

28 June 2019

ESMA Consults on Short-Termism in Financial Markets

On 24 June 2019, the European Securities and Markets Authority (ESMA) published a questionnaire on sustainable aiming at gathering evidence on potential short-term pressures on corporations stemming from the financial sector.

In this regard, ESMA has invited all stakeholders, including UCITS Management Companies, UCITS, Alternative Investment Fund Managers and Alternative Investment Funds to respond to the questionnaire, which responses would assist ESMA to identify rules to mitigate undue short-termism.

The questionnaire's deadline for a response is 29 July 2019 and contains a self-explanatory note on the content of the survey as well as technical instructions.

The Questionnaire is available through the web-link: <https://ec.europa.eu/eusurvey/runner/ESMA-SUS-2019> and is structured in eight sections as follows:

- Section I: General information about respondent;
- Section II: Investment strategy and investment horizon;
- Section III: Disclosure on ESG factors and the contribution of such disclosure to long-term investment strategies;
- Section IV: The role of fair value in better investment decision-making;
- Section V: Institutional investors' engagement;**
- Section VI: Remuneration of fund managers and corporate executives;
- Section VII: Use of CDS by investment funds; and
- Section VIII: Final.

We encourage licence holders to contribute to ESMA's questionnaire constructively by responding in the fullest and most comprehensive manner.