



**MANDATE OF THE COMMISSION EXPERT GROUP ON  
THE TECHNICAL ADVISORY PLATFORM FOR FINANCIAL INSTRUMENTS  
UNDER THE ESIF (EUROPEAN STRUCTURAL AND INVESTMENT FUNDS)<sup>1</sup> AND EASI  
(EMPLOYMENT AND SOCIAL INNOVATION) MICROFINANCE**



**CONTEXT**

The Europe 2020 strategy and the Commission Communication on the next MFF called for a stronger role of financial instruments in 2014-2020. The European Council of 24/25 October 2013 conclusions subsequently gave a clear mandate that the programming negotiations of the European Structural and Investment Funds (ESIF) should be used to: "Significantly increase the overall EU support from these funds to leverage-based financial instruments for SMEs in 2014-2020, while at least doubling support in countries where conditions remain tight." The "Investment Plan for Europa"<sup>2</sup> invites Member States to increase significantly their use of innovative financial instruments in key investment areas in order to achieve at least an overall doubling in their use.

The new ESIF framework for financial instruments facilitates and encourages the use of financial instruments, in particular by broadening the scope of financial instruments (open to all thematic objectives) and offering variety of different implementation options (including ready to use "off-the-shelf" instruments).

The Programme for Employment and Social Innovation (EaSI), and in particular the EaSI financial instruments, also contribute to the Europe 2020 strategy. Building on the experience with the European Progress Microfinance Facility, they reinforce the EU support and introduce new forms of funding for capacity building for microcredit providers.

To achieve the reinforced use of financial instruments in 2014-2020 adequate assistance and advisory services for the benefit of Managing Authorities, microcredit providers and other stakeholders are a prerequisite.

To develop the necessary knowledge base and to improve the administrative capacity of bodies involved in the implementation of financial instruments, the Commission (notably DG REGIO, DG AGRI, DG EMPL and DG MARE) will make available technical

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<sup>1</sup> The European Regional Development Fund (ERDF), the European Social Fund (ESF), the Cohesion Fund (CF), the European Agricultural Fund for Rural Development (EAFRD) and the European Maritime and Fisheries Fund (EMFF).

<sup>2</sup> COM(2014)903 final of 26.11.2014

assistance and advisory services to the benefit of Member States, its Managing Authorities, microcredit providers and other stakeholders. These assistance and advisory services will be delivered in a coherent way via a common facility, called *fi-compass*<sup>3</sup>, which will consist of two strands:

- the Horizontal strand, implemented by the EIB, which will provide free-of-charge advisory services and guidance applicable in all Member States<sup>4</sup> to all types of financial instruments to ensure high standards and consistency (e.g. exchange of good practice, networking, training, methodological guidance on common themes such as ex-ante assessments, public procurement, state aid, etc.).
- the Multi-region strand responding to proposals of Managing Authorities for the benefit of regions in at least two Member States. Such activities would typically include support for the assessment of the potential use of financial instruments targeting specific challenges shared by the involved regions (e.g. financing of energy efficiency interventions in large housing estates in Central and Eastern Europe or support to cross-border initiatives aimed at reaching economies of scale and integration). Under the supported actions cooperation with an International Financial Institution (IFIs) or at least two relevant national financial institutions (NFIs) (from each Member State participating in a given action) will be required. A call for proposals is planned to be published at the beginning of 2015.

To render the *fi-compass* a meaningful initiative which addresses the needs of the stakeholders effectively, reacts quickly to a possibly changing environment and facilitates implementation of financial instruments, the Commission wishes to draw on external expert advice for *fi-compass* design and operation.

## TASKS

The tasks of the *fi-compass* expert group will be to provide advice to the Commission services with the view of ensuring the overall consistency of the *fi-compass*, including the link between the Horizontal and the Multi-region assistance.

Advice should pertain to all activities under the *fi-compass*, and in particular for the Horizontal strand regarding the content and delivery of its work programmes (for the years 2014-2015, 2016-2017, 2018-2019 and 2020) and for the Multi-region assistance regarding the themes and priorities for the calls for proposals (to be launched in 2015, 2017 and 2019). When providing advice to the Commission services the *fi-compass* expert group should base their opinions on their knowledge about, in particular, the practical implementation of ESIF-supported financial instruments and/or microfinance.

The *fi-compass* expert group may be asked for written input. The advice received from the *fi-compass* expert group may complement other sources of external advice received by the Commission services. While providing the *fi-compass* expert group with feedback

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<sup>3</sup> Website of the *fi-compass* : [www.fi-compass.eu](http://www.fi-compass.eu)

<sup>4</sup> For EaSI also other eligible countries: candidate, potential candidate and EFTA countries may, if they sign a relevant framework agreement, participate in EaSI.

on the use of the advice and input given, the Commission services retain the right of initiative. The *fi-compass* expert group does not take binding decisions.

The *fi-compass* expert group may also be consulted for the purpose of the evaluation of the *fi-compass* and future development of financial instruments under the ESIF and EaSI microfinance related policies.

## **MEMBERSHIP**

Members of the *fi-compass* expert group will be:

- the following organisations with proven cooperation with the Commission: the EIB Group, the EBRD, the CEB, the World Bank and the KfW; these organisations shall appoint their representatives.
- a limited number of experts appointed in a personal capacity following a public call for applications.

## **CAPACITY**

Experts appointed in their personal capacity are due to act independently and in the public interest. Representatives designated by the following organisations with proven cooperation with the Commission: the EIB Group, the EBRD, the CEB, the World Bank and the KfW, are due to represent the legitimate positions of their organisations.

Experts commit themselves to discuss questions put forward and provide advice in their field of expertise to the best of their ability and in the best interest of ESIF and EaSI microfinance-related policies.

Advice to the Commission is the result of discussions within the *fi-compass* expert group. This advice is expected to represent the consensus view of the *fi-compass* expert group. However, in the event that a consensus cannot be found, for whatever reason, individual experts may request to have divergent views recorded.

As well as providing their own collective expertise, the *fi-compass* expert group should be a focal point for processing relevant inputs from across society. The *fi-compass* expert group will thereby support outreach and strengthening of the Commission services' dialogue with a wider group of stakeholders.

## **DURATION OF SERVICE**

Each representative designated by the following organisations with proven cooperation with the Commission: the EIB Group, the EBRD, the CEB, the World Bank and the KfW, will serve for a period defined by the designating organisation.

Each expert appointed in his/her personal capacity will serve for a period of two years starting from the date of the signature of the declaration of acceptance, with the possibility to be extended and without prejudice to his/her resignation, duly notified and justified to the Commission.

## **CHAIR**

The *fi-compass* expert group will be chaired by a representative of the Commission, DG REGIO, Directorate "Policy".

## MEETINGS

The Commission services may choose the frequency of meetings which seems most appropriate. However, as a general principle, the *fi-compass* expert group should meet at least once a year to discuss the general orientations and give advice either on the work programme and advisory services delivered under the Horizontal *fi-compass* or on the call for proposal under the Multi-region *fi-compass*.

Meetings of the *fi-compass* expert group will be convened by the Chair. The meetings of the *fi-compass* expert group shall, in principle, be held in Commission premises in Brussels, Belgium. Additional experts may be invited to the meetings of the expert group to take part in discussions on a particular subject on an ad hoc basis.

The Commission (REGIO.B3) will provide secretarial support for the *fi-compass* expert group and will send the invitation to the meeting to the *fi-compass* expert group members at least 15 working days prior to the meeting. The summary minutes on the discussion on each point on the agenda shall be drafted by the secretariat under the responsibility of the Chair. At each meeting, the secretariat will draw up, under the responsibility of the Chair, an attendance list.

## CORRESPONDENCE

Correspondence relating to the *fi-compass* expert group shall be sent electronically to the secretariat ([REGIO-FI-COMPASS-EXPERT-GROUP@ec.europa.eu](mailto:REGIO-FI-COMPASS-EXPERT-GROUP@ec.europa.eu)), to the attention of the Chair. Correspondence to the *fi-compass* expert group members shall be sent to the e-mail address which they provide for the purpose.

## WORKING LANGUAGE

The working language of the *fi-compass* expert group will be English.

## DATA PROTECTION AND TRANSPARENCY

As the management of the *fi-compass* expert group implies collecting and processing private data, the procedures provided for by Regulation (EC) 45/2001<sup>5</sup> apply.

By signing the declaration of acceptance, each expert appointed in a personal capacity agrees to have his or her name made public as a member of the *fi-compass* expert group, including on the internet. The names of the organisations that are members of the *fi-compass* expert group shall also be published.

All relevant documents of the *fi-compass* expert group meetings (such as agendas, minutes and participants' submissions) will be published in the Commission's public register of expert groups and other similar entities (<http://ec.europa.eu/transparency/regexpert/>).

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<sup>5</sup> Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data (OJ L 8 of 12.1.2001, p. 1).

Exceptions to systematic publication shall be foreseen where disclosure of a document would undermine the protection of a public or private interest as defined in Article 4 of Regulation (EC) 1049/2001<sup>6</sup>.

The Horizontal *fi-compass* work programmes agreed with the EIB Group and the Multi-region call for proposals may provide an overview of how the advice provided by the *fi-compass* expert group and other sources of external advice have been used.

## **CONFIDENTIALITY AND CONFLICT OF INTEREST**

Members of expert groups and their representatives, as well as invited experts, shall comply with the obligations of professional secrecy laid down by the Treaties and their implementing rules, as well as with the Commission's rules on security regarding the protection of EU classified information, laid down in the Annex to Commission Decision 2001/844/EC, ECSC, Euratom<sup>7</sup>. Should they fail to respect these obligations, the Commission may take all appropriate measures.

Each expert appointed in personal capacity will sign a declaration of acceptance covering confidentiality and conflict of interest rules.

The experts must not seek nor act in any way to take advantage of or exercise undue influence on the implementation of the *fi-compass*, the ESIF-supported financial instruments and EaSI microfinance. The experts may participate in projects awarded under the *fi-compass* calls. However, should any item of the agenda or any subject discussed in a given meeting of the *fi-compass* expert group be of relevance for projects or proposals under *fi-compass* calls that an expert, or the organisation to which he/she belongs, has submitted or is likely to submit, the expert in question should inform the Commission services of the situation as soon as they are aware. The Commission will then take a decision on the participation of the expert on a case by case basis. Depending on the circumstances, the expert in question may therefore be excluded from the group and/or be requested to abstain from the deliberations and/or leave the room during the discussion of the concerned item/subject.

If an expert appointed in personal capacity has a conflict of interest, he/she must declare it to the Commission services as soon as he/she becomes aware of it, and specify the nature of the conflict. He/she must inform the Commission services of all interests, including those not explicitly stated above, which could be considered prejudicial to their independence or impartiality. The Commission will then take a decision on the participation of the expert. Depending on the circumstances, the expert in question may therefore be excluded from the group and/or be requested to abstain from the deliberations and/or leave the room during the discussion of the concerned item/subject.

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<sup>6</sup> 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.

<sup>7</sup> Commission Decision of 29 November 2001 amending its internal Rules of Procedure (OJ L 317, 3.12.2001, p. 1).

## **REIMBURSEMENT**

Travel and subsistence expenses shall be reimbursed according to the Commission decision of 5 December 2007<sup>8</sup>.

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<sup>8</sup> Rules on the reimbursement of expenses incurred by experts from outside the Commission invited to attend meetings in an expert capacity, C(2007)5858.