



9 April, 2020

ESMA Statement on Publication of Periodic Accounts

Introduction

ESMA has issued a public statement today regarding the publication of periodic accounts by (i) investment funds; (ii) UCITS management companies; and (iii) AIFMs (together hereinafter referred to as “**Fund Managers**”) in an effort to promote coordinated action by competent authorities in the context of COVID-19.

In its [statement](#), ESMA has outlined that in order to ensure investor protection and protect the integrity and operation of the financial markets, Fund Managers are expected to make best efforts to prepare and publish their annual and semi-annual reports within the prescribed legislative deadlines. However, it notes the challenges arising from the measures taken by Member States in light of COVID-19 and the difficulties that may create for some entities in preparing, finalising and publishing periodic reports.

As such, ESMA expects competent authorities including the Central Bank of Ireland (the “**Central Bank**”) to act in accordance with their national rules while adopting a “risk-based approach” instead of prioritising supervisory actions against Fund Managers which fail to meet the upcoming reporting deadlines in respect of the following as a result of difficulties arising from COVID-19:

1. Annual reports referring to a year-end occurring on or after 31 December 2019 but before 1 April 2020 for a period of two months following the relevant deadline;
2. Annual reports referring to a year-end occurring on or after 1 April 2020 but before 1 May for a period of one month following the relevant deadline; and

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3. Half-yearly reports of UCITS referring to a reporting period ending on or after 31 January 2020 but before 1 April 2020 for a period of one month following the deadline set out in the UCITS Directive.

ESMA has further advised that it will continue to closely monitor the situation and will implement any measures required to address the implications of COVID-19.

Action

If Fund Managers reasonably expect that preparation and publication of their reports will be delayed such that they will be unable to meet the usual reporting deadlines as a result of COVID-19, they must inform their national competent authority promptly and inform investors as soon as practicable of (i) the delay; (ii) the reasons for the delay; and (iii) to the extent possible the estimated publication date.

Conclusion

We are awaiting confirmation from the Central Bank but our expectation is that they will observe ESMA's suggested approach as per its statement issued today. We will keep our clients updated as and when further clarity emerges. In the meantime, if you have any questions relating to this topic, please contact your usual Dillon Eustace contact.

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