

Call for expressions of interest:

Consultative Working Group of the ESMA Secondary Markets Standing Committee

Background

The European Securities and Markets Authority (ESMA) today launches a process to renew the composition of the Consultative Working Group (CWG) of the ESMA Secondary Markets Standing Committee (SMSC). ESMA is therefore calling for expressions of interest from stakeholders to become a member of the CWG by **28 August 2018**.

Members of the CWG will be individuals appointed to represent in balanced proportions to as wide a degree as possible relevant areas of expertise in European secondary markets. This call for expressions of interest is open to suitable candidates from any organisation that plays an important role in the EU financial markets. 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 for CWGs are set out in the Appendix.

The SMSC

The SMSC undertakes ESMA’s work relating to the structure, transparency and efficiency of secondary markets for financial instruments, including trading venues and OTC markets.

In terms of policy related work, among others it has the responsibility for elaborating technical standards, guidelines, opinions, Q&As and other guidance as well as providing advice to the European Commission relating to pre-trade and post-trade transparency requirements for equity, equity-like and non-equity instruments, provisions governing access to CCPs, trading venues and benchmarks, market structures and microstructures, organisational requirements for investment firms, requirements applying to data services providers and the trading obligations for derivatives and shares. It also provides a forum for national competent authorities to exchange experiences on MiFID II/MiFIR implementation and related supervisory issues.

The Consultative Working Groups (CWG)¹

An ESMA standing committee can use the specific expertise of a range of market participants who specialise in the specific area or work stream that the group has been tasked to work on. The purpose of these groups is to provide informal advice 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. These groups are also used as a sounding board for work plans. The CWG members are requested to provide expertise and not advocacy for specific national or institutional positions. Members of the CWG are appointed and participate in their personal capacity. The composition of the CWG is made public through ESMA's website. Members of the CWG are selected for a term of 2 years and are renewable. ESMA's decisions will be under the authority of ESMA's Board of Supervisors and will, in no way imply the agreement of the CWG.

Description of main CWG tasks

The CWG is mainly expected to advise and assist the SMSC on:

- a. technical standards to be submitted to the European Commission;
- b. guidelines, Q&As and other relevant guidance under ESMA's supervisory convergence mandate in relation to relevant legislative provisions within the area of competence of the SMSC;
- c. any issues in the context of the implementation and application of secondary markets relevant legislation; and
- d. assessing the potential impact of any measures contemplated by the SMSC.

Selection criteria

To the extent possible, ESMA will be seeking to ensure a balanced representation of the following types of stakeholders:

- Financial services' intermediaries;
- market infrastructure providers (including trading venues, CCPs and connectivity providers);
- issuers;
- proprietary traders, including algo/HFT traders;

¹ ESMA/2011/11. Public Statement of Consultation Practices. 11 January 2011.
https://www.esma.europa.eu/sites/default/files/library/2015/11/2011_11.pdf

- institutional investors;
- non-financial counterparties;
- data services providers; and,
- representatives of consumer associations or non-governmental organisations, retail investor associations and academics.

ESMA wishes to particularly encourage representatives of consumer associations, non-governmental organisations and retail investor associations to apply.

To ensure membership diversity, applicants may only apply under one of the eight categories listed above, even if more than one might be relevant (e.g. a stakeholder from an investment firm that is also an issuer needs to indicate whether it applies in its capacity of issuer or financial services intermediary).

ESMA shall assess the eligibility of individual candidates against the following criteria:

- a minimum 4 years of relevant professional experience in the financial services sector related to secondary markets will be required for those representing market infrastructures and financial institutions;
- for other representatives, such as consumers or representatives of retail investors as well as academics, 4 years of experience relevant to the market infrastructures and financial services fields will be required.

Selection process

Members of the Group will be qualified individuals selected by ESMA on the basis of their expertise in the areas covered by the SMSC and taking account of the different nature of the stakeholders affected by the work of the SMSC.

When making the selection an appropriate geographical and gender balance, and representation of stakeholders across the Union shall to the extent possible be ensured.

Applications will be accepted from natural persons only. Only the natural person selected will be admitted to the CWG. No substitution (alternates) of natural persons will be permitted throughout the full duration of the appointment, or during possible renewals.

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.

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

Members of the CWG are bound by confidentiality requirements in relation to all non-public information they are provided with, while performing their tasks.

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 the Annex 1).

Place of provision of services

The CWG should meet at least two times a year and meetings are expected to take place at ESMA premises in Paris. CWG members are strongly encouraged to attend all meetings organised by ESMA. Periodic interactions through conference calls with members of the SMSC are also anticipated.

Travel expenses, compensation

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.

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 policy.

Application procedure, closing date

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:

[Application form](#)-SMSC CWG Renewal 2018

- 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).

Unclear or incomplete applications shall not be considered.

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.



Applications must be submitted by no later than **28 August 2018** (the date of receipt is taken as a proof) by email to the following email address: Assistants_MKT@esma.europa.eu.

Current CWG members can be renewed, but any current CWG member interested in being considered for renewal needs to re-apply through the above process and will be considered at the same time as the other candidates against the same criteria and objectives described in this document.

Successful applicants will be informed in due course following the conclusion of the application process.

ESMA will publish the composition of the Group 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 Groups²

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:

² ESMA/20011/11. Public Statement of Consultation Practices. 11 January 2011.
https://www.esma.europa.eu/sites/default/files/library/2015/11/2011_11.pdf

- 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 two years.
 6. Members of the CWG should make clear in their professional engagements that they are not representatives of ESMA.