



European Securities and
Markets Authority

2015 Work Programme

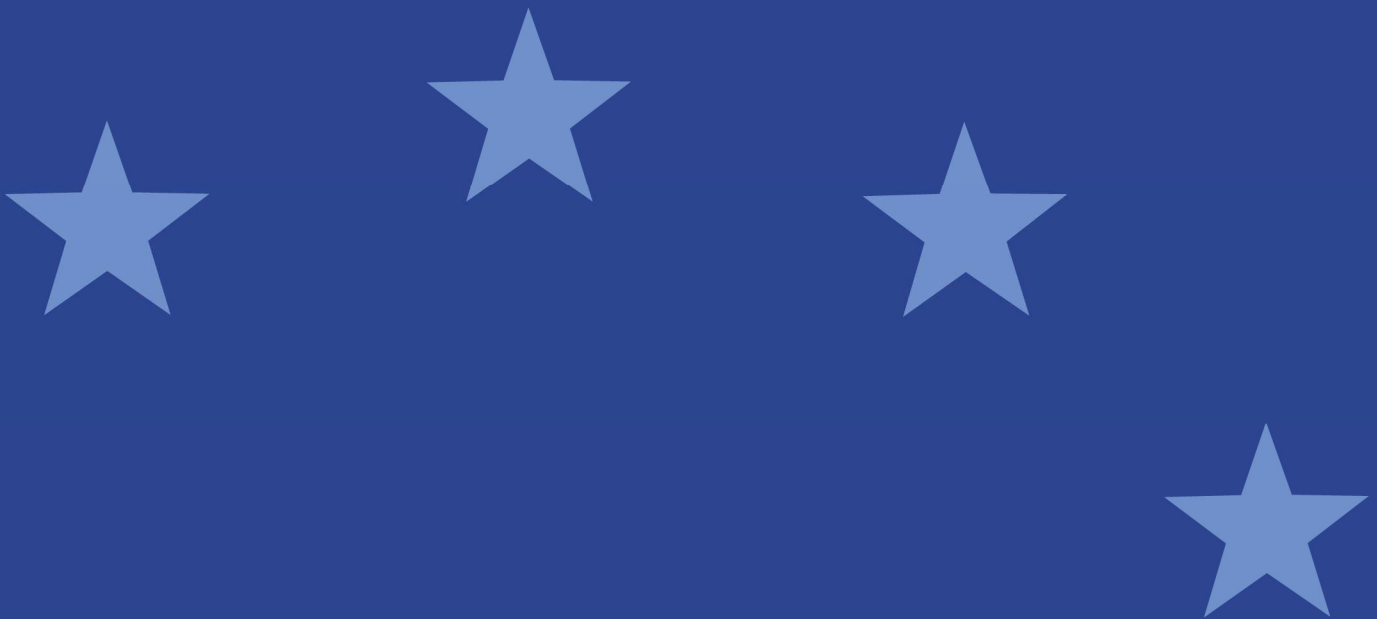




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ESMA's Mission

To enhance the protection of investors and promote stable and well-functioning financial markets in the European Union (EU). As an independent institution, ESMA achieves this aim by building a single rulebook for EU financial markets and ensuring its consistent application across the EU. ESMA contributes to the regulation of financial services firms with a pan-European reach, either through direct supervision or through the active co-ordination of national supervisory activity.

ESMA's functional objective

Investor protection

Financial stability

Market functioning

ESMA's operational objectives

Convergence

Risk monitoring and analysis

Single rulebook

Supervision

ESMA's Activities

- Guidelines, Opinions and Q&As
 - EU IT projects
- International and European co-operation
- Peer reviews, BUL and mediation
 - Accounting and Auditing
- EMIR convergence, reports and review
 - Training

- Monitoring of financial activities and innovation and preparing for product intervention
- Financial market surveillance
- Economic research

- MiFID II and MiFIR
- Market Abuse, Short Selling and Securities Financing Transactions
 - Credit Rating Agency policy
 - Corporate Reporting
 - Benchmark policy
 - CSDR
 - European Investment Fund Legislation
 - Transparency and Prospectus
 - Clearing obligation under EMIR
 - AIFMD
 - PRIIPS

- Credit Rating Agencies
 - Trade Repositories
 - Central Counterparties
- Enforcement/Independent investigation

ESMA's Characteristics

European

Independent

Co-operative

Accountable

Professional

Effective



I. Introduction

This document presents ESMA's Work Programme for 2015. It is based on a budget of €36,701,402 and a staff base of 192 Temporary Agents, Contact Agents and Seconded National Experts.

ESMA's Governance and Management

Two decision-making bodies govern ESMA: the Board of Supervisors and the Management Board.

ESMA has a full-time Chair, Steven Maijoor, and an Executive Director, Verena Ross. Both are based at ESMA premises in Paris and serve a five-year term which may be extended once. The Chair is responsible for preparing the work of the Board of Supervisors and chairs both the meetings of the Board of Supervisors and the Management Board. He also represents the Authority externally.

The Executive Director is responsible for the day-to-day running of the Authority, including staff matters, developing and implementing the annual work programme, developing the draft budget of the Authority and preparing the work of the Management Board.

ESMA's Board of Supervisors

In addition to the ESMA Chair, the Board of Supervisors is currently composed of the heads of 28 national authorities (where there is more than one national authority in a Member State those authorities will agree which of their heads will represent them), with one observer from the European Commission, a representative of EBA and EIOPA and one representative of the ESRB. In addition, Norway, Iceland and Liechtenstein were invited to attend as permanent observers. The Board guides the work of the Authority and has the ultimate decision-taking responsibility regarding the adoption of ESMA's opinions, recommendations, guidelines and any other decisions, including the issuance of advice to the EU institutions.

ESMA's Management Board

In addition to the ESMA Chair, the Management Board of ESMA is composed of six members selected from the Board of Supervisors by its members. The Executive Director and a representative from the European Commission (Commission) attend as non-voting participants (except on budget matters where the Commission has a vote).

The main role of the Management Board is to focus on the management aspects of the Authority, such as the development of a multi-annual work programme, the budget and staff resources.

ESMA's Securities and Markets Stakeholder Group

The Securities and Markets Stakeholder Group was established under ESMA's founding Regulation to help facilitate consultation with stakeholders in areas relevant to ESMA's tasks. ESMA is required to consult the Group on its draft guidelines and technical standards. The Group is composed of 30 members appointed by ESMA for a period of two and a half years. They variously represent financial market participants and their employees, consumers and other retail users of financial services, academics and small and medium sized enterprises.



Approval process for the Work Programme

Preparation for the work programme begins a year before its adoption with the creation of a high-level work programme to accompany the budget request. It is then developed as the tasks for the following year become clearer and input is sought from the relevant Standing Committees.

In accordance with ESMA's founding Regulation, ESMA's Management Board receives a first draft of the work programme by 30 June of the previous year. The work programme is then adopted by ESMA's Board of Supervisors on the basis of a proposal by ESMA's Management Board by 30 September.

Related documents

The work programme for 2015 is in line with ESMA's 2013-2015 Multi-Annual Work Programme.¹

In the overall ESMA work programme the legislative tasks related to ESMA's convergence and single rulebook objectives are not addressed in great detail. A more detailed regulatory work programme is adopted by the Board of Supervisors in the first quarter of the year concerned. This sets out a full list of the technical standards, technical advice and guidelines and recommendations that ESMA will produce within the year. Finally, all ESMA's activities are supported by the Procurement Plan, which is approved at the same time as the work programme.

Performance and control

The Work Programme presents explanations around ESMA's main planned activities for 2015, as well as the budget and staff required to fulfil the tasks.

Progress against the work programme is monitored on a regular basis by ESMA's Management Board. ESMA has a list of Key Performance Indicators (KPIs) that are annexed to this report and links between the activities and the KPIs are indicated. KPIs are not yet in place for all activities of the work programme, but it is intended to continue to develop KPIs in the coming years so that they cover all ESMA's activities.

¹ 2013-2015 Multi-Annual Work Programme available at: http://www.esma.europa.eu/system/files/2012-632_0.pdf

II. Acronyms used

AIFMD	Alternative Fund Managers Directive
BUL	Breach of Union Law
CCP	Central Counterparty
CEREP	Central Repository for historical performance data of credit rating agencies
CRAs	Credit Rating Agencies
CRR	Capital Requirements Regulation
CSD	Central Securities Depositories
CSDR	Central Securities Depository Regulation
EBA	European Banking Authority
EC	European Commission
ECAI	External Credit Assessment Institutions
ECB	European Central Bank
EEA	European Economic Area
EEAS	European Electronic Access Point
EECS	European Enforcers Co-ordination Sessions
EFRAG	European Financial Reporting Advisory Group
EIOPA	European Insurance and Occupational Pensions Authority
ELTIF	European Long-term Investment Funds
EMIR	European Market Infrastructure Regulation
ERP	European Rating Platform
ESA	European Supervisory Authority
ESEF	European Single Electronic Format
ESFS	European System of Financial Supervision
ESMA	European Securities and Markets Authority



ESRB	European Systemic Risk Board
EU	European Union
EuSEFs	European Social Entrepreneurship Funds
EuVECA	European Venture Capital Funds
IAS	International Accounting Standards
IASB	International Accounting Standards Board
IFRS	International Financial Reporting Standards
IOSCO	International Organization of Securities Commissions
IT	Information Technology
KID	Key Information Document
KPI	Key Performance Indicator
MAR	Market Abuse Regulation
MiFID	Markets in Financial Instruments Directive
MiFIR	Markets in Financial Instruments Regulation
MoU	Memorandum of Understanding
NCA	National Competent Authorities
OSSG	Official Sector Steering Group
OTC	Over-The-Counter
PRIIPS	Packaged Retail and Insurance-based Investment Products
Q&As	Questions and Answers
RTS	Regulatory Technical Standards
SFI	Structured Finance Instruments
SFT	Securities Financing Transactions
SOCRAT	Supervision of Credit Rating Agencies Tool
SSM	Single Supervisory Mechanism
TR	Trade Repositories



UCITS

Undertakings for Collective Investment in Transferable Securities (Directive)

III. ESMA's planned activities in 2015

ESMA has three strategic objectives, which are overarching objectives that most of ESMA's activities contribute towards:

- Investor protection,
- Financial stability, and
- Market functioning.

These three strategic objectives are achieved through four operational objectives:

- Convergence,
- Risk monitoring and analysis,
- Single rulebook, and
- Supervision.

In this 2015 Work Programme activities (areas of work) are presented per operational objective.

1) Operational objective: Convergence

Article 29 of ESMA's founding Regulation establishes one of ESMA's key objectives as fostering supervisory convergence and avoiding regulatory arbitrage resulting from different supervisory practices; as this has the potential to undermine not only integrity, efficiency and the orderly functioning of markets but ultimately also financial stability and investor protection. It therefore aims to build a level-playing field by strengthening supervisory co-ordination and promoting supervisory convergence for the benefit of the financial markets at large, including financial institutions, other market players, investors and consumers. ESMA will enhance in 2015 its international engagement with non-EU regulators and supervisors to further improve the global consistency of regulation and effective co-operation between EU and non-EU supervisors, whether ESMA itself or the National Competent Authorities (NCAs).

Activity 1.1: Guidelines, Opinions and Q&As

As ESMA's work on the single rulebook decreases in 2015, resources will be reallocated to aiding its standardised application across the EU. To this end, ESMA will reallocate resources from the production of the single rulebook to ensuring its consistent application across the EU. By its nature this work is ongoing and depends upon ESMA's own initiative. Particular areas of focus include:

- The Transparency Directive where ESMA aims to facilitate a higher degree of exchange of experience, address issues of practical non-convergence and where possible address issues arising from the transposition of the directive and technical standards. In particular this includes reviewing and amending the Q&As published in 2012 in order to consider the amendments introduced into the Transparency Directive in relation to information included in annual reports, major shareholdings, etc.
- Implementation of the provisions of the Guidelines on enforcement of financial information and issuance of the Guidelines for the alternative performance measures.

- In the area of investment management, ESMA will continue to develop opinions and Q&As with a view to ensuring harmonised application of requirements at Levels 1 and 2, as well as ESMA's guidelines. As a complement to the single rulebook, the opinions and Q&As will focus on how provisions are applied by NCAs and firms in practice.
- In addition to non-mandatory guidelines, opinions and Q&As to enhance the implementation of MiFID/MiFIR, there are specific ESMA guidelines already foreseen in MiFID II in relation to complex financial instruments, cross-selling, management bodies, the criteria for assessment of knowledge and competence, the calibration of trading halts, the management body of a market operator and legal entity identifiers. ESMA will also analyse whether there are elements of its original Guidelines on Systems and Controls in an Automated Trading Environment for Trading Platforms, Investment Firms and Competent Authorities that need to be updated after the implementation of the MiFID II package.
- There are guidelines foreseen in the Market Abuse Regulation to be prepared and consulted in relation to market sounding; information expected to be published in relation to commodities; list of legitimate interests for delays and situations when omission is misleading.
- According to Article 6(1) of CSDR, ESMA will issue guidelines on the standardised procedures and messaging protocols for arrangements put in place by investment firms to limit the number of settlement fails. ESMA may also consider issuing additional guidelines (under ESMA's discretion), following some CSDR provisions.
- AIFMD requires ESMA, by 22 July 2015, to issue an opinion to the European Parliament, the Council and the Commission on the functioning of the passport for EU AIFMs pursuant to Articles 32 and 33 of the AIFMD and on the functioning of the national private placement regimes set out in Articles 36 and 42 of the AIFMD.

Key deliverables		Due date
• Consultation Paper on MAR guidelines		Q2 2015
• Update of Q&As on Transparency Directive		Q3 2015
– Opinion on the functioning of the passport for EU AIFMs pursuant to Articles 32 and 33 of the AIFMD and on the functioning of the national private placement regimes set out in Articles 36 and 42 of the AIFMD		Q3 2015
– Guidelines on the standardised procedures and messaging protocols for arrangements put in place by investment firms to limit the number of settlement fails		Q4 2015
– Guidelines on investment fund legislation		Depends on legislation
– Joint Committee Guidelines on cross-selling		Q4 2015
– MiFID/MiFIR Guidelines		Q4 2015
Activity budget	€2,273,838	Activity staff 12

Activity 1.2: EU IT projects
Following work on its future IT Strategy, ESMA identified four IT programmes (set of related projects) on

which it is going to work in the next three years: the CRA III Programme, the Markets Programme, the Transparency Programme, and the ESMA corporate Programme.

In 2015, ESMA will work on the following set of projects for each programme:

- The CRA III Programme will support capabilities related to Credit Rating Agency (CRA) supervision and investor protection (collection and publication of large data sets) business processes. In 2015 the focus will be on the European Rating Platform (ERP), which will provide a collection of individual rating data to be published on ESMA's website. *Estimated 2015 budget for the programme: €240,000.*
- The Markets Programme contains the MiFIR/MiFID II projects, CSDR, MAR and Securities Financing Transactions Regulation projects. It will support capabilities related to the development and the implementation of new regulatory and supervisory standards in these areas. Requirements stemming from MiFIR/MiFID II will be a large part of the Markets Programme, of which the most difficult projects will be the instruments reference data reporting, commodity derivatives position reporting, position limits regime management, together with more than ten other data sets to collect and publish. In 2015 the focus will be defining the single European format for MiFIR financial instruments reference data and transaction reporting, MiFIR double volume cap mechanism and position limits regime. *Estimated 2015 budget for the programme: €330,000.*
- The Transparency Programme has been postponed to 2016 IT work programme due to budgetary constraints. .
- The ESMA Corporate Programme: ESMA is still building its internal IT capacity having allocated most of its IT resources since its set-up in 2011 to regulatory projects. This programme supports capabilities for data analytics (used in supervision and economic analysis), management of applications for registration and certification of Credit Rating Agencies and Trade Repositories, as well as supporting key business and administrative processes. In 2015 the data analytics requirements supporting the ERP, CRA fees and MiFIR/MiFID II systems and those supporting the data quality assessment of Trade Repositories' data will be reviewed. Security policies will be improved and a corporate Document Management System will be implemented for some workflows. *Estimated 2015 budget for the programme: €580,000.*

In addition to these four programmes, the 2015-2017 IT Work Programme also includes the following IT projects that are managed with a dedicated budget title. *Estimated 2015 budget for the programme: €3,100,000.*

- The MiFIR Instruments Reference Data project where ESMA will collect, store and process instrument reference data from trading venues, including executing transparency calculations and management of suspensions from trading.
- The Trade Repositories project to set up a logical portal, e.g. a single access point for querying and getting back data from Trade Repositories without storage.

ESMA will also maintain more than 20 running IT systems. *Estimated cost of maintenance programme in 2015: €2,950,000.* The Activity budget below includes the above costs and takes into account in addition the cost of IT staff working at ESMA as well as overheads.

Key deliverables			Due date
• Delivery of IT work programme			Q4 2015
Activity budget	€9,827,756	Activity staff	18

Activity 1.3: International and European co-operation			
<u>Joint Committee</u>			
<p>In 2015, ESMA will be chairing the Joint Committee and, in the case it is convened, may be providing secretariat support to the Board of Appeal. ESMA will ensure regular co-operation and cross-sectoral consistency work with the other European Supervisory Authorities (ESAs) is handled efficiently under the Joint Committee. ESMA will work with the other ESAs to ensure efficient exchange of information and approach to cross-sectoral topics.</p> <p>Particular attention will be given to the progress made by the EEA observers in implementing key sectoral legislations (EMIR, CRR, Solvency 2,...), while also closely following up the future institutional arrangements, currently being discussed with the European Commission, as this should ensure an adequate system is in place to fully take into account the missions and powers of the ESAs.</p>			
<u>Global co-operation</u>			
<p>ESMA will actively contribute to the International Organization of Securities Commissions (IOSCO), focusing on contributing to that organisation's most relevant Standing Committees and on co-operating with third countries on Credit Rating Agency and Trade Repository regulatory and supervisory issues.</p> <p>ESMA will continue to participate in the EU regulatory dialogues with third countries and to play a central role in assessing the equivalence of third-country supervisory regimes and in providing advice to the European Commission, in close co-operation with EBA and EIOPA. ESMA will lead or assist in preparing and negotiating memoranda of understanding with third-country supervisors when required by the EU legislation.</p>			
<u>EU institutions</u>			
<p>In its contacts with EU institutions, ESMA will continue to ensure accountability, openness and transparency on its work and to strive to make sure that practical implications for ESMA stemming from new tasks provided for in forthcoming legislative proposals are adequately taken into account. It will be important to build strong relations with the renewed European Parliament and the new Commissioner for Financial Stability, Financial Services and Capital Markets Union, as well as with the Single Supervisory Mechanism (SSM), which commenced operations on 4 November 2014.</p>			
Activity budget	€875,919	Activity staff	6

Activity 1.4: Peer reviews, breach of Union law and mediation			
In order to foster consistent supervisory practices, ESMA will conduct peer reviews on the application of			



existing EU legislation in the field of securities regulation and report on those findings to the Board of Supervisors.

ESMA will apply its new methodology for peer reviews, as revised in December 2013. Moving away from systematic and all-encompassing reviews of its 31 members and observers, ESMA will conduct mainly targeted reviews backed by on-site visits as an effective tool to gather and verify factual information. This approach should enable ESMA to complete reviews under a shortened timeline and a more efficient use of its resources. Emphasis will also be put on follow-up to previous peer reviews.

The aim of the targeted peer reviews is to concentrate on markets of specific relevance for the area chosen and on those provisions where possible differences in supervisory practices have emerged. In this respect, input from the SMSG or Standing Committees, as well as from complaints received will be duly considered.

The targeted peer reviews will assess compliance with the following guidelines and corresponding legal basis at Level 1:

- Market Making Guidelines (to be continued from 2014);
- Suitability Guidelines, i.e. 2012/387 guidelines on the MiFID suitability requirements;
- Prospectuses supervision, including approval process.

ESMA will in addition carry out follow-up work in the areas of Market Abuse Supervisory practices and as regards Money Market Funds Guidelines, (to be continued from 2014). ESMA aims to use its peer review work to inform its activities in other areas of its work programme, including enhancing the single rulebook through issuing new guidelines and recommendations or amending existing ones, through issuing opinions or Q&As in areas where differences of application exist, as well as through the provision of advice to the Commission where revised legislation might be necessary to align practices.

ESMA will use its powers to investigate and remedy cases of breach of Union law, building on its newly revised Rules of Procedures, and to settle disagreements between Competent Authorities in cross-border situations. ESMA is also ready to use its powers of binding mediation, in the event of disputes between National Competent Authorities, and non-binding mediation in order to promote a co-ordinated Union response. Should the need arise in 2015, ESMA will continue to exercise these powers either on its own initiative or at the request of the NCAs. ESMA will take into account the input of the Securities and Markets Stakeholder Group as regards its activities to foster convergence.

Key deliverables		Due date
• Completion of 2015 Peer Review work programme		Q4 2015
Activity budget	€1,313,878	Activity staff
		9

Activity 1.5: Accounting and Auditing

European Enforcers Co-ordination Sessions

The work conducted by the team is in relation to the supervisory convergence of enforcement activities of financial information prepared in accordance with the International Financial Reporting Standards (IFRS), as derived from Article 24 of the Transparency Directive and consists of activities mainly conducted

through the Permanent Working Group: European Enforcers Co-ordination Sessions (EECS). EECS will continue to meet 8-10 times per year for 2 days meeting, discuss decisions and publish its activity.

Audit

The revised Audit Directive and Audit Regulation (cf. Directive 2014/56/UE and Regulation (EU) No 537/2014) introduce responsibilities for ESMA in relation to the contribution to international co-operation between Member States. ESMA will be member of the new European Committee.

Key deliverables		Due date
• Extracts of EECS decisions		Q1 and Q4 2015
• EECS Activity Report		Q2 2015
• Analysis of common enforcement priorities		Q3 2015
• Study on an accounting topic (to be confirmed)		Q4 2015
Activity budget	€729,932	Activity staff 5

Activity 1.6: EMIR convergence, reports and review

ESMA will continue to promote convergence, through guidance and agreed Q&As on the application of EMIR.

The EMIR Regulation requires ESMA to conduct the following annual tasks that will be performed in 2015:

- present an annual report to the European Parliament, the Council and the Commission on the penalties imposed by Competent Authorities, including supervisory measures, fines and periodic penalty payments (Art. 85.5);
- participate in the Commission’s annual report assessing any possible systemic risk and cost implications of interoperability arrangements (Art. 85.4);
- an annual peer review analysis of the supervisory activities of all Competent Authorities in relation to the authorisation and the supervision of Central Counterparties (CCPs) (Art. 21.6.a of EMIR);
- an annual peer review of the entities included on the pension schemes included in the list of types of entities and types of arrangements referred to in Article 2(10)(c) and (d) (Art. 89.2 of EMIR).

In addition ESMA will review the technical rules on TR reporting under EMIR, based on the experience gathered.

Key deliverables		Due date
• Review of Trade Repository reporting standards		Q2 2015
• Report on penalties		Q4 2015
Activity budget	€437,959	Activity staff 3

Activity 1.7: Training			
In order to support the development of a common Union supervisory culture and consistent supervisory practices, ESMA provides use of an e-learning platform to the National Competent Authorities. This platform contains a large number of off-the-shelf courses covering the financial markets and economics.			
Activity budget	€205,986	Activity staff	1



2) Operational objective: Risk monitoring and analysis

ESMA was created as part of a Europe-wide response to a financial and economic crisis that posed risks to the stability of the financial system and the functioning of the internal market. To this end, ESMA continues to strengthen its activities in analysing developments, systemic risks, and structures in the financial markets within its remit. The Authority will focus on financial market surveillance and economic research. In turn, ESMA will further intensify its co-operation with the EU institutions, the other European Supervisory Authorities and the European Systemic Risk Board (ESRB).

ESMA has developed the skills and tools to better monitor financial activities and innovation. This is particularly relevant to better prepare for the forthcoming MiFID II product intervention powers (see also below).

Activity 2.1: Monitoring of financial activities and innovation and preparing for product intervention

In 2015 ESMA will continue its work on monitoring financial activities with a particular focus on financial innovation.

The monitoring employs three primary sources of information: firstly, a range of contacts to generate intelligence on market activities; secondly, quantitative metrics on market movements from a variety of data sources; thirdly, active interaction with NCAs in Europe and other regulators in major financial centres outside Europe.

The monitoring contributes not only to ESMA's proactive role in market surveillance, but also to develop metrics that guide us in determining when and where ESMA will employ its product intervention powers.

ESMA also plays a role in the area of Investor Education by co-ordinating NCAs' initiatives in this field and exchanging best practices.

Product intervention

MiFIR's product intervention provisions seek to strengthen the supervision of products and services by introducing the possibility (i) for Competent Authorities to set permanent bans on financial products or activities or practices (and ESMA is to perform a facilitation and co-ordination role in relation to action taken by Competent Authorities), and (ii) for ESMA to set temporary bans on products, practices and services which could consist of a prohibition or restriction on the marketing, distribution or sale of certain financial instruments or on financial instruments with certain features or on a type of financial activity or practice.

The provisions set specific conditions for the activation of both of these bans, which can be triggered when there are concerns as to investor protection, or threats to the orderly functioning of financial markets or stability of the financial system. ESMA delivered, to the Commission in 2014, its technical advice on the criteria and factors to be used when considering employing product intervention powers. While MiFIR will be applicable from the beginning of 2017, in 2015 there remains a significant amount of preparatory work to facilitate the exercise of these product intervention powers. The main areas of work in 2015 are:

- data collection, market intelligence and analysing financial innovation guidance by the need to as-

sure against systemic risk and ensure market integrity and investor protection;

- identification of areas for product intervention;
- policy work on understanding of legal conditions;
- ESMA co-ordination of NCAs' action.

Investor warnings

ESMA will seek to issue further warnings in 2015, when the need arises. These warnings will be issued either in terms of Article 9(3) of the ESMA Regulation, or as 'investor alerts' – both of which are consistent with ESMA's general Investor Protection objective.

Key deliverables		Due date
• Quarterly summary report on the results of the monitoring activities		Quarterly
• Financial Innovation Day: bringing together thought leaders from the private sector and academia to discuss in-depth topics relevant to financial innovation		Q1 2015
• ESMA's third Investor Education Day		Q4 2015
Activity budget	€1,417,724	Activity staff 9

Activity 2.2: Financial market surveillance

ESMA intends to continue improving its capacity to survey the financial markets for financial stability and risk purposes and to:

- Produce reporting on market and systemic risks through the semi-annual report on Trends, Risks and Vulnerabilities and the quarterly Risk Dashboard.
- Develop ESMA proprietary market intelligence through continuous evaluation of market trends, enhanced co-operation with NCAs and ESFS bodies, and intensified interaction with market participants.
- Enhance ESMA capabilities regarding collection, management and accessibility of commercial and proprietary databases.
- Enable ESMA to fulfil mandates around financial stability, supervision and regulation.

Key deliverables		Due date
• Semi-annual reports on Trends, Risks and Vulnerabilities		Semi-annually
• Quarterly Risk Dashboards		Quarterly
• Programme on Data Integration and Analytics		Q4 2015
Activity budget	€1,417,724	Activity staff 9

Activity 2.3: Economic research			
<p>ESMA will conduct research projects in close co-operation with National Competent Authorities, the Joint Committee and the ESRB. The topics for research include:</p> <ul style="list-style-type: none"> - High Frequency Trading, - Credit Default Swaps, - Central Counterparties, - UCITS, - Exchange Traded Funds, - Non-Bank Non-Insurer Global Systemically Important Financial Institutions, and - Shadow banking. <p>In addition, it intends to widen the number and variety of issues covered through ESMA Economic Papers and ESMA Working Papers.</p>			
Key deliverables			Due date
<ul style="list-style-type: none"> • Continuation of research projects on High Frequency Trading, Credit Default Swaps, CCP, UCITS, Exchange Traded Funds, Non-Bank Non-Insurer Global Systemically Important Financial Institutions, Shadow banking. 			Q3 2015
Activity budget	€1,260,199	Activity staff	8

3) Operational objective: Single rulebook

ESMA's single rulebook work is aimed at strengthening regulation and creating a level playing field across the EU. It involves delivering technical advice on legislation to the European Commission, drafting regulatory technical standards and issuing advice and guidelines on the application of Union law.

In 2015 ESMA's single rulebook work will be focused, amongst others, on the revision of the Markets in Financial Instruments (MiFID) and Market Abuse Directives (MAD), legislation related to European investment funds and to transparency and prospectus, and the implementation of the CRA3 legislation.

Activity 3.1: MiFID II and MiFIR			
<u>Markets</u>			
Some of the most relevant areas where ESMA has to draft regulatory technical standards are: pre- and post-trade transparency for equity, equity-like and non-equities; determination of "liquid market" for non-equities; trading obligation for derivatives; regulation of algorithmic and high frequency trading; non-discriminatory access to CCPs, trading venues and benchmarks; the definition of "ancillary activity"; position reporting and position limits for commodity derivatives; order book data record keeping obligations by the trading venues; transaction data reporting by the investment firms; instrument reference data submission obligation; synchronisation of business clocks by trading venues and their members.			
<u>Investor protection</u>			
Having finalised, in December 2014, its technical advice to the Commission on the investor protection aspects of the MiFID review, in 2015 ESMA will finalise its draft MiFID II technical standards on further investor protection aspects and will elaborate guidelines as mandated in MiFID II.			
The areas arising out of the MiFID II/MiFIR conduct of business and investor protection related work, include:			
<ul style="list-style-type: none"> – conduct of business rules for investment firms (including independent investment advice, inducements, information on costs and charges, reporting to clients, complex products, cross-selling, assessment of knowledge and competence), and product intervention; – operational issues and co-operation between National Competent Authorities (including authorisation of investment firms, management bodies, pass-porting, and co-operation amongst authorities); and – organisational requirements (including product governance, complaints handling, safeguarding of client assets, recordings of telephone conversations and electronic communications, conflicts of interest) and best execution. 			
Key deliverables			Due date
• MiFID/MiFIR Draft Regulatory Technical Standards			Q2 2015
• MiFID/MiFIR Draft Implementing Technical Standards			Q4 2015
• Operational arrangements			Mid 2016
Activity budget	€2,189,797	Activity staff	15

Activity 3.2: Market Abuse, Short Selling and Securities Financing Transactions		
<p>ESMA is tasked by the Market Abuse Regulation (MAR) to produce 15 technical standards to be finalised and delivered to the European Commission. There will also be technical advice to be delivered to the European Commission.</p> <p>MAR implementation will require ESMA being involved in developing third-country Memorandum of Understanding (MoU) templates (e.g. regulators of spot commodities markets in third countries), as well as drafting those MoUs and negotiating on behalf of NCAs. The MoU with the European Agency for the Cooperation of Energy Regulators (ACER) will also continue to drive on-going work between ESMA and ACER.</p> <p>ESMA should complete an equivalence assessment of the European Market Abuse regime if it receives a mandate from the Commission (stemming from the Short Selling Regulation and/or other European texts such as the Transparency Directive, MiFID).</p> <p>ESMA will continue to operate the data publication, market monitoring and handling of emergency procedures under the Short Selling Regulation.</p> <p>In January 2014 the Commission published its proposal on reporting and transparency of Securities Financing Transactions (SFT). Publication of the Regulation on the reporting and transparency of SFTs is expected in 2015. According to the Commission proposal, ESMA would be mandated to deliver a number of technical standards primarily related to the transparency of the SFTs including registration and supervision of Trade Repositories.</p> <p>To ensure timely delivery of the final implementing measures, ESMA will have to conduct extensive preparatory work in the course of 2015 particularly considering the existing standards established by Article 9 of EMIR.</p>		
Key deliverables		Due date
• Final report on MAR technical advice (delivery date: 8 months after entry into force of MAR on 2 July 2014)		Q1 2015
• Draft MAR technical standards (delivery to EU Commission)		Q2 2015
• MoU templates		Q4 2015
• Securities Financing Transactions Regulation Discussion or Consultation Paper on technical standards		Q4 2015
• Draft MoUs for NCAs		Q4 2015
• Market Abuse regime equivalence assessment report		Q4 2015
Activity budget	€1,313,878	Activity staff
		9

Activity 3.3: Credit Rating Agency policy	
<p>Policy development in the area of Credit Rating Agency supervision involves the drafting of Regulatory Technical Standards, Technical Advice and Endorsement and Equivalence decisions, in liaison with third-country Supervisory Authorities, as well as the contribution to international standards.</p>	
Key deliverables	Due date

<ul style="list-style-type: none"> • CRA3 implementation <ul style="list-style-type: none"> – designing and implementing the Structured Finance Instruments (SFI) platform; – developing new templates for disclosure requirements for private and bilateral SFIs, Asset-back Commercial Papers and other remaining instruments; – designing and implementing the European Rating Platform; – designing and implementing an internal IT platform for the supervision of CRAs' fees; – contributing to the ECAI process together with EBA and EIOPA 	Q4 2015		
<ul style="list-style-type: none"> • Start working on Technical Advices and reports mandated in Article 39 and 39b of CRA3 on the following subjects: <ul style="list-style-type: none"> – reducing reliance on ratings – mandatory CRA rotation and double ratings for SFIs – extension of the scope of the SFI platform – conflict of interest – competition in the CRA market 	Q4 2015		
<ul style="list-style-type: none"> • Assess legal and regulatory framework for CRAs on third countries according to Article 4 of CRA Regulation 	Q4 2015		
Activity budget	€875,919	Activity staff	6

Activity 3.4: Corporate Reporting			
<p>The amended Transparency Directive (2013/50/EU) requires that a European Electronic Access Point (EEAP) shall be established and assigns ESMA with responsibilities in drafting Regulatory Technical Standards (RTS) to harmonise and ensure the interoperability of the information and communication technologies used by the national access points with the final goal of ensuring that users of financial information have fast access to regulated information on a non-discriminatory basis without specific cost. The amended Transparency Directive also requires ESMA to develop draft RTS to specify the electronic reporting format (ESEF) and to carry out an adequate assessment of possible electronic reporting formats with due reference to current and future technological options.</p> <p>ESMA has been designated as observer to the Board of the European Financial Reporting Advisory Group (EFRAG) which has as a main role to provide endorsement advice on the IFRS to the EC. In addition, ESMA, through the IFRS Project Group, contributes actively to the International Accounting Standards Board (IASB), in charge with developing those standards and provides comment letters as part of the process of standard setting, with the aim of improving the transparency and decision usefulness of financial statements and the enforceability of IFRS. In addition ESMA will participate in the review of the IAS Regulation and ensure implementation of any actions derived from that.</p>			
Key deliverables			Due date
– Draft RTS on EEAP			Q3 2015
– Draft RTS on ESEF			Q4 2015
Activity budget	€729,932	Activity staff	5

Activity 3.5: Benchmark policy			
<p>The integrity of benchmarks is critical to the pricing of many financial instruments; any doubts about their integrity or accuracy may therefore undermine market confidence.</p> <p>The proposed regulation on Benchmarks requires participation with the Official Sector Steering Group (OSSG) for the Financial Stability Board and the IOSCO taskforce on the subject. It also requires co-ordination with the Commission, the ECB and EBA.</p> <p>The proposed regulation on benchmarks would require ESMA to provide advice for delegated acts to the Commission, co-ordinate the development of co-operation arrangements with third countries and involves ESMA in participating and mediating in Colleges and maintaining registers of notifications on the use of benchmarks and a list of registered benchmark administrators.</p>			
Key deliverables			Due date
– IOSCO review			Q1 2015
– OSSG report			Q1 2015
– Advice to Commission on Benchmark legislation			Tbd
Activity budget	€291,973	Activity staff	2

Activity 3.6: CSDR			
<p>ESMA will have to deliver around 30 technical standards (both implementing and regulatory) under the Central Securities Depositories Regulation (CSDR), covering settlement discipline measures, CSD requirements, links and access requirements focusing on risks, data reporting, including on internalised settlement (i.e. securities transactions settled outside a securities settlement system).</p> <p>Pending an official request from the EC, ESMA may also have to elaborate technical advice on:</p> <ul style="list-style-type: none"> – parameters for calculation of cash penalties for the participants that cause settlement fails (Article 7(13)); – the criteria under which the operations of a CSD in a host Member State should be considered of substantial importance for that Member State (Article 24(7)); <p>According to Article 25 of CSDR a third-country CSD may provide services within the territory of the Union including through the establishment of a branch, if recognised by ESMA. ESMA will need to prepare for such recognition process, i.e. it should develop the relevant procedures, provide guidance to third-country CSDs on how to apply.</p>			
Key deliverables			Due date
• Technical advice on CSDR			Q2 2015
• Draft technical standards on CSDR, including a cost-benefit analysis and evidence of public consultations			Q2 2015
• Preparation and guidance on CSDR recognition			Q4 2015
Activity budget	€291,973	Activity staff	2

Activity 3.7: European Investment Fund Legislation			
<p>ESMA is expected to be tasked with the development of technical standards on upcoming legislation in the area of investment funds, such as UCITS V, Money Market Funds and European Long-Term Investment Funds (ELTIFs). Those technical standards will help to clarify the Level 1 and 2 requirements. ESMA will also have a role to play in developing technical advice to the European Commission on EU legislation, including the EuVECA and EuSEF Regulations.</p>			
Key deliverables			Due date
<ul style="list-style-type: none"> • Technical standards on investment fund legislation 			Depends on legislation
<ul style="list-style-type: none"> • Technical advice on investment fund legislation 			Depends on legislation
Activity budget	€437,959	Activity staff	3

Activity 3.8: Transparency and Prospectus			
<p>The last part of regulatory work related to revised directives in the corporate finance area is expected to be finalised with delivery of regulatory technical standards in the area related to the Omnibus II Directive. This is expected to provide further focus on development of opinions, statements and Q&As to assist in developing the single rulebook and work towards supervisory convergence in particular the area of transparency and prospectus.</p> <p>In connection with monitoring financial innovation and trends in offerings and types of securities ESMA will maintain an indicative list of financial instruments subject to notification requirements under the Transparency Directive.</p> <p>In the area of prospectuses, ESMA expects to continue work on equivalence assessments in order to better facilitate access to the EU market for third-country issuers.</p> <p>In the area of Corporate Governance ESMA will embark on the envisaged review of the published Best Practice Principles concerning the proxy industry.</p> <p>As a follow-up to the revision of the Prospectus Directive, ESMA intends to conduct an informal evaluation of the regime from the view of NCAs in order to prepare for a future re-cast of the Prospectus Directive and Regulation as well as the next revision thereof.</p>			
Key deliverables			Due date
– Informal evaluation of the prospectus regime			Q2 2015
– Draft RTSs in the prospectus area in accordance with Omnibus II Directive			Q3 2015
– Conduct equivalence assessments of third-country regimes in accordance with Prospectus Directive			Q4 2015
– Review of the Best Practice Principles related to the proxy industry			Q4 2015
Activity budget	€437,959	Activity staff	3

Activity 3.9: Clearing obligation under EMIR			
<p>Under the bottom-up approach, ESMA needs to determine the classes of Over-The-Counter (OTC) derivative contracts subject to the clearing obligation among the classes that are already cleared by Central Counterparties (CCPs).</p> <p>This process is triggered by the initial authorisation of an EU CCP, as well as any extension of CCP activities, and by the recognition of a third-country CCP.</p> <p>Under the top-down approach, ESMA needs to identify classes of OTC derivatives that should be cleared but for which no CCP has developed an offer, and to publish a call for a development of proposals for the clearing of those classes.</p>			
Key deliverables			Due date
– Submit draft RTS to the European Commission on the clearing obligation			6 months after any authorisation and recognition
– Publish a call for development of proposals for the clearing obligation			N/A
– Review the values of the clearing thresholds and submit draft RTS to the European Commission to amend them where necessary			On-going
Activity budget	€437,959	Activity staff	3

Activity 3.10: AIFMD			
<p>Non-EU AIFMs and non-EU AIFs managed by EU AIFMs are subject to the national private placement regime of each of the Member States where the AIFs are marketed or managed. However, the AIFMD makes provision for the passport currently only available for EU AIFMs and AIFs, to be potentially extended in the future. Article 67(1) of the AIFMD establishes that, by 22 July 2015, in addition to the opinion referred to in activity 1.1, ESMA shall issue to the European Parliament, the Council and the Commission an advice on the application of the passport to third-country AIFMs and AIFs in accordance with the rules set out in Article 35 and Articles 37 to 41 of the AIFMD.</p> <p>Within three months of receipt of a positive advice and opinion from ESMA, the Commission shall adopt a delegated act specifying the date when the rules set out in Article 35 and Articles 37 to 41 of the AIFMD become applicable in all Member States. As a consequence, the EU passport would be extended to non-EU AIFs and non-EU AIFMs.</p> <p>The AIFMD requires AIFMs to report an extensive set of information on their activities to the Competent Authority of their home Member State. That information must be made available to ESMA and the ESRB. In order to facilitate the exchange and storage of the data, ESMA is developing an IT system. ESMA has already developed an XML file to allow AIFMs across the EU to report using the same format and issued guidelines that clarify what has to be reported.</p>			
Key deliverables			Due date
– Advice on the application of the passport to third-country AIFMs and AIFs in accordance with the rules set out in Article 35 and Articles 37 to 41 of the AIFMD			Q3 2015



Activity budget	€145,986	Activity staff	1
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Activity 3.11: Packaged Retail and Insurance-based Investment Products			
<p>Through the Joint Committee of the European Supervisory Authorities, ESMA will work with EBA and EIOPA to prepare draft Regulatory Technical Standards (RTS) under the Packaged Retail and Insurance-based Investment Products (PRIIPS) Regulation. Those RTS will focus on the format and content of the Key Information Document (KID), as well as the methodologies for the risk and cost disclosures. The Joint Committee will also provide input to the consumer testing exercise to be carried out by the European Commission as a means of informing decisions on the RTS.</p>			
Key deliverables			Due date
<ul style="list-style-type: none"> • RTS on format and content of disclosures in KID for PRIIPs 			15 months after entry into force of Level 1 text
Activity budget	€291,973	Activity staff	2

4) Operational objective: Supervision

In 2015 ESMA will have direct supervisory powers in two areas: Credit Rating Agencies and Trade Repositories, and will also have some direct responsibilities in relation to Central Counterparty supervision.

Activity 4.1: Credit Rating Agencies supervision			
Supervision of Credit Rating Agencies involves three broad areas of work:			
<u>Supervision</u>			
ESMA continuously carries out perimeter assessment (i.e. identification of entities which may be operating without registered status). It assesses applications to be registered as CRAs and then carries out on-going supervision of registered CRAs. Supervisory reviews may be either thematic or individual reviews (deep dives); the main findings and outcomes are reported publically when appropriate. Throughout this supervisory work co-operation with third-country regulators and international organisations is maintained.			
<u>Risk</u>			
Market intelligence and research (i.e. identification of trends and risks in the CRA industry) is key to guiding ESMA's supervisory activity. The CRAs' business model and the information reported by CRAs in CEREP (semi-annual) and SOCRAT (monthly or bi-monthly) databases is analysed and used to produce risk mapping of registered CRAs (e.g. impact and probability assessment in relation to CRAs' potential regulatory failures and infringements) and to define supervisory strategy, and to measure supervisory impact and effectiveness. Risk information is reported on and disseminated among external stakeholders.			
<u>Supervisory Guidance</u>			
In order to provide a level playing field to all CRAs, ESMA adopts guidelines on its on-going supervisory activity and provides clarity on the requirements and practice in the application of the CRA Regulation (Q&As).			
Key deliverables			Due date
• CRA supervisory work programme			Q4 2015
• Risk report/annual report			Q4 2015
• CRAs' business model analysis			Q4 2015
• Q&As on the CRA Regulation			Q2 2015
• Guidelines on periodic information to be submitted by CRAs			Q2 2015
• Guidelines on fees' supervision			Q4 2015
• Guidelines on implementation of the CRA3 Regulation			Q4 2015
• Joint Committee Guidelines on reducing contractual reliance on credit ratings			Q3 2015
Activity budget	€6,093,472	Activity staff	39

Activity 4.2: Trade Repositories supervision			
Under EMIR, ESMA has direct responsibilities regarding the registration, supervision and recognition of Trade Repositories.			
Supervision of Trade Repositories by ESMA aims to ensure that they comply on an on-going basis with all			

<p>EMIR requirements, thereby enabling regulators to access data and details of derivative contracts in order for them to fulfil their respective mandates.</p> <p>For the supervision of Trade Repositories, ESMA has the right to require information, to conduct general investigations and on-site inspections, and if needed, to take enforcement measures.</p>			
Key deliverables			Due date
<ul style="list-style-type: none"> TR supervision work programme 			Q1 2015
Activity budget	€1,649,865	Activity staff	10

Activity 4.3: Central Counterparties supervision			
<p>Under EMIR, ESMA has direct responsibilities regarding the recognition of third-country CCPs providing clearing services within the Union. ESMA has also the direct responsibility to participate in all colleges of EU CCPs.</p> <p>As a member of the colleges of CCPs established in the EU, ESMA fulfils a co-ordination role between Competent Authorities and across colleges in order to facilitate the consistent and correct application of EMIR, with a view to building a common supervisory culture and consistent supervisory practices, ensuring uniform procedures and consistent approaches, and strengthening consistency in supervisory outcomes. ESMA also takes an active role in the review and validation of the CCP risk models.</p> <p>Recognition by ESMA of third-country CCPs aims to ensure that they comply on an on-going basis with the entire relevant third-country requirements equivalent to EMIR, thereby enabling the objectives of a global level-playing field and financial stability to be met. In this context, ESMA will enter into agreements with the authorities responsible for supervising the third-country CCPs.</p>			
Key deliverables			Due date
<ul style="list-style-type: none"> Authorisation or rejection of third-country CCPs 			Q4 2015
Activity budget	€1,459,865	Activity staff	10

Activity 4.4: Enforcement/Independent investigation			
<p>ESMA has the power to take appropriate enforcement action where it discovers a breach of regulation in its supervised entities. These actions may range from the issuance of public notices to the withdrawal of registration and imposition of fines. Therefore ESMA maintains an Independent Investigation Officer function that is required in enforcement cases. ESMA's Board of Supervisors also requires legal advice on its execution of powers.</p>			
Activity budget	€291,973	Activity staff	2

5) Operational objective: ESMA as an organisation

Activity 5.1: Organisational support	
<p>ESMA will continue to grow in 2015, in line with the increase in its tasks, and as such the recruitment of quality staff will remain a priority.</p> <p>Building on the initial work begun in 2013 and 2014, ESMA will implement a security system fitting the amount of sensitive data. This work requires not only the implementation of electronic and physical security tools, but also the set-up of specific governance.</p> <p>In addition, now that processes are mature, 2015 will be a time to concentrate on automatisisation. Together with the Document Management System, first e-workflows will be set up to improve efficiency, security and, by using less paper, save on physical storage space and reduce ESMA's paper usage. Linked with this work will be an emphasis on ESMA's website as a key communication tool.</p>	
Key deliverables	Due date
<ul style="list-style-type: none"> • Annual Report 	Q2 2015
<ul style="list-style-type: none"> • Compliance of IT systems with ESMA security rules 	Q4 2015
	Staff²

² 38 Executive and administrative staff have been totalled with ESMA's activities however they include: 4 – Chair and Executive Director and their office, 2 – Accounts, 2 – Quality and Internal Control, 5 – Communications, 25 – administration (IT/HR/Finance and Procurement/Logistics)

IV. Annexes

Annex 1 – Human resources

2015 Establishment Plan			
AD 16			
AD 15	1	AST 11	
AD 14	1	AST 10	
AD 13		AST 9	1
AD 12	3	AST 8	
AD 11	5	AST 7	
AD 10	6	AST 6	1
AD 9	14	AST 5	2
AD 8	27	AST 4	6
AD 7	27	AST 3	2
AD 6	22	AST 2	3
AD 5	16	AST 1	
AD total	122	AST total	15
GRAND TOTAL		137	

Contract Agents	2015 estimate
Function Group IV	18
Function Group III	4
Function Group II	12
Function Group I	
Total	34

Seconded National Experts	2015 estimate
Total	21

Annex 2 –Budget

REVENUE	EUR
Revenue from fees and charges	9 734 297
EU Contribution	9 703 423
Contribution from National Competent Authorities	14 555 135
Assigned revenue for delegated tasks	2 708 547
TOTAL REVENUE	36 701 402

EXPENDITURE	EUR	
	Commitment appropriations	Payment Appropriations
Staff expenditure	18,693,500	18,693,500
Infrastructure and administrative expenditure	7,374,402	7,374,402
Operating expenditure	7,533,500	7,533,500
Delegated tasks	3 100 000	1 600 000
TOTAL EXPENDITURE	36 701 402	35 201 402

Annex 3 – List of ESMA’s KPIs

ESMA has defined a list of Key Performance Indicators that are reported to the Management Board. ESMA’s work programme in 2015 will be measured against these indicators.

KPI n°	ESMA’s KPIs
Convergence	
1	Number of Breach of Union law and mediation cases
2	Compliance with guidelines and recommendations
3	Number of peer reviews
4	Number of opinions issued
5	Number of training events held
6	Satisfaction with training
Investor protection	
7	Reach of ESMA issued warnings and alerts
8	Number of hits on the retail investors page of ESMA’s web-site
Risk monitoring and analysis	
9	TRV/JC risk reports delivered against work plan
10	Research: number of risk topics analysed
Single rulebook	
11	Progress on Regulatory Work Programme
Supervision	
12	Progress against Supervisory Work Programme
ESMA as an organisation	
13	% budget execution
14	% late payments
15	% revenue collected
16	Progress against Procurement Plan
17	% Staffing Plan achieved
18	% Establishment Plan achieved
19	% progress against recruitment plan
20	Staff turnover rate
21	Progress against IT Work Programme
22	% budget execution of IT Work Programme
23	Implementation of Audit Action Plan



Annex 4 – Procurement Plan 2015

Open calls for tender							
Nº.	Project title	Maximum budget (EUR)	Budget to be committed in 2015 (EUR)	Contract type	Duration of contract (years)	Expected procurement launch date (publication)	Expected procurement end date (contract signature)
1	e-learning language training (Multi-Agency tender)	2,500,000.00	50,000.00	Framework Contract	4	Q2 2015	Q4 2015
2	Development, Integration and maintenance of data registering and web display portals	10,000,000.00	0	Framework Contract	7	Q1 2015	Q4 2015
3	Graphic Design & Publication Services	180,000.00	45,000.00	Framework Contract	4	Q2 2015	Q4 2015
4	Media Subscription Provision	260,000.00	65,000.00	Framework Contract	4	Q1 2015	Q3 2015
5	Analysis and design of market investigations to measure market impact of existing legal provisions	75,000.00	75,000.00	Service contract	1	Q2 2015	Q4 2015
6	Fixed telephone service	300,000.00	0	Framework Contract	4	Q1 2015	Q4 2015
7	Language training	500,000.00	50,000.00	Framework Contract	4	Q1 2015	Q3 2015

Negotiated procedures						
N°.	Project title	Estimated total budget (EUR)	Budget to be committed in 2015 (EUR)	Contract type	Expected procurement launch date (publication)	Expected procurement end date (contract signature)
1	Building works	45,000.00	15,000.00	Direct contract	Q1 2015	Q2 2015
2	Legal services	60,000.00	15,000.00	Direct contract	Q1 2015	Q2 2015
3	Media Monitoring services	60,000.00	15,000.00	Framework contract	Q3 2015	Q4 2015
4	Facilitation of communication between home and host Member States	40,000.00	40,000.00	Direct contract	Q3 2015	Q4 2015



Annex 5 – List of tasks removed from ESMA’s original proposal

ESMA’s original work programme for 2015 required 202 full time equivalents (FTEs) and a budget of €38,639,000. Following the decision from the EU Budgetary Authority to cut ESMA’s budget for 2015 by approximately €4.5m, ESMA had to run a reprioritisation exercise. This is the summarised list of tasks that ESMA had to deprioritise and will not be able to complete in 2015 with reduced resources:

Objective	Description	Requirement not met
Single rulebook	Delayed development of technical standards and technical advice on some regulations and limited cost benefit analysis, particularly for Benchmarks Regulation, CSDR, and MiFID/R.	Potentially Benchmarks Regulation, CSDR and MiFIR
Convergence	No equivalence of Audit oversight system	Article 30 of Audit Regulation
	NCA training limited to only providing an e-course catalogue	Article 29 of ESMA’s regulation
	Postponement to 2016 of the launch of IT projects implementing CSDR and Transparency Directive (Network of OAMs, European Single Electronic Format)	Articles 7 and 9 of CSDR Articles 4, 21 and 22 of the Transparency Directive
Risk monitoring and analysis	Monitoring of financial activities and innovation will not increase as anticipated in 2015	N/A
	Reduced coverage of topical risk analysis in TRV report ³	N/A
ESMA as an organisation	Postponement to 2016 of the implementation of the Business Continuity Plan and the improvement of the planning process	Recommendations from the Internal Audit Services 2012 and 2013
	Limited roll-out of Document Management System	
	No ESMA Conference	N/A
	Limited support for ESMA staff training in line with reduced budget, including Away Days	N/A

³ The corresponding staffing level has not been adjusted in the Work Programme as it is intended to increase capacity in data specification, analysis and risk work, which is part of the same activity.



Objective	Description	Requirement not met
	Limited capacity to translate guidelines	Article 16 of ESMA's regulation