

## NOTE

### **Call for expressions of interest: Group of Economic Advisers for ESMA's Committee for Economic and Markets Analysis**

#### **Background**

1. Due to the expiry of the term of its current Group of Economic Advisers (GEA) for the Committee for Economic and Markets Analysis (CEMA), ESMA has determined to appoint new members to the GEA. CEMA has established the GEA to benefit from the expertise of stakeholders who are specialised in the topics of financial stability and general economic research related to financial markets. We look to this group to provide us with advice regarding our work related to financial stability and economic background analysis for the regulatory and supervisory tasks of ESMA.
2. ESMA adopted a set of *Procedures for ESMA groups* in March 2012. These procedures foresee the possibility for ESMA groups to establish Consultative Working Groups (CWG). Members of such groups are to be selected following an open call for candidates published on the ESMA website. The relevant extracts of the procedures are set out in the Appendix hereto. As GEA qualifies as a CWG, the reappointment process for the group is subject to these rules.
3. ESMA is today launching the process to recruit candidates to join the CEMA GEA. Once completed, ESMA will publish the composition of GEA on its website and call the first meeting of this group.

#### **Committee for Economic and Markets Analysis (CEMA)**

4. Regulation 1095/2010 of the European Parliament and Council mandates ESMA to carry out economic analysis covering the markets in the area of its competence in order to promote the achievement of the Authority's objective. According to Art. 32 of Regulation 1095/2010, ESMA's areas of competence include the monitoring, assessing and measuring of market developments, systemic risk and other impediments to financial stability, and the provision of information about micro-prudential trends, potential risks and vulnerabilities to the relevant European institutions.
5. The Board of Supervisors (BOS) of ESMA established to this purpose CEMA and specified its mandate in its terms of reference for CEMA.
6. CEMA contributes to ESMA's work by monitoring developments in financial markets, assessing systemic risks and providing economic background analysis for the general tasks of ESMA. In particular it:
  - a. Contributes to the identification, the monitoring, and the assessment of trends, potential risks and vulnerabilities in financial markets.



- b. Supports supervisory convergence and promotion of investor protection by participating in the development of a harmonized assessment methodology for systemic risks and financial stability issues in cooperation with the ESRB and other ESAs;
  - c. Provides methodological input to ESMA's Impact Assessments of existing, planned or proposed regulation and supervisory practice.
  - d. Can recommend on to how identified trends, risks, and vulnerabilities should be taken into account by ESMA in terms of regulation, supervision and organization.
7. Following ESMA's *Procedures for ESMA groups*, listed in detail in the appendix of this document, CEMA established the GEA group in order to gather the expertise of academics and market participants on issues related to its tasks. CEMA defined the main tasks of the GEA group as follows in the next section.

### **Description of main GEA tasks**

8. In accordance with ESMA's *Procedures for ESMA groups*, we expect members of the GEA group to provide technical assistance in the field of their expertise to ESMA's efforts in the area of risk monitoring, economic analysis, developing methodologies for impact assessment and stress testing, and providing background information for the design of regulatory and supervisory policies.
9. We will look to the GEA to contribute actively to our discussions about the identification and construction of appropriate measures for general and systemic risks in our semi-annual meetings as well as to provide advice in the areas of their expertise in the periods in between the semi-annual meetings. In particular, we invite GEA members to contribute input to our semi-annual meetings by presenting relevant topics in the field of their expertise.
10. We rely upon GEA members to provide mentoring to CEMA's various research task forces. These services typically include the provision of advice to the planning and the implementation of research projects, the constructive discussion of intermediary or final outcomes as well as the reviewing of draft research reports.
11. We call on GEA Members to participate in our analytic work by providing methodological input, contributing to the task of data analysis and proposing and initiating cooperation with their junior research colleagues.
12. We expect GEA members to be available for the refereeing of articles submitted to the ESMA Working Paper Series. This task includes the provision of refereeing reports and the engagement in an active discussion of the contents of submitted Working Papers with their authors.
13. We look to the GEA to support the extension of our research network by providing contacts to other experts and recommending on the questions of which institutions or experts to contact with regard to specific issues and topics. To this purpose, we invite GEA members to raise any relevant data, events or institutions to ESMA's attention.

### **Terms of Appointment**

14. GEA members are selected for a renewable term of two years.



15. GEA members are appointed on a personal basis, and are bound by confidentiality requirements in relation to all non-public information they are provided with while performing their tasks.

### **Selection criteria**

16. This call for expressions of interest is open to relevant stakeholders from any part of the European Union (EU).
17. The GEA, which will not exceed 18 members in total, will be composed of individuals representing as balanced a proportion as possible of the relevant areas of expertise in the field of financial stability, research on financial markets or the financial sector, risk surveillance on an aggregate level as well as general economic research or analysis related to financial markets (areas covered by CEMA).
18. The selection of GEA members will aim to ensure, to the extent possible, an appropriate geographical and gender balance, and representation of all relevant stakeholders across the EU affected by the work of CEMA. In particular, ESMA will be seeking to ensure a balanced representation of the following types of stakeholders:
  - a. financial market participants/financial services' intermediaries;
  - b. academics.
19. Assessment of eligibility will be based on the following criteria:
  - a. a minimum of 10 years of relevant professional experience in the financial services sector related to economic analysis, risk monitoring and financial stability will be required for those representing financial institutions;
  - b. a minimum of 10 years of experience relevant to research related to the financial services field will be required for academics.

### **Selection process**

20. Applications will be accepted from natural persons only. Only the natural person selected will be admitted to the GEA. No substitution (alternates) of natural persons will be permitted throughout the full duration of the appointment, or during possible renewals.
21. Applicants not selected may be included on a list of experts, with the possibility of being invited to become a GEA member at a later stage.
22. ESMA's Executive Director, in consultation with the Head of Economic Research & Financial Stability and the Chair of CEMA, will make the final selection of GEA members.

### **Place of provision of services**

23. The GEA will meet at least 2 times a year and meetings, organised by ESMA, will normally take place at the ESMA premises in Paris or, occasionally, at the premises of national competent authorities.

### **Compensation, travel expenses**



24. Compensation for services as a GEA member is not paid.
25. GEA members are expected to meet their own travel expenses. However, academics may be eligible for reimbursement of travel expenses and a daily allowance in accordance with ESMA policy.

### **Application procedure, closing date**

26. Relevant stakeholders meeting the required selection criteria and wishing to apply for a position on the GEA are invited to submit, in English:
  - a. a completed application form (see separate document), and
  - b. a detailed curriculum vitae (CV), preferably in the EU CV format - the link to the template for this is:  
  
<http://europass.cedefop.europa.eu/europass/home/hornav/Downloads/EuropassCV/CVTemplate.csp>
27. It is optional for applicants to attach a motivation letter (2 pages maximum).
28. Unclear or incomplete applications will not be considered.
29. Applications must be submitted by email by no later than 25 April 2014 to the following email addresses: [steffen.kern@esma.europa.eu](mailto:steffen.kern@esma.europa.eu), [claire.meyer@esma.europa.eu](mailto:claire.meyer@esma.europa.eu) and [frank.hespeler@esma.europa.eu](mailto:frank.hespeler@esma.europa.eu).



## **Appendix: Relevant extracts for CWGs from ESMA's *Procedures for ESMA groups***

### **II. EXTERNAL CONSULTATIVE WORKING GROUPS**

10. ESMA groups reporting to the Board of Supervisors may establish Consultative Working Groups (CWGs) in order to benefit from the expertise of market participants who are specialised in the specific area for which the group is responsible. The purpose of CWGs is to provide advice to the ESMA group during the course of developing a policy line in relation to specific technical matters, or to give a view on specific aspects of the proposals. The role and responsibilities of CWGs are without prejudice to those of the Securities and Markets Stakeholder Group.
11. CWG members are selected following an open call for candidates published on the ESMA website, including advice from members of the Board of Supervisors and the Standing Committee, with a final selection being made by the Executive Director in consultation with the relevant Head of Division/Unit of ESMA and the Chair of the relevant group. CWG members are appointed on a personal basis. Members of the CWG may be removed upon decision of the Executive Director in consultation with the Chair of the relevant group.
12. Terms of reference of CWGs are given in Annex 1.

#### **Annex 1**

#### **These Terms of Reference are without prejudice to the role and responsibilities of the Securities and Markets Stakeholders Group**

##### **Terms of Reference of Consultative Working Groups**

1. The purpose of the Consultative Working Group (CWG) is to provide technical assistance to ESMA in relation to all aspects of a particular group's work, such as the preparation of draft regulatory and implementing technical standards, Article 16 guidelines and the delivery of advice to the European Commission on the delegated and implementing acts required under a Directive/Regulation. The group is formed under the terms of ESMA's Public Statement on Consultation Practices (ESMA/2011/11). The CWG should be composed of market participants, consumers and end-users. Members of the CWG are selected according to the procedure set out in Section II of the *Procedures for ESMA groups*. The composition of the CWG is made public.
2. In meeting the above purpose, the group may be called upon to provide input at all stages of the policy formulation process.
3. In meeting the above objectives, the ESMA group and the CWG will apply the following principles.
  - A) Members of the CWG will have:
    - i. Access to evolving thinking of the ESMA group, including of any specific issues causing difficulty.
    - ii. The possibility to express their views to the ESMA group. Members of the ESMA group will be encouraged to attend meetings of the CWG.
    - iii. A work plan, including the dates of the main meetings of the CWG for the year ahead. Additional meetings can be called either at the request of members of the Consultative Working Group or of ESMA. Meetings are called by the Chair of the ESMA group in consultation with the rapporteur.
    - iv. The support of ESMA staff and the contact details of all members of the relevant ESMA group.

- B) ESMA can expect the following from the members of the CWG:
- i. Members will provide their independent expertise and not lobby for specific national or institutional positions. Members of the CWG are appointed and participate in their personal capacity.
  - ii. Practical examples to illustrate the implications of policy proposals.
  - iii. A sounding board that is prepared to provide alternative solutions and not just identification of problems.
  - iv. That all information provided by ESMA will be handled with due confidentiality and not circulated to third parties.
  - v. That members will endeavour to make themselves available both to attend meetings and provide timely written submissions where required.
  - vi. The identification of specific issues that might require a subset of the CWG to consider. ESMA may call on additional experts where appropriate.
4. The final output of the work-stream is under ESMA's authority and is without prejudice to the opinion of the CWG.
  5. Members of the Consultative Working Group are selected for a renewable term of two years.
  6. Members of the CWG should make clear in their professional engagements that they are not representatives of ESMA.