



Implementation of the 2021 Activity Plan

March 2022



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Comisión Nacional del Mercado de Valores
(Spain's National Securities Market Commission, hereinafter "CNMV")
Edison, 4
28006 Madrid

Bolivia, 56
080018 Barcelona

Heros, 3
48009 Bilbao

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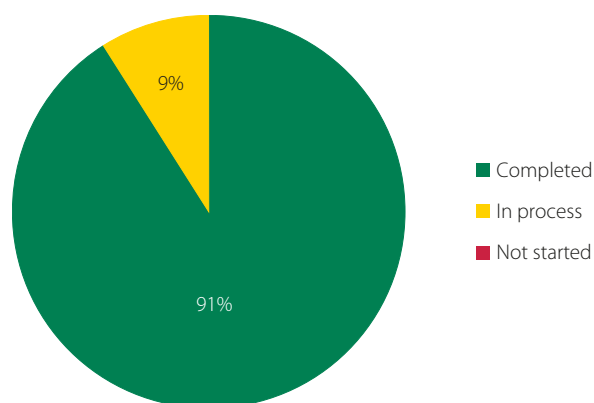
Layout: Cálamo y Cran

In its 2021 Activity Plan, the CNMV formulated 54 actions or objectives aimed at developing the strategic areas of the institution.

Up to the date of publication of the 2022 Activity Plan, **49 (91%) of the objectives had been attained**. Therefore, in 2021 a slightly higher degree of follow-up of the Activity Plan has been achieved than in previous years: 86% in 2020, 84% in 2019, 78% in 2018, and 86% in 2017.

Degree of completion 2021 Activity Plan

FIGURE 1



The follow-up of the objectives set in the 2021 Plan is detailed below according to its different sections: i) the CNMV's operational improvements, ii) market supervision, iii) supervision of financial intermediaries and iv) relations with investors and other stakeholders.

With regard to the section on the **CNMV's operational improvements**, 11 of the 13 planned objectives (84%) were fully met during 2021 and significant progress was made in relation to the other two (16%), which will be completed in the coming months.

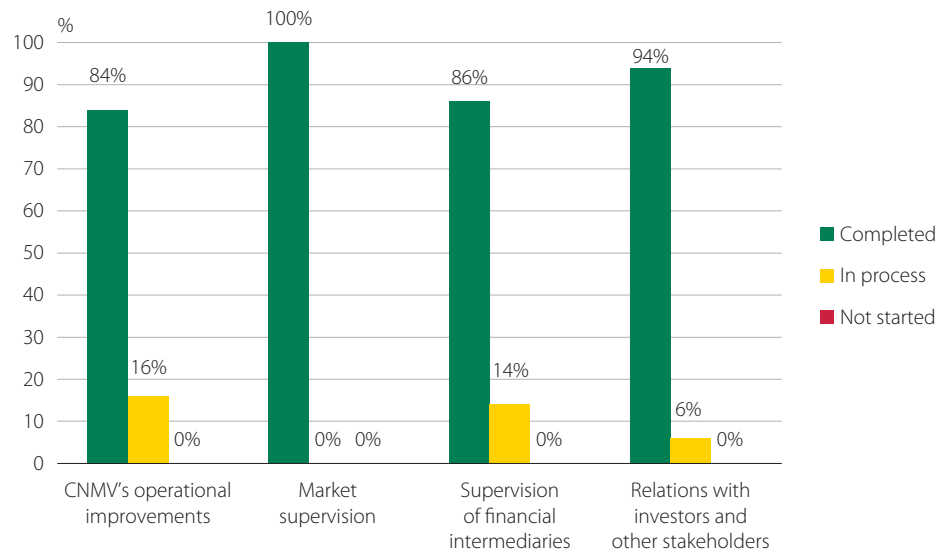
Regarding the 10 objectives included under the **market supervision** heading 100% have been completed:

As regards the **supervision of financial intermediaries**, 86% of the 15 objectives included in the 2021 Activity Plan were met.

Finally, in the section on the **relations with investors and other stakeholders**, 15 of the 16 initiatives included (94%) were completed.

Completion of 2021 objectives by area

FIGURE 2



See Table 1 for a brief summary of each objective.

Summary of the implementation of the 2021 Activity Plan

TABLE 1

	Initiative	Status	Detail
CNMV's operational improvements	Digital transformation	Strategic information systems plan	Completed The CNMV strengthened the technological resources available to it to adapt to the changes in the sector and improve the efficiency of its processes, taking advantage of all that new technologies have to offer to carry out its functions as efficiently as possible. A strategic information systems plan has been drawn up and put into operation, spanning a three-year time horizon. The plan has analysed the current status of the CNMV's information systems and determined medium term needs. To undertake this process, the CNMV has hired an external company that has collaborated on the design and execution of the plan.
	Driving innovation	Implementation of the sandbox	Completed In 2021 the financial sandbox, a controlled test space, was launched under the coordination of the General Secretariat of the Treasury and International Financing. The CNMV was the supervisory authority for four of the eighteen projects that received a favourable prior evaluation in the first call, and protocols have finally been signed with three of these projects (the promoter of the fourth project withdrew). In the second call, four projects were provisionally admitted, of which two correspond to the CNMV (which will also participate as secondary supervisor in another project assigned to the General Directorate of Insurance and Pension Funds). Various meetings of the sandbox coordination committee were also held.
Improving competitiveness	Proposal to update the law on CNMV fees	Completed	In the area of the financing of the CNMV, an individualised cost/income analysis was prepared for each fee together with income/expense forecasts for the 2021-2023 period, in order to determine the appropriate adjustment in fees and, based on the conclusions of the analysis, a proposed update to the CNMV fee law was prepared, which will be sent shortly to the Ministry of Economic Affairs and Digital Transformation for consideration.
	Implementation of the new CNMV risk map	Completed	A new CNMV strategic risk management and control framework has been approved and the updating of the risk catalogue has been completed, which will allow for more efficient risk management.
Improving efficiency	Panel to obtain a perception of the functioning of the CNMV among investors, media professionals and other users	In process	This objective could not be completed as the contract for the support of a specialised company was awarded in January 2022 and its execution is scheduled within a maximum of five months.
	Analysis and global environmental sustainability plan of the CNMV as an organisation	Completed	In 2021, work was done on the development of a global environmental sustainability plan of the CNMV as an organisation. This plan contains specific measures to reduce the environmental impact of the institution and includes a part related to improving the efficiency of the building, which has been prepared by an external third party. During 2022, work will be done on the implementation of this plan.
A more accessible and more transparent CNMV	Preparations for the Bilbao office and transfer of the Barcelona office to its new location	Completed	In the third quarter of 2021, the transfer of the Barcelona regional office to the new location was completed, and at the end of October the Bilbao regional office was inaugurated.
	Expansion and improvement of communication channels with the CNMV	Completed	Meetings and encounters have been arranged with industry representatives (through associations or entities) to convey messages and seek their opinion on the CNMV's activities and the market situation. Through an external company, the annual mandatory audit of the accessibility of the CNMV's web pages and applications for mobile devices was also carried out.

Summary of the implementation of the 2021 Activity Plan (continued)

	Initiative	Status	Detail
	Changes in the CNMV's public consultation policy	Completed	The CNMV has made changes to its public consultation policy in order to make its regulatory activity more transparent. A document has been published ¹ in this regard, including the guidelines to be followed in the process of public participation in the regulatory projects of the CNMV, in particular circulars and technical guides. In addition, we have started to publish <i>ex post</i> explanations of how the observations received in these public consultations have been taken into account.
	Boosting the transparency of contacts with stakeholders	Completed	The CNMV website has been redesigned to give more information on the contacts of the CNMV presidency with stakeholders (Transparency Portal). Specifically, since March 2021 we have published the agendas, which include, among other things, official visits and institutional events in which they participate, as well as national and international meetings. Thus, the corresponding section of the CNMV's website has been redesigned in order to give greater visibility to the Consultative Committee's activity. Specifically, details about its members have been added, including their CVs, and the agendas of the sessions and the reports prepared by the Committee have begun to be made public.
Staff related measures	Amendment and strengthening of the teleworking policy	Completed	We have finished amending and strengthening the teleworking policy, which has been agreed with the Works Council.
	Training in management skills	In process	The development of this training has been delayed by the bidding process for the service and it is now planned that the training will be given in 2022.
	Start of work on the employee climate survey	Completed	We started the necessary work to conduct an employee climate survey among CNMV staff. The alternatives for putting it into practice have been analysed and a comparative analysis has been made of how these surveys have been carried out in similar organisations. In view of this, the model of how it will be developed in the CNMV and the scheduled work plan have been designed.
Market supervision	Corporate governance	Completed	In October 2021, CNMV Circular 3/2021 ² of 28 September was published, amending the circulars on the annual corporate governance report (ACGR) and the annual directors' remuneration report (ADRR).
		Completed	In mid-2021 an advisory group was formed ³ to consider preparing a code of good practices, in order to encourage the long-term shareholder engagement. In the meetings held, the appropriateness and the scope of the code were discussed and, after the analysis carried out, the CNMV decided that it was appropriate to continue with the project, which is expected to conclude in 2022.

1 <https://www.cnmv.es/DocPortal/OtrosDocumentos/PoliticaConsultasPublicas230721.pdf>

2 https://www.cnmv.es/docportal/Legislacion/Circulares/Circular_3_2021_EN.pdf

3 This advisory group is made up of various financial sector associations, auditing and legal consulting firms, proxy advisers, sector supervisors and other individual experts.

Summary of the implementation of the 2021 Activity Plan (continued)

	Initiative	Status	Detail
Financial reporting	Horizontal review of the degree of compliance with ESMA guidelines on APM	Completed	We carried out the horizontal review of the degree of compliance with the guidelines of the European Securities and Markets Authority (ESMA) on Alternative Performance Measures (APM), which is reported in the public report on the supervision of the financial information of the issuers of securities for the year 2020.
	Analysis of the information, broken down by issuers, in relation to the effects of COVID-19	Completed	We carried out an analysis of the information broken down by issuers in relation to the effects of COVID-19 on their 2020 annual financial reports for listed companies subject to substantive review, although it has not been possible to complete all the reviews initially planned. The public report on the supervision by the CNMV of the annual financial reports for the year 2020 includes a specific section with the main conclusions obtained.
	Analysis of the submission of the annual financial report in ESEF	Completed	We completed the analysis of the submission of annual financial statements in the European single electronic format (ESEF). In the public supervision report cited above, a specific section has been included in which the main conclusions are summarised.
Market supervision	Review of compliance by market infrastructures with the IOSCO-CPMI guidelines on cybersecurity	Completed	We conducted a review of compliance by market infrastructures with the CPMI-OSCO ⁴ guidelines on cybersecurity. The CNMV included in its supervision plan for Spanish trading infrastructures for the year 2021 an action related to the review of compliance with this aspect. Once this action had been completed, an internal report was prepared with the main conclusions.
	Plan for monitoring CCP compliance with the ESRB's recommendations on margin calls	Completed	A report has been prepared on the evaluation of the degree of compliance with the European Systemic Risk Board (ESRB) recommendations and the ESMA guidelines on countercyclical measures by the Spanish central counterparty (CCP), clearing members and financial counterparties in accordance with EMIR. ⁵ As a result, a recommendation letter was submitted to the CCP and the findings were shared with the ESRB.
	Cooperation with ESMA in the analysis of improvements in the data reporting quality supervision system	Completed	In the context of cooperation with ESMA, a report has been prepared on the review of the quality of data reported to the CNMV by infrastructures and intermediaries and possible improvements have been identified.
CCP resolution	Development of new powers as a CCP resolution authority	Completed	Progress has been made in developing the CNMV's new powers as a resolution authority for central counterparties (CCPs) carrying out a planning and analysis of the resolvability of the CCP, focused on the adequacy of the financial resources available in resolution based on different scenarios.
Benchmark indices	Disclosure and monitoring of index reform and transition to risk free rates	Completed	In June 2021, the III Conference on benchmark interest rate reform was held as a complement to the communication published ⁶ in January on the status of the benchmark interest rate reform, which recommended transitional measures to move towards risk-free rates.

4 Committee on Payments and Market Infrastructures – International Organisation of Securities Commissions (IOSCO).

5 Regulation (EU) No. 648/2012 of the European Parliament and of the Council, of 4 July 2012 on OTC derivatives, central counterparties and trade repositories.

6 <https://www.cnmv.es/Portal/verDoc.axd?t=%7B2ae5d736-ba94-4f5d-b927-da46cefa395a%7D>

Summary of the implementation of the 2021 Activity Plan (continued)

	Initiative	Status	Detail
Supervision of financial intermediaries	Publication of technical guides and criteria	Completed	July 2021 saw the publication of criteria for the authorisation of third-country companies to provide investment services to professional clients in Spain without a branch. ⁷
		Completed	On 28 January 2022 we published a technical guide on liquidity management and control of CISs. ⁸
		Completed	Regarding the publication of criteria on the application of new European regulations (ESG – environmental, social and governance – and the encouragement of long-term shareholder engagement), several actions have been carried out: <ul style="list-style-type: none"> – A statement was published on 18 February⁹ on the entry into force of the Disclosure Regulation. – A question and answer document was prepared¹⁰ on ESG (June 2021). – Some criteria were published for encouragement of long-term shareholder engagement.¹¹ – A more specific question and answer document on the application of the Disclosure and Taxonomy¹² Regulations was drawn up (November 2021).
		Completed	We have conducted a review of the technical guides to assessing appropriateness, taking into account supervisory experience and adapting the contents to European regulations and guidelines on the subject.
Adaptation to the new regulations	Adaptation to new solvency regulations for IFs	Completed	In June 2021, some informative workshops of a technical nature were held on the solvency regulations for investment firms (IFs) and the related reporting requirements.

7 <https://www.cnmv.es/portal/verDoc.axd?t=%7Be6e510a9-b9a3-4345-bee5-9167982f4a0c%7D>

8 <https://www.cnmv.es/portal/verDoc.axd?t=%7B55c55eff-fb12-462a-865f-8160a5f7b974%7D>

9 <https://www.cnmv.es/portal/verDoc.axd?t=%7B177791b4-e6e9-4c05-bbc2-d4550bcddfc4%7D>

10 https://www.cnmv.es/docportal/Legislacion/FAQ/PyR_Sostenibilidad_pdtos_finan_en.pdf

11 <https://www.cnmv.es/docportal/Legislacion/FAQ/QAsIIC.pdf>

12 Regulation (EU) 2020/852 of the European Parliament and of the Council, of 18 June 2020, on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2008.

Summary of the implementation of the 2021 Activity Plan (continued)

	Initiative	Status	Detail
	Adaptation to the new regulation on crowdfunding platforms	Completed	A simplified procedure ¹³ has been developed to adapt Spanish crowdfunding platforms to the new regulation and work has been done to adapt the supervisory model for these platforms.
	Proposal for the adaptation of the KIDs of UCITS and AIF to PRIIP regulations	Completed	Regarding the proposal for the adaptation of key investor information documents (KIDs) of undertakings for collective investment in transferable securities (UCITS) and alternative investment funds (AIFs) to the packaged retail investment products (PRIIP) regulations, a proposal for regulatory amendment has been sent to the General Secretariat of the Treasury and Financial Policy and the KID for PRIIPs has been incorporated into the CNMV's website.
Horizontal reviews	Review of compliance with governance obligations in the marketing of financial instruments	Completed	A review of compliance with governance obligations in the marketing of financial instruments by credit institutions and IFs has been carried out under the coordination of ESMA.
	Review of compliance with standards of conduct in the marketing of venture capital entities and closed-ended collective investment companies by their management companies	Completed	A horizontal analysis has been carried out to review compliance with the rules of conduct in the marketing of venture capital entities and closed-ended collective investment companies by their management companies.
	Review of CIS costs and fees	Completed	A joint review has been carried out, coordinated by ESMA, of CIS costs and fees in order to determine the degree of compliance with UCITS regulations and the supervisory briefing prepared by said authority to promote convergence in the supervision of costs in UCITS and AIFs.
	Horizontal review of the entities' whistle-blowing channels	Completed	A review has been made of a representative sample of investment firms to check their internal systems for handling complaints by employees and how the notifications received about infractions are handled.
	Review of procedures for conducting remote examinations by staff who inform or advise	Completed	A review has been carried out of compliance with procedures for conducting remote examinations by staff who inform or advise.

Summary of the implementation of the 2021 Activity Plan (continued)

	Initiative	Status	Detail
Boosting competitiveness	Inclusion in the CNMV's website of records of prospectuses issued by closed-ended collective investment companies.	Completed	The CNMV's website now includes records of prospectuses issued by closed-end collective investment companies (CCIC).
	Streamlining of authorisation procedures for firms through on-line forms	In process	The streamlining of procedures for authorising entities by means of on-line forms, as part of the initiative to boost competitiveness, could not be completed in 2021 and will be executed in 2022.
Cybersecurity	Inclusion of the new regulations on technological risk	In process	<p>In the field of cybersecurity, and in relation to the incorporation of new regulations on technological risk, during 2021 the CNMV advised the Ministry of Economic Affairs and Digital Transformation and collaborated with it in negotiating the Digital Operational Resilience Act (DORA), which has still not been approved.</p> <p>Additionally, in the context of the ESMA working group in which issues relating to cybersecurity are discussed, it was agreed that a questionnaire would be prepared to collect information on the main providers of technological services contracted by the supervised entities in each country.</p> <p>In view of the delay in the approval of DORA and the pending ESMA initiative, the CNMV decided to postpone sending the specific questionnaire on the contracting of cloud service providers, which was scheduled for 2021, so as to be able to include these questions together with those finally agreed on by ESMA in the same questionnaire, since they are complementary actions.</p>
Relations with investors and other stakeholders	Research and statistics		
	Study of the influence of the COVID-19 crisis on the behaviour of retail investors	Completed	The study on the influence of the COVID-19 crisis on the behaviour of retail investors was published in February 2022 in the CNMV Bulletin ¹⁴ for the fourth quarter of 2021 and has been published as Working Paper No. 78. ¹⁵
	Review of the statistics published on asset securitisation funds	Completed	The statistics on asset securitisation funds have been revised and are now available on the CNMV's website.
	Study of the impact of the information provided by investment funds	Completed	A working paper ¹⁶ on the impact of the information provided by investment funds was published in February 2022.

14 https://www.cnmv.es/DocPortal/Publicaciones/Boletin/Boletin_IV_2021_ENen.pdf

15 https://www.cnmv.es/DocPortal/Publicaciones/MONOGRAFIAS/DT_78_Comp_minoristas_COVID_ENen.pdf

16 https://www.cnmv.es/DocPortal/Publicaciones/MONOGRAFIAS/DT_76_inf_public_FI_ENGen.pdf

Summary of the implementation of the 2021 Activity Plan (continued)

	Initiative	Status	Detail
	Conference on empirical studies on remuneration systems and incentives for executives and directors of listed companies	Completed	The conference was held on-line on 11 and 12 November 2021.
Sustainable finance	Upgrade of the sustainable finance portal	Completed	The CNMV has carried out an upgrade of its Sustainable Finance Portal, ¹⁷ with the aim of facilitating the dissemination of information and providing greater capacity for interaction with the sector and other stakeholders.
	Study on the issuance and marketing of financial products of a sustainable nature	Completed	The study on the issue and marketing of financial products of a sustainable nature was published as a working paper in February 2022.
	Development of resources for financial education on sustainability	Completed	Resources for financial education on sustainability have been prepared and made available on the CNMV's website. Their purpose is to improve the training of investors in this area, facilitating the understanding of the products and their possible risks.
	Study of the inclusion of climate risk monitoring as part of the CNMV's functions	In process	A draft of a first report on the integration of climate risk monitoring into the CNMV's functions has been prepared, is currently being analysed and will be completed in the coming weeks.
Financial education	Preparation of resources for financial education on taxation of different investment products	Completed	Two guides have been published on the personal income tax treatment of the commonest products among investors: shares ¹⁸ and investment funds, ¹⁹ available on the CNMV website.
	New Financial Education Plan (2022-2025)	Completed	The <i>Spanish Official State Gazette (BOE)</i> of 28 January 2022 published the new agreement of the CNMV together with the Ministry of Economic Affairs and Digital Transformation and the Bank of Spain for the development of a Financial Education Plan. ²⁰ The objective of this new Plan is to intensify the work that has been carried out since 2008 to improve the financial education of the population. New ways will be sought to deepen this objective and highlight the value of financial education as a fundamental element for stability and the protection of financial customers.

17 <https://www.cnmv.es/portal/Finanzas-Sostenibles/Indice.aspx?lang=en>

18 https://www.cnmv.es/DocPortal/Publicaciones/Guias/Guia_Fiscalidad_Acciones.pdf (available in Spanish only).

19 https://www.cnmv.es/DocPortal/Publicaciones/Guias/Guia_Fiscalidad_Fondos_de_Inversion.pdf (available in Spanish only).

20 https://www.boe.es/diario_boe/txt.php?id=BOE-A-2022-1390 (available in Spanish only, but background information in English can be found at: <https://www.cnmv.es/portal/inversor/Plan-Educacion.aspx?lang=en>).

Summary of the implementation of the 2021 Activity Plan (continued)

	Initiative	Status	Detail
	Guide to investing in the stock market	Completed	In line with the objective of promoting the development of the securities markets, a practical guide ²¹ to investing in the stock market has been prepared and is available on the CNMV website.
	Online course on behavioural economics for investors	Completed	An on-line course on behavioural economics has been developed specially for potential investors, explaining the main biases in a very dynamic way. It is also available in the "Investors and financial education" section of the CNMV website.
	Study of the influence of knowledge and financial education on the savings and investment decisions of families and individuals	Completed	A working paper titled <i>Financial education and savings and investment decisions: an analysis of the Survey of Financial Competences (SFC²²)</i> has been published and a webinar has been held on the article Financial Education and Savings and Investment Decisions.
Investors	Establishment of communication channels with Latin American supervisors in actions against unauthorised entities	Completed	Contacts have been made through the Instituto Iberoamericano de Mercados de Valores (Ibero-American Institute of Securities Markets - IIMV) with the persons in charge of prosecuting financial fraud on the securities markets in each Latin American country.
	Improvement of the content of the investor section on the CNMV website	Completed	Significant improvements have been made to the content of the investor section on the CNMV's website.
	Circular on the advertising of crypto-assets	Completed	The Circular on the advertising of crypto-assets for investment purposes was published on 17 January 2022. ²³ The circular defines the objective and subjective scope of the advertising of crypto-assets, establishes some criteria to be followed by advertising communications on these assets and provides for a system of supervision and prior communication of advertising activity.

	Completed
	In process
	Not started

21 https://www.cnmv.es/DocPortal/Publicaciones/Guias/Guia_Como_Invertir_en_bolsa.pdf (available in Spanish only).

22 https://www.cnmv.es/DocPortal/Publicaciones/MONOGRAFIAS/Encuesta_de_comp_financ_ENen.pdf

23 Circular 1/2022 of 10 January of the National Securities Market Commission regarding the advertising of crypto-assets for investment purposes. https://cnmv.es/DocPortal/Legislacion/Circulares/Circular_1_2022_EN.pdf

