

Summary of Conclusions

Management Board

Date:	1 October 2024
Time:	09h45 – 12h45
Location:	MNB, Krisztina krt. 6, Budapest, Hungary
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 endorsed 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 (i) recent verification and validation of the EU Eco-Management and Audit Scheme (EMAS) certification on ESMA's environmental performance and (ii) ESMA 2024 All Staff Afternoon that took place on 24 September at ESMA's premises which focused on raising awareness around Diversity, Equity, and Inclusion topics.

4. 2nd 2024 Activity Report to the MB

1) Presentation

Discussion

The Executive Director presented the 2nd 2024 Activity Report.

The Board discussed the 2nd 2024 Activity Report, and in particular the:

- redeployment of resources as well as measures to contain costs;
- preparation for the DORA oversight responsibilities ; and
- execution of IT projects; and
- update on the ongoing court case.

Conclusion: The Board discussed and took note of the 2nd 2024 Activity Report.

5. Principles on risk-based supervision in Supervisory Handbook

1) Presentation	Discussion
2) Note	Discussion
3) Principles	Discussion

The Head of the Conduct Supervision and Convergence Department presented the proposed common principles on risk-based supervision to be included in the ESMA Supervisory Handbook.

The Board discussed the principles on risk-based supervision, and in particular the:

- importance of risk-based supervision as the driving principle of the EU supervisory approach;
- role of the heatmap both as input to the risk assessment at national and EU level and as output of high-quality national risk-based supervision;
- importance of the principles as a key step in the development of a common supervisory culture between ESMA and NCAs;
- need to use the principles as a basis to develop and use common tools and supervisory methodologies (leveraging for example on successful mechanisms used in the area of corporate reporting) across various areas and ESMA groups; and
- importance of introducing concrete examples and support the practical implementation of the principles over time.

Conclusion: The Board discussed and endorsed the common principles on risk-based supervision. They will be presented for approval at the next Board of Supervisors.

6. Report on sanctions and measures imposed in 2023

1) Presentation	Discussion
2) Note	Discussion
3) Report	Discussion
4) Table of sanctions	Discussion
5) Enforcement snapshot	Discussion

The Chair of the Senior Supervisors Forum presented the Report on sanctions and measures imposed in 2023.

The Board discussed the Report on sanctions and measures imposed in 2023, and in particular the:

- usefulness of having for the first time a consolidated report on all sectors;
- need for further enhancement of supervisory convergence efforts to foster effectiveness in enforcement;
- divergence in NCAs' powers stemming from national law;
- distinction between administrative and criminal sanctions, the use of which varies across Member States;
- broader picture of results of supervisory activities, as that result is not limited to sanctions; and

- possibility to further develop the next iteration of the report by including longer periods of time than 1 year for different NCAs and/or providing a wider range of data; and
- provide a deep dive analysis on one or two specific area(s) where differences are deemed most problematic from a convergence perspective.

Conclusion: The Board discussed and endorsed the Report on sanctions and measures imposed in 2023. The Board also supported publication of the Report subject to proper communication on the caveats on the limitations of the report.

7. Update on 2025 budget and 2026-2028 Programming Document

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

The Head of the Resources Department presented the Update on 2025 budget and the first draft of the 2026-2028 Programming Document.

The Board discussed in particular the:

- developments having an impact on the 2025 draft budget since its approval as part of the 2025-2027 Programming Document;
- key strategic priorities and financial outlook for 2026;
- update on recent developments affecting ESMA's budget and measures put in place in 2024;
- European Commission's proposal to EU agencies to provide additional support in 2024 and 2025;
- practical difficulties and constraints of the NCAs related to any additional contribution for the 2024 budget as well as the willingness of the NCAs to explore the possibility to support ESMA's budget in 2025;
- possibility to compare the cost structure across the three ESAs; and
- need to re-assess ESMA's overall funding model in the future in order to make it more sustainable.

Conclusion: The Board discussed the Update on 2025 budget and 2026-2028 Programming Document.

8. Adoption of model decision on working time and hybrid working

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|---------------|-------------|
| 1) Cover note | Information |
| 2) Decision | Decision |

Decision: The Board adopted the decision on working time and hybrid working.

9. A.O.B.

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10. Future meetings

- 11 December 2024 (virtual)
- 11 February 2025 (virtual)
- 2 April 2025 (Paris)

- 17 June 2025 (Poland)
- 9 July 2025 (virtual, TBC)
- 7 October 2025 (Denmark)
- 10 December 2025 (virtual)

Participants list

	Members	Accompanying person
ESMA	Verena Ross	
DE	Thorsten Pöttsch	Jens Fürhoff (alternate) Jan-Ole Wagner
ES	Rodrigo Buenaventura	Montserrat Martinez (alternate) Antonio Mas
EL	Vasiliki Lazarakou	Vasiliki Koularmani
NL	Jos Heuvelman	Shoham Ben Rubi
AT	Eduard Mueller	
FI	Armi Taipale	

Non-voting Members

Executive Director	Natasha Cazenave
European Commission	Martin Merlin Jorge Revilla Garcia (accompanying person) Cesare Posti (accompanying person)

Observer

Vice-Chair	Vojtěch Belling Karel Juras (accompanying person)
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ESMA

Independent Member CCP Supervisory Committee	Nicoletta Giusto
Head of the Conduct Supervision and Convergence Department	Iljana Lani
Head of the Resources Department	Andrea Baldan
Summary of Conclusions	Tomáš Borovský

For the Management Board,

Done at Paris on 4 November 2024

[signed]

Verena Ross
Chair

ANNEX:

OUTCOME OF WRITTEN PROCEDURES

Written Procedures (outcomes from 10 September 2024 to 30 September 2024)

1. ESMA's 2025 Annual Work Programme

16 September 2024

1) Cover Note

Information

2) Annual Work Programme

Decision

Decision: The Board approved the submission of the ESMA's 2025 Annual Work Programme to the Board of Supervisors.

2. Summary of Conclusions of the September 2024 Ad-hoc Management Board meeting

30 September 2024

1) Summary of conclusions

Decision

Decision: The Board adopted the Summary of Conclusions of the September 2024 Ad-hoc Management Board meeting.