
TO : UCITS Management Companies;
Self-Managed UCITS Investment Companies;
Authorised AIFMs;
Non-EU AIFMs marketing AIFs pursuant to Article 42 of the AIFMD;
EuVECA managers; and
EuSEF managers
Sub-Threshold AIFMs

FROM : Cyprus Securities and Exchange Commission

DATE : April 14, 2020

CIRCULAR No : C380

SUBJECT : COVID-19: ESMA’s Public Statement regarding the deadlines for the publication of periodic reports by fund managers – Other reporting obligations

The Cyprus Securities and Exchange Commission (the “CySEC”) wishes herein to draw the attention of the UCITS Management Companies, Self-Managed UCITS Investment Companies, Authorised AIFMs, Non-EU AIFMS marketing AIFs pursuant to Article 42 of the AIFMD, EuVECA and EuSEF Managers (hereinafter jointly referred to as ‘Fund Managers’) to their periodic reporting obligations: In particular:

A. Public Statement issued by ESMA

The European Securities and Markets Authority (the “ESMA”) issued recently a [Public Statement](#) with reference number ESMA34-45-896 and subject ‘*Actions to mitigate the impact of COVID-19 on the deadlines for the publication of periodic reports by fund managers*’.

The purpose of the Public Statement is to promote coordinated action by NCAs in relation to the obligation of Fund Managers to publish annual and half yearly reports in respect of the funds they manage, in relation to reporting periods ending from 31 December 2019 to 30 April 2020¹ inclusive.

According to the Public Statement, ESMA is aware that the actions taken by Member States to prevent COVID-19 contagion present significant difficulties and challenges for Fund Managers and auditors in preparing their funds’ annual reports and half yearly reports,

¹ For UCITS half-yearly reports the statement covers the reporting periods ending from 31 January 2020 to 31 March 2020

carrying out a timely audit of the accounts and publishing them within the deadlines set out in the AIFMD² and the UCITS Directive³ and in the EuVECA⁴ and EuSEF⁵ Regulations.

ESMA highlights that periodic information relating to investment funds is an important point of reference for investors' economic decisions and that Fund Managers are expected to exercise their best efforts to prepare the annual reports and half-yearly reports and publish within the relevant legislative deadlines. However, ESMA is of the view that the burdens on Fund Managers associated with the COVID-19 outbreak should be taken into account by NCAs in a coordinated way.

According to the Public Statement, considering that Fund Managers may be prevented from fulfilling the requirements due to COVID-19, ESMA expects NCAs to act in accordance with national rules set out in their Member States and when possible during this specific period not to prioritise supervisory actions against these market participants in respect of the upcoming deadlines set out in the UCITS Directive, the AIFMD, the EuSEF and EuVECA Regulations regarding:

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
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.

Nevertheless, ESMA expects that Fund Managers, where they reasonably anticipate that publication of the annual reports and half-yearly reports will be delayed beyond the normal regulatory deadlines, to inform their NCA promptly of this and to inform investors as soon as practicable of the delay, the reasons for such a delay and to the extent possible the estimated publication date.

Taking into account the exceptional circumstances created by the COVID-19 outbreak, CySEC will follow the recommendation of ESMA as stated in the abovementioned public statement.

B. Other reporting obligations

Furthermore, CySEC does not intend to prioritise supervisory actions against the following entities in respect of the upcoming deadlines set out in the National legal framework:

² Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers

³ Directive 2009/65/EC of the European Parliament and of the Council on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS)

⁴ Regulation (EU) No 345/2013 of the European Parliament and of the Council of 17 April 2013 on European venture capital funds

⁵ Regulation (EU) No 346/2013 of the European Parliament and of the Council of 17 April 2013 on European social Entrepreneurship funds.

1. UCITS Management Companies, in respect of the upcoming deadlines set out in the Undertakings for Collective Investments Law regarding:
 - 1.1. the availability and the submission of quarterly reports of UCITS⁶ (1st and 2nd quarter of 2020);
 - 1.2. yearly reports⁷ referring to the reporting periods ending on 31 December 2019 for a period of three months following the deadline set out in the UCI Law;
 - 1.3. half-yearly reports⁸ referring to the reporting periods ending on 30 June 2020 for a period of one month following the deadline set out in the UCI Law;

2. AIFMs and Sub-Threshold AIFMs in respect of the upcoming deadlines set out in the Alternative Investment Funds Law⁹ regarding half-yearly reports referring to the reporting periods ending on 30 June 2020 for a period of one month following the deadline set out in the AIF Law.

Yours sincerely,

Demetra Kalogerou
Chairman, Cyprus Securities and Exchange Commission

⁶ Section 55(4) of the Open-Ended Undertakings for Collective Investments (UCI) Law of 2012 (the UCI Law)

⁷ Section 114(2)(i) of the Open-Ended Undertakings for Collective Investments Law of 2012

⁸ Section 114(2)(ii) of the Open-Ended Undertakings for Collective Investments Law of 2012

⁹ Section 76 of the Alternative Investment Funds Law of 2018 (the 'AIF Law')