Mandate of the European Supervisory Authorities’ Joint Committee Sub-Committee on Digital Operational Resilience (JC SC DOR)

1 Framework

1. The main objective of the Joint Committee of the European Supervisory Authorities’ Sub-Committee on Digital Operational Resilience (hereafter referred to as “Digital Operational Resilience Committee” or “JC SC DOR”) is to assist the European Banking Authority (EBA), the European Insurance and Occupational Pensions Authority (EIOPA) and the European Securities and Markets Authority (ESMA), i.e. the European Supervisory Authorities (ESAs), through their Joint Committee, in fulfilling their policy mandates under the Regulation on digital operational resilience for the financial sector (hereinafter, DORA), Regulation (EU) No NNN/2022 and related tasks.

2 Tasks

2. The Sub-Committee shall contribute to the work of, and shall carry out its work programme in, areas related to digital operational resilience, in particular the following tasks:

   a. Contribute to, and coordinate where needed, the ESAs’ input to any aspects of the EU regulatory process relating to digital operational resilience, including developing technical advice, draft technical standards, guidelines and recommendations where mandated by the European Commission or by legislation, in particular by DORA;

   b. Conduct preparatory work for the gradual development of an effective Union-level coordinated response in the event of a cross-border major cyber incident or related threat that could have a systemic impact on the Union’s financial sector, as envisaged by Recommendation of the European Systemic Risk Board (ESRB) of 2 December 2021 on a pan-European systemic cyber incident coordination framework for relevant authorities (ESRB/2021/17);

   c. Coordinate the monitoring of digital operational resilience practices and threats, ensure cross-sectoral coordination and exchange of information, and fulfil any other specific tasks delegated by the Joint Committee, with a view to promoting the safety and soundness of markets and convergence of regulatory and supervisory practice.
3 Type of deliverables

3. To achieve the tasks set out in the previous paragraph, the Sub-Committee will assist the ESAs, through their Joint Committee, to:

a. Prepare joint positions (Article 56 of the ESA Regulations) on issues pertaining to digital operational resilience;

b. Prepare common acts (Article 56 of the ESA Regulations), such as draft regulatory and implementing technical standards as mandated by DORA;

c. Prepare relevant reports as defined in DORA;

d. Prepare supervisory convergence tools, such as guidelines and recommendations, including those defined in DORA, and support the ESAs in preparing for their new tasks;

e. Prepare Joint Committee decisions (Article 20 of the ESA Regulations) in the area of digital operational resilience;

f. Coordinate cross-sectoral Q&As (Article 16b of the ESA Regulations) in the area of digital operational resilience;

g. Initialise the establishment of mechanisms to enable sharing of effective practices across financial sectors to enhance situational awareness and identify common cyber vulnerabilities and risks across-sectors;

h. Gradually enable an effective EU-level coordinated response in the event of a major cross-border ICT-related incident or related threat; which could be facilitated by the establishment of a pan-European systemic cyber incident coordination framework (EU-SCICF) and points of contact of the EU-SCICF, as suggested by the Recommendation of the European Systemic Risk Board (ESRB) of 2 December 2021 on a pan-European systemic cyber incident coordination framework for relevant authorities (ESRB/2021/17);

i. Support the European Commission on ad hoc requests and provision of advice.

4 Internal organisation

4.1 Membership

4. The Chairpersons of the ESAs are members of the Sub-Committee.

5. Each Board of Supervisors’ Member may nominate experts with expertise and experience in the area relevant to the tasks and deliverables to be a member of the Sub-Committee.

6. Where there is more than one competent authority in a Member State with competencies relating to the role of the Sub-Committee, both/all those authorities may attend the Sub-Committee. These authorities shall coordinate their positions to arrive at a joint view on the initiatives and deliverables of the Sub-Committee.

7. For those Member States that choose not to nominate a representative to attend the Sub-Committee, a contact person may be designated to make sure that the respective authority in that Member State is (are) able to follow and contribute to the work of the Sub-Committee.

8. ESA staff with expertise and experience in the areas relevant to the tasks and deliverables of the JC SC DOR shall participate in and support the work of the Sub-Committee.
9. During the term of appointment of the Chairperson, his/her competent authority or ESA may decide to send another high-level representative to assume the interests of the competent authorities or ESMA, EBA and EIOPA.

10. The following shall be invited as observers to the JC SC DOR’s meetings:
   - The Executive Directors of the EBA, EIOPA and ESMA;
   - A representative from the European Commission; and
   - A representative from the ECB, SRB, the ESRB and ENISA.

11. When an item to be discussed by the Sub-Committee does not fall within the competence of a represented national authority, this authority may bring a representative from the relevant national authority.

12. Other observers as well as external experts may be invited (for example EDPB), where appropriate.

4.2 Members’ profile and responsibilities

13. Members should have expertise and experience in the areas relevant to the tasks and deliverables of the Sub-Committee.

14. Members are responsible for expressing dissenting views as early as possible in the process and to provide alternative proposals, where and when necessary. More generally, members are expected to provide their comments and views within the suggested deadlines.

4.3 Chairperson

15. The Chairperson of the Sub-Committee shall be a high-level representative of one of the relevant Competent Authorities. This representative shall have sufficient seniority, expertise and experience and shall preferably be a Member or alternate of the Board of Supervisors of one of the ESAs or a permanent representative in the case of EIOPA.

16. The appointment of the Chairperson shall be for two years, which may be extended once.

17. When carrying out their tasks as Chairpersons of the Sub-Committee the Chairperson shall act objectively in the interest of the European Union.

18. In performing his/her tasks, the Chairperson shall:
   a. strive to reach consensus amongst the Sub-Committee Members. In the event that consensus cannot be reached, any issue of controversial nature being discussed in a Sub-Committee shall be remitted and presented by the Chair of the Sub-Committee to the Joint Committee, which shall consider the issue and take a decision;
   b. ensure the tasks allocated by the Joint Committee to the Sub-Committee are delivered;

19. The Chairperson may request to hold a partial or fully restricted meeting without observers, when deemed necessary.

20. The Chairperson shall also be an observer of the Joint Committee.

4.4 Ongoing work and meetings

21. The Sub-Committee meetings shall be directed by the Chairperson and supported by ESAs’ staff.
22. Meetings should be arranged to follow the schedule of the Joint Committee and timelines for external and internal deliverables.

23. Additional meetings can be scheduled if necessary.

4.5 Substructures

24. Subject to the approval of the Joint Committee, the JC SC DOR can set up sub-groups (SGs).

25. No sub-group can generate further substructures.

26. Subgroups shall be chaired by a member of the JC SC DOR or, where appropriate, by a technical expert from a member or observer organisation or ESA staff, who shall be appointed and confirmed by the Joint Committee.

27. The members of the Sub-Groups shall have expertise and experience in the Sub-Groups’ allocated area.

4.6 External Relations and interaction with ESAs’ working groups

28. To the extent necessary, the Sub-Committee may seek input from or exchange of views with the European Commission and/or relevant committees/groups, standard-setting bodies or other interested parties, and ensure sectoral interests are properly reflected.

29. Interaction with the relevant ESAs’ working groups is ensured by the ESAs staff or, when available, by members of the Sub-Committee.

30. To obtain timely input on issues under consideration, the JC SC DOR should maintain direct contacts and dialogue with industry experts. For these contacts and dialogue the JC SC DOR should primarily rely on the ESAs’ industry expert groups established, and where established any Joint Committee Industry group on digital operational resilience together with the ESAs’ Banking Stakeholder Group, Insurance Stakeholder Group, Occupational Pensions Stakeholder Group, and the Securities and Markets Stakeholder Group (Article 37 of the ESA regulations).

4.7 Review of the mandate

31. This mandate will be subject to review and endorsement by the JC/ESAs’ Boards of Supervisors and, to the extent necessary, adapted to reflect new developments every two years, taking into account the upcoming establishment of the Oversight Forum (DORA Article 28).

4.8 Effective date

32. This mandate, approved by the ESAs’ Board of Supervisors, will come into effect on 01 July 2022.

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1 Also other stakeholders are considered as in the context of the DORA and the ESRB recommendation, the stakeholders are broader (e.g. NIS cooperation group,..)

2 The mandate will come into effect before the publication of the final DORA legal text in the Official Journal as the purpose of this JC SC DOR is to assist in preparing for the DORA policy work. In case the final DORA legal text brings changes that may affect this mandate, necessary changes will be made to this mandate.