

## **Position Details**

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### **Traineeships (Graduate and PhD levels), DG-MS IV**

**Reference** 2017-159-TRA S

#### **Function**

The European Central Bank (ECB) is seeking recent graduates for its 2017 traineeship programme in its Directorate General Microprudential Supervision IV (DG/MS4).

DG/MS4 is responsible, within the framework of the Single Supervisory Mechanism (SSM), for carrying out horizontal supervision and specialised expert functions in areas such as planning and coordination, supervisory quality assurance, supervisory policies, methodologies and standards development, authorisations, enforcement and sanctions, crisis management, capital market risk analysis and model validation, and on-site inspections.

This traineeship programme aims to provide an opportunity to gain professional experience by taking part in a broad range of activities. The successful candidates will be asked to contribute to both conceptual and operational assignments.

The successful candidates will participate actively in the work of one of the following divisions:

Planning and Coordination of the Supervisory Examination Programme (SEP) Division:

The Planning and Coordination Division conducts the strategic and operational supervisory planning for the SSM and monitors the implementation of the established supervisory programmes. The main tasks of the Division are to conduct strategic planning, including the setting of supervisory priorities and the minimum levels of supervisory engagement with credit institutions; to promote and support the operational planning process for the supervision of significant institutions, translating the activities to be carried out into one consolidated SEP; and to monitor and support the implementation of the operational programme. Furthermore, the Division provides project management support to several ongoing cross-divisional and ECB-wide initiatives. The Division is at the intersection of many challenging topics related to the execution of ongoing supervision, the allocation of specialised knowledge and expertise, and the collaboration of various stakeholders within the ECB and the SSM, including national authorities, and externally.

Supervisory Quality Assurance Division:

The Supervisory Quality Assurance Division is a key contributor to the excellence and homogeneity of the SSM. The tasks of the Division comprise assessing the consistent treatment of banks across the Joint Supervisory Teams (JSTs) and also between direct and indirect supervision, ensuring the proper use and continuous enhancement of the SSM methodological framework, promoting the highest supervisory standards, promulgating best practices across the SSM, and detecting emerging risks and deficiencies in the internal SSM supervisory processes.

Supervisory Policies Division:

The main tasks of the Supervisory Policies Division are to develop the SSM's internal supervisory policies; to follow up on issues on the international regulatory and supervisory agenda; to coordinate and draw up SSM positions and initiatives relating to internal and international policies; and to

support the JSTs, which deal with significant institutions, and the national competent authorities (NCAs), which handle less significant institutions, in the application and interpretation of both EU regulations and the principles of international supervisory standards. The Division is also responsible for the negotiation of international cooperation agreements (memoranda of understanding) and the microprudential aspects of macroprudential policies.

#### Methodology and Standards Development Division:

The main task of the Methodology and Standards Development Division is to develop up-to-date supervisory methodologies and standards, and to facilitate and ensure their harmonised application within the SSM. Wherever necessary for this purpose, it issues regulations, guidelines and instructions. It supports the JSTs, NCAs and other horizontal functions in the adoption and application of supervisory methodologies and standards. In doing so, the Division cooperates extensively with the European Banking Authority (EBA) and other international standard-setters (e.g. the Basel Committee on Banking Supervision and its technical working groups) with a view to developing high-quality supervisory standards, avoiding overlap and maximising synergies.

#### Authorisation Division:

The Authorisation Division is responsible – in close cooperation with the NCAs – for conducting the supervisory procedures relating to the licencing of all credit institutions in participating EU Member States, to the withdrawal of licenses, and to the acquisition of or increases in qualifying holdings in such institutions. With respect to significant institutions, the Division is also in charge of fit and proper person assessments of members of management bodies and serves as the gatekeeper for passporting notifications. The Authorisation Division assesses applications and draft proposals submitted by the NCAs to ensure that they are processed in a timely manner, with due care and using common procedures, and that all criteria set out in the applicable regulations are met. The Division prepares proposals for draft decisions of the Supervisory Board on the above-mentioned procedures.

#### Enforcement and Sanctions Division:

The Enforcement and Sanctions Division exercises the powers granted to the ECB to enforce applicable regulations and supervisory decisions within the SSM, as well as the powers to investigate alleged breaches. It prepares draft decisions of the Supervisory Board for the adoption of enforcement measures and the imposition of administrative penalties, or draft instructions requiring NCAs to take action or to assist the ECB in carrying out those tasks. Furthermore, it ensures compliance with the procedures established for the imposition of administrative penalties. It also liaises with SSM bodies and with other authorities or institutions when necessary to perform its tasks.

#### Internal Models Division:

The main task of the Internal Models Division is to ensure the consistency of supervisory approaches and the uniform interpretation of the internal models used by credit institutions. It provides expertise in models to the JSTs, contributes to the SSM's internal model investigation plan and participates in or leads internal model investigations at banks. The INM is responsible for providing draft decisions in agreement with the JSTs related to the implementation of internal models before they are submitted to the Supervisory Board. Furthermore, the Division participates in the development of internal model-related supervisory methodologies devised by both the Supervisory Policy Division and the Methodology and Standards Development Division, and provides expert support to the JSTs' work on the approval and ongoing supervision of Pillar I models.

#### Central Operations Office:

The Central Operations Office provides the set of tools for efficiently and smoothly operating the supervisory model across the SSM. It offers a single point of contact for the SSM for gathering information on user requirements, evaluating available options, proposing solutions and monitoring their implementation. Its internal consultancy role includes interaction with service providers, both internal and external, as well as management of SSM-related projects.

The successful applicant will be entrusted with the following main tasks:

Trainees will work on different tasks and projects. Some examples are given below.

In the Planning and Coordination Division, trainees may support the Division in the further development of reports and dashboards to support management decisions, the execution of operational tasks in relation to planning, the optimisation of existing operational processes and/or the further development of reporting and systems.

In the Supervisory Quality Assurance Division, trainees may carry out work on the methodological framework for SSM quality assurance, for example, updating the risk-based quality assurance universe or key performance indicators. They may also participate in quality assurance reviews or carry out work related to the SSM Training Curriculum.

In the Supervisory Policies Division, trainees may work on contributions to policy briefs on specific issues under discussion in the working groups of the EBA and the Basel Committee and general coordination issues in relation to these fora. Trainees could also be asked to work on the analysis of supervisory policy positions in third countries and non-SSM countries.

In the Methodology and Standards Development Division, trainees may work on the methodology for supervisory assessments of the risk profile of institutions, based on data analysis. They may also develop working tools and templates for benchmarking institutions and presenting the results of benchmarking.

In the Authorisation Division, trainees may work on the assessment of authorisation procedures and assist in the preparation of draft decisions to be submitted to the Supervisory Board. Trainees could also be asked to support the preparation of notes and memos and to carry out legal research in the Division's area of competence.

In the Enforcement and Sanctions Division, trainees may work on the assessment of reports of breaches of regulations and requirements, the investigation of alleged breaches and the preparation of draft decisions of the Supervisory Board for the adoption of enforcement measures and the imposition of administrative penalties. Trainees could also be asked to do legal research on doctrine and court cases.

In the Internal Models Division, trainees may work on combining, analysing and interpreting data and results from back-testing, benchmarking analyses and/or from the internal models database, and/or analysing and reviewing market developments, trends and risks, and/or analysing the literature with regard to model-specific issues. Trainees could also be asked to work on implementing "toy" models, and on comparing risk models from banks based on externally available data (annual reports, disclosure reports, work performed by international groups or consultants, etc.).

In the Central Operations Office, trainees may work on reviewing and consolidating information on user requirements supplied by the various divisions and the JSTs, helping end users to resolve issues and questions in order to improve the usability of systems, contributing to the dissemination of knowledge by preparing presentations and other documents for working groups and for NCAs, or participating in testing and training with regard to SSM tools. Trainees could also be asked to work on validating and improving the design of deliverables, defining requirements for service providers and interacting with external consultants.

## **Qualifications and experience**

Applicants must have the following knowledge and competencies:

- a bachelor's degree or higher qualification, ideally in economics, econometrics, law, business administration, statistics, mathematics, engineering, finance or other relevant disciplines (e.g. computer science);
- an advanced command of English;

- an intermediate command of at least one other official language of the EU.

## **Competencies**

- for the Planning and Coordination Division: knowledge of process optimisation; expert command of Microsoft Office, in particular Excel, Word and PowerPoint, including the ability to develop formulas, conditional formatting and macros; knowledge of the VB programming language, knowledge of Tableau, Access and basic knowledge of key principles of database usage and statistical analysis would be an asset; knowledge and interest in strategy, planning, coordination, project management, process optimisation or procurement would be an asset;
- for the Supervisory Quality Assurance Division: knowledge of financial regulation, auditing techniques, internal control framework basics, expert command of Microsoft Office, in particular Excel, Word and PowerPoint ;
- for the Supervisory Policies Division: knowledge of financial regulation, corporate finance and banking analysis;
- for the Methodology and Standards Development Division: a strong analytical background; expert command of Microsoft Office, in particular Excel, Word, PowerPoint and Access, including the ability to develop formulas, conditional formatting and macros;
- for the Authorisation Division: knowledge of EU law and banking law;
- for the Enforcement and Sanctions Division: knowledge of EU law and banking law;
- for the Internal Models Division: a master's degree in a relevant field, preferably in mathematics, physics, statistics, finance or econometrics; proven experience in drafting or assessing model-related technical documentation; a very good understanding of the Capital Requirements Regulation and the Capital Requirements Directive (CRD IV) and associated technical standards; proven experience in working with a statistical software package and databases;
- for the Central Operations Office: expert command of Microsoft Office, in particular Excel, Word and PowerPoint; basic knowledge of the banking sector would be an asset; experience in defining processes and in business consultancy would be an asset.

**Closing Date for Applications:** 10.07.2017

## **Further Information**

Traineeship/PhD traineeship of six months, with the possibility of an extension to up to 12 months in total in the same business area or in another Directorate General within the SSM, ideally starting on 1 September 2017.

To further enhance the diversity of its workforce, the ECB particularly encourages applications from female candidates.

## **How to apply**

Applications are to be made in English and submitted using our online application form. An

"Applicants' Guide" can be downloaded from our recruitment pages.

The recruitment process may include a pre-screening exercise and a telephone interview.

Before applying, applicants should check that they meet the conditions set out in Article 4 of the rules governing the traineeship programme:

<https://www.ecb.europa.eu/careers/what-we-offer/traineeship/html/index.en.html>

Further information on the ECB's traineeships can be found via the above link.

Applicants are accepted from nationals of the Member States of the European Union.

The requirements laid down in the vacancy notice must be met by the closing date for applications.

This vacancy notice may be used to fill the same position again, or similar positions, within 12 months of the selection decision.