. The primary focus of his discussions related to consumer protection, both during the COVID-19 pandemic and more generally. Governor Makhoul discussed how the CBI's mandate for consumer protection is intertwined with all other aspects of its mandate. A stable financial system, stable prices, strong conduct of business rules and resilient financial institutions all ensure protection of consumers.

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29 June 2020	Making the case for macroprudential tools for the market-based finance sector: lessons from COVID-19 - Governor Gabriel Makhoulf		Consumers and All Regulated Financial Institutions	In this speech, CBI Governor, Gabriel Makhoulf made remarks focused on the implications of the changing nature of the financial system, with a particular focus on the growth in market-based finance. He noted the growth in size of market based finance both in Ireland and globally since the 2008 financial crisis. This means disruptions to markets based finance are more likely to have a more material macro-financial impact. Following from this, the security of the markets based financial system is essential, as is the importance of its ability to absorb economic shocks. Governor Makhoulf concluded by asking the room to question whether a macro prudential framework for markets based finance would be good for the sector and greater financial system in light of the current turbulence associated with COVID-19.
1 July 2020	Update to COVID-19 Hub: FAQs for Regulated Firms		All Regulated Financial Institutions	On 1 July 2020 the CBI updated the guidelines for regulated firms section of its COVID-19 Consumer Hub. The section issues instructions to financial institutions on how to deal with COVID-19 related issues such as payment breaks, and management of internal governance requirements at present when firms' staff are largely working remotely such that firms are not operating at full capacity in centralised terms.
3 July 2020	Governor's Blog: Managing the medium term debt challenge		All Regulated Financial Institutions and Consumers	This blog post addresses Governor Makhoulf's views on the debt scenarios for Ireland in the aftermath of COVID-19. Noting that the fiscal response to the pandemic was necessary to protect firms and households, it is important to ensure the public finances remain stable and on firm footing. Although the current rise in government debt is affordable, clearing some of it is necessary to avoid future shocks destabilising the economy,
6 July 2020	COVID-19 Hub: COVID-19 Consumer FAQs		All Regulated Financial Institutions and Consumers	On 6 July 2020, the CBI updated its COVID-19 hub. The section provides up to date advice on consumer issues related to the pandemic, such as mortgage payment breaks, scams and fraud, insurance and general banking and investment issues. It also provides guidance to regulated firms on handling COVID-19 issues with a consumer focus.
7 July 2020	Introductory statement by Governor Gabriel Makhoulf at the Special Oireachtas Committee on Covid-19		All Regulated Financial Institutions	Governor Makhoulf appeared before the Oireachtas Committee on COVID-19 on 7 July 2020 to discuss the macroeconomic impact of COVID-19 on the economy. He also addressed the fiscal and monetary response. He noted that the outlook for the economy is uncertain, and that the cost of the pandemic, currently €9 billion to the Irish Government, with an additional €7 billion in additional indirect supports required. Governor Makhoulf expressed his belief that the package of responses has thus far mitigated the impact of COVID-19, but that the Government must pay careful attention to future policy considerations in respect of unemployment, government deficit and sustained economic resilience.
8 July 2020	Governor's Blog: Public Policies to Support Firms Through COVID-19		All Regulated Financial Institutions	This blog post addresses Governor Makhoulf's views on supporting the productive capacity of the economy and avoiding scarring effects such as long-term unemployment. The Governor supports measures to reduce the risk of failure for otherwise viable firms including government schemes and the efforts of credit institutions. Credit institutions are described as being part of the risk-sharing function in the current crisis given their continued lending and forbearance measures.

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21 July 2020	SME Market Report 2020 - The Impact of Covid-19 on SMEs		Credit Institutions Retail Credit Firms	<p>The CBI has published its report on the SME market for 2020. The report focuses on the impact of COVID-19 on the SME sector. Key findings include:</p> <ul style="list-style-type: none"> ■ Turnovers in some instances have fallen by up to 75%, but this varies by sector ■ Firms are adopting varied approaches to reducing costs ■ 24% of firms ceased trading temporarily or permanently in April but this declined to 11% by 31 May ■ The accommodation and food sectors reached near full utilisation of credit balances in May, and such sectors are more exposed to the shock of COVID-19 ■ SME lending has tightened with banks imposing higher standards – further tightening of standards is expected <p>Up to 42% of firms have changed or deferred payment methods in order to secure cash flows – this increases to 91% of firms in the accommodation and food sector.</p>
22 July 2020	Governor's Blog: What's happened to consumption?		All regulated entities and consumers	Governor Makhoul updated his blog on 22 July 2020, turning his attention to the impact of COVID-19 on consumption. Noting that the pandemic presents an unusual scenario where people have stopped spending due to an inability to do so, rather than due to a decline in income, he went on to note that 70% of respondents to a CSO survey did not experience a change in net income following the onset of COVID-19, while 80% noted reduced expenditure. This has resulted in a surge in savings. The pandemic payment has also helped to maintain income levels as people remain out of work. Governor Makhoul also noted that it is important that people spend their savings after the pandemic ends.
5 August 2020	FAQ for regulated firms: Can MiFID investment firms continue to pay distributions and variable remuneration in the current circumstances?		MiFID Investment Firms	<p>The CBI has updated its COVID-19 Q&A for regulated financial service providers, with a focus on MiFID investment firms (MiFID Firms). The CBI noted that the impact of COVID-19 on MiFID Firms is uncertain and that such firms should exercise a high degree of caution when considering making any distributions on dividends, or giving irrevocable consent to making dividend distributions or buying back shares.</p> <p>MiFID Firms should be highly certain of their forecasts of costs and projected revenues should they wish to make a distribution, and should engage with the CBI before proceeding. MiFID Firms should take the same approach in relation to variable remuneration policies if they are subject to CRR/CRD IV. The CBI referred to the ESRB recommendation on distributions on 27 May 2020, and to the fact that MiFID Firms are “medium-high” on the CBI’s PRISM risk assessment system, meaning they should exercise strong restraint from making any distributions until 1 January 2021.</p>

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5 August 2020	FAQ for regulated firms: Can insurance firms continue to make dividend distributions or create obligations to pay variable remuneration in the current circumstances?		Insurance Firms	<p>Following the recommendations of EIOPA and ESRB, the CBI has advised in light of uncertainty due to COVID-19, insurance firms should not pay out any dividend distributions until they become more certain of their liquidity and solvency positions.</p> <p>Any insurance firm whose board wishes to make a dividend distribution payment must be able to forecast its future revenues and costs with a high degree of certainty. Once the board has decided to make a dividend distribution, the insurance firm should engage with the CBI's supervision team before proceeding. The insurance firm must be able to demonstrate present and future financial and operational resilience to the CBI in order to proceed.</p> <p>Insurance firms should also be prudent in relation to remuneration policies and consider if payment postponement is appropriate.</p>
5 August 2020	Central Bank publishes Business Interruption Insurance Supervisory Framework	COVID-19: Analysis of CBI Business Interruption Insurance Supervisory Framework	Insurance Firms	The CBI published its COVID-19 and Business Interruption Insurance Supervisory Framework , which aims to promptly resolve issues that have the potential to cause customer harm, driving clarity for affected businesses as quickly as possible. The Framework sets out the CBI's approach to flagging any systemic issues of customer harm, expectations of the CBI from insurers with regards the handling of these issues and a means of escalation for intervention when the CBI needs to do so. The CBI expects insurers to pay out on business interruption policies promptly and fully, and insurers should pay the reasonable costs of consumer plaintiffs in test case litigation.
11 August 2020	FAQ for regulated firms: Can credit institutions continue to pay distributions and variable remuneration in the current circumstances?		Credit Institutions	<p>This update to the CBI's FAQ for regulated firms confirms the Irish position as being in line with the ECB's recommendation of 27 July 2020 relating to dividend distributions during the COVID-19 pandemic. Credit institutions should not pay dividends for 2019 and for 2020 until at least 1 January 2021. The same recommendation applies to share buybacks.</p> <p>The CBI advises that credit institutions should take a prudent, forward looking stance when deciding on remuneration, in line with ECB communications to significant institutions. This is especially important in relation to variable remuneration payments up to 1 January 2021 for material risk-takers.</p>
24 August 2020	Central Bank publishes Statement on the use of Electronic Signatures in Regulatory Documents and Forms		All Regulated Financial Services Providers	<p>The Central Bank confirmed its policy on the use of electronic signatures outlining that, in the absence of any legislation to the contrary, regulated firms may use electronic signatures for regulatory documents and forms submitted to the Central Bank. Individuals using electronic signatures will be accountable for the content submitted in the same way as if they had used a traditional signature.</p> <p>The Central Bank reserves the right to require a wet ink signature where appropriate, and advised that regulated firms should seek their own legal advice on the appropriateness of electronic signatures.</p>

Central Bank of Ireland (CBI)

Date	Description of statement/press release	ALG COVID-19 hub resource	Impacted entity type(s)	Key statements/measures announced
10 Sept 2020	Covid-19: How can Policy aid the Recovery?		All Regulated Financial Services Providers and Consumers	On 10 September 2020, Deputy Governor Sharon Donnery delivered a speech via videolink at the Dublin Economics Workshop. During her speech, she outlined recent trends in the Irish economy on the initial effects of the pandemic in areas such as expenditure, employment and taxation. She also discussed the role of policy and provided the Central Bank's responses to same including the various emergency monetary policies put in place and the reduction to the counter cyclical capital buffer from 1% to 0%.
10 Sept 2020	COVID-19 Hub: COVID-19 Consumer FAQs		All Regulated Financial Services Providers and Consumers	On 10 September 2020, the CBI updated its COVID-19 hub. The section provides up to date advice on consumer issues related to the pandemic, such as mortgage payment breaks, scams and fraud, insurance and general banking and investment issues. It also provides guidance to regulated firms on handling COVID-19 issues with a consumer focus.
14 Sept 2020	Press Release: "The post Covid-19 world" - Governor Gabriel Makhoul		All Regulated Financial Services Providers	On 14 September 2020, Governor Makhoul spoke about Covid-19 and the future of the monetary policy at a webinar hosted by the Institute of International and European Affairs. He discussed the ongoing review of the ECB's monetary policy strategy which included highlighting the evolving trends in globalisation and digitalisation that will affect the transmission of monetary policy across the euro area and the importance of monetary policy makers understanding the nature of any structural shifts underway so they can continue to deliver on mandates. He also encouraged any interested parties to submit their views via the ECB's website by the end of October.
15 Sept 2020	Payment breaks provided a major source of temporary relief to Irish households and firms at a time of extraordinary financial stress		Credit Institutions Retail Credit Firms and Consumer borrowers	The CBI has published two new Financial Stability Notes (FSNs) which demonstrate that COVID-19 payment breaks provided valuable cash flow relief to households and businesses. The first FSN discusses the characteristics of Irish owner-occupied mortgages at the 5 major retail banks that were on COVID-19 payment breaks in May 2020. The second FSN examines which Irish firms took COVID-19 payment breaks. The first FSN found that current or previous payment difficulties was the strongest available predictor of COVID-19 payment breaks while the second FSN found that those who borrowed higher multiples of their annual annual income were more likely to have a payment break.
17 Sept 2020	COVID-19 Payment Breaks - who continues to avail of them?		All Regulated Financial Services Providers	The CBI has published a report looking "behind the data" to provide an update on the prevalence of the payment breaks across the various categories of borrowers. The data shows a 27% reduction in the value of active payment breaks to Irish borrowers since the end of June. The data also shows that 90,539 payment breaks remain active representing €14.7 billion or just over 9% of loans to Irish borrowers.

Most borrowers applied between the end of March and the end of June and were granted an initial 3-month payment break with an option to extend for a further 3 months. For some businesses, an initial 6-month break was granted. Many borrowers will begin to come to the end of the maximum agreed duration of payment breaks from the end of September onwards. The CBI remains focused on ensuring that financial services appropriately support borrowers in financial difficulty that are unable to return to full repayments following a payment break.

Central Bank of Ireland (CBI)

Date	Description of statement/press release	ALG COVID-19 hub resource	Impacted entity type(s)	Key statements/measures announced
22 Sept 2020	Irish households more resilient to COVID-19 economic impact than to financial crisis		All Regulated Financial Services Providers and Consumers	The CBI has published a Research Technical Paper entitled " Household wealth: what is it, who has it, and why it matters " presenting the results of the Household Finance and Consumption Survey 2018. The results show the improved financial position and resilience of households prior to the COVID-19 crisis compared to the lead-up to the 2008 financial crisis. The results also show that from 2013 to 2018 that the average Irish household net wealth grew by over €76,000.
28 Sept 2020	"Learning the lessons from the global financial crisis in addressing the distress arising from the pandemic" – Deputy Governor Ed Sibley		All Regulated Financial Services Providers and Consumers	On 28 September 2020, Deputy Governor Sibley spoke at a webinar jointly hosted by the CBI and the University of Limerick. During the webinar, Deputy Governor Sibley spoke about the importance of supporting borrowers noting that the system-wide payment breaks provided invaluable support to borrowers with many now able to return to repayments. He further noted that there seems to be a transition to individually tailored supports for borrowers who remain in difficulty. He concluded by encouraging effective engagement between lenders and borrowers over the coming months.
28 Sept 2020	Understanding Long-term Mortgage Arrears in Ireland		All Regulated Financial Services Providers and Consumers	The CBI has published a report looking "behind the data" showing that a significant amount of long-term mortgage arrears are more than ten years in arrears, with some cases dating back to the last financial crisis. The report shows the impact on approximately half a million private sector employees who were reliant on governmental financial support, and consequently, the approximately 10% of Irish mortgage holders who availed of the COVID-19 payment breaks. The data shows that while arrears levels have fallen considerably in recent years, the present levels remain high with a number of long-term cases accounting for those with repayment difficulties.
30 Sept 2020	Central Bank expects lenders to engage constructively with borrowers who are experiencing financial difficulty as a result of COVID-19 – Director General, Derville Rowland		All Regulated Financial Services Providers and Consumers	Director General of Financial Conduct, Derville Rowland addressed the Autumn Seminar of the Money Advice and Budgeting Service on 30 September 2020. She spoke about the Central Bank's role in the national consumer protection framework and its priorities in light of COVID-19 noting that there was a number of consumer protections remaining in place. She also noted that lenders have clear guidance on how they must treat struggling borrowers and that the solutions offered must be appropriate and sustainable for the borrower's individual circumstances.

Central Bank of Ireland (CBI)

Date	Description of statement/press release	ALG COVID-19 hub resource	Impacted entity type(s)	Key statements/measures announced
1 Oct 2020	Impact of COVID-19 on Irish enterprises has been sudden, large and uneven		All Regulated Financial Services Providers and Consumers	The CBI has published a Financial Stability Note (FSN), entitled “ SME finances, the pandemic, and the design of enterprise support policies ” which discusses the likely losses to be experienced in the SME sector for 2020 and the potential supports required. It notes that direct fiscal supports have provided significant financial support for the SME sector but that challenges remain. Albeit uncertain, the FSN estimates revenue shortfalls for 2020 between €10.3bn and €11.7bn across the SME sector. It also notes that the shortfalls might be mitigated by a combination of the utilisation of pre-existing cash reserves, draw-down of existing credit commitments, new borrowing, additional cost reductions or loss-sharing, governmental non-wage grants, reliefs and guaranteed loans.
6 Oct 2020	Gradual economic recovery forecast subject to Covid-19 and Brexit risks		All Regulated Financial Services Providers and Consumers	<p>The CBI has published its fourth Quarterly Bulletin of 2020. The results show that Irish economic activity has rebounded with the re-opening of the economy but that the recovery is partial and uneven. In particular, levels of domestic economic activity remain below pre-pandemic levels. Domestic demand is expected to decline by 7.3% this year while a decline of 0.4% in GDP is expected. The outlook for growth in 2021 has also been revised downwards on the assumption of an EU-UK trading relationship based on WTO rules.</p> <p>The Bulletin highlights three areas to consider: i) policy should continue to focus on supporting the productive capacity of the economy and avoid scarring effects; ii) the rise in the deficit and debt ratios is warranted and necessary but needs to become more sustainable; and iii) there needs to be a continued focus on building resilience to future shocks.</p>
21 Oct 2020	Economic Letter: The persisting effect of the pandemic on Money Market Funds and money markets (Golden, Vol. 2020, No. 9)		Money Market Funds	Brian Golden, a senior economist with the CBI, published an Economic Letter examining the impact of the demand for cash during March to August of this year on the money markets in general, with a particular focus on Irish-resident Money Market Funds. He notes that the impact was felt the most in money market debt issued by banks and companies, while liquidity declined in money markets. Mr. Golden also notes that MMCs invested very cautiously in these securities as a response to the demand during this time.
21 Oct 2020	Financial Stability Notes: Repricing of risk and EME assets, the behaviour of Irish -domiciled funds during COVID-19 crisis (Calo, Emter and Galstyan)		Emerging Market Economies; Funds	The CBI has published a Financial Stability Note (FSN) entitled “Repricing of risk and EME assets: the behaviour of Irish-domiciled funds during the COVID-19 crisis” which looks at the Irish-domiciled funds’ contribution to the emerging market economies (EMEs) who experienced significant outflows of portfolio investment capital during Q1 2020. It notes that the retrenchment for the Irish-domiciled funds was greater for debt, rather than equity, securities and was also bigger for hedge funds but overall, the FSN found that the retrenchment was less than what was expected. It notes that this may be because Irish funds sold more liquid advanced economy securities. The FSN also found that countries with the strongest fundamentals were somewhat cushioned from the retrenchment and that valuation effects were the strongest in relation to EMEs with more flexible exchange rate regimes.

Central Bank of Ireland (CBI)

Date	Description of statement/press release	ALG COVID-19 hub resource	Impacted entity type(s)	Key statements/measures announced
22 Oct 2020	Solving the economic crisis will be dependent on our ability to manage the health crisis as a healthy economy needs a healthy workforce, healthy consumers and a healthy community – Governor Makhoulouf		All Regulated Financial Services Providers and Consumers	On 21 October 2020, Governor Makhoulouf, Deputy Governor Ed Sibley and Director General Derville Rowland appeared before the Taoiseach and the Oireachtas Committee on Finance, Public Expenditure and Reform where Governor Makhoulouf provided an overview of the CBI's assessment of the impact of the recently imposed Level 5 restrictions. He outlined that the solution to the economic crisis will be dependent on how the health crisis is managed. Following the imposition of Level 5 restrictions, Governor Makhoulouf noted that the CBI will continue to engage with lenders and the BPF. He further noted that the CBI expects lenders to deliver appropriate and sustainable solutions for borrowers and to provide interim measures while the financial position of borrowers is being assessed and/or determined.
23 Oct 2020	Economic Letters: Policy response to COVID-19 provides essential support to Western counties		All Regulated Financial Services Providers and Consumers	On the 23 October 2020, the CBI published two economic letters. The first, entitled ' Regional impact of COVID-19: Western Region & Atlantic Economic Corridor ' examines the impact of COVID-19 on the labour market in the region including a review of the role played by the Pandemic Unemployment Payment and the Employment Wage Subsidy Scheme. The second, entitled ' Wage subsidies and job retention ' examines how wage subsidies have assisted job retention over the past few months. The first economic letter will assist in the economic recovery planning for the West of Ireland and highlights the essential nature of the policies in place to support household incomes and firms while restrictions continue. The second economic letter outlines the importance of liquidity supports for firms, income supports for works and job retention amongst the priorities of the approach to be taken. Furthermore, it notes the importance of active labour market programmes in addressing the 're-employment' challenge.
5 Nov 2020	Update to the COVID-19 Prudential Regulatory Flexibility Measures for Credit Institutions		Credit Institutions	On 5 November 2020, the Central Bank of Ireland (the CBI) published an update to its COVID-19 Prudential Regulatory Flexibility Measures for Credit Institutions. The CBI expects credit institutions to meet specific RMP submission dates given the operational resilience demonstrated by the banking sector; to assess the need for additional Pillar 3 disclosures on prudential information; and to submit additional targeted information to the CBI. The CBI does not expect credit institutions to comply with the Pillar 2 Guidance before the end of 2021. Separately, as of 12 October 2020, credit institutions may exclude certain central bank exposures from the leverage ratio until 27 June 2021. The CBI has also communicated that it will apply certain measures outlined by the EBA.

Central Bank of Ireland (CBI)

Date	Description of statement/press release	ALG COVID-19 hub resource	Impacted entity type(s)	Key statements/measures announced
5 Nov 2020	Update to the COVID-19 Prudential Regulatory Flexibility Measures for Insurance and Reinsurance Firms		Insurance and Reinsurance Firms	On 5 November 2020, the Central Bank of Ireland (the CBI) published an update to its COVID-19 Prudential Regulatory Flexibility Measures for Insurance and Reinsurance Firms. The CBI expects Insurance and Reinsurance Firms to submit additional targeted information to the CBI and to meet specific RMP submission dates given the operational resilience demonstrated by the (re)insurance sector. The CBI also communicated that it is supportive of EIOPA's statements and recommendations. The CBI will continually review its approach to regulatory flexibility and will provide updates as required.
5 Nov 2020	Update to the COVID-19 Prudential Regulatory Flexibility Measures for Securities Markets, Investment Management, Investment Firms and Fund Service Providers		Securities Markets, Investment Management, Investment Firms and Fund Service Providers	On 5 November 2020, the Central Bank of Ireland (the CBI) published an update to its COVID-19 Prudential Regulatory Flexibility Measures for Securities Markets, Investment Management, Investment Firms and Fund Service Providers. The CBI expects MiFID investment firms subject to CRR/CRD IV to assess the need for additional Pillar 3 disclosures on prudential information; to hold the requisite capital in accordance with any Pillar 2 Guidance; and to file financial statements within the usual time frames (subject to flexibility). The CBI also expects additional targeted information to be submitted by investment firms, investment funds and fund service providers and for firms to meet specific RMP submission dates. The CBI has also set out further expectations in respect of Fund Service Providers and has confirmed that it will apply certain measures set out by ESMA and the EBA.
7 Nov 2020	CBI COVID-19 Hub: COVID-19 - Consumer FAQ		All Regulated Financial Services Providers and Consumers	On 7 November 2020, the CBI updated the Consumer FAQs section on its COVID-19 hub. The section provides up to date advice on consumer issues related to the pandemic, such as mortgage payment breaks, scams and fraud, insurance and general banking and investment issues. It also provides guidance to regulated firms on handling COVID-19 issues with a consumer focus.
18 Nov 2020	CBI COVID-19 Hub: COVID-19 - Consumer FAQ		All Regulated Financial Services Providers and Consumers	On 18 November 2020, the CBI updated the Consumer FAQs section on its COVID-19 hub, particularly in respect of mortgage supports. The section provides up to date advice on consumer issues related to the pandemic, such as mortgage payment breaks, scams and fraud, insurance and general banking and investment issues. It also provides guidance to regulated firms on handling COVID-19 issues with a consumer focus.

European Banking Authority (EBA)

Date	Description of statement/press release	ALG COVID-19 hub resource	Impacted entity type(s)	Key statements/measures announced
12 March 2020	EBA statement on actions to mitigate the impact of COVID-19 on the EU banking sector	COVID-19: Range of banking measures announced due to the pandemic	Credit Institutions	<p>The EBA announced a postponement of the EU-wide stress test exercise to 2021, in order to allow banks to focus on ensuring continuity of their core operations, such as support for customers.</p> <p>The EBA also encouraged National Competent Authorities (NCAs) to make use of the flexibility already embedded in the EU framework for banking regulation. In particular, NCAs should be flexible in their supervisory approach to Pillar 2 Guidance and the liquidity coverage ratio.</p>
25 March 2020	Statement on the application of the prudential framework regarding Default, Forbearance and IFRS9 in light of COVID-19 measures		Credit Institutions	<p>The EBA clarified how it expects NCAs to apply the prudential regulatory framework in light of COVID-19. The EBA, welcoming legislative initiatives by national governments providing for general moratoria on loan payments, stated that such generalised payment delays addressed to all borrowers should not automatically lead to classifications of default, forbearance or unlikely to pay.</p> <p>The EBA expects each loan to be assessed carefully and using a risk-based approach. Banks must classify their exposures accurately and in a way that reflects any deterioration of asset quality. Under the IFRS 9 standards, payment moratoria should not automatically lead to a conclusion that an increase in credit risk has occurred. Banks should use a degree of judgement to distinguish between borrowers whose credit standing would not be significantly affected in the long term, and those who would be unlikely to restore their creditworthiness.</p>
25 March 2020	Statement on consumer and payment issues in light of COVID-19	COVID-19: Payments in focus	Credit Institutions Payment Institutions	<p>The EBA stressed that no such flexibility can be expected in banks' approach to consumer protection standards. Consumers must fully understand the implications of any new measure banks introduce. New measures must not come with hidden charges and may not automatically adversely impact the customer's credit rating.</p> <p>The EBA also called on payment service providers to make available contactless payments up to €50 and encouraged consumers and merchants to implement sanitary measures and consider all available payment options, including contactless and remote payments.</p>
31 March 2020	Statement on supervisory reporting and Pillar 3 disclosures in light of COVID-19		Credit Institutions	The EBA stated that it expects NCAs to allow one additional month for submitting most supervisory data due between March and the end of May 2020. NCAs are also expected to give leeway in their supervision of deadlines for Pillar 3 disclosures. However, institutions are expected to submit information on capital, risks, liquidity and essential data for resolution planning in accordance with normal deadlines.
31 March 2020	Statement on dividends distribution, share buybacks and variable remuneration		Credit Institutions	The EBA has urged all banks to refrain from dividends distribution or share buybacks for the purpose of remunerating shareholders. Additionally, NCAs are encouraged to request banks to review their remuneration policies and practices to ensure they promote sound risk management reflecting the current economic situation.

European Banking Authority (EBA)

Date	Description of statement/press release	ALG COVID-19 hub resource	Impacted entity type(s)	Key statements/measures announced
31 March 2020	Statement on actions to mitigate financial crime risks in the COVID-19 pandemic		All Regulated Financial Services Providers	The EBA has highlighted the increased risk of financial crime occurring during the COVID-19 pandemic. NCAs are urged to ensure that financial institutions continue to monitor transactions for any unusual or suspicious patterns in customer behaviour and financial flows. Financial institutions should establish risk-sensitive measures to monitor financial flows from customers in sectors impacted by economic downturn and COVID-19 measures.
2 April 2020	EBA publishes Guidelines on treatment of public and private moratoria in light of COVID-19 measures	We're from the regulator and we're here to help: Bank regulatory responses to the COVID-19 crisis	Credit Institutions	<p>The EBA published detailed Guidelines on the requirements for public and private moratoria in order to help avoid the unnecessary classification of exposures under the definition of forbearance or as defaulted under distressed restructuring.</p> <p>The Guidelines clarify that payment moratoria do not trigger forbearance classification and the assessment of distressed restructuring if they are based on the applicable national law or on an industry-wide or sector-wide private initiative agreed and applied broadly by relevant credit institutions.</p> <p>The Guidelines note that banks must continue to identify situations where borrowers may face longer-term financial difficulties and classify exposures in accordance with the existing regulation. The requirements to identify forborne exposures and defaulted obligors remain in place.</p>
14 April 2020	EU banks sail through the Corona crisis with sound capital ratios		Credit Institutions	The EBA published its quarterly Risk Dashboard covering Q4 2019 and summarising the main risks facing EU banks. The EBA noted that strong capital positions, with the Common Equity Tier 1 capital ratio reaching 14.8%, should enable EU banks to withstand the anticipated economic impacts of the COVID-19 pandemic and to continue lending when it is most needed. The EBA also found that banks' ratio of non-performing loans declined from 2.9% to 2.7% and IFRS-9 reports indicated an improvement in asset quality.
22 April 2020	EBA Statement on the application of the prudential framework on targeted aspects in the area of market risk in the COVID-19 pandemic	We're from the regulator and we're here to help: Bank regulatory responses to the COVID-19 crisis	Credit Institutions	The EBA statement complements other EBA statements to date and clarifies a number of issues on the prudential requirements for market risk. The statement addresses prudent valuation, reporting requirements under FRTB-SA, the implementation of phase V and VI of the Joint ESAs RTS on non-cleared OTC derivatives and back-testing breaches on IMA models.
22 April 2020	EBA statement on additional supervisory measures in the COVID-19 pandemic		Credit Institutions	This lengthy statement outlines the supervisory measures the EBA has taken in response to COVID-19. The statement also specifies additional flexibility and relief measures in supervisory areas.

European Banking Authority (EBA)

Date	Description of statement/press release	ALG COVID-19 hub resource	Impacted entity type(s)	Key statements/measures announced
22 April 2020	Amending RTS on prudent valuation	We're from the regulator and we're here to help: Bank regulatory responses to the COVID-19 crisis	Credit Institutions	The Regulatory Technical Standards on prudent valuation under Article 105(14) of CRR have been updated from the versions published in 2014 and 2016. This RTS however addresses the extreme volatility caused by the COVID-19 pandemic.
4 May 2020	Joint RTS on amendments to the bilateral margin requirements under EMIR in response to the COVID-19 outbreak		EMIR financial counterparties and NFC+s who enter into non centrally cleared physically settled FX forwards and swaps, intragroup contracts and equity options	<p>The European Supervisory Authorities have published joint draft Regulatory Technical Standards to provide for a one year deferral of the implementation phases of the bilateral margining requirements under EMIR.</p> <p>The Final Report on EMIR RTS amendments explains amendments needed to implement the BCBS and IOSCO recommendation to delay the implementation of bilateral margining requirements.</p>
25 May 2020	COVID-19 is placing unprecedented challenges on EU banks		Credit Institutions	<p>This EBA statement relates to the impact of COVID-19 on the EU banking sector. The accompanying report outlines that European banks entered the crisis with strong capital and liquidity buffers, and had effective contingency plans, which helped them steer through the crisis.</p> <p>Banks' profitability and asset quality is expected to decline going forward. However, the accumulated capital, and capital relief provided by regulators amounts to on average 5 p.p. above their overall capital requirements. This should help banks withstand potential credit risk losses.</p>
2 June 2020	EBA issues Guidelines to address gaps in reporting data and public information in the context of COVID-19		Credit Institutions	<p>This EBA statement relates to guidelines on reporting and disclosure of exposures subject to measures applied in response to the COVID-19 crisis. The guidelines were developed to address data gaps associated with measures taken because of the COVID-19 pandemic, including legislative moratoria on loan repayments. They ensure an appropriate understanding of institutions' risk profiles and the asset quality on their balance sheets for both supervisors and the wider public.</p> <p>The first disclosure reference date is 30 June 2020. The reporting guidelines will be part of the version 2.10 reporting framework release, being published in June 2020</p>

European Banking Authority (EBA)

Date	Description of statement/press release	ALG COVID-19 hub resource	Impacted entity type(s)	Key statements/measures announced
8 June 2020	EBA releases bank-by-bank data at the start of the COVID-19 crisis		Credit Institutions and Market Participants	The EBA made an additional data disclosure in response to the COVID-19 outbreak. The data release provides market participants with bank data as of 31 December 2019, before the start of the crisis. The data confirms that the EU banking sector held solid capital positions and improved asset quality, however the EBA notes significant dispersion across banks.
18 June 2020	EBA extends deadline for the application of its Guidelines on payment moratoria to 30 September		Credit Institutions	The EBA has extended the application date of its Guidelines on legislative and non-legislative moratoria to 30 September 2020. EU economies are not yet fully opened and the extension ensures adequate treatment for borrowers is available across the EU, as different countries have been affected by COVID-19 in different ways. It is an indicator of the need to provide sustained support to banks in relation to the measures they adopted to reduce the economic fallout of COVID-19.
6 July 2020	EBA publishes updated Guidelines on loan moratoria classification		Credit Institutions	<p>The EBA published detailed final Guidelines on the requirements for public and private moratoria in order to help avoid the unnecessary classification of exposures under the definition of forbearance or as defaulted under distressed restructuring. These Guidelines were first published on 2 April 2020 without public consultation due to the urgency of the COVID-19 pandemic situation.</p> <p>The Guidelines clarify that payment moratoria do not trigger forbearance classification and the assessment of distressed restructuring if they are based on the applicable national law or on an industry-wide or sector-wide private initiative agreed and applied broadly by relevant credit institutions.</p> <p>The Guidelines note that banks must continue to identify situations where borrowers may face longer-term financial difficulties and classify exposures in accordance with the existing regulation. The requirements to identify forborne exposures and defaulted obligors remain in place.</p>
7 July 2020	EBA provides clarity on the implementation of the prudential framework in the context of COVID-19		Credit Institutions	This EBA report clarifies the application of the prudential framework raised because of COVID-19. Issues have presented themselves in the wake of measures such as the Guidelines on moratoria on loan repayments and the EBA is seeking to provide clarity on questions of interpretation and implementation of such Guidelines. The report provides an overview of the moratoria in place in the EU based on notifications sent to the EBA. The report also looks at common criteria to be used in relation to treatment of COVID-19 operational risk losses in the capital requirement calculations. The report will be updated as more developments emerge.

European Banking Authority (EBA)

Date	Description of statement/press release	ALG COVID-19 hub resource	Impacted entity type(s)	Key statements/measures announced
9 July 2020	EBA calls for resolution authorities to consider the impact of COVID-19 resolution strategies and resolvability		Credit Institutions	The EBA issued a statement on resolution planning in light of the COVID-19 pandemic. The statement reiterates the importance of resolution planning in times of uncertainty to ensure that resolution stands as a credible option in times of stress. The EBA also highlights that it is important for resolution authorities to continue to promote institutions' efforts to enhance their capabilities and increase their resolvability.
21 July 2020	EBA publishes overview of public guarantee schemes issued in response to the Covid-19 pandemic		Credit Institutions	The EBA has published a guide listing all 47 EU and EEA public guarantee schemes issued in response to COVID-19. The guide aims to promote public transparency and clarifies whether each scheme is linked to new lending or existing exposures, the type of obligors covered and the coverage level offered. This follows a report on implementation of selected COVID-19 policies, (referred to above) published on 7 July 2020 which addresses issues that arose in the implementation of the Guidelines on Payment Moratoria and Operational Risk published to combat the shock of COVID-19.
23 July 2020	Guidelines on the pragmatic 2020 SREP		Credit Institutions	The EBA published final guidelines aimed at assisting competent authorities with their supervisory review and evaluation process (SREP) for 2020. The guidelines suggest adaptations for competent authorities in light of COVID-19, while remaining within the scope of existing SREP guidelines and Capital Requirements Directive requirements. Key aspects for SREP in 2020 include an emphasis on pragmatism, overall SREP assessment and scoring, supervisory measures and conduct of the SREP in a cross border context
30 July 2020	EBA sees first impact of COVID-19 materialising in EU banks' Q1 data		Credit Institutions	The EBA published its quarterly Risk Dashboard along with its Risk Assessment Questionnaire. It covers the Q1 period in 2020. The impact of COVID-19 manifests itself in the contraction of capital ratios and profitability in banks. The cost of risk has also increased, but non-performing loan ratios are stable. Liquidity positions also showed no deterioration for Q1 2020.
7 August 2020	EBA provides clarity on the implementation of the reporting and disclosure framework in the context of COVID-19 measures		Supervisors Credit Institutions	The EBA published FAQs providing clarity on implementation on some of the EBA Guidelines on reporting and disclosure of exposures impacted by COVID-19. Supervisors and credit institutions will find the FAQs useful. The new implementation and technical clarification FAQs are in section 4 of the EBA Report on the implementation of selected COVID-19 policies .

European Banking Authority (EBA)

Date	Description of statement/press release	ALG COVID-19 hub resource	Impacted entity type(s)	Key statements/measures announced
11 August 2020	EBA publishes guidance on impact of CRR adjustments in response to the COVID-19 pandemic on supervisory reporting and disclosure		Credit Institutions	The EBA has revised its ITS on supervisory reporting v3.0 along with two sets of Guidelines on disclosures and supervisory reporting requirements in response to the COVID-19 pandemic. The Guidelines on supervisory and reporting and disclosure clarify reporting of ITS for versions 2.9 and 2.10. Meanwhile the amending Guidelines on disclosure clarify whether institutions should apply the temporary treatment included in the new Article 468 of the CRR for unrealised gains and losses measured at fair value through other comprehensive income and adjustments to the provisions on IFRS 9 transitional arrangements in accordance with Article 473a of the CRR. The revised final draft ITS on reporting for v 3.0 replaces the final draft ITS of June 2020. This comes on the foot of the CRR “quick fix”.
14 August 2020	EBA updates its work programme for 2020 in light of the COVID-19 pandemic		Credit Institutions	<p>The EBA has revised its annual work programme for 2020 in light of the changes brought in by the COVID-19 pandemic. The overall aim of the updated work programme is to reduce the burden on banks and to limit the EBA's interaction with the industry.</p> <p>Key changes include only launching new consultations where they are considered critical and postponing the publication of final technical standards, depending on their degree of completeness and anticipated implementation date. The EBA has also held off on data collections normally used for ad-hoc analysis.</p>
21 Sept 2020	EBA phases out its Guidelines on legislative and non-legislative loan repayments moratoria		Credit Institutions	The EBA has decided to phase out its Guidelines on legislative and non-legislative payment moratoria in accordance with its end of September deadline. The Guidelines provided the necessary flexibility, as well as certainty, on the regulatory framework in light of the COVID-19 pandemic. The EBA will continue to monitor the situation.
22 Sept 2020	EU financial regulators assess risks to the financial sector after the outbreak of COVID-19 and call for enhanced cooperation		Credit Institutions	The EBA, EIOPA and ESMA have issued a joint risk assessment report of the impact of the outbreak of the COVID-19 pandemic on the financial sector. The main concerns are profitability, liquidity challenges and economic and market uncertainty. The report highlights the need to implement policies to i) monitor risk and perform stress testing; ii) foster flexibility where and when needed; iii) provide support to the real economy; iv) stay prepared; and v) supervise digital transformation.

European Central Bank (ECB)

Date	Description of statement/press release	ALG COVID-19 hub resource	Impacted entity type(s)	Key statements/measures announced
12 March 2020	ECB Banking Supervision provides temporary capital and operational relief in reaction to coronavirus		Credit Institutions	<p>The ECB announced that it will temporarily allow banks to operate below the capital levels defined in the Pillar 2 Guidance, the capital conservation buffer and the liquidity coverage ratio. Banks will also be allowed to partially use capital instruments that do not qualify as Common Equity Tier 1 capital, for example Additional Tier 1 or Tier 2 instruments, to meet the Pillar 2 Requirements. Banks are expected to use the positive effects coming from these measures to support the economy and not to increase dividend distributions or variable remuneration.</p> <p>Additionally, the ECB is discussing individual measures with banks, such as adjusting timetables, processes and deadlines.</p>
27 March 2020	ECB asks banks not to pay dividends until at least October 2020		Credit Institutions	<p>The ECB has recommended that banks do not pay dividends for the financial years 2019 and 2020 until at least 1 October 2020.</p> <p>Banks that have asked their shareholders to vote on a dividend distribution proposal in their upcoming General Shareholders Meeting are expected to amend such proposals in line with the updated recommendation.</p> <p>Banks that consider themselves legally required to pay dividends before 1 October are asked to immediately explain the underlying reasons to their joint supervisory team.</p>
1 April 2020	IFRS 9 in the context of the coronavirus (COVID-19) pandemic		Significant Institutions	<p>In order to mitigate volatility in institutions' regulatory capital and financial statements stemming from IFRS 9 accounting practices, the ECB has recommended that significant institutions:</p> <ul style="list-style-type: none"> ■ opt to apply the full transitional IFRS 9 provisions foreseen in the Capital Requirements Regulation ■ avoid excessively procyclical assumptions in their IFRS 9 models to determine their provisions. <p>The Guidance contains more detailed recommendations on how significant institutions should estimate their credit losses and use macroeconomic forecasts.</p>

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7 April 2020	ECB announces package of temporary collateral easing measures		Credit Institutions	<p>The ECB introduced temporary collateral easing measures to widen the range of eligible collateral for Eurosystem counterparties to participate in liquidity providing operations. The measures include:</p> <ul style="list-style-type: none"> expanding the use of credit claims as collateral, in particular through the potential expansion of the additional credit claims frameworks lowering the level of the non-uniform minimum size threshold for domestic credit claims to EUR 0 from EUR 25,000 previously to facilitate the mobilisation as collateral of loans from small corporate entities an increase, from 2.5% to 10%, in the maximum share of unsecured debt instruments issued by any single other banking group in a credit institution's collateral pool a waiver of the minimum credit quality requirement for marketable debt instruments issued by Greece for acceptance as collateral in Eurosystem credit operations increasing the ECB's risk tolerance level in credit operations through a general reduction of collateral valuation haircuts by a fixed factor of 20%.
14 April 2020	Macroprudential measures taken by national authorities since the outbreak of the coronavirus pandemic		Credit Institutions	<p>The ECB has published an overview of macroprudential policy measures taken by NCAs in euro area countries since 11 March 2020. These include a reduction in capital requirements through releasing capital buffers such as the CCyB. The ECB has calculated that these measures will free up over €20 billion of Common Equity Tier 1 capital, helping euro area banks absorb losses and provide credit to the economy during the ongoing crisis.</p>
16 April 2020	ECB announcement on temporary relief for capital requirements for market risk		ECB supervised financial institutions	<p>Temporary relief for capital requirements for market risk was announced by the ECB.</p> <p>The qualitative market risk multiplier is reduced which is intended to smooth pro-cyclicality and maintain the ability of financial institutions to provide market liquidity and continue market-making activities.</p>
22 April 2020	ECB takes steps to mitigate impact of possible rating downgrades on collateral availability		ECB supervised financial institutions	<p>The ECB announced temporary measures to mitigate the impact of ratings downgrades on the availability of collateral, including:</p> <ul style="list-style-type: none"> marketable assets that met the minimum credit quality requirements for collateral eligibility on 7 April will continue to be eligible in the event of rating downgrades, as long as their rating remains at or above credit quality step (CQS) 5 on the Eurosystem harmonised rating scale and they continue to fulfil all other existing collateral eligibility criteria future issuances from grandfathered issuers will also be eligible provided they fulfil all other collateral eligibility criteria currently eligible ABSs with a rating threshold in the general framework of CQS2 (A-) will be grandfathered as long as their rating remains at or above CQS4 assets that fall below the minimum credit quality requirements will be subject to haircuts based on actual ratings

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30 April 2020	ECB recalibrates targeted lending operations to further support real economy		Lenders	<p>The ECB announced a number of changes to the terms and conditions of its targeted longer-term refinancing operations (TLTRO III) in order to support the provision of credit to households and firms. In particular:</p> <ul style="list-style-type: none"> the interest rate on all targeted longer-term refinancing operations will be reduced by 25 basis points to -0.5% from June 2020 to June 2021 for banks meeting the lending threshold of 0% introduced on 12 March 2020 the interest rate can be as low as -1% the start of the lending assessment period will be brought forward to 1 March 2020.
30 April 2020	ECB announces new pandemic emergency longer-term refinancing operations		Market Participants	<p>The ECB announced pandemic emergency longer-term refinancing operations (PELTROs). PELTROs are intended to provide liquidity support to the Eurosystem and contribute to preserving the smooth functioning of money markets.</p>
8 May 2020	Survey on the Access to Finance of Enterprises: Small businesses report challenging outlook for their access to external financing due to COVID-19		SMEs and lenders	<p>The ECB published a survey showing the difficulties encountered by SMEs in accessing finance during COVID-19</p>
26 May 2020	Pandemic increases risks to financial stability		Credit Institutions and Market Participants	<p>According to the May 2020 Financial Stability Review of the ECB, the COVID-19 pandemic has unearthed and increased existing increasing vulnerabilities for euro area financial stability. These extend to the financial sector, corporates and sovereigns.</p> <p>Policy decisions averted the risk of financial meltdown on the onset of the pandemic. However, they remain essential to preserve financial stability. Banks in the Euro area are now better capitalised, but are likely to face significant losses and pressure on profits.</p>

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4 June 2020	Monetary policy decisions		Credit Institutions	<p>The ECB's Governing Council made a number of monetary policy decisions including:</p> <ul style="list-style-type: none"> Increasing the pandemic emergency purchase programme envelope (PEPP) from €600bn to €1.35tn. Extending the horizon for net purchases under PEPP to at least the end of June 2021. Maturing principal payments from securities purchased under the PEPP will be reinvested until at least the end of 2022. Net purchases under the asset purchase programme (APP) will continue at a monthly pace of €20bn, with the purchases under the additional €120bn temporary envelope until the end of 2020. Reinvestments of the principal payments from maturing securities purchased under the APP will continue in full until past the date when the ECB starts raising interest rates and for as long as is necessary. Interest rate on main refinancing operations and interest rates on marginal lending facility and deposit facility will remain at 0.00%, 0.25% and -0.50% respectively.
5 June 2020	Expanding the pandemic emergency purchase programme		Credit Institutions	<p>This blog post by ECB Governor Philip Lane discusses the outlook for economic activity and inflation in the Euro area, and explains the Governing council's decision to expand the PEPP, both in respect of COVID-19. Macroeconomic output is expected to decline by 13.0% in Q2 2020, and will only be partly reversed in the second half of the year. The downward revisions would have been worse had there been no fiscal response.</p> <p>Average headline Inflation is predicted to be 0.3% in 2020, 0.8% in 2021 and 1.3% in 2022. Core inflation is forecast to reach 0.9% in 2022.</p> <p>The PEPP was increased to 1) ensure medium-term price stability, and 2) markets have stabilised since the PEPP was announced, but the situation remains fragile. It underlines the need for the ECB to be flexible and exercise a market stabilisation function.</p>
17 June 2020	The COVID-19 pandemic and access to finance for small and medium-sized enterprises: evidence from survey data		All Regulated Financial Services Providers and SMEs	<p>This research on access to finance for SMEs was published as part of the ECB's fourth Economic Bulletin of 2020. Key points include:</p> <ul style="list-style-type: none"> The latest Survey on the Access to Finance of Enterprises documents a deterioration in the business activity of small and medium-sized enterprises (SMEs) in the reporting period from October 2019 to March 2020. Looking backwards, euro area SMEs signalled a decline in turnover for the first time since the beginning of 2014. The deterioration in the expected access to finance appeared to level off after the PEPP announcement, at least with regard to bank loans and credit lines. On internal financing sources, SMEs reported a substantial net decline in the expected availability of funds (-17%, from 12%). Expected availability of external financing sources also registered a deterioration, although less than that of internal financing.



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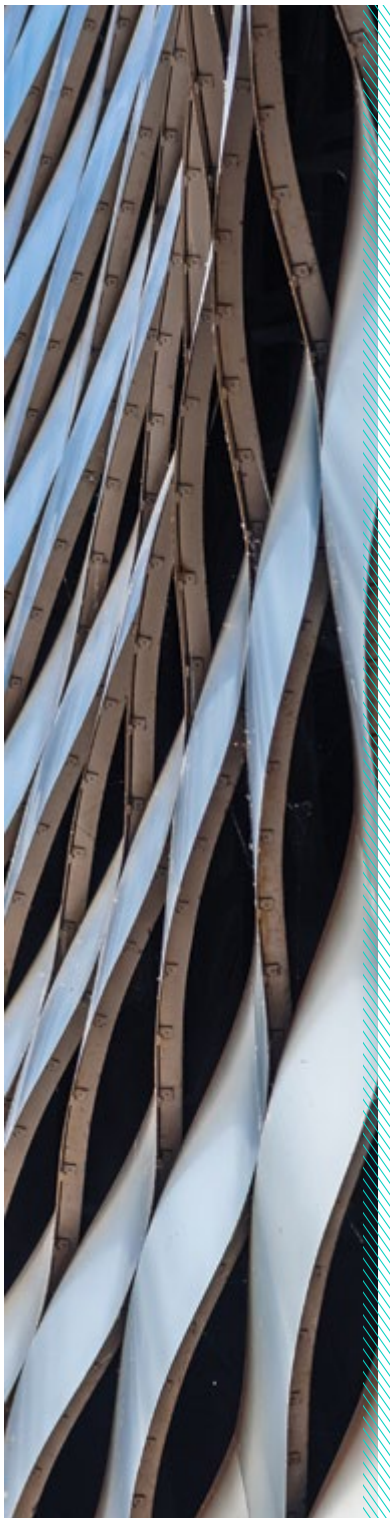
Date	Description of statement/press release	ALG COVID-19 hub resource	Impacted entity type(s)	Key statements/measures announced
17 June 2020	Short-time work schemes and their effects on wages and disposable income		All Regulated Financial Services Providers and Consumers	<p>This research was published as part of the ECB's fourth Economic Bulletin of 2020. Key points include:</p> <ul style="list-style-type: none"> ■ Short-time work and temporary lay-offs are key instruments for cushioning the economic impact of the COVID-19 pandemic ■ The effects of short-time work schemes on income losses vary according to the reduction in working time. ■ In all five of the largest euro area countries it is likely that a substantial share of employees is on short-time work or temporary lay-off. ■ The precise impact of short-time work on households' disposable income is as yet uncertain. ■ As short-time work schemes help to preserve jobs during the crisis, they also mitigate the rise in income uncertainty.
17 June 2020	Impact of the COVID-19 lockdown on trade in travel services		All Regulated Financial Services Providers and Consumers	<p>This research on the travel industry was published as part of the ECB's fourth Economic Bulletin of 2020. Key points include:</p> <ul style="list-style-type: none"> ■ Net trade in travel contributed €42 billion to the euro area surplus of €68 billion in the trade balance for services in 2019. ■ The euro area is exposed to trade in heavily affected service sectors, in which it recorded a surplus in 2019. ■ The collapse in flight capacity across regions is unprecedented in the history of aviation. ■ The euro area countries more exposed to the impact of the pandemic in terms of net exports of travel services are estimated to be Cyprus, Malta, Greece and Portugal. ■ In countries which depend on travel and tourism, the COVID-19 pandemic is having a severe and lasting impact on the overall economy.
19 June 2020	The Global Weakness Index – reading the economy's vital signs during the COVID-19 crisis		All Regulated Financial Services Providers and Consumers	<p>This Research Bulletin is the 72nd of 2020 and examines the Global Weakness Index (GWI) in light of COVID-19. The GWI increased sharply on 2 March 2020 and much faster than during the 2008 financial crisis. It remains at a record high in June 2020. The article continues to explain how the GWI is calculated, and notes the key measures and indicators used.</p>
19 June 2020	US dollar liquidity-providing operations from 1 July 2020		Financial Market Participants	<p>The ECB and other major central banks announced the decision to reduce frequency of 7-day US dollar operations from daily to three times per week. Operations with 84-day maturity will continue to be offered on a daily basis. The move comes in light of improvements in US dollar funding conditions and low demand at 7-day maturity US dollar liquidity-providing operations. The change is effective from 1 July 2020.</p>
25 June 2020	New Eurosystem repo facility to provide euro liquidity to non-euro area central banks		Central banks outside the euro area	<p>On 25 June 2020, the ECB announced its intention to set up a new backstop facility, the "Eurosystem repo facility for central banks" (EUREP). EUREP will provide cautionary euro repo lines to central banks outside the euro area, addressing possible liquidity needs in case of market dysfunction arising from COVID-19. The ECB released a set of FAQs on the same day as the announcement to cover any queries parties may have about EUREP.</p>

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29 June 2020	ECB Working Paper: A Primer on the Macroeconomic effects of COVID-19		All Regulated Financial Services Providers and Consumers	This paper by the ECB examines the macroeconomic consequences of the pandemic and examines adapting the central bank modelling apparatus to reflect to current economic situation.
16 July 2020	Monetary Policy Decisions		Credit Institutions	<p>The Governing Council of the ECB made the following monetary policy decisions on 16 July 2020. These were:</p> <ul style="list-style-type: none"> ■ Maintaining interest rates on the main refinancing operations, the marginal lending facility and the deposit facility at 0.00%, 0.25% and -0.50%. ■ The continuance of the pandemic emergency purchase programme. ■ Continuing net purchases under the asset purchase programme at a monthly pace of €20 bn, along with additional €120 bn temporary envelope until the end of 2020. ■ Continue to provide ample liquidity through its refinancing operations, especially through TLTRO III.
17 July 2020	Results of the Q3 2020 ECB Survey of Professional Forecasters		All Regulated Financial Services Providers	<p>The ECB published the results to the ECB Survey of Professional Forecasters for Q3 of 2020. The results showed:</p> <ul style="list-style-type: none"> ■ the ongoing impact of coronavirus in the macroeconomic expectations ■ the HICP inflation expectations were revised down for 2021 and 2022 ■ the real GDP growth expectations were revised towards a sharper downturn in 2020 and a slightly steeper recovery in subsequent years ■ the expectations for peak unemployment rates were pushed back to 2021, but expectations of unemployment rate in the longer term remain unchanged.
21 August 2020	Results of the June 2020 survey on credit terms and conditions in euro-denominated securities financing and over-the-counter derivatives markets (SESFOD)		All Regulated Financial Services Providers	<p>The ECB published the results to the ECB Survey on Credit Terms and Conditions in Euro-Denominated Securities Financing and Over-the-Counter Derivatives Markets (SESFOD). The results showed:</p> <ul style="list-style-type: none"> ■ The most widespread tightening of credit terms over a 3-month review period since SESFOD launched in 2013 ■ Less-favourable price terms for non-financial corporations and less-favourable non-price terms for hedge funds ■ Liquidity and trading deteriorated materially for all types of OTC derivatives, while initial margin requirements increased for almost all types ■ Some insurance companies, hedge funds and investment funds faced strained liquidity situations linked to variation margins.

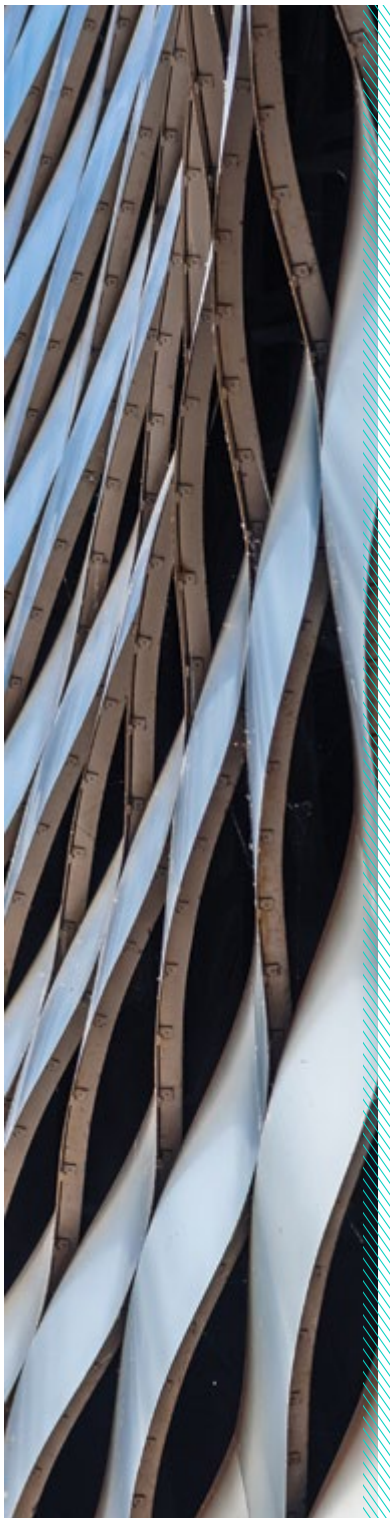
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27 August 2020	ECB publishes consolidated banking data for end-March 2020		All Regulated Financial Services Providers	<p>The ECB published its consolidated banking data for the end of March 2020 which showed that:</p> <ul style="list-style-type: none"> ■ The total assets of EU-headquartered credit institutions (excluding the United Kingdom) increased by 4.9%, from €27.6 trillion in March 2019 to €29.0 trillion in March 2020 ■ EU non-performing loans ratio (excluding the United Kingdom) dropped by 0.55 percentage points year on year to 2.98% in March 2020 ■ EU average for return on equity was 0.33% in March 2020 ■ EU average Common Equity Tier 1 ratio was 14.63% in March 2020.
10 Sept 2020	Monetary Policy Decisions		All Regulated Financial Services Providers	<p>The Governing Council of the ECB made the following monetary policy decisions on 10 September 2020. These were:</p> <ul style="list-style-type: none"> ■ Maintaining interest rates on the main refinancing operations, the marginal lending facility and the deposit facility at 0.00%, 0.25% and -0.50%, respectively. ■ The continuance of the pandemic emergency purchase programme. ■ Continuing net purchases under the asset purchase programme at a monthly pace of €20 bn, along with additional €120 bn temporary envelope until the end of 2020. ■ Continue to provide ample liquidity through its refinancing operations, especially through TLTRO III.
10 Nov 2020	Financial integration during the pandemic		All Regulated Financial Services Providers	<p>The ECB has published an Economic Bulletin, which provides an overview of financial fragmentation during the pandemic, and the policies put in place to counter its effects. The ECB has been monitoring developments by using high-frequency indicators and matching these to unfolding economic and political events and the main policy responses in monetary, fiscal and financial stability policies across Europe. The Bulletin notes that the financial integration in the euro area had recovered to pre-coronavirus levels for most indicators, although recovery remains fragile and relies on a lot of fiscal, monetary and prudential policy support.</p>
10 Nov 2020	How coronavirus affects potential output		All Regulated Financial Services Providers	<p>The ECB has published an Economic Bulletin, which provides an overview of the potential impact of COVID-19 on the euro area. The Bulletin shows that COVID-19 has lowered the potential output and has affected the labour, capital and total factor productive, in particular. It also shows that the scale of the impact in the short and long term is still highly uncertain. The Bulletin notes that it is likely that the crisis will induce some structural changes and places a pivotal role on economic policies in facilitating this change.</p>



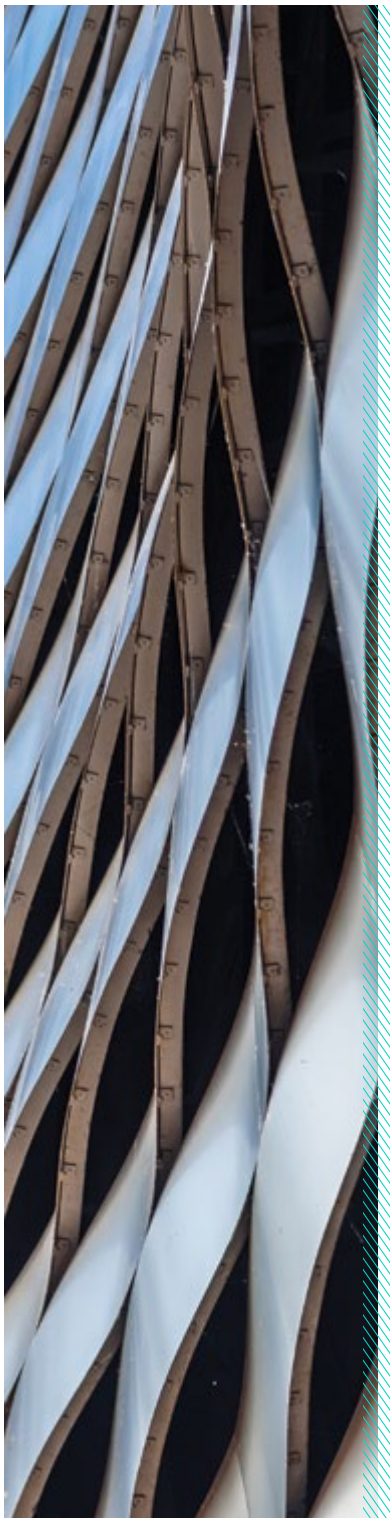
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11 March 2020	ESMA recommends action by financial market participants for COVID-19 impact		Financial Market Participants	<p>ESMA has made the following recommendations to financial market participants:</p> <ul style="list-style-type: none"> ■ Business 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 ■ Fund Management: asset managers should continue to apply the requirements on risk management, and react accordingly.
16 March 2020	ESMA requires net short position holders to report positions of 0.1% and above	COVID-19: ESMA requires net short position holders to report positions of 0.1% and above	Holders of net short positions in shares traded on an EU regulated market or MTF	ESMA has temporarily required holders of net short positions in shares traded on an EU regulated market or MTF to notify the relevant NCA if the position reaches or exceeds 0.1% of the issued share capital. The measure does not apply to shares on a regulated market where the principal venue for the trading of the shares is located in a third country, market making or stabilisation activities.
17, 18 & 19 March 2020	ESMA opinions approve bans short selling bans by NCAs in Austria ,		Financial Market Participants	ESMA issued a number of official opinions approving temporary prohibitions by several NCAs of transactions which might constitute or increase net short positions on shares admitted to trading on certain prescribed trading venues. The bans covered all related instruments relevant for the calculation of net short positions. The prohibitions applied to transactions conducted both on a trading venue or over the counter in Austria, Italy, France, Spain, Belgium and Greece. The prohibitions in Austria, France, Spain, Belgium and Greece expired on 18 May. The restrictions in Italy were due to expire on 18 June but were terminated early, as noted by ESMA in its announcement on 18 May.
15 April 2020	Italy , France , Spain , Belgium and Greece			
18 May 2020	Non-renewal of short selling bans announcement on 18 May			



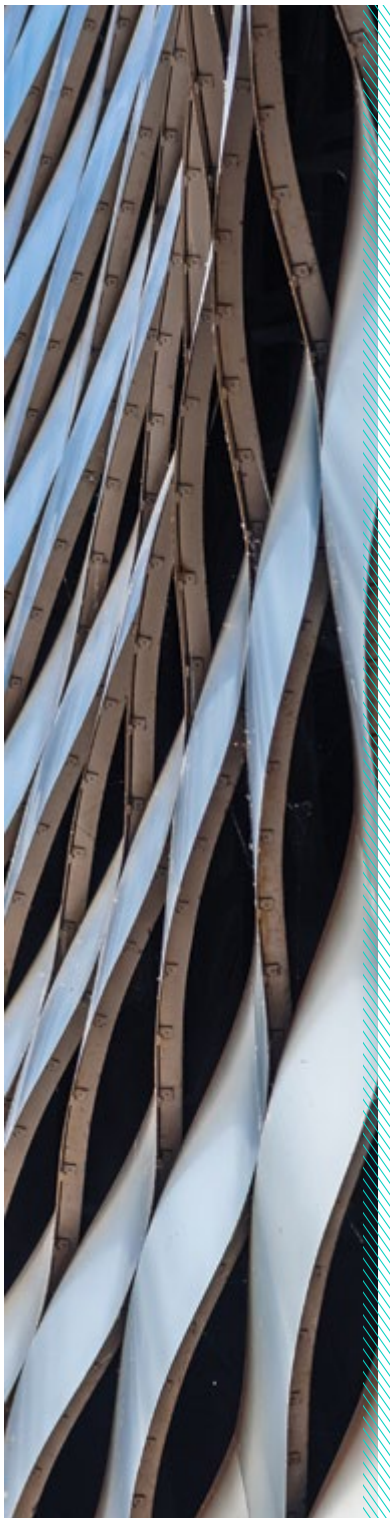
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26 March 2020	ESMA calls for flexible approach to reporting obligations under Securities Finance Transactions Regulation (STFR) and Transparency Directive		All counterparties to SFTs with reporting obligations under the SFTR	ESMA has acknowledged the difficulties created by the COVID-19 pandemic in complying with financial reporting obligations.
27 March 2020			Issuers of securities admitted to trading on a regulated market	<p>NCA's are expected not to prioritise supervisory actions against counterparties, entities responsible for reporting and investment firms in respect of securities financing transactions concluded between 13 April 2020 and 13 July 2020. Additionally, ESMA does not consider it necessary to register any trade repositories before 13 April 2020.</p> <p>ESMA also expects that NCA's will not prioritise supervisory actions against issuers of securities traded on regulated markets in respect of deadlines for publishing yearly and half-yearly financial reports under the Transparency Directive. However, financial reporting must continue and issuers are reminded of their obligation under the Market Abuse Regulation to publically disclose any inside information that directly concerns them.</p> <p>ESMA has asked NCA's to generally follow a risk-based approach in their day-to-day enforcement of legislation relevant to the above obligations under the Securities Finance Transactions Regulation and the Transparency Directive.</p>
20 March 2020	ESMA sets out approach on MiFIR tick-size regime for systematic internalisers		Systematic Internalisers	ESMA has acknowledged the difficulties that systematic internalisers will likely encounter in complying with the tick sizes set under MiFIR by 26 March 2020, the date of application of the new tick size regime. ESMA expects NCA's not to prioritise supervisory actions related to the tick size regime until 26 June 2020.
20 March 2020	ESMA clarifies position on call taping under MiFID II	ESMA announcement on MiFID II requirements for telephone recordings	Credit Institutions Investment Firms	<p>ESMA has noted that the COVID-19 pandemic is likely to present difficulties for credit institutions and investment firms in complying with the obligation under MiFID II to record telephone conversations related to certain transactions and services.</p> <p>ESMA expects such institutions and firms to consider alternative measures that would mitigate the risks of failing to record these conversations. They are expected to deploy all possible efforts to keep these measures temporary and to restore the recording of telephone conversations as soon as possible.</p>
20 March 2020	ESMA extends consultations response dates		Financial Market Participants	ESMA has confirmed that the response date for all ongoing consultations with a closing date on, or after, the 16 March has been extended by four weeks.
24 March 2020	ESMA issues guidance on the accounting implications of COVID-19		Financial Market Participants	ESMA has issued a public statement on some of the accounting implications of the economic support and relief measures adopted by the EU Member States in response to the COVID-19 outbreak. The measures include moratoria on the repayment of loans and the changes to the calculation of expected credit losses per IFRS 9. The EBA also issued a related statement regarding the prudential framework and accounting implications.



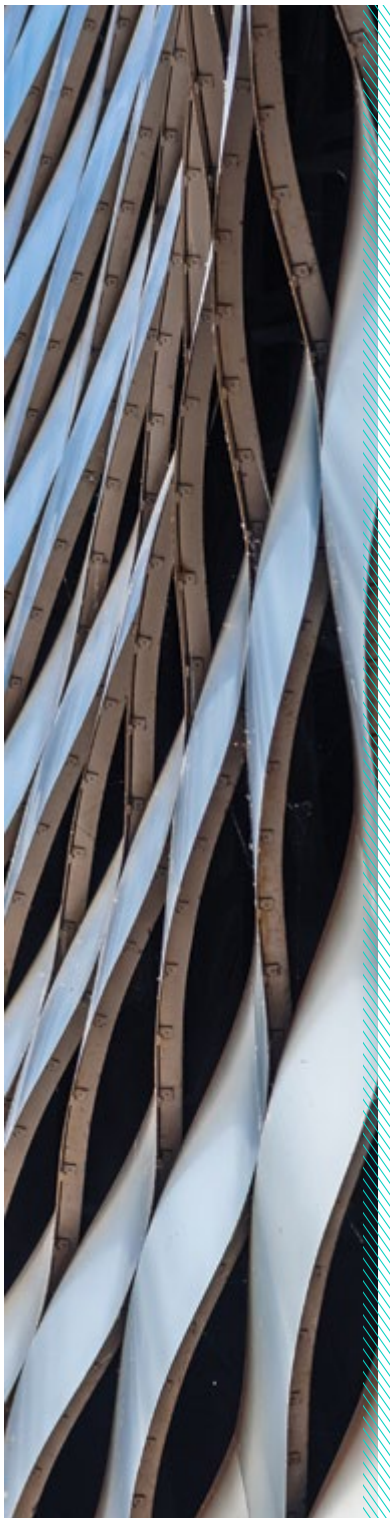
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27 March 2020	ESMA confirms application date of equity transparency calculations		MiFID investment firms, market operators and investors	ESMA has confirmed that the date of application of the transparency calculations for equity instruments of 1 April 2020 remains unchanged.
27 March 2020	ESMA issues guidance on financial reporting deadlines in light of COVID-19		Financial Market Participants	ESMA has issued a public statement on the implications of the COVID-19 pandemic on the deadlines for publishing financial reports applicable to listed issuers under the Transparency Directive. The statement recommend that forbearance measures should be applied by National Competent Authorities to issuers but that investors and shareholders should be continuously informed of expected publication dates.
31 March 2020	ESMA provides clarifications for best execution reports under MiFID II		Investment Firms, Regulated Markets, MTFs, OTFs, Systematic Internalisers	<p>ESMA is aware that execution venues and certain firms are likely to encounter difficulties in preparing best execution reports in accordance with MiFID II and RTS 27 and RTS 28.</p> <p>In carrying out supervisory activities, NCAs are expected to consider that, due to the COVID-19 pandemic:</p> <ul style="list-style-type: none"> ■ execution venues unable to publish RTS 27 reports due by 31 March 2020 may only be able to publish them as soon as reasonably practicable after that date and no later than by the following reporting deadline (i.e. 30 June 2020) ■ firms may only be able to publish the RTS 28 reports due by 30 April 2020 on or before 30 June 2020. <p>Firms are reminded of their obligations to achieve best execution for clients and to ensure fair order handling and allocations during current market volatility.</p>
2 April 2020	ESMA updates its risk assessment in light of the COVID-19 pandemic		Financial markets participants	<p>ESMA has updated its risk assessment to account of the impact of COVID-19 on EU markets. ESMA stated:</p> <p><i>“The pandemic, in combination with existing valuation risks, has led to large equity market corrections since mid-February, driven by a sharp deterioration in the outlook for consumers, businesses and of the economic environment. Corporate bond, government bond markets and a number of investment funds show signs of stress. Market infrastructures have continued to function in an orderly manner despite significant surges in trading activity, the use of circuit breakers and increases in derivatives margins.</i></p> <p><i>ESMA sees a prolonged period of risk to institutional and retail investors of market corrections and very high risks across the whole of ESMA’s remit.”</i></p>



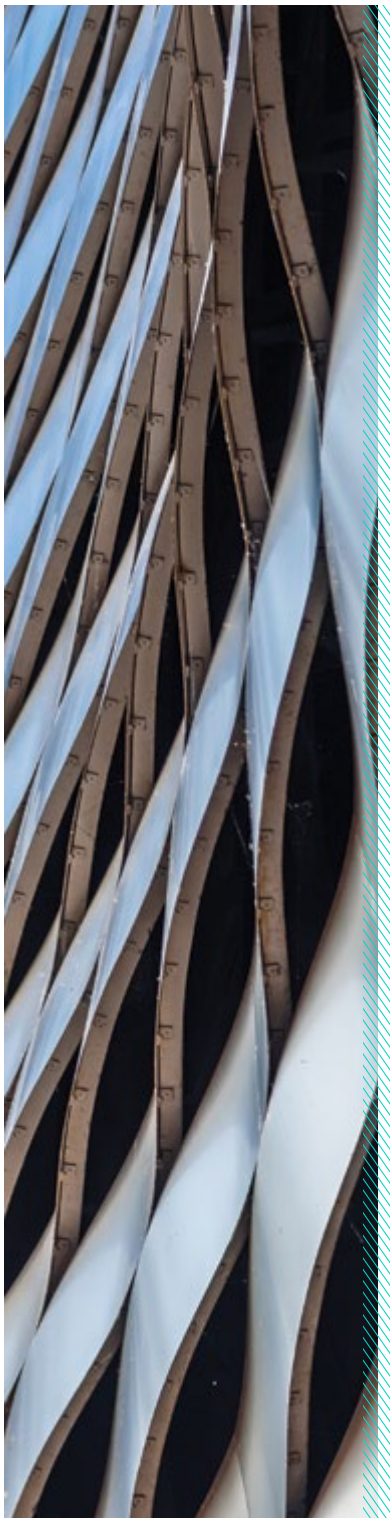
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9 April 2020	ESMA sets out supervisory expectations on publication of investment funds periodic reports		Fund managers and self-managed UCITS investment companies	ESMA has recognised the difficulty faced by fund managers and auditors in preparing yearly and half-yearly reports in accordance with regulatory deadlines. Accordingly, ESMA expects NCAs to take a risk-based approach to these regulatory obligations and not to prioritise supervisory actions against these market participants related to such deadlines.
9 April 2020	ESMA promotes coordinated action regarding benchmarks external audit requirements		Benchmark administrators Supervised contributors to interest rate benchmarks	ESMA has acknowledged the challenges that benchmark administrators and contributors to interest rate benchmarks, as well as their auditors, will likely face in fulfilling their external audit requirements under the Benchmarks Regulation. For this reason ESMA expects NCAs not to prioritise supervisory actions related to the timely fulfilment of these obligations, provided that audits are carried out by 30 September 2020. This statement has expired. See update below entitled ' <i>Update to ESMA Statement promoting coordinated action regarding benchmarks external audit requirements</i> '.
9 April 2020	ESMA postpones publication dates for annual non-equity transparency calculations and quarterly SI data		Financial Markets Participants	ESMA has issued a public statement postponing non-equity transparency calculations and the calculations for the systematic internaliser test for derivatives, ETCs, ETNs, emission allowances and structured finance products under MiFID II. The liquidity assessment and the determination of the pre-trade and post-trade large in scale and size specific to the instrument thresholds for derivatives, ETCs, ETNs, emission allowances and structured finance products will be postponed to 15 July 2020 and their application to 15 September 2020. The transitional transparency calculations will continue to apply until and including 14 September 2020. The mandatory systematic internaliser regime for derivatives, ETCs, ETNs, emission allowances and structured finance products will apply from 15 September 2020. Annual transparency calculations for bonds will remain unchanged and the new pre-trade and post-trade large in scale and size specific to the instrument thresholds will be applicable from 1 June 2020.
9 April 2020	ESMA extends MiFID II/MiFIR Transparency Review Report Consultation to 14 June 2020		MiFID investment firms, market operators and investors	The response date for the consultation on the MiFID II/MiFIR review report on the transparency regime for non-equity instruments and the trading obligation for derivatives is moved to 14 June 2020.



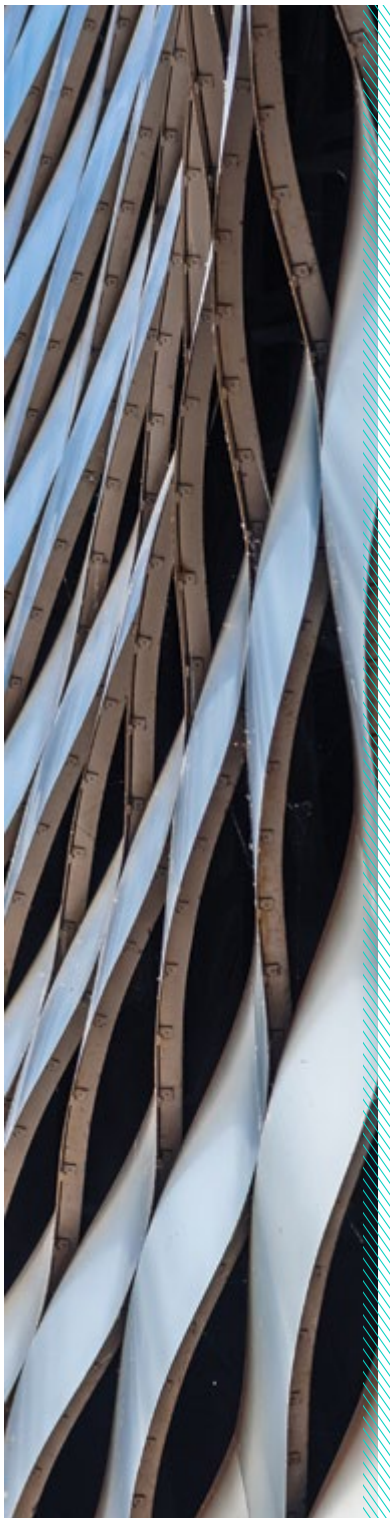
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17 April 2020	ESMA issues new Q&A on alternative performance measures in the context of COVID-19		<p>Issuers of securities admitted to trading on a regulated market</p> <p>Persons responsible for a prospectus</p>	<p>ESMA has updated its Q&A on the Guidelines on Alternative Performance Measures (APMs). The Q&A now clarifies ESMA's expectations around the use of APMs in prospectuses and regulated information in the context of the COVID-19 pandemic.</p> <p>The Q&A encourages issuers, before adjusting APMs or including new APMs to address COVID-19, to carefully assess whether the adjustments or new APMs would provide transparent and useful information to the market, improve comparability, re-liability and/or comprehensibility of APMs and of the financial information disclosed to the market.</p> <p>ESMA has also urged issuers to include narrative information dealing with the changes made, the assumptions used and the impact of COVID-19 in their communication documents. In addition, issuers should provide information on measures they have taken (or expect to take) to address the potential impact of the pandemic on their operations and performance.</p>
4 May 2020	Joint RTS on amendments to the bilateral margin requirements under EMIR in response to the COVID-19 outbreak		Financial markets participants	ESMA, EIOPA and the EBA, in response to the COVID-19 outbreak, have published joint draft Regulatory Technical Standards (RTS) amending the Delegated Regulation on the risk mitigation techniques for non-centrally cleared OTC derivatives (bilateral margining) under the European Markets Infrastructure Regulation (EMIR) to incorporate a one-year deferral of the two implementation phases of the bilateral margining requirements.
6 May 2020	ESMA Public Statement on the risks for retail investors when trading in the highly uncertain market circumstances due to the pandemic		Retail investors and investment firms	<p>ESMA has issued a public statement on the risks for retail investors when trading in the highly uncertain market circumstances due to the pandemic.</p> <p>Risks arise due to high market volatility and an increase in market, credit and liquidity risks. Accordingly, firms have even greater duties when providing investment or ancillary services to investors, especially when these investors are new to the market, or have limited investment knowledge or experience.</p> <p>ESMA reminds firms of their obligation to act in accordance with the best interests of their client.</p> <p>Obligations under MiFID II, such as product governance, information disclosure, suitability and appropriateness were also highlighted by ESMA.</p>



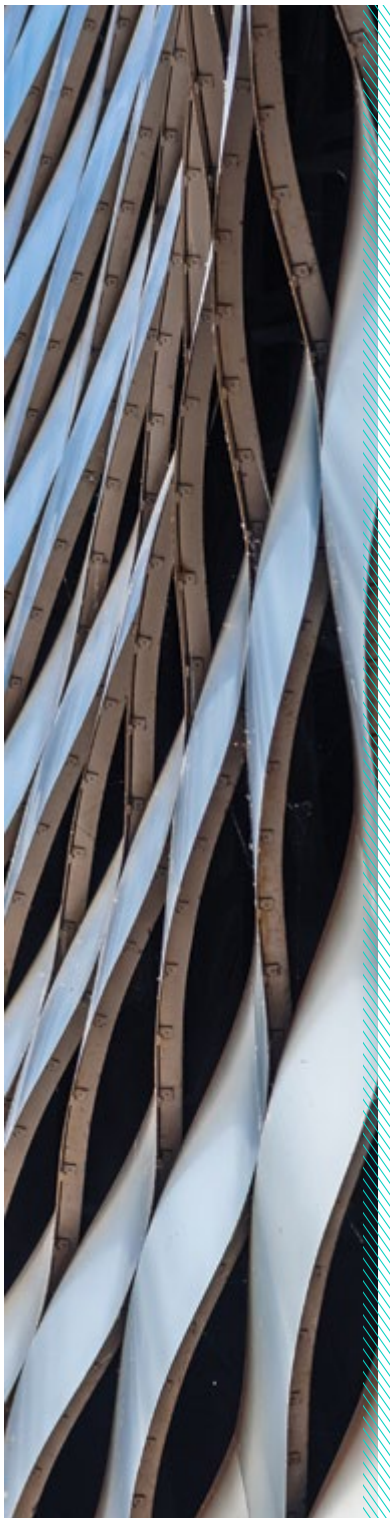
European Securities and Markets Authority (ESMA)

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20 May 2020	ESMA Public Statement on the implications of the COVID-19 outbreak on the half-yearly financial reports		Corporates	<p>ESMA has issued a public statement on the implications of COVID-19 on the half-yearly financial reports. It aims to promote transparency and consistent application of European requirements for the information provided in the half-yearly financial reports in light of COVID-19.</p> <p>While ESMA recognises the impact of COVID-19 on business activity, it stresses that transparency is essential, and providing updated information is necessary for investors. Providing information on the identification of the principal risks and uncertainties to which issuers are exposed is also vital. ESMA encourages audit committees to enhance their supervisory role this year.</p>
9 June 2020	ESMA extends deadline for responses to consultation on EMIR REFIT		Financial Markets Participants	ESMA extended the end of the consultation period on the technical standards on reporting, data quality, data access and registration of Trade Repositories under EMIR REFIT from 19 June 2020 to 3 July 2020 in light of COVID-19.
11 June 2020	ESMA renews its Decision requiring net short position holders to report positions of 0.1% and above		Holders of net short positions in shares traded on an EU regulated market or MTF	<p>In light of the ongoing COVID-19 pandemic, ESMA renewed its Decision requiring net short position holders to report positions of 0.1% and above to national competent authorities. The Decision applies for an additional 3 months from 17 June 2020 to persons, natural or legal, irrespective of where they reside, and do not apply to shares admitted to or traded on a regulated market where the principal venue for trading the shares is a third country, market making or stabilisation activities.</p> <p>This statement has since been amended. See update below entitled 'Update to ESMA Statement on MiFIR Open Access and COVID-19'.</p>
11 June 2020	ESMA Publishes Statement on MiFIR Open Access and COVID-19		Financial Markets Participants	This statement, published on 11 June 2020, sets out the issues national competent authorities (NCAs) should consider when assessing OAP requests during the COVID-19 pandemic. ESMA outlines that NCAs need to consider the adverse impact of COVID-19 in terms of delays in assessing OAPs as well as its effect on central counterparties and trading venues. ESMA requires CCPs and TVs to have capacity once COVID-19 clears up to process access requests. The exemptions under MiFIR allowing NCAs to exempt TVs and CCPs from OAP for derivatives expires on 3 July 2020 and the OAP will apply from there on.
15 June 2020	Revised annual work programme for 2020		All Financial Markets Participants	In response to COVID-19, ESMA published its annual work programme in revised form, which reprioritises its work and deliverables in light of the pandemic.



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29 June 2020	Advice to ESMA – Own Initiative SMSG Report II on Covid-19 related Issues		Financial Market Participants	On 29 June 2020, the Securities and Markets Stakeholder Group (SMSG) prepared an advice piece addressed to ESMA. It outlined a number of lessons learnt from the crisis and provided advice in the areas of asset management, the OTC-Derivatives markets, the functioning of debt capital markets, individual investors needing to support increasing participation in capital markets by promoting employee share ownership, corporate disclosure and the re-equitizing of the European economy to ensure future growth and employment.
9 July 2020	ESMA clarifies external support within the meaning of Article 35 of the MMF Regulation		Money Market Funds	ESMA issued a public statement to promote coordination between national competent authorities on the issue of the prohibition on providing external support to money market funds (MMFs) within the meaning of Article 31 of Regulation 1095/2010. ESMA clarified that MMFs may enter into transactions with third parties (including affiliated or related parties) provided the requirements of Article 35 of the MMF Regulation are met.
21 July 2020	ESMA recommends supervisory coordination on accounting for Covid-19 related rent concessions		Corporates	ESMA issued a public statement recommending coordination of supervisory action to issuers' accounting for COVID-19 related rent concessions. The International Accounting Standards Board issued an amendment to IFRS 16 providing a practical relief for lessees in May 2020. ESMA recommends that national competent authorities do not prioritise supervisory actions related to IFRS 16, provided the European Parliament and the Council do not object to the endorsement of the IFRS 16 amendment.
27 August 2020	Risk parameters in ESMA's guidelines on stress test scenarios under the money markets fund regulation to be updated		Financial Market Participants	ESMA has confirmed that the 2019 Guidelines on stress test scenarios under the Money Market Funds Regulation will be updated in 2020 to include a modification of the risk parameters to reflect recent market developments in light of the COVID-19 crisis. The 2019 Guidelines continue to apply until the 2020 update has been implemented in Q4.
28 August 2020	ESMA proposes to further postpone CSDR settlement discipline		Financial Market Participants	Due to the impact of the COVID-19 pandemic on the implementation of regulatory projects and IT Deliveries by the Central Securities Depositories, ESMA has published a final report on draft regulatory technical standards (RTS) postponing the date of entry into force of the Commission Delegated Regulation (EU) 2018/1229 (RTS on settlement discipline) until 1 February 2022.



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2 Sept 2020	ESMA sees high risk of decoupling of financial market performance and underlying economic activity		Financial Market Participants	ESMA published its second Trends, Risks and Vulnerabilities (TRV) Report of 2020. The report analyses the impact of COVID-19 on financial markets for Q1 and Q2 of 2020 and addresses the risk of a potential decoupling of financial market performance and underlying economic activity questioning the sustainability of the current market rebound. The Report also highlights a number of key risks for financial stability and investors.
28 Oct 2020	European accounting enforcers to enhance transparency on COVID-19 impact		Listed Companies	<p>On 28 October 2020, ESMA issued its Public Statement on European Common Enforcement Priorities. This sets out the priorities that EEA corporate reporting enforcers will consider when examining the 2020 annual financial reports of listed companies. The priorities reflect the need to provide adequate transparency in respect of the impact of COVID-19 on the company for financial and non-financial matters so as to preserve market confidence and contribute to financial stability. Listed companies should also provide disclosures on the impact Brexit will have on the issuer's activities.</p> <p>ESMA will be collating data on how European listed entities apply these priorities and will report its findings in its Report on the 2021 enforcement activities.</p>
5 Nov 2020	Update to ESMA Statement promoting coordinated action regarding benchmarks external audit requirements		National Competent Authorities	On 9 April, ESMA published a statement relating to the external auditing requirements in respect of the Benchmarks Regulation. This statement has now expired. ESMA does not believe a further extension is required in light of the COVID-19 and is no longer promoting any further coordinated action between National Competent Authorities in this respect.
5 Nov 2020	Update to ESMA Statement on MiFIR Open Access and COVID-19		Financial markets participants	On 11 June, ESMA published a statement on MiFIR open access and COVID-19. A few weeks after this statement was released, the co-legislators agreed on a 1-year extension to the transitional period until 3 July 2021.
11 Nov 2020	ESMA updates its risk assessment in light of the COVID-19 pandemic		Financial markets participants	ESMA has updated its risk assessment for Q3 to account of the impact of COVID-19 on EU markets.

Please do not hesitate to contact A&L Goodbody, including any member of the [Financial Regulation team](#), if you wish to discuss the impact of COVID-19 or any of the matters raised in this publication.



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