



THE CNMV ADOPTS ESMA'S GUIDELINES ON THE ASSESSMENT OF THE SUITABILITY OF MEMBERS OF THE MANAGEMENT BODY AND KEY FUNCTION HOLDERS

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The Spanish National Securities Market Commission (CNMV) has notified the European Securities and Markets Authority (ESMA) of its intention to comply with the “Guidelines on the assessment of the suitability of members of the management body and key function holders”, which shall apply from 31 December 2021, and which ESMA published on its website on 2 July 2021.

The aim of the Guidelines is to update the former criteria of 2018, mainly incorporating changes relating to the classification of investment firms according to the new solvency regulation, amendments to the money laundering regulation and ESG criteria, as well as enabling greater convergence in assessing the suitability of members of the management body and key function holders. The strengthening of investor protection is also expected as the requirements to be complied with by such positions are reinforced, thereby resulting in better corporate governance of firms.

The Guidelines have been issued under Article 16 of Regulation No 1095/2010 of the European Parliament and of the Council, of 24 November 2010, regulating the creation of ESMA, which establishes that competent authorities and financial market participants will do everything possible to adhere to these guidelines. Additionally, the ESMA Regulation also establishes the obligation incumbent upon Competent Authorities to confirm whether they intend to comply with the guidelines published by ESMA.

The CNMV will take into account these Guidelines in its authorisation and supervisory powers. However, according to the amendments incorporated and the principle of proportionality, no changes are envisaged in the authorisation or supervisory approach.