

Summary of Conclusions

Management Board

Date:	Tuesday 3 October 2023
Time:	9h45 – 13h00
Location:	Hotel Meliá Sevilla, Seville
Contact:	ESMABoard@esma.europa.eu

- 1. Adoption of agenda** Decision

Decision: The agenda was adopted.

- 2. Confirmation of absence of conflict of interests** Decision

Decision: The Board took note of the ESMA Chair's statement not to have received any indication by a Board Member of any interest which might be considered prejudicial to her/his independence in relation to any items on the agenda.

- 3. Report by ESMA Chair, Executive Director and Chair of the CCP Supervisory Committee** Discussion

The Executive Director reported on the:

- Recent appointments of the Heads of Departments;
- Engagement with the Commission on the revision of ESMA's fee model, in particular, planned harmonisation of several technical aspects of the fee model by amending the current Level 2 Delegated Acts as well as possible broader review of ESMA's fee system during the next mandate of the Commission; and
- EU Eco-Management and Audit Scheme (EMAS) certification on ESMA's environmental performance and positive results of the recent annual external verification audit of EMAS certification.

- 4. Activity report**

- 1) Presentation Discussion
- 2) Project reporting Information

The Executive Director presented the activity report.

The Board discussed the activity report, in particular the:

- Possible impact of the European Commission's recent call to alleviate reporting burden, and the need for enhanced dialogue with the Commission to avoid unintended consequences, notably on the quality and availability of data for investors and supervisors;
- Continuing significant workload on ESMA, stemming from new mandates, that put pressure on ESMA resources and requires constant re-prioritisation and increase in operational efficiency and effectiveness;
- Results of the recently closed EDPS audit on e-recruitment; and
- The need for evaluation of the functioning of the new Standing Committee/Working Group structure, planned for early 2024.

Conclusion: The Board discussed the activity report.

5. Key priorities and budget highlights in 2025-2027 Programming Document

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| 1) Presentation | Discussion |
| 2) Draft 2025-2027 Programming Document | Discussion |

The Executive Director presented the key priorities and budget highlights in the 2025-2027 Programming Document and the draft 2025-2027 Programming Document.

The Board discussed the key priorities and budget highlights in the 2025-2027 Programming Document, in particular the:

- Implication of the political agreement on the European Single Access Point (ESAP) and the corresponding updated timeline for its implementation, on ESMA budget in 2024 and 2025-2027, notably resulting in a proposed delay for the calling of the first NCAs contributions and the corresponding Union contribution;
- Estimated revenues from fees for consolidated tape providers and critical benchmark administrators for 2025, notably in the context of the ongoing review of the Benchmarks Regulation (BMR);
- Impact of inflation on the ESMA budget; and
- Importance of efficiency for IT projects delivery and cooperation with NCAs on IT systems.

The Board was invited to provide comments on the draft 2025-2027 Programming Document in writing after the meeting.

Conclusion: The Board discussed key priorities and budget highlights in the 2025-2027 Programming Document and in particular the impact of the co legislators agreement on the ESAP project on ESMA's 2024 budget. The Board supported the proposed approach to only call NCAs' and corresponding Union contributions from 2025.

6. Revision of ESMA's Key Performance Indicators (KPIs)

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

The Executive Director presented the proposed revision of ESMA's KPIs.

The Board discussed the proposed revision of ESMA's KPIs, in particular the:

- Distinction between different types of KPIs;
- Importance of not creating unintended consequences by the choice of individual KPIs;
- Move from an output focus to an outcome focus
- Need for a clear narrative describing how ESMA activities can have an impact on the outcome the proposed KPIs are planning to measure, as well as the role of external factors;
- Measurability of certain KPIs and ways to quantify ESMA contributions to achieving them;
- Importance of developing proper benchmarks, against which the KPIs may be evaluated;
- Consistency of proposed ESMA KPIs with those of EBA and EIOPA; and
- Additional possible KPIs related to ESMA direct supervision, financial literacy and staff diversity.

Conclusion: The Board discussed the proposed revision of ESMA's KPIs. An adjusted proposal will be included in the 2025-2027 Programming Document to be discussed at the December Boards.

7. Targeted review of ESMA's Conflict of Interest Policy for Non-Staff

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| 1) Presentation | Discussion |
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The Executive Director presented the proposed targeted review of ESMA's Conflict of Interest Policy for Non-Staff.

The Board discussed the proposal, and in particular the need to:

- Explore options to enhance the transparency and consistency of annual Declaration of Interests;
- Facilitate the declaration process;
- Clarify situations creating conflicts of interests, by providing additional examples, but keeping the policy sufficiently principle-based,
- Assess the pros and cons of potential restrictions on dealing in financial instruments, and
- Consider alignment with the other ESAs and the ECB, where appropriate, taking into account respective roles and scope of activities.

Conclusion: The Board discussed and supported the principle of a targeted review of ESMA's Conflict of Interest Policy for Non-Staff along the lines and timeframe proposed.

8. A.O.B.

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9. Consultation Paper on Tier 1 TC-CCP Fees Technical Advice

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| 1) Cover note | Information |
| 2) Consultation paper | Information |

Conclusion: The Board took note of the consultation paper.

Participants list

	Members	Accompanying Person
ESMA	Verena Ross	
DE	Jens Fuerhoff (alternate)	Jan-Ole Wagner
ES	Rodrigo Buenaventura	Montserrat Martinez (alternate) Fatima Cerdan Victor Rodriguez Quejido Antonio Mas
EL	Vasiliki Lazarakou	Vasiliki Koularmani
NL	Hanzo Van Beusekom (alternate)	Quirine Hoogeveen
AT	Eduard Müller	Andrea Kuras-Goldmann
FI	Armi Taipale	

Non-voting Members

Executive Director	Natasha Cazenave
European Commission	Ugo Bassi

Observer

Vice-Chair	Vojtech Belling
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ESMA

Chair of the CCP Supervisory Committee	Klaus Löber
Head of the Conduct and Supervision Department	Iliana Lani
Summary of Conclusions	Tomáš Borovský

For the Management Board,

Done at Paris on 11 November 2023

[signed]

Verena Ross

Chair

ANNEX:

OUTCOME OF WRITTEN PROCEDURES

Written Procedures (outcomes from 20 June to 2 October 2023)

1. **Summary of conclusions – May 2023 Management Board meeting** 26 June 2023

- 1) Summary of conclusions Decision

Decision: The Board adopted the summary of conclusions of the May 2023 Management Board meeting.

2. **Summary of conclusions – June 2023 Management Board meeting** 17 July 2023

- 1) Summary of Conclusions Decision

Decision: The Board adopted the summary of conclusions of the June 2023 Management Board meeting.

3. **ESMA's 2024 Annual Work Programme** 13 September 2023

- 1) 2024 Annual Work Programme Decision

Decision: The Board approved the ESMA's 2024 Annual Work Programme, and agreed with its submission to the Board of Supervisors for final approval.