

## Market Integration and Supervision Package – ESMA Position

### Finance Committee, House of Representatives of the Netherlands, 17 June 2026

The European Securities and Markets Authority (ESMA), the EU's financial markets regulator and supervisor, welcomes the European Commission's legislative proposal on market integration and supervision, a core building block of the Savings and Investment Union (SIU). ESMA supports the Commission's efforts to address the fragmentation of EU capital markets and improve their functioning with a view of better channelling savings towards productive investments.

#### **Advancing integration and innovation in EU capital markets**

MISP takes practical steps to make EU capital markets more integrated, efficient and future proof.

It reduces barriers in trading and post-trading, facilitates cross-border distribution of investment funds. Initiatives such as the creation of a Pan-European Market Operator (PEMO) classification for stock exchange groups that operate throughout the EU aim to enable greater scale and connectivity across markets.

These changes are not only about integration, but also about modernisation. More harmonised frameworks create the conditions for innovation and support the development of future market technologies, including blockchain-based solutions through the improved DLT Pilot Regime.

Overall, greater integration and innovation are intended to enhance the functioning of EU capital markets and thereby improve investment conditions, including by providing retail investors with broader choice and more accessible opportunities to invest across the Union.

#### **The added value of targeted EU-level supervision**

A key element of MISP is the introduction of EU-level supervision for a limited set of entities with significant cross-border activities.

This reflects market reality: many infrastructures and service providers operate across borders, while risks can materialise simultaneously in multiple jurisdictions. In such cases, fragmented supervision can lead to inconsistencies, duplication and gaps.

ESMA believes that the proposed solution in MISP is targeted and proportionate and aligns with the assessment of the ESMA Board of Supervisors in its 2024 Position Paper<sup>1</sup>. For these entities, EU-level supervision brings clear benefits:

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<sup>1</sup> [Building more effective and attractive capital markets in the EU](#)

- **More consistent supervisory outcomes across Member States**, reducing regulatory arbitrage and strengthening investor confidence
- **A simpler and more efficient supervisory set-up for cross-border firms**, replacing multiple national interfaces with a single point of contact and reducing compliance costs
- **Efficiency gains by avoiding duplication of supervision**, allowing resources to be used more effectively at both EU and national level
- **Stronger oversight of cross-border risks**, by combining EU-wide data and enabling a comprehensive view of market developments

### **Cooperation with national supervisors**

National Competent Authorities remain at the core of the EU's supervisory framework. Their proximity to markets, supervisory expertise and enforcement experience are indispensable.

EU-level supervision under MISP will be built on strong and close cooperation with national authorities.

This approach builds on over 15 years of ESMA's experience in the supervision of pan-European entities, alongside ESMA's role in driving supervisory convergence and shaping a common understanding of market operations and risks and fostering EU-wide supervisory outcomes.

Building on this experience, ESMA - together with national authorities - is well placed to design strong and proportionate cooperation models that safeguard national expertise and insights while ensuring a clear allocation of responsibilities and providing clarity for supervised firms.

### **Conclusion**

ESMA supports MISP as a necessary and pragmatic step towards more integrated, efficient and innovative EU capital markets. This ultimately enables better returns for investors, improved access to financing for businesses and stronger economic growth for European citizens.

To deliver the anticipated benefits, it will be important to maintain a balanced and coherent political agreement that preserves the integrity of the MISP proposal. Fragmented or partial reforms would risk limiting benefits of better integrated European capital markets and weakening the overall impact of the package. ESMA stands ready to support the legislative process and provide further technical input.