

SUMMARY OF CONCLUSIONS

Management Board

Date: 23 June 2015
Time: 14:00 – 18:00
Location: ESMA, 103, rue de Grenelle, 75007 Paris
Contact: Frederiek.Vermeulen@esma.europa.eu Tel: +33 1 58 36 43 37

1. Adoption of agenda MB/33 Decision

Decision: The agenda was adopted.

2. Summary of Conclusions of 18 March 2015 meeting MB/28 Decision

Decision: The summary of conclusions of the 18 March 2015 meeting was adopted.

3. Report by Chair and Executive Director Oral Information

— Appointment of the Alternate Members of the Validation Panel Oral Decision

The Chair reminded the Management Board of the decision of the Board of Supervisors to appoint the alternate members of the Validation Panel among the Management Board members. Klaus Kumpfmüller (AT) and Cyril Roux (IE) were appointed as alternate members of the Validation Panel.

The Executive Director reported on the:

- Finalization and Implementation of ESMA's 2016-2020 Strategic Orientation and in particular on the organisational implications and the communication thereof to ESMA staff;
- Draft 2016 European Union budget published by the European Commission which includes a reduced budget for ESMA compared to its request. ESMA staff will work on a list of possible negative priorities in addition to the work that had already been deprioritised following the 2015 budget restrictions and as part of the original 2016 ESMA budget proposal discussion earlier this year;
- Additional space becoming available in the ESMA wing of the 103 rue de Grenelle premises due to the leave of another tenant and whether ESMA should explore this opportunity further;
- Different ongoing audits to which ESMA is subject and in particular the action plan following the

stakeholder and communication audit conducted by the European Commission Internal Audit Service and the ongoing supervision audit by the European Court of Auditors. The ECA has adopted a wide-scope approach for the supervision audit and might take a critical stance on both the regulatory framework and supervisory approach. As part of the financial audit, the ECA concluded that the Authority's annual accounts present fairly, in all material aspects, its financial position as at 31 December;

- The finalisation of the anti-fraud strategy following the earlier discussions at the Management Board and the subsequent development of the project implementation plan; and
- The agreement in principle reached with the French Republic on the Headquarters agreement for the Authority.

The Board discussed the implications of the draft budget of the European Union and emphasized the need to further develop negative priorities. The Board agreed to explore the different options regarding the possibility of extending its premises for information purposes only.

4. Q1 Activity Report

MB/34

Discussion

The Executive Director and Head of Operations Division presented the Q1 2015 Activity Report with a particular focus on:

- The execution of the regulatory work programme and the impact of the agreement with the European Commission services on the early legal review;
- The delay of the Internal Control Assessment report;
- The supervisory convergence activities including IT projects, the publication of Q&As and the crowdfunding supervisory forum; and
- The need to find sufficient resources for the CCP stress-testing activities and for the work ESMA will need to carry out once the Regulation on Benchmarks will be agreed.

The Board discussed the Activity Report and in particular:

- The upcoming data reporting following the implementation of the AIFMD and the need for close co-operation with national competent authorities and for organising appropriate training to smoothen the implementation and to enhance data analysis; and
- Whether ESMA should deliver a stronger message to the Council of the European Union and the European Parliament that it needs sufficient resources and time to conduct the work stemming from the Benchmark Regulation.

Conclusion: The Board took note of the Activity Report.

5. 2016 Work Programme

- Cover Note MB/35 Information
- Draft 2016 Work Programme MB/36 Discussion

The Executive Director presented the draft 2016 work programme by highlighting the budgetary environment and the need for further negative priorities.

The Board discussed the report and in particular:

- The importance of the European Commission’s Capital Markets Union initiative for ESMA’s activities and the prioritisation of the Authority’s work on supervisory convergence;
- The delayed implementation of the Structured Finance Instruments website; and
- ESMA’s supervisory activities.

The European Commission representative highlighted the importance of the legal deadlines set for the work ESMA has to do in relation to the European Single Electronic Format (ESEF) and the European Electronic Access Point (EAAP).

Conclusion: The Board took note of the draft report which will be further developed.

6. 2014 Accounts

— Cover Note	MB/37	Information
— 2014 Accounts	MB/38	Decision
— Report on Budgetary and Financial Management	MB/39	Decision
— Representation Letter 2014 accounts	MB/40	Decision
— Draft Opinion on 2014 accounts	MB/41	Decision

The Management Board was provided with a copy of the independent auditor’s report from the external auditor, EY, as well as the European Court of Auditors’ preliminary observations with a view to a report on the annual accounts of the Authority for the financial year 2014.

The Accounting Officer presented the 2014 accounts and the unqualified opinion received from the external auditors as well as the unqualified opinions from the European Court of Auditors.

The Board discussed the 2014 financial accounts and in particular the changes in ESMA’s procurement practices in light of the tentative conclusions that were expressed by the European Court of Auditors in its draft Opinion.

Decision: The Board approved the 2014 financial accounts, the Report on Budgetary and Financial Management and the Representation Letter. It adopted the Opinion on the 2014 accounts.

7. Revised Procurement Plan 2015	MB/42	Decision
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Decision: The Board approved the revised procurement plan 2015.

8. Activity Based Costing for Supervisory Activities

— Cover Note	MB/43	Information
— Decision on Activity Based Costing for Supervisory Activities	MB/44	Discussion
— Model documentation	Annex 1	Information

The Executive Director and Head of Operations Division introduced the topic.

The Board discussed the note in particular whether it is expected to impact the contributions to be paid by the supervised entities.

Conclusion: The Board took note of the Activity Based Costing Model and the proposed decision. The Board endorsed the proposed decision.

9. Note on the Implementing Rule on the engagement and use of Tas 2f	MB/45	Information
— Model decision from European Commission	Annex 1	Information

The Head of Operations presented the note.

Conclusion: The Board took note of the status of the Implementation of the Implementing Rule on the engagement and use of temporary agents 2(f) at ESMA.

10. Appointment of a member of the Securities and Markets Stakeholder Group (SMSG)	MB/46 Annex 1-2	& Decision
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The Executive Director presented a note on the appointment of a member of the Securities and Markets Stakeholder Group (SMSG) following the earlier resignation of a member of the Group.

The Board discussed the short list prepared by ESMA staff and in particular the need to ensure a geographical balanced composition of the SMSG.

Decision: The Board decided to propose to the Board of Supervisors to appoint Antonio Mele as SMSG member.

11. Budget Transfer	MB/47	Information
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Conclusion: The Board took note of the budget amendment.

12. A.O.B.

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13. Future meetings

- 23 September 2015
- 4 November 2015 (Luxembourg)
- 9 December 2015

Participants list

	Members	Advisors
ESMA	Steven Maijor (Chair)	
AT	Klaus Kumpfmüller	Andrea Kuras- Goldman
EL	Konstantinos Botopoulos	Anastasia Maltoudi
FR	Gérard Rameix	Françoise Buisson
IE	Cyril Roux	Gareth Murphy
PL	Ilona Pieczynska-Czerny (alternate)	Anna Skrzypek
UK	David Lawton (alternate)	Eleftheria Apostolidou

European Commission	Martin Merlin
Vice-Chair	Carlos Tavares Gabriela Figuerido Dias
Executive Director	Verena Ross
Summary of Conclusions	Frederiek Vermeulen
Head of Operations	Nicolas Vasse
Principal Accountant	Stefan Meert

Done at Paris on 23 September 2015

Steven Maijor



Chair

For the Management Board