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Keynote speech

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Chair

Ladies and Gentlemen,

I am pleased to join you today. Let me start by thanking the Polish Financial Supervision Authority (KNF) for inviting me to speak before you today.

Just a few months ago, ESMA Executive Director, Natasha Cazenave, was here in Warsaw to celebrate the 35th Anniversary of the Warsaw Stock Exchange. Today it is me who has the honour of being in the city, now as part of the celebration of KNF's 20th Anniversary. Happy Birthday KNF!

This celebration is an opportunity not only to recognise KNF's achievements, but also to acknowledge how it has supported the development of Poland's financial sector.

In my remarks today, I will reflect on the transformation of the Polish market and consider what it can teach us - as Europe moves towards a more integrated and effective regulatory and supervisory framework for capital markets.

Strong markets require strong institutions

I will begin by taking a step back.

About thirty-five years ago, modern capital markets in Poland – and across Central and Eastern Europe – began to develop at a time of far-reaching economic and institutional change. New market-based economies were emerging, bringing with them new opportunities.

At the time, the fundamentals of capital markets as we know them could not be taken for granted. New market infrastructures still had to be built. Legal frameworks had to be designed.

A new supervisory architecture had to be put in place. And, importantly, trust had yet to be gained – from investors, issuers and from the public at large.

The challenges were enormous. Yet progress was made step by step and the foundations of a robust market economy were laid.

Today, there are more than 400 companies listed on the Warsaw Stock Exchange. And the Exchange has grown to be the largest of its kind in Central and Eastern Europe: it has a market capitalisation measured in the trillions of zloty.[1]

These achievements did not happen by chance. They are the result of bold economic policies and sustained regulatory reforms, aimed at supporting the privatisation and growth of Polish companies, and at facilitating access to public market financing.

Another key step was Poland's integration into the European Union two decades ago. Participation in the Single Market and the application of the EU acquis strengthened investor protection and legal certainty. National implementation and supervision translated those common European standards into confidence in the local market. This laid the foundation for strong foreign investor participation. So much so that foreign investors now account for nearly three quarters of trading on Poland's Main Market[2] - a clear demonstration that the combination of European rules and a robust national regulation and supervision can bring trust.

Today, the Polish markets are notably more mature, sophisticated and resilient than they were a couple of decades ago and the KNF oversees a diverse financial sector.

To sustain this trajectory, we must look forward. A changing geopolitical, economic and technological landscape requires us to strengthen capital markets in Poland and across the European Union.

Europe's next challenge

As ESMA Chair, when I look at capital markets across the EU, I observe that over the last two decades, our markets have undergone successive reforms. Continued policy and regulatory

[1] Warsaw Stock Exchange, April 2026.
[2] Warsaw Stock Exchange, Investors in WSE Trading Activity in the First Half of 2026, August 2026.

efforts to harmonise rules, enhance transparency, and strengthen supervisory cooperation, along with coherent and strong national supervision, have meant that today European markets offer depth, strong investor protections and a stable regulatory environment for both European and global firms.

Under the Capital Markets Union umbrella a variety of reforms have been kicked off. Listing rules have been amended to better facilitate access to public markets. The European Single Access Point will increase access to financial information. Consolidated tapes will modernise trading by providing more streamlined access to data across venues, supporting better decisions and boosting market participation. And the move to a shorter settlement cycle in October 2027 should reduce settlement risk and align the EU more closely with other major markets.

However, while European markets will benefit from these reforms, we are now facing an ever more complex and demanding landscape. The challenging geopolitical situation underscores the need to unlock the full potential of our EU capital markets. We need to enhance their attractiveness in order to support growth and mobilise financing for defence, and the green and digital transitions.

To achieve this, we must address known structural weaknesses, such as the decline in public market activity and increase in de-listings, and we must close the gap between the EU and other major markets. On the buy side, investment capacity remains limited. Retail and institutional investment has not yet reached the scale necessary to fund Europe's long term needs.

For citizens, this also means missed opportunities to increase their financial exposure and improve their financial wellbeing. This is particularly visible in Poland, where the household savings rate stood at 10.2%, below the EU average of 14.6%[3], while household investment rate reached 5.2%, compared with an EU average of about 9%.

There is growing consensus that our markets remain too fragmented. Estimates suggest that fragmentation in the EU has resulted in a cumulative loss of trillions in GDP over the past 30

[3] Economic Weekly – Polish Economic Institute, 20 February 2026.

years[4]. What this means is very clear: unnecessary complexity and intra-EU barriers hold us back.

Taken together, these challenges show that the earlier policy and regulatory choices – however successful they were – are not enough. We need renewed ambition. This is why the European Commission's Savings and Investments Union Strategy and the subsequent Market Integration and Supervision Package (MISP) are both timely and necessary.

Looking ahead: building effective and attractive capital markets

The SIU strategy places strong emphasis on encouraging retail participation in capital markets, facilitating cross-border investments and simplifying access to public financing for companies, including SMEs. The Commission initiatives also aim to reduce fragmentation and dismantle barriers to the Single Capital Market.

Within the broader SIU context, the MISP package will contribute to deeper and more efficient capital markets, consistent with many of the recommendations set out in ESMA's 2024 Position Paper on building more effective and attractive capital markets.[5]

Since MISP was put forward, we have seen the Council and the European Parliament reacting rapidly. I very much welcome the speedy advancement of these negotiations and the broad acknowledgment that we need more integrated and efficient markets. The challenge now is to ensure this ambition is preserved.

The package has the potential to significantly reduce cross-border frictions and regulatory complexity for firms operating in the Single Market. But integration cannot be achieved solely by adjusting the legal framework – even if the review of the Settlement Finality Regulation in the package is important. What is key is that common rules ultimately lead to common outcomes. And this demands effective convergence tools, timely cooperation, and consistent supervision.

For genuinely pan-European activities and players, EU-level supervision can reduce the inefficiencies and inconsistencies that arise when supervised entities have to navigate multiple

[4] Europe's Capital Markets Are Broken—and It's Costing Us €8 Trillion, Think tank Horasis, Mattias Bergstrom.
[5] Building more effective and attractive capital markets in the EU, 22 May 2024.

national authorities. This is the case with large trading venues, CCPs, CSDs, and crypto-asset service providers who often serve the entire EU market. More EU-level supervision by ESMA in this scenario can enhance efficiency and foster a uniform approach. This in turn helps firms to operate under a single set of expectations and supervisory decisions instead of several different ones – and also allows for a more central, holistic view of systemic risks. To make the new split of responsibilities workable we need realistic significance criteria, that do not create arbitrary gaps or result in a supervisory model more complex than the one it seeks to replace.

Whatever exact split of supervisory responsibility will be decided by the co-legislators, the need for deep cooperation between ESMA and national authorities will remain. The transition will require us all to work jointly, building on local supervisory knowledge and experience. We also need to collectively build the cooperation arrangements for the future - guided by good faith, clarity of respective responsibilities and open information exchange.

Such cooperation arrangements need to be tailored to each sector and need to be able to evolve over time. They need to support an efficient use of resources and avoid duplication. At "steady state", ESMA needs to have the capacity to carry out its responsibilities independently and with clear accountability, to act as the main interface with the firms it is responsible for, to be able to set clear supervisory priorities and take the relevant decisions. All of this while continuing to cooperate closely and exchange information with national authorities, and where relevant also central banks and other public authorities. I look forward to further discussing this and other cooperation matters as part of our next panel.

Now, the MISP package goes much further than supervision and convergence, or the way that we are expected to cooperate. Let me turn briefly to these additional aspects.

Other parts of the MISP package

In the **trading** space, the package aims to harmonise the EU rulebooks for trading venues, rendering some parts directly applicable – something that will help reduce national divergences. In addition to that, the PEMO initiative will further facilitate cross-border operations for trading venue groups. If qualifying groups start to operate under a single licence and a single supervisory framework, this could reduce duplication and ensure consistency across the Single Market. This, however, can only be achieved if we have clear, objective significance criteria to ensure that the framework does not create new distortions in the cross-EU playing field.

Post-trading integration is equally important for the effectiveness and efficiency of our EU capital market. MISP offers the opportunity to achieve this through the interoperability measures proposed, for example, the CSD hub concept. A more inter-connected post-trading environment will allow issuers and market participants to choose and access the most efficient services across borders at lower costs. For the hub-and-spoke model to deliver on that promise, it is important that the links between CSDs be standardised. At the same time, the framework should stay proportionate and account for well-functioning existing links that already provide equivalent levels of safety and interoperability.

Finally, let me turn to the proposals in MISP that aim to seize the opportunities of **innovation and digitalisation**. The experience so far is that transitioning market infrastructure onto new technology is complex. The proposals to make the DLT Pilot framework more attractive and flexible for market participants, while preserving proportionate safeguards and consistent supervision across the EU, are therefore important. However, the goal should not be limited to experimentation: we need to provide a credible path towards scalable and interoperable tokenised markets. This means stronger consistency in the granting of exemptions, as well as legal certainty and effective links between DLT-based and traditional market infrastructures.]

Overall, the SIU (and within it the MISP package) could become the most consequential financial market reform since the post-crisis regulatory reforms 15 years ago. If implemented with coherence and ambition, it could shape Europe's capital markets for many years to come.

Simplification and burden reduction

I can't conclude my speech here today without stressing the importance of **simplification and burden reduction**. A modern regulatory and supervisory framework must look beyond preserving the core objectives of strong investor protection and stable and orderly markets. We need to achieve these objectives while – at the same time - being much more lean and efficient – eliminating unnecessary duplication and complexity in our regulation and being more risk-based and proportionate in our supervision.

ESMA has been working to deliver simplified, more integrated transaction reporting for companies and simplified fund reporting. We have proposed to make the investor journey easier – to allow retail investors to build confidence and engage in capital markets. Finally, but by no means least, we are in the process of implementing risk-based supervision principles both in our direct supervisory activity and in working on supervisory outcomes with national authorities. I know that also the KNF has been active in reviewing its regulatory framework and supervisory practice – eliminating gold plating and focusing on key supervisory priorities.

I firmly believe that we, as regulatory and supervisory authorities, have the responsibility to preserve the safeguards that have allowed us to safely sail through recent stormy weathers. At the same time, we need to make our EU regulatory and supervisory ship ready for the storms ahead. That will require us to follow a shared compass and have a clear common destination, while being more agile and flexible throughout the journey. It will not be an easy one. As ESMA we are committed to provide the European perspective that keeps us aligned, even when the waters become more difficult.

Conclusion

Ladies and Gentlemen, over three decades on, Poland stands as a clear example of how sustained reform and European integration can enhance market activity and transform economies. In many ways, this is a story shared across Europe – and one we want to continue to be experienced by future generations of EU citizens.

The next phase of European capital-market integration will depend not only on political ambition. It will require quality implementation by European and national authorities. It is therefore essential that we combine national expertise with a wider European ambition. This is how we can together deliver EU capital markets that are larger and deeper and – most importantly – trusted by and attractive to investors in the EU and beyond.

Thank you.