

EUROPEAN SYSTEMIC RISK BOARD

DECISION OF THE EUROPEAN SYSTEMIC RISK BOARD

of 20 January 2011

on the procedures and requirements for the selection, appointment and replacement of the members of the Advisory Scientific Committee of the European Systemic Risk Board

(ESRB/2011/2)

(2011/C 39/09)

THE GENERAL BOARD OF THE EUROPEAN SYSTEMIC RISK BOARD,

Article 2

Selection of the members of the ASC

Having regard to Regulation (EU) No 1092/2010 of the European Parliament and of the Council of 24 November 2010 on European Union macro-prudential oversight of the financial system and establishing a European Systemic Risk Board ⁽¹⁾, and in particular Article 12 thereof,

Having regard to Decision ESRB/2011/1 of the European Systemic Risk Board of 20 January 2011 adopting the Rules of Procedure of the European Systemic Risk Board, and in particular Article 11 thereof,

HAS ADOPTED THIS DECISION:

Article 1

Call for expressions of interest

1. The European Systemic Risk Board (ESRB) shall publish a call for expressions of interest for external experts to be appointed as members of the Advisory Scientific Committee (ASC) of the ESRB.

2. The call for expressions of interest shall, *inter alia*, describe: (a) the role and the composition of the ASC; (b) the eligibility and selection criteria and the modalities of appointment; (c) the economic aspects of the mandate; (d) the application procedure, including the deadline for receipt of applications.

3. The call for expressions of interest shall be published in the *Official Journal of the European Union* and on the websites of the ESRB and of the institutions from which the ESRB General Board draws its members. Where appropriate, the ESRB may make public the call for expressions of interest via other media. In case of discrepancies between the different versions published, the version published in the *Official Journal* shall be authentic and shall take precedence over other versions.

4. The deadline for submission of candidates' applications shall be 21 calendar days after the publication of the call for expressions of interest in the *Official Journal*.

1. The Steering Committee shall select the candidates to be proposed to the General Board as members of the ASC and those suitable for inclusion in a reserve list.

2. The Steering Committee shall evaluate the candidates according to the selection criteria set out in Article 3.

3. The Steering Committee shall complete an individual assessment form for each candidate, including a summary highlighting their specific merits and shortcomings and a conclusion regarding their suitability to be appointed as a member of the ASC or to be included in the reserve list provided for in Article 4.

4. The Steering Committee shall present the results of the selection process to the General Board for approval.

5. The Head of the ESRB Secretariat shall support the Steering Committee in preparing and organising the work for the selection of the members of the ASC. The ESRB Secretariat shall provide technical and logistical support to the Steering Committee. Where deemed appropriate by the Steering Committee, the ESRB Secretariat may be assisted by selected staff of the institutions from which the ESRB General Board draws its members.

Article 3

Selection criteria

1. In accordance with Article 12(1) of Regulation (EU) No 1092/2010, ASC members shall be chosen on the basis of their general competence and their diverse experience in academic fields or other sectors, in particular in small and medium-sized enterprises or trade-unions, or as providers or consumers of financial services.

The selection criteria for the ASC shall include in particular:

(a) in-depth expertise in the financial sector and its relationship with the wider economy and a general proven competence on systemic risk issues, in particular at the Union level;

⁽¹⁾ OJ L 331, 15.12.2010, p. 1.

- (b) a scientific contribution to the understanding of the interplay between the sectors mentioned in Article 12 of Regulation (EU) No 1092/2010;
- (c) a Ph.D. in finance, economics or another relevant field, or equivalent qualifications, solid academic experience in a university, such as a professorship, in one or more fields of relevance to the ESRB and/or a strong publication record;
- (d) ability to peer review scientific work and publications and to analyse complex information and dossiers;
- (e) professional experience in a multidisciplinary environment, preferably in an international context;
- (f) proven written and oral communication skills in English, based on teaching experience, public presentations, active participation in meetings of experts and publications.

The ESRB may provide for additional selection criteria in the calls for expressions of interest.

2. Employees of the institutions from which the ESRB General Board draws its members ⁽¹⁾ are not eligible to apply.

Article 4

Reserve list

1. The reserve list shall include candidates who are not appointed as members of the ASC, although they were not discarded in the selection process.
2. In the event of a vacancy in the ASC, the Steering Committee shall, subject to paragraph 3, select a new candidate from the reserve list drawn up under Article 2(1) and propose them to the General Board as a member of the ASC for a four-year, renewable mandate.
3. The reserve list shall be valid for a period of two years from its approval. Its validity may be extended until a new call for expressions of interest is published.

Article 5

Chair and Vice-Chairs of the ASC

1. The Steering Committee shall ensure that at least six out of the 15 candidates could potentially and respectively be appointed as Chair and Vice-Chairs of the ASC.
2. The Chair and the two Vice-Chairs of the ASC shall each have a high level of relevant expertise and knowledge, for example by virtue of their academic background in the sectors of banking, securities markets, or insurance and occupational pensions.

⁽¹⁾ The European Central Bank, the national central banks of the Member States of the European Union, the Commission, the European Supervisory Authority (European Banking Authority), the European Supervisory Authority (European Insurance and Occupational Pensions Authority), the European Supervisory Authority (European Securities and Markets Authority), the competent national supervisory authorities, the Economic and Financial Committee.

3. The Chair of the ESRB shall propose candidates to the General Board for the Chair and the two Vice-Chairs of the ASC.

4. The Chair and the two Vice-Chairs of the ASC shall be citizens of the European Union.

5. The chairmanship of the ASC shall rotate between the appointed Chair and the two Vice-Chairs every 16 months.

Article 6

Appointment

1. The General Board may approve the proposals of the Steering Committee or request the Steering Committee to propose other candidates as members of the ASC from among those not discarded by the Steering Committee.

2. The Chair and the two Vice-Chairs of the ASC shall be appointed by the General Board following a proposal from the Chair of the ESRB.

3. The experts selected shall be appointed in a personal capacity. They shall therefore not delegate their responsibilities to another member or a third party, except for the Chair and the two Vice-Chairs of the ASC in the cases and under the conditions set out in the Rules of Procedure of the ESRB.

4. All appointments shall be subject to the countersigning by the expert of the letter of appointment from the Chair of the ESRB, the signature of the contract with the European Central Bank on the indemnities and the reimbursement of expenses, and the provision of the declarations described in Article 7.

Article 7

Declarations

1. The experts selected for appointment as members of the ASC shall provide a declaration of commitment to act independently of any external influence and to be guided in the performance of their duties by the public interest of the Union as a whole. For this purpose, they shall make a written declaration of commitment and a declaration of interests using Templates 1 and 2 of the Annex. The declaration of interests shall indicate any direct or indirect interests which may be considered prejudicial to their independence or the absence of any such interests.

2. Members of the ASC shall sign a written declaration that they comply with the rules of confidentiality using Template 3 of the Annex.

3. The Chair and the two Vice-Chairs shall sign a written declaration confirming that they do not have any function in the financial industry.

4. Members of the ASC shall commit to abide by the Code of Conduct that the General Board of the ESRB shall adopt.

5. The above declarations shall be made public on the ESRB website. Any changes relating to these declarations shall be immediately notified to the Head of the ESRB Secretariat.

Article 8

Termination and replacement

1. The General Board may terminate the mandate of an expert in the following circumstances:

- (a) where the expert resigns or their mandate expires without being renewed;
- (b) where the expert does not attend three consecutive regular meetings of the ASC, unless they prove that health reasons make attendance impossible;
- (c) in case of conflict of interest, breach of duty or serious misconduct.

2. If the mandate of a member of the ASC is terminated prior to the end of their four-year term, Article 4(2) and (3) shall apply.

3. The Chair or the Vice Chairs may be replaced by a serving member of the ASC, who shall themselves be replaced under the procedure described in paragraph 2.

4. Upon proposal of the Steering Committee, the General Board may decide to renew the mandate of a member of the ASC at its expiry for a further four years.

Article 9

Publication

This Decision shall be published in the *Official Journal of the European Union*.

Done at Frankfurt am Main, 20 January 2011.

The Chair of the ESRB

Jean-Claude TRICHET

ANNEX

TEMPLATE 1: COMMITMENT OF INDEPENDENCE

Name: _____

I hereby undertake to act independently of any external influence and to act solely in the interest of the Union.

In particular, I know that I am obliged to make an annual written declaration of interests and to declare at each meeting of the Advisory Scientific Committee (ASC) any interest that might be considered prejudicial to my independence in relation to the items on the agenda or to my contribution to the work of the ASC in general.

I shall immediately report to the ASC any attempt from third parties to influence me directly or indirectly in view of my mandate.

Done at _____ on _____

Signature: _____

TEMPLATE 2: DECLARATION OF MEMBER'S INTERESTS

Name: _____

Information on direct or indirect interests of potential relevance to the work of the Advisory Scientific Committee (ASC) and to the mission of the European Systemic Risk Board (ESRB):

1. Direct interests (financial benefits arising from, for example, employment, contracted work, investments, fees etc.):

2. Indirect interests (indirect financial, e.g. grants, sponsorships, or other benefits):

3. Interests deriving from the professional activities of the member or their close family members:

4. Any membership role or affiliation that the member has in organisations or bodies or clubs with an interest in the work of the ASC or the mission of the ESRB:

5. Other interests or facts that the member considers pertinent:

Declaration:

I declare on my word of honour that the information provided above is true and complete.

I will immediately communicate any change concerning the abovementioned information to the ASC and to the ESRB Secretariat.

Done at _____ on _____

Signature: _____

TEMPLATE 3: DECLARATION CONCERNING CONFIDENTIALITY

Name: _____

I hereby declare that I am aware of my obligation to respect confidentiality.

I am obliged not to divulge information acquired as a result of my membership of the Advisory Scientific Committee (ASC) and my work for the European Systemic Risk Board, unless authorised otherwise.

I shall also respect the confidential nature of the opinions expressed by other members of the ASC or observers or other participants during discussions in meetings or provided in written form.

Done at _____ on _____

Signature: _____
