

ESMA issues guidance on accounting implications of COVID-19

The European Securities and Markets Authority (ESMA), the EU's securities markets regulator, has issued a [Public Statement](#) on some accounting implications of the economic support and relief measures adopted by EU Member States in response to the COVID-19 outbreak.

The measures include moratoria on repayment of loans and have an impact on the calculation of expected credit losses in accordance with IFRS 9.

In view of the upcoming periodic information to be published by European issuers, the Statement provides guidance to issuers and auditors on the application of IFRS 9 Financial Instruments, specifically as regards the calculation of expected credit losses and related disclosure requirements.

The European Banking Authority (EBA) has also issued a [related Statement](#) regarding the prudential framework and accounting implications of COVID-19. The two Statements are consistent as regards financial reporting.