

## SUMMARY OF CONCLUSIONS

### Management Board

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**Date:** 16 December  
**Time:** 14:00 – 19:00h  
**Location:** ESMA, Paris  
**Contact:** max.simonis@esma.europa.eu T: +33 1 58 36 59 46

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No Items

- 1. Activity report on CRA and TR supervisory activities** *MB/81 information*  
**- MEMBERS & ADVISORS ONLY -**

The Head of the Credit Rating Agencies Unit updated the Board on the activities of the CRA Unit.

The Board discussed the update, in particular the resources for CRA supervision and the approach towards supervising small and medium sized CRAs.

The Head of the Markets Division updated the Board on the activities related to Trade Repository supervision.

The Board discussed the update, in particular the current status of the applications for CCP recognition.

**Conclusion:** The Board took note of the reports.

- 2. Adoption of agenda** *MB/80 decision*

**Decision:** The agenda was adopted.

- 3. Summary of conclusions of September meeting** *MB/82 decision*

**Decision:** The summary of conclusions was approved.

- 4. Report by Chair and Executive Director** *Oral information*

The Chair reported on the process and next steps for the review of the European System of Financial Supervision.



The Executive Director reported on the preliminary findings by the European Court of Auditors and the procedure and timeline for producing ESMA's 2013 annual report.

**5. Activity report** *MB/83 information*

The Executive Director and the Head of the Operations Division presented the general activity report.

The Board discussed the report, in particular;

- the progress made on the work programme, in particular the activities in the area of the single rulebook, investor protection and financial stability;
- the problems faced in obtaining data on financial innovation; and
- the activities in the areas of finance and procurement, human resources and IT.

**Conclusion:** The Board took note of the report.

**6. Budget amendment no 2 to 2013 Budget** *MB/84 & decision  
Annex 1-2*

The Head of the Operations Division presented the report.

**Decision:** The Board approved the budget amendment proposal.

**7. 2014 work programme**

- Cover note *MB/85 information*
- Work programme *MB/86 decision*

The Executive Director presented the report explaining the amendments made to the work programme following the final approval of ESMA's 2014 budget. It was clarified that Annex 7 is for information only and will not be published.

The Board discussed the work programme, in particular;

- the list of tasks removed from ESMA's original proposal; and
- the allocation of a higher budget to IT-related tasks.

**Decision:** The Board approved the revised 2014 work programme.

**8. Budget and contributions 2014** *MB/87 & decision  
Annex 1-3*

The Executive Director presented the report.

The Board discussed the report, in particular the change in the ratio of the contributions between the National Competent Authorities and the EU in 2014 only.

**Decision:** The Board approved the budget 2014.

## 9. IT 2014 work programme

*MB/88 decision*

The Head of the Operations Division presented the report.

The Board discussed the report, in particular;

- the need for more detailed information on the specific projects;
- the possible impact of the IT-related requirements stemming from the implementation of the CRA III Regulation; and
- expressing strong concerns on the costs relating to accessing Trade Repositories' data by NCA's and whether ESMA can have a central role in facilitating access to Trade Repositories' data for NCAs. The Chair concluded to further discuss this topic at the Board of Supervisors meeting on the following day.

**Decision:** The Board approved the IT 2014 work programme. In the future, more detailed information on the specific projects will be provided to the Management Board.

## 10. 2015 planning

- Cover note / 2015 budget *MB/89 & discussion Annex 1-2*
- 2015 high level work programme *MB/90 discussion*
- Multi-annual staff policy plan *MB/91 discussion*

The Executive Director presented the documents on the 2015 planning.

The Board discussed the reports, in particular;

- the budget and staffing for IT-related activities;
- the balance between permanent staff and external consultants in the area of IT;
- how far supervision related work could be included in the supervisory fees to be charged to supervised entities; and
- whether sufficient resources are allocated to MiFID-related activities.

**Conclusion:** The Board supported the approach towards the planning for 2015 as reflected in the proposals.

## 11. IAS Limited Review of the Implementation of Internal Control Standards

- Cover note & action plan *MB/92 & discussion Annex 1-2*
- Note and final report by IAS *Annex 2-3 discussion*

The Executive Director introduced the item, indicating that the Management is asked to take note of the



action plan.

Ilian Komitski from the Internal Audit Service of the European Commission presented the limited review on the implementation of the Internal Control Standards, mentioning the overall good performance by ESMA and the topics that require further follow-up, especially the recommendation on financial circuits.

For next year, the IAS intends to monitor the follow-up on the recommendations and to do performance audits in the areas of supervision and IT project management / governance.

The Board discussed the reports, in particular;

- the recommendations by the IAS, in particular on recruitment;
- the improvements already made following the IAS' recommendations; and
- with a view to benefit fully from the expertise of the IAS and the ability to compare across EU agencies, the preference to do audits in other areas than supervision.

**Conclusion:** The Board took note of the IAS Limited Review of the Implementation of Internal Control Standards and ESMA's action plan.

## **12. Revised Framework Financial Regulation**

*MB/93 & information  
Annex 1*

The Head of the Operations Division presented the report.

**Conclusion:** The Board agreed to the requested derogations and the new Framework Financial Regulation of ESMA, conditionally to the approval of the European Commission.

## **13. HR Implementing Rules & new Staff Regulation**

- Cover note *MB/94 information*
- Decision on Temporary occupation of management posts *MB/95 decision*
- Decision on leave, unpaid leave, transfer of pension rights *MB/96 & decision  
Annex 1-3*

The Head of the Operations Division presented the report and accompanying decisions.

**Decision:** The Board approved the HR Implementing Rules.

## **14. Supervision Manual**

*MB/62 information*

**Conclusion:** The Board took note of the report.

## **15. Confidential item**

**- MEMBERS ONLY -**

## **16. Future meetings**



- 23 January 2014 (Paris)
- 18 March 2014 (Paris)
- 19 June 2014 (Paris)
- 24 September 2014 (Rome)
- 16 December 2014 (Paris)

## Participants list

	Members	Advisers
ESMA	Steven Maijoor (Chair)	
AT	Klaus Kumpfmüller	Andrea Kuras-Goldman
DK	Julie Galbo	Hanne Ræe Larsen
FR	Gérard Rameix	Françoise Buisson
EL	Konstantinos Botopoulos	Eleftheria Apostolidou
LU	Jean Guill	
UK	Martin Wheatley	Karen Northey

European Commission	Anthony Dempsey Ilian Komitski (IAS, for item 11)
Vice-Chair	Calos Tavares Gabriela Figueiredo Dias (advisor)
Executive Director	Verena Ross
Head of Operations Division	Nicolas Vasse
Advisor Operations Division	Louise Waller
Summary of Conclusions	Max Simonis
Head of Markets Division	Rodrigo Buenaventura (for item 1)
Head of Credit Rating Agencies	Felix Flinterman (for item 1)

Done at Paris on 23 January 2014

Steven Maijoor  
Chair  
For the Management Board