

SUMMARY OF CONCLUSIONS

Management Board

Date: 25 March 2019
Time: 14h00 – 17h00
Location: ESMA, rue de Grenelle 103, 75007 Paris, France
Contact: Frederiek.Vermeulen@esma.europa.eu Tel: +33 1 58 36 43 37

1. Adoption of agenda Decision

Decision: The agenda was adopted.

2. Report by Chair and Executive Director Discussion

The Chair reported on the

- Uncertainty surrounding the United Kingdom's withdrawal from the Union; and
- Outcome of the discussions between the EU Institutions on the main legislative files including the review of the operations of the European Supervisory Authorities (ESAs) and the EMIR review.

The Executive Director reported on

- An initial analysis of the budget impact of the legislative files as agreed by the EU Institutions on which she will follow-up with the Management Board;
- The different ongoing audit activities by the European Court of Auditors (ECA) and the European Commission's Internal Audit Service (IAS); and
- The appointment of the new Head of the Supervision Department.

3. 2018 accounts

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|----------------------------------------------------|-------------|
| 1) Cover Note | Discussion |
| 2) Presentation | Discussion |
| 3) Provisional 2018 accounts | Information |
| 4) Report on Budgetary and Financial Management | Information |
| 5) Representation Letter 2018 Provisional Accounts | Information |

6) Letter from Baker Tilly

Information

The Accounting Officer presented the 2018 provisional accounts and accompanying documents.

The Board discussed the 2018 provisional accounts, in particular the

- Negative financial results and its interaction with past surpluses;
- Process around collecting fines imposed by ESMA on supervised entities; and
- Upfront contributions by the authorities participating in the delegated projects.

Conclusion: The Board took note of the 2018 provisional accounts and will be invited to give its formal opinion on the final accounts during the May 2019 meeting of the Management Board. It was agreed that further information on the past surpluses should be provided to the Management Board.

4. ESMA Away Day

1) Issues Note

Discussion

The Chair presented the note on the Away Day.

The Board discussed the proposed agenda, in particular whether the Board should discuss technology aspects related to investor protection (such as advice based on algorithms).

Conclusion: The Board decided that a 2020-2022 strategic orientation for ESMA and investor protection (including technology aspects) will be discussed during the 2019 Away Day. Depending on the outcome of the negotiations between the EU and the UK the Board may also discuss issues linked to the UK's withdrawal from the Union and the European Commission's initiative to establish a Capital Markets Union.

5. Cloud Strategy

1) Cover Note

Discussion

2) Presentation

Discussion

The Head of ICT Unit presented the cloud strategy.

The Board discussed the cloud strategy, in particular

- Whether the suggested approach is in line with ESMA's requirements from supervised entities;
- The data storage and possible access by third country authorities;
- The possibility to outsource to national competent authorities' existing systems rather than relying on private entities; and
- The proposal's budget impact.

Conclusion: The Board supported the suggested approach. The Board and the ITMG will remain involved in the key development.

6. ESMA Staff Engagement Survey

1) Cover Note

Discussion

2) Presentation

Information

The Team Leader Human Resources presented the ESMA Staff Engagement Survey.

The Board discussed the outcome of the survey, in particular:

- The outcome of the survey compared to other EU agencies; and
- How ESMA's leadership will respond to the survey.

Conclusion: The Board took note of the Staff Engagement Survey.

7. HR

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|----------------------------------------------|------------|
| 1) Cover Note | Discussion |
| 2) Decision on types of post and post titles | Decision |

Decision: The Board adopted the Decision on types of post and post titles.

8. UK's withdrawal: Impact on ESMA's 2019 budget

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| 1) Issues Note | Information |
|----------------|-------------|

The Head of Resources Department presented the note on the (potential) impact on ESMA's 2019 budget in light of the UK's withdrawal from the Union.

The Board discussed the note, in particular:

- Measures concerning the implementation and financing of the general 2019 Union budget; and
- The need for a more in-depth discussion before delaying or stopping IT-projects.

Conclusion: The Board took note of the potential impact on ESMA's 2019 budget in relation to the UK's withdrawal from the Union.

9. Prioritisation of 2019 work programme

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| 1) Cover Note | Discussion |
| 2) Presentation | Discussion |

The Executive Director presented the note on the prioritisation of the 2019 work programme.

The Board discussed the note, in particular the:

- Impact of delaying the development of legally required work, such as the development of Implementing and Regulatory Technical Standards (RTS/ITS);
- Timing of the entry into force of the recently agreed legislative proposals such as the review of the operations of the ESAs and the EMIR review; and
- Need to work closely with national competent authorities when deciding on IT projects.

Conclusion: The Board took note of the proposed prioritisation of the 2019 work programme. It was decided that depending on the developments in relation to the UK's withdrawal from the Union a more concrete set of measures should be presented to the Board for adoption.

10. Ethics Activity Report Information

The Ethics Officer presented the Ethics Activity Report.

The Board discussed the Activity Report, in particular

- Whether a mapping of existing approaches by EU Member-States in relation to cooling-off periods for Board Members and staff of national competent authorities should be conducted; and
- Whether investments in crypto-currencies need to be reported in the annual declaration of interests.

Conclusion: The Board took note of the Ethics Activity Report. The Board agrees that there would be merit in conducting a mapping exercise of national approaches to cooling-off periods for Board Members and staff of national competent authorities but deprioritised the proposal due to resource constraints.

11. A.O.B.

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12. Appraisal chair and ED

Decision

Decision: The Management Board agreed to delegate the annual appraisal of the Executive Director to Steven Maijor (ESMA Chair) and Gabriela Figuerido Dias (PT). The annual appraisal of the Chair was delegated to Sebastian Albella (ES) and Erik Thedeen (SE).

Participants list

	Members	Advisors
ESMA	Steven Maijoor (Chair)	
DE	Elisabeth Roegele	David Dietrich
IE	Colm Kincaid (alternate)	Cormac Staunton
ES	Ana Martinez-Pina (alternate)	Antonio Mas
FR	Robert Ophele	Viet-Linh Nguyen
PT	Gabriela Figuerido Dias	Rita Oliveira Pinto
SE	Erik Thedeen	Fredrik Elmberg

Executive Director	Verena Ross
European Commission	Jorge Revilla-Garcia

Summary of Conclusions	Frederiek Vermeulen
Head of Resources Department	Nicolas Vasse
Head of ICT Unit	Alexandru Dincov
Team Leader Human Resources	Andrea Lorenzet
Ethics Officer	Sophie Vuarlot-Dignac
Accounting Officer	Stefan Meert

For the Management Board,



Done at Paris on 8 April 2019

Steven Maijor
ESMA Chair