



Open position - Risk Management Officer, based in Brussels

The Office of Chief Risk Officer, Deputy Director-General

Directorate General BUDGET

EUROPEAN COMMISSION

Background information

NextGenerationEU ('NGEU') is the European Union's temporary recovery instrument, amounting to EUR 806.9 billion (in current prices) to support the economic recovery from the coronavirus pandemic. To finance NGEU the European Commission is issuing EU bonds on the capital markets and has implemented a Diversified Funding Strategy ('DFS'), like large sovereign, supranational and agency issuers. As part of the strategy, the EU issues regularly bills and bonds with maturities of three months to 30 years through auctions and syndicated transactions. The EU budget – which is financed by own resources and contributions from all EU Member States – backs the borrowing. The EU member states agreed to increase the own resources ceiling by an additional 0.6 percent of EU gross national income (GNI) to guarantee the NGEU borrowings and to introduce new own EU resources by year 2024.

The EU intends to issue up to 30% of the NGEU debt in green bonds to finance eligible green expenditures and as such has the potential to become the largest issuer of green bonds in the world.

The EU has set up a Primary Dealers Network ('PDN') to support the EU in the implementation of the funding strategy. This network is key to ensure successful execution of the bond issuance transactions of the EU as well as a liquid secondary market for the EU bonds.

In addition, the EU has a strong credit rating, which allows it to borrow on conditions comparable to those of the highest rated ('AAA') European sovereign issuers.

The Directorate-General for Budget ('DG BUDG') is responsible for the borrowing activities on behalf of the EU. The Commission's inaugural NGEU issuance took place in June 2021. The size of NGEU translates into borrowing volumes of on average roughly EUR 150 billion per year between mid-2021 and 2026, which will make the EU one of the largest bond issuers in euro. Repayment of the NGEU debt will commence no later than 2028 and will be fully repaid by the end of 2058.

Overall purpose

Given the volumes, frequency and complexity of the EU borrowing activities, the Commission is

following the best governance practices used by sovereign issuers and has enhanced its risk governance through the creation of a dedicated risk management function and the appointment of a Chief Risk Officer ('CRO') on 1 September 2021. The role of the CRO is to ensure sound governance, effective risk management and oversight of EU borrowing, debt management and lending operations through the development of an effective risk governance framework for NGEU operations. This risk management framework is a critical element in providing adequate protection of the financial interests of the EU. The Framework sets the Commission's strategic risk objectives; risk appetite and risk tolerance levels; defines the main financial and non-financial risks stemming from the EU borrowing and lending operations as well as the process for risk management, monitoring, and mitigation.

The Job

The Risk Management Officer will be a key team member for the development and implementation of the EU Risk management and compliance framework to oversee the EU largest bond issuance programme to support to EU economic recovery.

As a second line of defence, the Risk Management Officer is expected to work effectively alongside the Senior Management and DG BUDG operational units, involved in the EU funding operations.

The Risk Management Officer will work with the Senior Risk Manager to oversee, assess, monitor and report on the risks related to EU borrowing, debt management and lending operations.

The successful candidate will also participate in the continuous development of the EC risk framework, including the review and improvement of various risk policies, measurement methodologies and guidelines, based on best practice and needs of risk management.

Functions and duties

The Risk Manager Officer's tasks will primarily focus on:

- *Monitor capital markets' developments and provide insights on potential impact on the EU borrowing activities.*
- *Run weekly risk metrics in the Risk Management Tool internally developed for EU borrowing and debt management operations;*
- *Support the Senior Risk Officer in the development and maintenance of internal tools (e.g. stress testing on interest rates);*
- *Contribute to the enhancement of the risk management analytical modelling tool*
- *Prepares various risk reports, including for the Risk and Compliance Committee, Director-General of DG BUDG and Member of the College responsible for the Budget;*
- *Contribute to the assessment of the different risks identified for EU borrowing, debt management and lending operations;*
- *Support the Senior Risk Officer in the preparation of Risk Management opinions related to first line of defence funding proposals;*
- *Support the Senior Risk Officer in the review and/or update of the first line of defence manuals and process;*

- *Maintain up to date risk management processes related to the market and funding liquidity risks and other processes in scope.*

HORIZONTAL COORDINATION

- *Liaise and consult with other relevant units involved with EU borrowing and debt management, as well as treasury management operations, and with other Directorate Generals and external parties on risk management related issues*
- *Promotes a culture of general risk awareness by assisting in developing and delivering ongoing specific risk training to operational units and responsible staff of DG BUDG*
- *Provide ad-hoc support to the operational risk manager, when required*

We look for

We are looking for a dynamic and knowledgeable colleague, who can bring strong analytical skills to the EC DG Budget's risk management team. The successful candidate should have the capacity to combine economic, legal, financial, and institutional aspects in a versatile manner and to advance conceptual work. He/she should also be able to coordinate work across different Directorates and services. Good communication and inter-personal skills are therefore important in facilitating constructive dialogue with colleagues across the DG and Commission. The most important qualification is a convincing motivation, willingness to learn, and eagerness to make a meaningful contribution to the development of the risk management function within the Commission.

Job requirements

Experience

- *Minimum 3 years of relevant proven working experience in Economics, Finance, Financial Modelling, Risk Management or Asset-Liability Management.*
- *Experience related to debt management operations, Asset-Liability Management, asset management, and/or market risk is an asset;*
- *High level of computer literacy, in particular in Excel; Bloomberg, VBA or Python are real assets;*
- *Excellent written and oral communication skills in English;*
- *Ability to analyse and monitor large amounts of data and to quickly identify key trends and/or discrepancies.*

Education

- *Master's degree in Finance, Economics, Accounting or Business Administration or a related field from an accredited institution*

Languages

	Listening	Reading	Spoken interaction	Spoken production	Writing
English	C1	C1	C1	C1	C1

Knowledge and Competences

- *Analysing and Problem Solving*
 - *Capacity to analyse and structure information*
 - *Numeracy*
- *Communicating*
 - *Ability to communicate in meetings*
 - *Ability to understand and be understood*
 - *Drafting skills*
- *Delivering Quality and Results*
 - *Ability to work in a proactive and autonomous way*
 - *Capacity to act upon problems*
 - *Client orientation*
 - *Conscientiousness*
 - *Eye for detail / Accuracy*
- *Prioritising and Organising*
 - *Capacity to deliver in a structured way*
 - *Planning capacity*
- *Working with Others*
 - *Ability to work in a team*
 - *Knowledge sharing*

Contract conditions

The advertised position is for a Contract agent and is conditional upon passing a selection procedure – CAST, to which shortlisted candidates will be invited.

The standard duration of an initial contract is between at least one year and at most three years and is renewable. The total duration of engagement may not exceed six years.

More information on the working conditions of contract agents is available on the EPSO website - <https://epso.europa.eu/en/help/faq/contract-agents/others>

*Deadline for applications: Tuesday, 31/01/2023, **by noon** (Brussels time).*

To apply, please send your CV and motivation letter to Pavlina Canova and Iliyana Tsanova on BUDG MAILBOX DDG2 BUDG-MAILBOX-DDG2@ec.europa.eu