17 November 2025
ESMA24-450544452-2824

Opening statement

Economic and Monetary Affairs Committee, European Parliament

Verena Ross
Chair

Dear Chair,

Dear Members of the Economic and Monetary Affairs Committee,

Thank you for offering me the opportunity to provide you with an overview of ESMA's main achievements over the past year. For more detailed insights, I would refer you to the snapshot of ESMA's activities, shared with you ahead of this hearing.

Geopolitical and market developments

Over the past year, the global geopolitical landscape has continued to shift. Changes in US leadership, evolving international alliances, intensifying trade tensions, and persistent regional conflicts have all contributed to heightened uncertainty. Financial markets have felt the effects, reacting to both abrupt policy announcements and ongoing trade frictions.

ESMA closely monitored the impact of these developments around the world, engaging with relevant national, European and international authorities as necessary. In retrospect, markets under ESMA's remit have demonstrated resilience throughout 2025.

Nevertheless, as stressed in ESMA's latest Report on trends, risks and vulnerabilities, policy uncertainty and ongoing geopolitical conflicts continue to pose significant risks, raising concerns over potentially sudden and substantial market corrections.

Crypto-assets risks and regulation

One area deserving close attention is the crypto space. At ESMA, our position has always been crystal clear: crypto-assets remain very risky. As underlined in all our warnings issued over the years, we are cautioning retail investors against being caught up in the hype.

Under MiCA, our focus has been on supervision and convergence, with particular attention to the key gatekeeping function of authorisations. We have notably delivered supervisory guidance to national authorities and have actively supported them in assessing applications. When addressing the challenges faced by supervisors, we sought to promote aligned outcomes, going so far as to discuss between experts the specifics of individual authorisation cases.

On stablecoins – an area of legitimate policy debate – ESMA is working closely with the EBA. In this context, ESMA issued a statement requiring crypto-asset service providers to cease services related to non-compliant tokens. This prompted the de-listing of prominent stablecoins by major EU exchanges, a sign that markets are adjusting to the new framework. ESMA's focus is to support the collective supervisory efforts under the new MICA framework, including monitoring unauthorised activity and conducting market surveillance, to prevent regulatory arbitrage and uphold market integrity across the EU.

Simplification and burden reduction

Geopolitical tensions, external dependencies, and related economic challenges make it more urgent than ever for Europe to strengthen its competitiveness and strategic autonomy.

ESMA is fully committed to supporting these objectives.

In particular, we acknowledge the need to pursue a simplification effort. This means reducing complexity and regulatory burden for market participants, as long as this does not jeopardise our core mission as an EU regulator and supervisor. I can assure you that we will continue to live up to our investor protection and orderly and stable financial markets objectives.

In recent months, we set in motion flagship initiatives, looking at how to create a more streamlined framework for financial transaction reporting, rationalise funds supervisory reporting, and enhance the retail investor's journey. ESMA also adopted of a set of risk-based principles, which will lead to more proportionate supervisory outcomes for market participants.

Attractive and effective EU financial markets

Competitiveness cannot only be about reducing burdens. It should also be about making EU capital markets more effective and attractive. In line with the mandates the co-legislators entrusted to ESMA, we have made tangible progress on several fronts.

We are advancing on the road to meaningful market transparency, through the on-track delivery of the establishment of Consolidated Tape Providers (CTPs). As planned, the authorisation of the first provider and the launch of the tapes will take place in 2026. CTPs will empower investors to make better informed trading decisions. They will bring together market data from across all EU markets, and thus drive competition and better outcomes for investors.

We are also advancing on strategic autonomy. In this regard, ESMA has delivered robust standards under EMIR 3, particularly on the so-called active account requirements. Such norms will help reduce reliance on third-country CCPs.

Finally, we are advancing on market efficiency. With the Commission and the ECB, ESMA has been supporting the EU's move to a shortened settlement cycle. 'T+1'will allow faster execution, clearing, and settlement, to the benefit of the entire EU financial ecosystem and its international competitiveness.

SIU and supervision

More can and should be done, of course. Therefore, we expect the forthcoming European Commission's legislative package on trading, post-trading, and asset management to address the key barriers that currently hinder cross-border activity, erode competitiveness, and discourage investment in the EU.

Further progress towards the integration of EU capital markets will demand refinements to the EU supervisory framework. From this perspective, ESMA's responsibilities as a supervisor are gradually growing as we start to put in place the supervision of CTPs, external reviewers under the EU Green Bond framework, ESG rating providers, and third country benchmarks – thanks to your support and decisions in the last legislative period.

Looking ahead, the case for EU-level supervision is clearest where our markets are most interconnected – for pan-EU market infrastructures such as CCPs, CSDs, stock exchanges, and newly supervised markets such as for large crypto-asset service providers.

For these important entities, a centralised approach would cut complexity by avoiding duplication, ensure a true level playing field, and give us a single, comprehensive view of risks across markets. It would also help the EU speak with one voice, building a system that is safer and more efficient.

On this key topic, please let me conclude by saying that we read carefully the European Parliament's report on the Savings and Investments Union which, in my view, outlines a solid vision and a constructive way forward.

Accountability and cooperation

Dear Chair,

Dear Members of the Economic and Monetary Affairs Committee,

The path in front of us is clear, but the slope is steep. This is why ESMA believes exchanges with the European Parliament are paramount. As always, we stand ready to offer our expertise in all relevant fora as you advance your legislative work.

Beyond accountability exercises – which remain central to our democratic values – I trust that a cooperative spirit will help us chart the course towards a genuine SIU – and, ultimately, a stronger Europe.

Thank you for your attention.

****