

## Call for expressions of interest:

# Consultative Working Group of the ESMA Commodity Derivatives Task Force

## Background

1. The European Securities and Markets Authority (ESMA) contributes to investor protection, orderly markets and financial stability through assessing risks to markets and financial stability, completing a single rulebook for EU financial markets, promoting supervisory convergence and the strengthening of common supervisory approaches and practices across Member States. The Commodity Derivatives Task Force (CDTF) plays a key role in ESMA's work in the area of commodity derivatives markets.
2. The term of the previous Consultative Working Group (CWG) for the CDTF has expired in 2018. ESMA is launching today the process to renew the composition of the CDTF CWG. In accordance with the "Procedures for ESMA groups", the selection of CWG members is based on an open call for candidates, which is published on the ESMA website. The relevant extracts of those Procedures for CWGs are set out in the Appendix.
3. Members of the CWG will be individuals appointed to represent, in balanced proportions to the extent possible, of the relevant areas of expertise in European commodity derivatives markets. ESMA is calling for expressions of interest from stakeholders to become a member of the CDTF CWG by 7 March 2021.

## The CDTF

4. The CDTF undertakes ESMA's work relating to commodity derivatives markets. In terms of markets covered, the following ones form part of the work of the CDTF: energy (electricity, gas and oil), agricultural and soft commodities, and others, such as freight. In terms of products, the whole range of derivative instruments, ranging from traditional futures to exotic derivatives, are within the remit of the CDTF.
5. The CDTF is responsible for preparing ESMA's technical standards, guidelines, Q&As and other guidance documents related to the implementation of the MiFID II/MIFIR framework.



The CDTF is also tasked with preparing advice to the European Commission (EC) and other ESMA's groups on commodity derivatives related matters.

6. In addition, the CDTF is analysing significant regulatory and industry developments relevant for all kinds of commodity derivative markets, monitoring the co-operation between financial regulators and other regulatory and supervisory authorities, such as the Agency for the Cooperation of Energy Regulators ("ACER"), as well as the national energy regulators. It is also working towards supervisory convergence in respect of the rules already applicable to commodity derivatives markets in the EU.

### **Description of main CWG tasks**

- advise and assist the CDTF on elaborating advice to be submitted to the EC and technical standards, guidelines, Q&As and other guidance in relation to MiFID II / MIFIR provisions within the remit of the CDTF, as well as on any other tasks; and
- advise and assist the CDTF in assessing the potential impact of proposed technical standards, guidelines or Q&As.

### **Terms of appointment**

7. CWG members are selected for a renewable term of three (3) years.
8. CWG members are appointed on a personal basis and are strictly bound by confidentiality requirements in relation to all non-public information they are provided with while performing their tasks in relation to their capacity as CWG members. ESMA reserves the right to exclude at any time from the CWG those members who breach the terms of reference contained in the annex in a serious manner, particularly when it comes to a minimum level of attendance, breaches of confidentiality or misrepresentation of their status of CWG members (points 3.B.iv, 3.B.v and 6 of Annex 1).

### **Selection criteria**

9. This call for expressions of interest is open to persons representing any organisation that plays an important role for financial markets in any part of the European Union (EU).
10. Members of the CWG, which should not exceed 18 in total, will be individuals appointed to represent in balanced proportions relevant areas of expertise in European commodity derivatives markets.
11. While primarily focusing on the qualifications of the members in terms of knowledge and experience, ESMA will endeavour during its selection to achieve, to the extent possible, an appropriate geographical and gender balance, and a balanced representation of all relevant stakeholders affected by the work of ESMA in the area of commodity derivatives



markets. ESMA will be seeking to ensure such a balanced representation of the following types of stakeholders:

- financial services intermediaries;
- market infrastructure providers / trading venues;
- producers / entities that hedge their commercial transactions in commodity derivatives markets;
- specialised commodity / commodity derivatives trading firms;
- institutional investors; and
- representatives of consumer / retail investor associations, non-governmental organisations or academics focusing on commodity derivative-related matters.

12. ESMA wishes to particularly encourage representatives of consumer / retail investor associations, non-governmental organisations or academics to apply.

13. The Authority shall assess the eligibility of individual candidates against the criteria of a minimum four years of relevant professional experience.

### **Selection process**

14. Applications will be accepted from natural persons only. No substitution (alternates) of natural persons will be permitted throughout the full duration of the appointment, or during possible renewals.

15. Applicants not selected may be included on a list of experts, with the possibility of being invited to become CWG members at a later stage.

16. ESMA's Executive Director, in consultation with the Head of the Markets and Data Reporting Department and the Chair of the CDTF, will make the final selection of the CDTF CWG members.

### **Place of provision of services**

17. The CWG will meet two times a year and meetings are expected to take place at ESMA's premises in Paris or through video conference. CWG members are strongly encouraged to attend all meetings organised by ESMA. Periodic interactions, e.g. through conference calls with members of the CDTF are also anticipated.



### **Travel expenses, compensation**

18. As a general rule, CWG members are expected to meet their own travel expenses. A compensation for services as a CWG member is not being paid.
19. However, members representing consumer protection or non-governmental associations, retail investors and academics can be eligible for reimbursement of travel expenses and the payment of a daily allowance in accordance with ESMA's policy.

### **Application procedure, closing date**

20. Relevant stakeholders meeting the required selection criteria and wishing to apply for a position on the CWG are invited to submit, in English:
  - A completed application form (available at the following address):  
<https://www.esma.europa.eu/files/applicationform-cdtfcwgrenewal2021docx>
  - A detailed curriculum vitae (CV). The model European CV (recommended) can be downloaded at this link:  
<https://europass.cedefop.europa.eu/en/documents/curriculum-vitae/templates-instructions>
  - It is optional for applicants to attach a letter of motivation (maximum 2 pages).
21. Unclear or incomplete applications shall not be considered.
22. Applicants are obliged to keep ESMA informed of any change in their situation or address, so that their application may be kept up to date.
23. Applications must be submitted by no later than 7 March 2021 (6 pm CEST) by email to the following email address: Assistants\_MDR@esma.europa.eu
24. Successful applicants will be informed in due course following the conclusion of the application process.
25. ESMA will publish the composition of the CWG on its website.



## **Appendix: Extracts from ESMA's 'Procedures for ESMA groups'**

### **II. EXTERNAL CONSULTATIVE WORKING GROUPS**

1. ESMA groups reporting to the Board of Supervisors may establish Consultative Working Groups (CWGs) in order to benefit from the expertise of market participants who are specialised in the specific area for which the group is responsible. The purpose of CWGs is to provide advice to the ESMA group during the course of developing a policy line in relation to specific technical matters, or to give a view on specific aspects of the proposals. The role and responsibilities of CWGs are without prejudice to those of the Securities and Markets Stakeholder Group.
2. CWG members are selected following an open call for candidates published on the ESMA website, including advice from members of the Board of Supervisors and the Standing Committee, with a final selection being made by the Executive Director in consultation with the relevant Head of Division/Unit of ESMA and the Chair of the relevant group. CWG members are appointed on a personal basis. Members of the CWG may be removed upon decision of the Executive Director in consultation with the Chair of the relevant group.
3. Terms of reference of CWGs are given in Annex 1.



## Annex 1

**These Terms of Reference are without prejudice to the role and responsibilities of the Securities and Markets Stakeholder Group.**

### **Terms of Reference of Consultative Working Groups**

1. The purpose of the Consultative Working Group (CWG) is to provide technical assistance to ESMA in relation to all aspects of a particular group's work, such as the preparation of draft regulatory and implementing technical standards, Article 16 guidelines and the delivery of advice to the European Commission on the delegated and implementing acts required under a Directive/Regulation. The group is formed under the terms of ESMA's Public Statement on Consultation Practices (ESMA/2011/11). The CWG should be composed of market participants, consumers and end-users. Members of the CWG are selected according to the procedure set out in Section II of the Procedures for ESMA groups. The composition of the CWG is made public.
2. In meeting the above purpose, the group may be called upon to provide input at all stages of the policy formulation process.
3. In meeting the above objectives, the ESMA group and the CWG will apply the following principles.
  - A) Members of the CWG will have:
    - i. Access to evolving thinking of the ESMA group, including of any specific issues causing difficulty.
    - ii. The possibility to express their views to the ESMA group. Members of the ESMA group will be encouraged to attend meetings of the CWG.
    - iii. A work plan, including the dates of the main meetings of the CWG for the year ahead. Additional meetings can be called either at the request of members of the CWG or of ESMA. Meetings are called by the Chair of the ESMA group in consultation with the rapporteur.
    - iv. The support of ESMA staff and the contact details of all members of the relevant ESMA group.
  - B) ESMA can expect the following from the members of the CWG:
    - i. Members will provide their independent expertise and not lobby for specific national or institutional positions. Members of the CWG are appointed and participate in their personal capacity.



- ii. Practical examples to illustrate the implications of policy proposals.
  - iii. A sounding board that is prepared to provide alternative solutions and not just identification of problems.
  - iv. That all information provided by ESMA will be handled with due confidentiality and not circulated to third parties. That members will endeavour to make themselves available both to attend meetings and provide timely written submissions where required.
  - v. The identification of specific issues that might require a subset of the CWG to consider.
  - vi. ESMA may call on additional experts where appropriate.
4. The final output of the work-stream is under ESMA's authority and is without prejudice to the opinion of the CWG.
  5. Members of the CWG are selected for a renewable term of three years.
  6. Members of the CWG should make clear in their professional engagements that they are not representatives of ESMA.