

Summary of Conclusions

Joint meeting of the Board of Supervisors and the Securities and Markets Stakeholder Group

Date:	12 December 2024
Time:	14:00h – 16:30h
Location:	Online
Contact:	stakeholders@esma.europa.eu T: +33 1 58 36 43 21

No Item

1. Opening remarks by the ESMA and SMSG Chairs

The ESMA Chair opened the meeting and welcomed all the participants, especially the new members of the SMSG who joined the Group in July 2024. She introduced the SMSG Chair who had been elected in July 2024. The SMSG Chair introduced himself and the two SMSG Vice-Chairs.

2. EU Capital Markets

The ESMA Chair introduced the discussion by outlining [ESMA's Position Paper on building more effective and attractive capital markets in the EU](#) and situating it within the broader discourse on EU capital markets.

Christopher Buttigieg (ESMA) presented some views on simplification and burden reduction. He spoke about the drivers for such an initiative and outlined some initial thoughts on how it could be achieved through the regulatory framework, ESMA's supervisory approach, and its Data Strategy. He highlighted that it was an important topic on which the SMSG's input would be welcomed.

Sari Lounasmeri and Urban Funered (SMSG) presented some observations on the topic including on how to improve investment opportunities for EU citizens, on boosting the financing of European companies, and on how to improve regulatory agility, supervisory consistency and global competitiveness.

SMSG members commented on various aspects including the need to ensure investor protection when reducing reporting. It was advised to focus on the performance of investment

products rather than their simplicity and that more disclosure does not always improve understanding. While noting that simple products are already available, it was noted that more labelling and simple products would not work without first establishing an investment culture. It was noted that there is scope for simplification in some areas, such as sustainable finance legislation and there were views about how AI could provide benefits in terms of simplification and how moving to principle-based regulation could achieve burden reduction.

ESMA Board members spoke about various ways of reducing burden including better sharing of data. They agreed that simplification and burden reduction should not be at the expense of core investor protection or stable and orderly markets objectives. In that regard the Board asked the SMSG for evidence of where simplification and burden reduction could be achieved.

3. T+1: shortening the settlement cycle

Rodrigo Buenaventura (ESMA) presented the recommendations of [ESMA's recent report into the shortening of the settlement cycle in the EU](#). His comments focused on the impact of a shorter settlement cycle, both on post-trade processes and on trading and market practices, as well as the expected costs and benefits of a shorter settlement cycle. He also outlined the proposed roadmap and governance.

Jacqueline Mills and Aleksandra Maczynska (SMSG) presented their observations on the topic which included a comparison between the recommendations of the ESMA report with those of the European T+1 Industry Taskforce report and of the UK Accelerated Settlement Taskforce report. They also asked about representation and engagement of different stakeholders, including consumers, small investors and financial users, as well as whether a role for the SMSG was envisaged.

SMSG members commented on the recommendations in the ESMA report. It was noted that shortening the settlement cycle reduces risk and therefore releases liquidity. Some members suggested that securities financing transactions (SFTs) should be removed from the scope. It was also suggested to set KPIs to judge the success of the project.

ESMA Board members thanked SMSG members for their input while noting that ESMA had not found enough evidence to exclude SFTs.. They also clarified that the envisaged governance structure to help with moving to T+1 is not an ESMA structure but that the industry working groups were open to wide participation. SMSG would have its usual role regarding ESMA L2 and L3 actions and would be kept updated.

4. Concluding remarks

The ESMA Chair thanked all presenters and participants from the Board and from the SMSG for the valuable discussion.

PARTICIPANT LIST 12 December 2024
MSG Members

Name	Organisation	
Alber, Andrus	Swedbank Investment Funds / Finance Estonia	present
Alemanni, Barbara	University of Genoa	present
Armesto, Rosa	FESE	present
Bergmann, Henning	Der Mittelstandsverbund (SME Groups Germany)	present
Bindelle, Florence	EuropeanIssuers AISBL	present
Calu, Monica	National Authority for Consumer Protection, Bucharest	present
Daskalakis, Nikolaos	GSEVEE	present
Dumitrescu, Ariadna	ESADE Business School	present
Funered, Urban	Swedish Securities Markets Association	present
Giordano, Stephane	Société Générale / AMAFI	present
Hölz, Christiane	Deutsche Schutzvereinigung für Wertpapierbesitz e.V. (DSW)	present
Kajala, Ville	Finland Chamber of Commerce	present
Kinander, Morten	BI Norwegian Business School	present
Kupšys, Kęstutis	Lithuanian Consumers Alliance	present
Lokko, Emma	Susquehanna International Group Ltd	present
Lounasmeri, Sari	Finnish Foundation for Share Promotion	present
Maczynska, Aleksandra	BETTER FINANCE	present
Martínez-Pina, Ana	Gómez-Acebo & Pombo	excused
Mills, Jacqueline	AFME	present
Petrella, Giovanni	Università Cattolica	present
Pfaff, Nicolas	ICMA	present
Prache, Guillaume	FAIDER	present
Reyna, Agustín	BEUC	present
Richter, Thomas	BVI	present
Saade, Virginie	Citadel	present
Schmeddes, Lucas	Ice Endex	present

Name	Organisation	
Singer, Miroslav	Generali CEE Holding	present
Stiefmüller, Christian Martin	Finance Watch	present
Van de Werve, Tanguy	EFAMA	present
Vervliet, Chris	European Works Council at KBC Group	present

Board of Supervisors voting Members

Member State	Representative	Accompanying Person
Belgium	Jean-Paul Servais	
Bulgaria		
Czech Republic	Vojtěch Belling	Karel Juráš (alternate)
Denmark		
Germany	Thorsten Pöttsch	Jan-Ole Wagner
Estonia	Andre Nõmm	
Ireland		Laura Murtagh
Greece	Vasiliki Lazarakou	Vasiliki Koularmani
Spain	Rodrigo Buenaventura	Antonio Mas, Fátima Cerdán
France	Marie-Anne Barbat-Layani	Grégoire Monin
Croatia	Ante Žigman	Silvana Božić
Italy	Carlo Comporti	Martina Tambucci, Emanuela Ciucci
Cyprus	Panikkos Vakkou (alternate)	Elena Alkiviadou, Mary Christoforou
Latvia	Kristaps Soms	Elīna Šarkovska
Lithuania		
Luxembourg	Andrea Gentilini (alternate)	

Member State	Representative	Accompanying Person
Hungary		
Malta	Christopher Buttigieg	Ivan Carl Saliba
Netherlands		Shoham Ben Rubi, Thomas Drese
Austria	Birgit Puck (alternate)	
Poland	Piotr Koziński	Dominika Szymanska
Portugal	Luís Laginha de Sousa	
Romania		
Slovenia		
Slovakia		
Finland	Armi Taipale	Jenni Koskinen, Saara Rundqvist
Sweden	Annika Otz (alternate)	Gabriel Bladh

Board of Supervisors non-voting members

Organisation / Country	Representative	Accompanying Person
European Commission		Cesare Posti
ESRB		
EIOPA		
EBA		
EFTA Surveillance Authority		Marianne Arvei Moen
Iceland		
Liechtenstein	Reto Degen	
Norway	Geir Holen (alternate)	Marie Franssen

ESMA

Name	Position
Verena Ross	Chair
Natasha Cazenave	Executive Director
Louise Waller	Summary of conclusions