

TERMS OF REFERENCE

IT Management and Governance Technical Committee

1. ESMA achieves its mission to enhance investor protection and promoting stable and orderly financial markets through four activities: (i) assessing risks to investors, markets and financial stability, (ii) completing a single rulebook for EU financial markets, (iii) promoting supervisory convergence and (iv) supervising specific financial entities.
2. In order to fulfil its mission the Board of Supervisors has established the IT Management and Governance Technical Committee (ITMG). The Terms of Reference cover the responsibilities and tasks of this group and the Procedures for ESMA groups (ESMA/2011/BS/236rev2) set out the rules concerning its structure, governance and working methods.

Responsibilities

3. In line with the ESMA 2016-2020 Strategic Orientation (ESMA/2015/935), the IT Management and Governance Technical Committee contributes to ESMA's work on any pan-European related IT project stemming from EU legislation (either current or future) involving National Competent Authorities and any other area where ESMA's Board of Supervisors considers it necessary to work together on IT issues. In particular it:
 - Promotes Supervisory Convergence in the development and the implementation of new regulatory and supervisory standards by contributing, in cooperation with other permanent groups, mainly the Market Data Standing Committee, to standardisation and harmonisation in terms of data exchange, data collection and regulatory reporting:
 - Data standards, reference data;
 - Data quality issues;
 - Support in the definition of the business requirements; and
 - Advice in the translation of business needs into functional and technical requirements, which shall be reflected in the proposals defining IT solutions;
 - Contributes to the governance and management of IT projects, including the following aspects:
 - Feasibility studies and impact assessments;
 - Follow-up of planning and budget;
 - Set-up of milestones; and



- Organisation of testing.
 - Contributes to the development of the ESMA IT Strategy by pro-actively participating in the area of:
 - High level IT architecture policies and roadmaps;
 - Outsourcing policies; and
 - IT security policies.
 - The IT Management and Governance Technical Committee contributes to the discussion of the ESMA IT budget:
 - A list of potential IT initiatives and projects are identified from ESMA's Programming Document.
 - The list of new initiatives is assessed against prioritisation principles defined in the ESMA IT Strategy (2015-ITMG-84), such as the added value for ESMA and NCAs, versus the effort (complexity) and the risks (reputational / legal) of ESMA. The assessment is proposed to the Management Board for prioritisation.
 - The proposed IT Work Programme is discussed by the ITMG before its delivery to the Management Board and the Board of Supervisors. When the proposal goes to the Management Board, it should be accompanied by ITMG comments.
4. The main deliverables discussed by the IT Management and Governance Technical Committee are:
- Multi-annual IT Work Programme, IT Strategy, methodologies and technical guidance;
 - IT projects' deliverables, such as business requirements, functional and technical specifications, test specifications, IT applications and interfaces. As a principle, the Standing Committee requiring the IT solution validates the business requirements and is responsible for the alignment of business requirements and the IT solution. Any decision as regards the technical implementation of the needs should be closely coordinated with the ITMG who approves the functional and technical specifications, as well as the test specifications. The ITMG may request the Standing Committee to consider changes to or additional requirements during the technical implementation of an IT solution;
 - Once the business requirements are mature and before starting the IT developments, ITMG is responsible for assessing the Project Presentation Document (Business Case and Project Charter, including cost benefit analysis) for any initiative having an impact on the National Competent Authorities (NCAs). Any changes in business requirements discussed and approved by Standing Committees during the project execution should be accompanied by an ITMG impact assessment, and implementation should happen only when eventual budget implications (such as budget transfers or revision) are approved by the relevant governance body.



5. The IT Management and Governance Technical Committee shall liaise and co-ordinate with other relevant groups reporting to the Board of Supervisors where its activities relate or are complementary to those of other groups.

Structure and governance

6. The ITMG is chaired by the Head of the Resources Department of ESMA, who is responsible for co-ordinating and preparing its work.
7. The responsibilities of the Chair, rapporteur and members of the IT Management and Governance Technical Committee are as set out in the procedures for ESMA groups.
8. The execution of the projects and studies will be conducted through temporary working groups or, when required, permanent groups reporting to the ITMG and set-up in line with the procedures for ESMA groups. The ITMG will, whenever appropriate, set-up Joint Task Forces with the Standing Committees that are in charge of the policy areas in which IT solutions are needed.
9. The IT Management and Governance Technical Committee will meet on a regular basis as required in order to deliver ESMA's Multi-annual IT Work Programme. Meetings of substructures will be organised as necessary to enable the Technical Committee to fulfil its tasks.

Review

10. The Terms of Reference will be reviewed every two years by the Board of Supervisors.