

# Financial Regulatory Update

**Overview COVID-19 regulatory measures**

Up to 23 March 2020

Please find below our Special Financial Regulatory Update with regard to the COVID-19 regulatory measures taken to date.

K law aims to make your life a little easier by flagging relevant regulatory developments per sector. Because we understand that managing regulatory change is a major business issue in itself.

**Belgian level**

**01**

**EU level**

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If you have any questions please contact Isabelle Blomme.

## Contact



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## Belgium

- 13.03.2020 The **NBB** publishes a statement with regard to their banking supervision role, indicating a temporary **easement of capital requirements** as well as operational supervision, [ENG](#)
- 18.03.2020 Decision by the **Flemish Government** to temporarily **expand the existing guarantee arrangement scheme**, [NL](#) / [FR](#)
- 18.03.2020 **Draft federal legislation** modifying the law of 22 December 2016 relating to the introduction of a bridging right in favor of self-employed persons and introducing temporary measures in view of COVID-19 to the benefit of self-employed persons, [NL](#) / [FR](#)
- 19.03.2020 The **FSMA** publishes **special instructions to intermediaries and creditors** as a result of COVID-19, indicating, amongst others, that no large-scale requests for information will be made in the coming weeks, [ENG](#)
- 19.03.2020 The **NBB** has launched the '**Economic Risk Management Group**' (ERMGM), so as to map and combat the economic consequences of COVID-19, [ENG](#)
- 20.03.2020 **Febelfin** updates its website with specific COVID-19 related information and the measures taken by banks, [NL](#) / [FR](#)
- 22.03.2020 Publication by the **NBB** on the **financial sector agreement** reached to combat the COVID-19 crisis, consisting of (i) payment deferrals in respect of existing financing and (ii) the launch of a EUR 50 billion guarantee scheme, [NL](#) / [FR](#)

## EU

- 11.03.2020 **ESMA** recommends action by financial market participants for COVID-19 impact, [ENG](#)
- 12.03.2020 **EBA** publishes statement on actions to mitigate the impact of COVID-19 on the EU banking sector, [ENG](#)
- 16.03.2020 **ESMA** requires net short position holders to report positions of 0.1% and above. Its [decision](#) will temporarily require that holders of net short positions in shares traded on a European Union (EU) regulated market to notify the relevant national competent authority (NCA) if the position reaches or exceeds 0.1% of the issued share capital after the entry into force of the decision, [ENG](#)
- 16.03.2020 **EIB Group** will rapidly mobilise up to 40 billion EUR to fight crisis caused by COVID-19 and calls on Member States to set up a further guarantee for SME and mid-cap support from EIB Group and national promotional banks, [ENG](#)

- 17.03.2020 The **European Commission** has communicated to Member States for consultation a draft proposal for a **State aid Temporary Framework** to support the economy. It would enable Member States to (i) set up schemes direct grants (or tax advantages), (ii) give subsidised State guarantees on bank loans, (iii) enable public and private loans with subsidised interest rates. Finally (iv), the new Temporary Framework will recognise the important role of the banking sector to deal with the economic effects of the COVID-19. The Temporary Framework makes clear that such aid is direct aid to the banks' customers, not to the banks themselves, [ENG](#)
- 17.03.2020 **ESMA** issues positive opinion on short selling ban by Italian CONSOB, [ENG](#)
- 17.03.2020 **EIOPA** statement on actions to mitigate the impact of Coronavirus/COVID-19 on the EU insurance sector, [ENG](#)
- 18.03.2020 **ESMA** issues positive opinion on short selling ban by French AMF and by the Spanish CNMV, [ENG](#)
- 18.03.2020 The **ECB** will continue to monitor the consequences for the economy and is ready to adjust its measures if needed to **safeguard liquidity conditions** in the banking system and to ensure the smooth transmission of its monetary policy in all jurisdictions, [ENG](#)
- 19.03.2020 The **ECB** announces €750 billion **Pandemic Emergency Purchase Programme** (PEPP), [ENG](#)
- 19.03.2020 **ESMA** issues a statement on coordinated supervisory actions on the application of **Securities Finance Transactions Regulation** (STFR), in particular on the requirements regarding the reporting start date, as well as the registration of Trade Repositories (TRs). This approach is needed in response to the effect of current adverse developments events as a result of the COVID-19 pandemic, [ENG](#)
- 19.03.2020 **European Commission** adopts **Temporary Framework** to enable Member States to further support the economy in the COVID-19 outbreak, [ENG](#)
- 19.03.2020 **ESMA** issues official positive opinions on bans on net short positions by Belgian FSMA and Greek HCMC, [ENG](#)
- 20.03.2020 **ESMA** sets out approach on MiFIR tick-size regime from systematic internalisers. This approach is needed in response to developments related to the COVID-19 pandemic and the related actions taken by the EU Member States, [ENG](#)
- 20.03.2020 **Basel Committee on Banking Supervision** responds to coronavirus. The Committee is continuing to assess and address the banking and supervisory implications of Covid-19, and is actively coordinating with the Financial Stability Board and other standard setting bodies on cross-cutting financial system issues. In the coming days, the Committee will consider additional measures aimed at supporting the financial resilience of banks and the operational resilience of both the banking and supervisory community, [ENG](#)

- 20.03.2020 **Securities and Markets Stakeholder Group** advice to **ESMA** on measures relating to the COVID-19 crisis, including (i) postponing deadlines & regulatory forbearance and (ii) coordination and supervisory convergence, [ENG](#)
- 20.03.2020 **EIOPA** recommendations on **supervisory flexibility** regarding the deadline of supervisory reporting and public disclosure in view of Coronavirus/COVID-19, [ENG](#)

## **DISCLAIMER**

*Although we aim to provide you with a comprehensive overview of the most recent regulatory developments, we cannot guarantee to provide you with an exhaustive overview of all relevant developments in this newsletter. This newsletter is compiled with the greatest care but the information comprised herein is intended as general information and cannot be regarded as legal advice. K law cannot accept any liability for the consequences of making use of this information without its cooperation.*