

# Opening speech

ESMA Conference “A New Era for EU Capital Markets”

## Verena Ross

Chair

Good morning, ladies and gentlemen, dear colleagues, distinguished guests,

It is a real pleasure to welcome you all today – in person and online – to celebrate ESMA’s 15-year anniversary and, perhaps more importantly, to look ahead to what comes next.

We have a great programme for you today. This conference comes at a moment when Europe’s capital markets are at the centre of the debate.

As we face a world of intensifying global competition, rapid technological transformation, and geopolitical uncertainty, we have an urgent need to finance key economic priorities - the green and digital transitions, as well as security and defence. Against this backdrop, the ambition to build truly integrated, efficient, and globally competitive EU capital markets has moved from being a long-standing aspiration to an absolute economic necessity.

Today’s conference, “*A new era for EU capital markets*”, is therefore not just a celebration. It is a checkpoint. And perhaps even more importantly, it is a call to action.

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When ESMA was established in 2011, Europe was still responding to the global financial crisis and was in the middle of the EU sovereign debt crisis.

Markets were fragmented. Trust had been damaged. Regulatory and supervisory approaches differed significantly across Member States. There was a growing recognition that we needed stronger and less fragmented regulation and supervision.

The first major task for ESMA was therefore to help build the foundations of a genuine single rulebook for EU capital markets.

This was an extraordinarily ambitious period of reform. MiFID II and MiFIR fundamentally reshaped the framework for securities markets – strengthening transparency and improving investor protection.

EMIR established entirely new rules for derivatives markets, central clearing, and risk mitigation in response to the lessons of the crisis.

Alongside these reforms came many others: in areas such as prospectuses, market abuse, short selling, benchmarks, settlement, and securitisation.

Collectively, these reforms transformed the EU's financial landscape.

But if the first phase of ESMA's journey was about building the rules, the second phase was about ensuring those rules worked consistently in practice. So ESMA's role evolved - moving from rulemaking to supervisory convergence becoming a central focus of our work.

Through guidelines, opinions, peer reviews, supervisory actions, we turned our common European System of Financial Supervision framework into something that functions in reality, not just on paper.

Over time, this work has created a far stronger and more coherent European regulatory framework than existed 15 years ago.

Yet, even after all this progress, internal barriers still hold back EU capital markets today. Increasingly, fragmentation is recognised as a constraint on our competitiveness - limiting liquidity, raising costs, and preventing Europe from reaching the scale it needs.

This is exactly why the issue of market integration has returned so prominently to the policy agenda; through the Draghi and Letta reports, the Savings and Investments Union Strategy, the One Europe One Market roadmap, and through the proposals now being discussed under the Market Integration and Supervision Package.

And this is also why we begin our discussions today where the story itself began - with integration.

Our first panel will take up precisely this question: how to *deepen market integration through public and private sector efforts*, and what practical steps can be taken to move closer to a truly integrated capital market.

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Alongside building the single rulebook, another defining part of ESMA's evolution has been supervision.

From the beginning, ESMA was entrusted with some direct supervisory responsibilities - initially for credit rating agencies, and later for trade repositories.

Over time, that role expanded. [Following the 2019 review of ESMA, and further reforms such as EMIR 2.2,] ESMA's mandate grew to include a wider set of entities and activities - from benchmarks to data providers and non-EU CCPs.

Today, we supervise a diverse set of over 50 entities across 21 countries, ranging from small, specialised firms to large players belonging to global groups.

What this reflects is a clear trajectory: Over 15 years, ESMA has developed into a fully-fledged, credible and risk-based European supervisor, working alongside national authorities, and focusing on areas where risks and activities are inherently cross-border.

This evolution matters because markets themselves have evolved.

Financial markets are increasingly interconnected, increasingly driven by new technology, and increasingly pan-European. Risks move quickly across jurisdictions. And supervisory fragmentation - just like market fragmentation - can create vulnerabilities and inefficiencies.

As integration deepens, and as markets operate more seamlessly across borders, the need for more consistent and efficient supervision becomes more pressing.

This gets to the heart of the current debate on the Market Integration and Supervision Package – and brings us naturally to our second panel discussion today: *Strengthening supervision – reform in motion*.

Here, our guest speakers will debate the direction of travel for EU-level supervision, addressing important questions like: where further ESMA supervision adds most value; how such reforms can be implemented in a way that genuinely improves outcomes and avoids unnecessary complexity or duplication; and how EU-level supervision can continue to leverage off the experience and skills of national supervisors.

Again, debates around supervisory reform in the EU are not entirely new — but the expectations, the context and the level of ambition have clearly stepped up.

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The third major thread running through ESMA’s history has been investor protection.

From the very beginning, protecting investors and strengthening confidence in financial markets has been at the core of ESMA’s mission.

[This has, of course, been anchored once again in the development of the single rulebook. Frameworks such as MiFID II strengthened transparency, improved disclosures and reinforced conduct requirements across the investment chain - helping to create a more robust foundation for investor protection.]

But ESMA’s role has gone well beyond shaping those rules.

We have worked closely with national authorities to drive consistent application of investor protection standards through our convergence efforts, focusing on identified risks to retail investors. We have taken direct action where necessary, most notably in 2018 with the introduction of EU-wide restrictions on CFDs and binary options. And alongside these efforts, we have consistently driven greater investor awareness and engagement, supported financial literacy initiatives and sponsored public campaigns to raise awareness of risks such as AI, influencers and crypto-asset investing.

But once again, the debate has evolved.

Today, under the Savings and Investments Union, citizens and retail investors are at the centre of the agenda. It is recognised that deeper capital markets require broader participation, and that participation ultimately depends on trust and accessibility.

And this brings us directly to our third panel discussion: *Rethinking the investor journey – building trust and access.*

Here, the focus will be on how to make capital markets more accessible and attractive to citizens, how to design simpler and more usable products, how to harness digitalisation effectively, and how to strengthen trust across the investment journey.

Because in the end, the success of the EU's capital markets will not be measured only by size or efficiency - but by whether they work for the people they are meant to serve – the investors.

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So, when we step back and look across these themes – integration, supervision, and the investor journey – we are not looking at separate strands. We are looking at three chapters of a single story.

A story, which, for ESMA, began 15 years ago with the need to address fragmentation, restore trust, and build a more coherent European financial system. And a story that has since evolved, step by step, into something much more ambitious.

The context today is very different from where we started. We now ask more of our capital markets than we did in 2011.

We need our capital markets to finance innovation at scale. To support the green and digital transitions. To strengthen Europe's competitiveness in a much more demanding global environment. And increasingly, to contribute to Europe's resilience and strategic autonomy.

In the years following the crisis, the focus was rightly on building a comprehensive and robust rulebook to restore trust and strengthen resilience. That framework has since been tested through multiple shocks and has proven its robustness.

Today, however, we operate in a different economic and political environment, where competitiveness and efficiency play a more central role. So, we must look again at the rulebook we have built - not to weaken it, but to ensure that it remains proportionate, that unnecessary complexity is reduced, and that it supports well-functioning, integrated and attractive EU capital markets.

That overall shift in expectations is profound.

And it means that the bar has been raised and the ambitions are high - not only in terms of what our markets should deliver, but also in how effectively they function, how consistently they are supervised, and how accessible they are to citizens.

This is why the discussions we are having today matter.

We will hear from Commissioner Maria Luís Albuquerque, who is shaping the future of the Savings and Investments Union and will provide her perspective on Europe's next steps.

We will have contributions from across the institutional landscape, including Aurore Lalucq, Chair of the ECON Committee, and from Kyriakos Pierrakakis, President of the Eurogroup.

We will also hear from market leaders and see global perspectives reflected, including from the Global CEO of Moody's, Rob Fauber. And, we will conclude with reflections from Enrico Letta, whose work has been instrumental in framing the broader debate on the future of the Single Market.

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Even though I shall soon approach the end of my time in ESMA, this is not my swan song. Nonetheless, allow me to conclude with a more personal observation, after 15 years of working with outstanding colleagues within ESMA, around the ESMA Board, and beyond.

Anniversaries are useful moments to reflect. They allow us to celebrate what has been achieved – but they also give us a chance to step back, to learn lessons and to be honest about what still needs to change.

If there is one lesson I can leave you with, it is that progress in the European Union (and around the ESMA Board) does not always come easy. It requires vision. It requires persistence. It requires a willingness to challenge the status quo. It requires us to rethink approaches that have been in place for a long time. And sometimes, it means being prepared to shake the tree - even if it disturbs those who are quite comfortable sitting in its branches.

After all, *“If you always do what you’ve always done, you’ll always get what you’ve always got.”*

We do not reform because success is guaranteed; we reform because standing still carries its own risks. Too often, Europe has not been ambitious enough. Compromise has come at the expense of integration. And we have avoided confronting the barriers in our single EU capital market head-on. But in today’s world, that is no longer sufficient.

If we are serious about building deeper, more integrated and more competitive EU capital markets, then we need to be equally serious about delivering the reforms that will make that possible.

Thank you very much, and I wish you an excellent conference.