

CALL FOR APPLICATIONS FOR THE SELECTION OF MEMBERS OF THE TECHNICAL EXPERT STAKEHOLDER GROUP ON SMEs

1. Background

As mandated by Regulation 2019/2115 as regards the promotion of the use of SME growth markets, DG FISMA has set up a group of experts (“the group”).

Broadening access to market-based sources of financing for European companies at each stage of their development is at the heart of the Capital Markets Union (CMU). To do so, the CMU initiative has strived to create a more conducive regulatory framework supporting access to public funding for Small and Mid-sized Enterprises (SMEs). In January 2018, the concept of SME growth markets was introduced by the Markets in Financial Instruments Directive II as a new category of multilateral trading venues (MTFs). During the negotiation on the above-mentioned Regulation, the co-legislators agreed on the need to assess the success and proper functioning of the SME growth markets as a new category of MTFs.

The Commission is inviting applications with a view to selecting members of the technical expert group. **The Technical Expert Stakeholder Group on SMEs (TESG)** will bring together relevant stakeholders with technical expertise to monitor and assess the functioning of SME Growth Markets, as well as provide expertise and possible input on other relevant areas of SME access to public markets.

The group’s tasks shall be to:

- a. provide the Commission with expert opinions and analysis regarding the functioning and success of SME growth markets; and
- b. identify areas where further action may be needed or where a different policy approach might be necessary
 - for the success of SME Growth Markets in particular and;
 - for improved access for SMEs to public markets more generally;

These areas shall cover issues related to listing requirements, SME research, SME indices and the attractiveness of public SME equity to institutional and retail investors.

- c. Assess ongoing requirements to stay listed, including transparency obligations and reporting requirements, to identify ways for SMEs to fulfil those requirements in the most proportionate and cost-efficient way.
- d. Provide advice and assistance and make concrete proposals in those areas, including on ways to ease the burden and costs for SMEs to list and stay listed, identifying the relevant legislative texts and proposing specific legal amendments.

In particular, the group should undertake a technical evaluation of the SME and public listing-related recommendations from the CMU High Level Forum, the Oxera study on primary and secondary equity markets, the European IPO Task Force and other relevant industry reports.

2. Features of the Group

2.1. COMPOSITION

The group shall consist of up to 16 members. Members shall be organisations operating in the field. Organisations shall nominate their representatives and shall be responsible for ensuring that their representatives provide a high level of expertise.

DG FISMA may refuse the nomination of a representative by an organisation if it considers this nomination inappropriate in light of the requirements specified in chapter 4 of this call. In such case, the organisation concerned shall be asked to appoint another representative.

2.2. APPOINTMENT

Members shall be appointed by the Director General of DG FISMA from applicants complying with the requirements referred to in chapter 4 of this call.

Members shall be appointed for the duration of existence of the group which shall be six months and may be extended by the Commission for up to two additional months if deemed necessary for the completion of the group's mandate and tasks. They shall remain in office until the end of their term of office.

Registration in the Transparency Register¹ is required in order for organisations to be appointed as members.

In order to ensure continuity and the smooth functioning of the group, DG FISMA may establish a reserve list of suitable candidates that may be used to appoint replacements. DG FISMA shall ask applicants for their consent before including their names on the reserve list.

Members who are no longer capable of contributing effectively to the group's deliberations, who in the opinion of DG FISMA do not comply with the conditions set out in Article 339 of the Treaty on the Functioning of the European Union or who resign, shall no longer be invited to participate in any meetings of the group and may be replaced for the remainder of their term of office.

2.3 RULES OF ENGAGEMENT AND OPERATION OF THE GROUP

The group shall be chaired by a representative of DG FISMA.

The group shall act at the request of DG FISMA, in compliance with the Commission's horizontal rules on expert groups ('the horizontal rules')².

In principle, the group shall meet up to 10 times during the mandate on Commission premises³. DG FISMA shall provide secretarial services.

The final report should set out the up-to-date functioning of the SME growth markets as well as list, where relevant, concrete recommendations on how to improve their functioning.

Members and members' representatives should be prepared to attend meetings systematically, to contribute actively to discussions in the group, to be involved in preparatory work ahead of meetings, to examine and provide comments on documents under discussion, and to act, as appropriate, as 'rapporteurs' on *ad hoc* basis. In case of inability to hold meetings in person due to COVID-19, the meetings will be organised through video conference.

As a general rule, working documents will be drafted in English and meetings will be also conducted in English.

In principle, the group shall adopt its opinions, recommendations or reports by consensus. If consensus cannot be reached, a vote will take place. In the event of a vote,

¹ <http://ec.europa.eu/transparencyregister/public/homePage.do?locale=en#en>

² See Article 13.1 of the horizontal rules.

³ If the situation does not allow for physical meetings, the meetings will be held digitally.

the outcome of the vote shall be decided by simple majority of the members. The members that voted against or abstained shall have the right to have a document summarising the reasons for their position annexed to the opinions, recommendations or reports.

In agreement with DG FISMA the group may, by simple majority of its members, decide that deliberations shall be public.

Participants in the activities of the group shall not be remunerated for the services they offer. Travel and subsistence expenses incurred by members in the activities of the group shall be reimbursed by the Commission. Reimbursement shall be made in accordance with the provisions in force within the Commission and within the limits of the available appropriations allocated to the Commission departments under the annual procedure for the allocation of resources.

The members of the group as well as invited experts and observers, are subject to the obligation of professional secrecy, which by virtue of the Treaties and the rules implementing them applies to all members of the institutions and their staff, as well as to the Commission's rules on security regarding the protection of Union classified information, laid down in Commission Decisions (EU, Euratom) 2015/443⁴ and 2015/444⁵. Should they fail to respect these obligations, the Commission may take all appropriate measures.

On a proposal by and in agreement with DG FISMA, the group shall adopt its rules of procedure on the basis of the standard rules of procedure for expert groups.

DG FISMA may invite experts with specific expertise with respect to a subject matter on the agenda to take part in the work of the group on an ad hoc basis.

Individuals, organisations, public entities and Member States' authorities may be granted an observer status, in compliance with the horizontal rules, by direct invitation or as a result of this call for applications. Organisations and public entities appointed as observers shall nominate their representatives. Observers and their representatives may be permitted by the Chair to take part in the discussions of the group and provide expertise. However, they shall not have voting rights and shall not participate in the formulation of recommendations or advice of the group.

2.4. TRANSPARENCY

The group shall be registered in the Register of Commission expert groups and other similar entities ('the Register of expert groups')⁶.

As concerns the group composition, DG FISMA shall publish the following data on the Register of expert groups:

- the name of member organisations; the interest represented shall be disclosed;
- the name of observers;

DG FISMA shall make available all relevant documents, including the agendas and the minutes, on the Register of expert groups. In particular, DG FISMA shall ensure publication of the agenda and other background documents in due time ahead of the

⁴ Commission Decision (EU, Euratom) 2015/443 of 13 March 2015 on Security in the Commission (OJ L 72, 17.3.2015, p. 41).

⁵ Commission Decision (EU, Euratom) 2015/444 of 13 March 2015 on the security rules for protecting EU classified information (OJ L 72, 17.3.2015, p. 53).

⁶ <http://ec.europa.eu/transparency/regexpert/index.cfm>

meeting, followed by timely publication of minutes. Exceptions to publication shall only be foreseen where it is deemed that disclosure of a document would undermine the protection of a public or private interest as defined in Article 4 of Regulation (EC) N° 1049/2001⁷.

Personal data shall be collected, processed and published in accordance with Regulation (EU) No 2018/1725.

3. Application procedure

Interested organisations are invited to submit their application to the European Commission, DG FISMA.

Applications must be completed in one of the official languages of the European Union. However, applications in English would facilitate the evaluation procedure. If another language is used, it would be helpful to include a summary of the application in English.

Organisations shall indicate the name of their representative in the group.

An application will be deemed admissible only if it is sent by the deadline and includes the documents referred to below. All documents submitted by applicants should be duly filled in, legible, signed and numbered sequentially.

Supporting documents

Each application shall include the following documents:

- a cover letter explaining the applicant's motivation for answering this call and stating what contribution the applicant could make to the group;
- a classification form duly filled in specifying the member category for which the application is made (Annex I).
- a selection criteria form duly filled in documenting how the applicant fulfills the selection criteria listed in chapter 4 of this call (Annex II).
- For individuals indicated by organisations as their representatives, a *curriculum vitae* (CV) shall also be provided, preferably not exceeding three pages. All CVs shall be submitted in the European format (<https://europass.cedefop.europa.eu/en/documents/curriculum-vitae/templates-instructions>).

Additional supporting documents (e.g. publications) may be requested at a later stage.

Deadline for application

The duly signed applications must be sent by **15 September 2020 COB** at the latest. The date of sending will be established as follows:

- Where applications are sent by e-mail to the following e-mail address: FISMA-SME-STAKEHOLDER-EXPERT-GROUP@ec.europa.eu, the date of the e-mail will be the date of sending.

⁷ These exceptions are intended to protect public security, military affairs, international relations, financial, monetary or economic policy, privacy and integrity of the individual, commercial interests, court proceedings and legal advice, inspections/investigations/audits and the institution's decision-making process.

- Where applications are sent by post to the following address: European Commission, DG FISMA, Unit B1 secretariat – Rue de Spa 2, B-1049 Brussels, the postmark will be considered the date of sending.
- Where applications are hand-delivered to the following address: European Commission, DG FISMA, Unit B1 secretariat – Rue de Spa 2, B-1049 Brussels, the date on the receipt given upon delivery will be considered the date of sending.

4. Selection criteria

DG FISMA will take the following criteria into account when assessing applications:

- Proven direct experience in or knowledge of SME issuance, SME investment, or specialised intermediation services. Particular attention would be given to applications from SME issuers, SME investors and financial intermediaries specialised in SME services (e.g. specialised brokers, SME market operators, SME research providers, SME listing, etc.).
- technical competence, seniority, experience and hierarchical level of the proposed representatives;
- good knowledge of the English language allowing active participation in the discussions and drafting contribution to the group’s deliverables;
- ability to commit sufficient time to the group’s work over the foreseen period (up to a maximum of six months, extendable by a maximum of two months);
- knowledge of the European financial system and/or EU financial regulatory framework will be considered positively, including regarding the functioning of public markets, SME Growth Markets in particular.

5. Selection procedure

The selection procedure shall consist of an assessment of the applications performed by DG FISMA against the selection criteria listed in chapter 4 of this call, followed by the establishment of a list of the most suitable applicants, and concluded by the appointment of the members of the group.

When defining the composition of the group, DG FISMA shall aim at ensuring, as far as possible, a high level of expertise, as well as a balanced representation of relevant know how and areas of interest, while taking into account the specific tasks of the group, the type of expertise required, as well as the relevance of the applications received.

DG FISMA will endeavour to ensure a broad representation of smaller companies and small investors, as well as geographical balance. Organisations representing stakeholders in smaller, less developed capital markets is an advantage.

For any further information please contact FISMA-SME-STAKEHOLDER-EXPERT-GROUP@ec.europa.eu.

ANNEXES:

- Annex I: Classification form
- Annex II: Selection criteria form
- Annex III: Privacy statement