ESMA
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Spotlight on Markets – September & October 2026

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Carlo Comporti appointed Chair of the European Securities and Markets Authority

The European Securities and Markets Authority (ESMA), the EU's financial markets regulator and supervisor, is pleased to announce that Carlo Comporti has been appointed as its next Chair. The appointment was confirmed by the Council of the European Union at its meeting today in Brussels. Mr Comporti will take up his position on 1 November 2026.

Carlo Comporti appointed Chair of the European Securities and Markets Authority - Press release



"It is a pleasure to welcome Carlo as the new Chair of ESMA. Together with the Board of Supervisors, I wish Carlo all the best in his new position. He brings decades of experience in European financial markets regulation and knows ESMA well. I look forward to seeing ESMA continue to grow under his leadership.
For my part, it has been a true honour to lead ESMA as Chair for the last 5 years. The dedication, professionalism and expertise of ESMA colleagues have been the driving force behind everything we have achieved together. I am deeply grateful to them for making this journey so rewarding. I would also like to warmly thank my colleagues on the Board of Supervisors for their trust, support, and collaboration throughout these years."

Verena Ross, ***Chair***

"I am honoured to have been entrusted with this role at a time when ESMA is at the heart of discussions shaping the future of European financial markets. I am thankful to the members of the Board, the European Council and the European Parliament for their trust, and I look forward to working closely with them, as well as with the European Commission, the European Central Bank and other authorities and stakeholders across the financial sector.

Now more than ever, ESMA plays a critical role in ensuring that European markets further develop and integrate, to support the needs of companies, investors and citizens. I am eager to join the ESMA team and collaborate directly with colleagues who contribute every day to such a dynamic organisation."

Carlo Comporti, ***incoming Chair***



Prior to his appointment, Mr Comporti served as a Commissioner at CONSOB (Commissione Nazionale per le Società e la Borsa) since February 2022. During this period, he was also a member of ESMA's Board of Supervisors and Management Board, Chair of its Digital Finance Standing Committee, and a member of the IOSCO Board, where he chaired the Audit and Finance Committee. Before joining CONSOB, he served as CEO of Promontory Italy and COO of Promontory Europe, a business unit of IBM Consulting, from 2011 to 2022, having previously held the position of Directeur Général of Promontory France. He served as Secretary General of the Committee of European Securities Regulators (CESR) from 2008 and played a key role in the transition from CESR to ESMA in 2010 and 2011.

ESMA sets 2027 priorities for stronger, simpler and more integrated EU capital markets

The European Securities and Markets Authority (ESMA), the EU's financial markets regulator and supervisor, has today published its annual Work Programme for 2027. Guided by ESMA's multi-annual strategy for 2023–2028, the programme is marking a shift from preparation to the delivery of several major initiatives.

2027 marks an important milestone for the Savings and Investments Union (SIU) as many of ESMA's strategic initiatives move into the delivery phase. While co-legislators continue their work on the Market Integration and Supervision Package (MISP), ESMA is already advancing on key elements of the SIU agenda including initiatives to simplify the regulatory, reporting and supervisory framework. ESMA also continues to modernise the way it supervises markets through greater use of data and technology.
This work programme reflects ESMA's commitment to strengthening the Single Market, protecting investors and safeguarding financial stability. It enables ESMA to remain agile in the face of volatile and risky market conditions, while responding effectively to rapidly changing needs and priorities.



As financial markets continue to evolve, I know that ESMA and its staff will remain focused on ensuring that EU capital markets are efficient, resilient and attractive."

*Verena Ross, **Chair***



2027 Annual Work Programme

Growing supervisory mandates

ESMA will advance its supervision of consolidated tape providers and external reviewers of European Green Bonds, as well as process the applications and begin supervision of ESG rating providers. It will also adapt to its expanded responsibilities for benchmark administrators.

ESMA will carry out oversight activities for Critical ICT Third-Party Service Providers together with the other European Supervisory Authorities and continue monitoring and promoting compliance with the Digital Operational Resilience Act (DORA) across all of its supervisory mandates.

In 2027, ESMA will review the impact of recent reforms (EMIR 3) aimed at making EU clearing markets more resilient. The work will help ensure that EU clearing houses remain robust and reduce the EU's dependence on certain systemically important clearing services located outside the EU.

Alongside its direct supervisory responsibilities, ESMA will enhance supervisory convergence across the EU, continuing the strong cooperation with National Competent Authorities (NCAs), including on supervision of crypto-asset service providers (CASPs) under MiCA.

ESMA's contribution to simplification and burden reduction

Delivering more efficient financial markets

Following the expected final agreement by the co-legislators on the MISP proposal in 2027, ESMA will prepare for the resulting changes to its mandates and responsibilities. In parallel, ESMA will be delivering other priorities supporting the SIU, including implementation of the European Single Access Point and the transition to T+1 settlement. ESMA will continue to enhance investor protection by supporting the implementation of the Retail Investment Strategy and promoting clear, accessible information for investors.

ESMA's four flagship simplification initiatives on transaction reporting, funds reporting, the retail investor journey and risk-based supervision will also enter a new phase in 2027. They are intended to reduce unnecessary administrative burdens, improve the usability of regulatory data and make supervision more effective. Further details are set out in the report also published today which outlines actions undertaken in 2026 and planned for 2027 to embed simplification and burden reduction across ESMA's regulatory and supervisory activities.

Finally, ESMA will support the implementation of key EU financial legislation by delivering technical standards and advice across its remit.

Simplification and burden reduction - factsheet

Harnessing data and technological innovation

ESMA will further enhance its data capabilities and promote innovation in the supervisory process, through the development of its Data Platform and the deployment of AI-based tools to support supervision. It will also strengthen cybersecurity capabilities and advance work on crypto-assets and the impact of artificial intelligence on financial markets. Tokenisation will remain as a priority for ESMA, further expanding the work on the opportunities it can bring to the EU capital markets.

ESMA sets 2027 priorities for stronger, simpler and more integrated EU capital markets - Press release

ESMA sets new supervisory priority on digital innovation from 2027

The European Securities and Markets Authority (ESMA), the EU's financial markets regulator and supervisor, will launch a new Union Strategic Supervisory Priority (USSP) to help embrace innovation while protecting investors and maintaining strong safeguards.

The digital innovation USSP aims to ensure supervisors have the expertise and capacity to oversee the use of new technologies. In collaboration with National Competent Authorities, our initial focus will be on how supervised entities use artificial intelligence and tokenisation. We will remain flexible to address future technological developments as they emerge.

The new priority will run alongside the USSP on cyber and operational resilience, which has been in place since 2025. Going forward, we will continue our efforts and coordination to address the challenges ahead, including those emerging from advanced models such as frontier AI.

This year, ESMA is also concluding the USSP on ESG disclosures, following its launch in 2023. Overall, we have made strong progress in improving ESG disclosures and helping investors better understand sustainability information and receive quality advice. While this marks a significant milestone, ESG remains a long-term journey.

Factsheet presenting key information on ongoing and future USSPs

Background

USSPs are ESMA's convergence tools that address high-risk areas of strategic importance across the EU. They help direct supervisory resources towards the risks that matter most for investor protection, financial stability and the orderly functioning of EU financial markets.

Union strategic supervisory priorities (USSPs) - factsheet

European Supervisory Authorities set priorities for 2027

The Joint Committee of the European Supervisory Authorities (EBA, EIOPA and ESMA – the ESAs) published today its Annual Work Programme for 2027, setting out its priorities for addressing cross-sectoral risks and strengthening coordination across the European Union's financial sector.

In 2027, the Joint Committee will focus on areas where cooperation among the three ESAs is essential to support financial stability, consumer protection and effective supervision. Key priorities include digital operational resilience, technological innovation, sustainable finance, securitisation and cross-sectoral risk monitoring.

Under the Digital Operational Resilience Act (DORA), the ESAs will continue oversight activities relating to critical ICT third-party service providers and work towards strengthening the financial sector's preparedness against cyber threats. The Joint Committee will also assess the implications of technological developments, including the growing use of artificial intelligence and other digital innovations.

Consumer protection will remain a central priority. The ESAs will continue their joint work on issues affecting retail consumers, helping them make informed financial decisions and promoting confidence in EU financial markets.

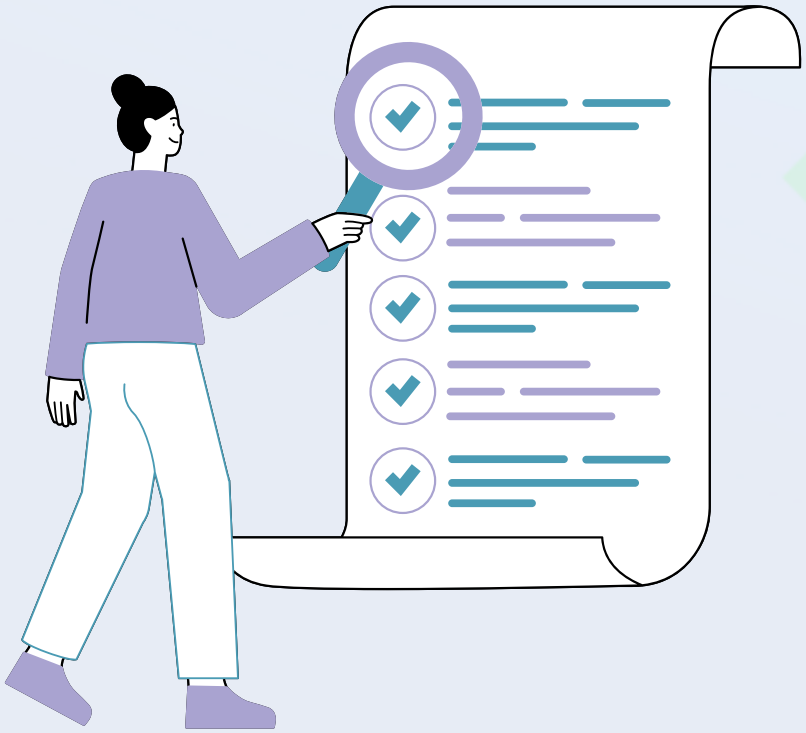
In sustainable finance, the Joint Committee will continue to support the consistent application of the EU's sustainability framework across sectors.

Joint Committee Annual Work Programme 2027

The programme reflects the Joint Committee's role in ensuring a coordinated supervisory response to cross-sectoral challenges and supporting a resilient, innovative and well-functioning financial system across the European Union. It also supports the European Commission's objectives to build an efficient Savings and Investment Union and advance a simplification agenda aimed at fostering more effective regulation and supervision while reducing unnecessary regulatory burdens.

Background

The Joint Committee is a forum established to strengthen cooperation between the European Banking Authority (EBA), the European Insurance and Occupational Pensions Authority (EIOPA) and the European Securities and Markets Authority (ESMA). It coordinates cross-sectoral supervisory work and promotes consistent supervisory practices across the EU.



One year to go for T+1 settlement: the regulatory framework is complete, now let's make it happen

The European Union (EU) will switch to T+1 settlement on 11 October 2027. Ahead of the transition, the European Securities and Markets Authority (ESMA), the EU's financial markets regulator and supervisor, calls on market participants to finalise technical preparations, assess readiness across their entire ecosystems and begin testing as soon as possible throughout the trading and settlement chain.

With the publication of the **RTS** and **ESMA Guidelines on standardised procedures and messaging protocols,** the regulatory framework is now ready. The first deadline is for investment firms and their clients to comply with the new requirements on allocations and confirmations from 7 December 2026.

"The transition to T+1 is one of the most impactful recent market structure initiatives. It will fundamentally improve the efficiency and international competitiveness of the EU markets. The date is known, the roadmap is clear, and, with the final piece of regulatory guidance published today, the framework is now in place for all players in the trading and settlement chain to prepare for 11 October 2027.
A successful transition is a shared effort by the industry and the public authorities. The focus now shifts to market participants to comply with the regulatory requirements, ready their systems and processes, and test their preparedness for the change, considering the recommendations of the EU T+1 Industry Committee."

Verena Ross, ***ESMA Chair***

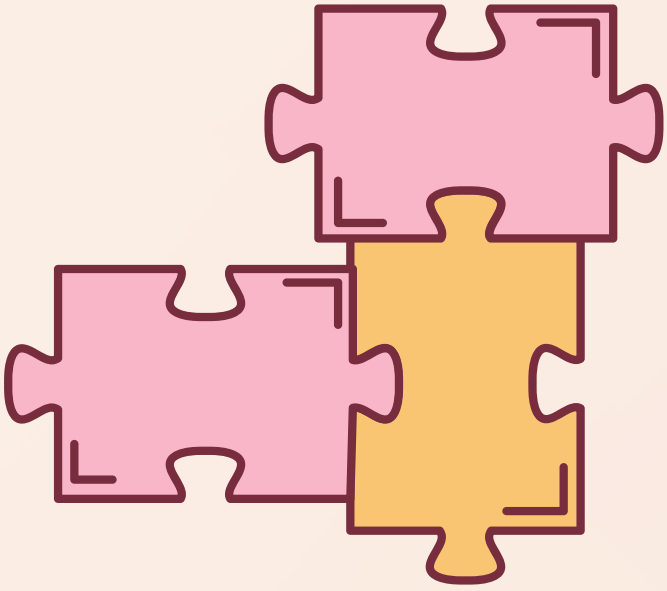


Final report on the revised CSDR Guidelines on standardised procedures and messaging protocols used between investment firms and their professional clients

Delivering the final piece of regulatory work

ESMA's revised guidelines on standardised procedures and messaging protocols clarify how market participants should meet the new requirements on allocations and confirmations introduced by the amended RTS on Settlement Discipline, in particular, as of 7 December 2026, the mandatory use of:

- electronic, standardised communication channels and international messaging standards; and
- machine-readable communication methods, except in cases of temporary technical disruptions.



One year to go for T+1 settlement: the regulatory framework is complete, now let's make it happen - Press release

ESAs call for vigilance over external dependencies, cyber threats and private credit risks

The European Supervisory Authorities (EBA, EIOPA and ESMA – the ESAs) have identified external dependencies, emerging technologies and private credit as key vulnerabilities for the EU financial system in their Autumn 2026 risk update.

The ESAs warn that the sector's reliance on non-EU providers and infrastructures could amplify the impact of geopolitical shocks and operational disruptions. Dependence on ICT service providers outside the European Economic Area remains a particular concern, alongside growing cyber risks linked to increasingly capable AI models.

The findings also highlight vulnerabilities related to private credit. Although the sector remains relatively small in the EU, its rapid growth, limited transparency and increasing links with the wider financial system could create risks during periods of stress.

Despite these challenges, the EU financial system has remained resilient. Investment funds, insurers and banks continue to show strong fundamentals, although geopolitical tensions, cyber threats, natural catastrophes and technological developments continue to shape the outlook.

The ESAs call on supervisors and market participants to strengthen their preparedness and continue closely monitoring risks stemming from external dependencies, private credit and emerging technologies.

Joint Committee update on risks and vulnerabilities in the EU financial system – autumn 2026

Background

The key findings of Autumn 2026 Joint Committee update on Risks and Vulnerabilities were presented at the meeting of the Financial Stability Table of the EU's Economic and Financial Committee (FST-EFC) on 10 September 2026 as input from the ESAs.

Findings in detail:

The EU financial system remains resilient

Financial markets have remained resilient despite a volatile environment marked by geopolitical tensions, fluctuations in energy prices and continued crypto-asset volatility. EU equities reached record highs even amid the geopolitical tensions in the Middle East. Bond yields rose but spread widening was limited. Resilience was also evident across the wider financial system. EU investment funds remained resilient throughout the period of volatility. Fundamentals in the insurance and pension sector stayed strong, and capital and funding positions strengthened, however, more frequent natural catastrophes could widen protection gaps, reinforcing the need for stronger action on adaptation. European banks continued to operate from a position of strength, with strong profitability and high capital ratios supported by organic capital creation. Bank asset quality is also resilient with low levels of Non-Performing Loans, but with expectations of asset quality deterioration in certain portfolios, particularly Commercial Real Estate and Small and Medium-sized Enterprises. Nevertheless, risks remain. Geopolitical developments, energy prices, and rapid technological advances including AI continue to shape the risk outlook, while operational risks are increasing with cyber and fraud risk remaining the main sources of concern.

Role of non-EU exposures and infrastructure dependencies

The ESAs highlight the EU financial sector's dependencies on non-EU countries across the financial system. Investment funds have substantial exposures to the US, particularly equity UCITS and alternative investment funds, while bond funds are more geographically diversified.

In the insurance sector, global interconnectedness is contained overall and is primarily asset- and reinsurance-driven. While these links bring diversification benefits, they also increase market, counterparty, and concentration risks for the sector.

In the banking sector, heightened geopolitical tensions are increasing uncertainties. Although direct exposures to the regions affected by geopolitical tensions remain limited, indirect exposure and second-round effects could have wider implications for borrowers and funding conditions. Adverse developments from geopolitical tensions could lead to deteriorating asset quality and subdued credit demand, which are not least reflected in banks' impairment overlays. Banks also face funding gaps in some non-EU currencies, mainly because of household and non-financial corporation deposits and mostly in USD, GBP and CHF. There is ongoing strong reliance on non-EU ICT service providers and payment systems. Dependence on non-EU service providers also remains visible in financial infrastructures, with clearing, repo and credit ratings markets largely intermediated by non-EU entities.

External dependencies present risks, particularly linked to cyber and AI

This reliance on non-EU counterparties increases dependencies on other regulatory regimes and can increase vulnerabilities to geopolitical events outside the EU. It heightens cyber risks, particularly given the concentration of dependence on non-EEA ICT providers. In the insurance sector, exposure also arises through cyber-insurance underwriting. In a context of severe geopolitical instability, added frequency and severity of orchestrated AI-enabled cyberattacks could increase claims and accumulation risks for insurers, though exclusion clauses could limit the impacts on the sector.

The rapid development of advanced AI systems could make cyberattacks more powerful and harder to contain, allowing malicious actors to identify and exploit vulnerabilities at unprecedented speed. Quantum computing, another rapidly developing technological area, could soon transform the financial sector in key areas by optimising financial processes, fraud and compliance monitoring, as well as pricing. While it promises significant benefits, it could also create major risks, through undermining cryptography systems widely used to secure communications, transactions, databases, and blockchains. Risks posed could also materialise faster than any commercially viable application.

Private credit exposures have grown and present risks

Private credit markets continue to expand rapidly as a source of financing globally, although the EU market remains relatively small, with limited aggregate exposures among banks and insurers. Nonetheless, the sector presents vulnerabilities linked to increasing complexity, limited transparency, and interlinkages across the financial system. These include infrequent and potentially inaccurate loan valuations, high credit risk, uncertainty about leverage across the value chain, and data gaps affecting both market participants and regulators. Risks may also arise from EU entity exposures to the larger US private credit market. Liquidity mismatches in private credit funds could amplify redemption pressures and generate spillovers to banks through funding and common exposures. Banks could also face credit risks through shared borrowers and financing commitments to private credit vehicles.

Supervisors and market participants should stay ready and responsive

Given the ongoing geopolitical risks, the Joint Committee of the ESAs calls on supervisors and market participants to strengthen resilience through crisis preparedness, resolution coordination, and more effective and adaptable regulation. It also calls for proactive monitoring and management of risks related to external dependencies, private credit, and AI. This includes managing exposures to non-EEA entities, particularly those linked to private credit, monitoring dependencies on non-EU/EEA service providers, and strengthening preparedness for risks arising from the rapid development of AI and quantum computing.



ESMA calls for changes to make MiCA clearer, safer and ready for emerging services

The European Securities and Markets Authority (ESMA), the EU's financial markets regulator and supervisor, has responded to the European Commission's public consultation on the review of Markets in Crypto-Assets Regulation (MiCA). ESMA's recommendations aim to simplify the framework while improving investor protection and addressing innovative business models, such as decentralised finance (DeFi), staking, lending and borrowing.

Enhancing investor protection

ESMA proposes new safeguards in areas where investors face risks that are not fully covered under the current framework, including:

- stricter rules for the marketing of crypto-assets, particularly when they are promoted by influencers and third parties;
- greater transparency in costs; and
- proportionate requirements for staking, lending and borrowing, including through disclosure obligations.

These measures would provide clearer information on costs, risks, rewards, collateral arrangements, and potential losses before investment decisions are made.

Reinforcing supervision

ESMA recommends strengthening supervisory powers and addressing the risks arising from unauthorised services, online fraud and non-compliant stablecoins, by:

- enhancing the EU's capacity to detect, block and deactivate fraudulent websites and freeze crypto assets in cases of suspicion of market abuse or terrorist financing;
- obtaining reinforced supervisory powers to deal with third-country firms which solicit EU investors without being authorised under MiCA; and
- introducing explicit rules to prevent regulated crypto firms from offering services linked to stablecoins that do not comply with MiCA requirements.

Evolving towards DeFi and improving crypto-asset classification

As crypto markets evolve and activity around decentralised finance (DeFi) and stablecoins grow, ESMA advocates for the introduction of clearer criteria for determining which activities can be considered genuinely decentralised. It also recommends creating a new regulated crypto asset service for firms that provide users with access to DeFi protocols.

To reduce uncertainty and support harmonised supervision across the EU, ESMA suggests adopting rules on how crypto-assets should be classified, including new products such as hybrid tokens. It also includes granting ESMA the ability to issue binding opinions on token classification to ensure the same products are treated consistently within the EU market.

Simplification and burden reduction

In line with the EU's simplification and burden reduction agenda, ESMA proposes to streamline parts of the existing rules, including simplifying crypto-asset white-paper notification procedures, reducing duplicative authorisation requirements for some regulated firms, and improving the consistency of prudential requirements.

Development of an integrated European tokenised capital market

Finally, and looking beyond the immediate MiCA review, ESMA highlights the need for a framework for tokenised securities and on-chain settlement that can support the development of an integrated European tokenised capital market and facilitates cross-border activity in the future.

Response to the European Commission's consultation on the review of MiCA regulation

Ongoing geopolitical and economic vulnerabilities masked by strong investor optimism

The European Securities and Markets Authority (ESMA), the EU's financial markets regulator and supervisor, published today its second risk monitoring report of 2026, setting out the main risks and vulnerabilities in EU financial markets.

ESMA finds that, while markets have remained resilient, stretched technology valuations and heightened geopolitical tensions are testing this resilience, in a climate of persistent inflation and weaker economic growth. Despite heightened market volatility and event-driven uncertainty, strong performance in technology and AI-related sectors has been helping to sustain fast recovery of investor optimism and financial markets valuations.

This resilience should not be mistaken as an absence of vulnerabilities. The disconnect between deteriorating macro-financial conditions and upbeat market valuation increases the risk of sudden market corrections, should economic risks materialise or investor sentiment shift abruptly. At the same time, rapidly emerging threats to market infrastructures and key market players, such as those linked to frontier AI, should not be overlooked.

"Investor optimism continues to support elevated valuations despite rising geopolitical tensions and a weakening economic outlook. The wider this gap becomes, the greater the risk of an abrupt market correction. Retail and institutional investors should remain vigilant and retain resilience, preparing to be able to withstand sharp market corrections."

*Verena Ross, **ESMA Chair***



Beyond these risk drivers, ESMA's report sets out market developments and conditions across key segments of EU financial markets during the first half of 2026. It also provides in-depth analysis on selected topics, including UCITS market fragmentation, technology IPO trends in the US and prediction markets.

First annual report of the Joint Trends, Risks and Vulnerabilities (TRV) Report, No. 2, 2026Monitoring Mechanism

Market developments

Securities markets and crypto-assets

Equity markets fell sharply following the outbreak of the Middle East conflict, but prices have since rebounded to, or above, pre-conflict levels. Nevertheless, elevated valuations amid a weaker macro-financial and geopolitical outlook have increased the risk of abrupt corrections. In bond markets, concerns have emerged over funding conditions and the safe-haven role of bonds, with sovereign yields rising and spreads widening, while volatility remains elevated despite largely stable EU credit quality indicators. Beyond listed markets, risks also warrant close monitoring in less transparent and increasingly interconnected segments, both in private credit exposures to the US market, and in the growing linkage between increasingly vulnerable crypto-asset markets and the broader financial system.

Infrastructures and services

Key market infrastructures have continued to function well, even during recent market stress, where clearing houses, known as central counterparties (CCPs), handled volatile energy trading without disruption. Settlement systems, however, saw a short-lived rise in failed transactions across asset classes in early April. Cyber risks are increasingly important as frontier AI developments are shifting the operational risk landscape.

Asset management

Fund flows and performance remained positive despite the volatile market environment. While interest rate and credit risks are emerging as growing concerns, the available risk indicators remain broadly stable at this time. Valuation risk continues to be an issue across most fund categories.

Consumers

Digital platforms have made it easier for retail investors to access markets, and this is shaping behaviours in different ways. On the one hand, many investors continue to favour passive products for long-term investing, while the same platforms can also facilitate short term or speculative trading. Overall, exposure to social media content and gamification features on digital platforms may encourage uninformed or impulsive investment decisions.

Ongoing geopolitical and economic vulnerabilities masked by strong investor optimism - Press release

Structural developments

Market-based finance

IPO activity remained limited in the EU, and follow-on issuance was below historical averages. At the same time, corporate bond issuance stayed strong, although the pace of short-term debt issuance moderated and refinancing risks increased.

Sustainable finance

Global climate policy tensions and energy security concerns continued to weigh on ESG sentiment. Nevertheless, ESG funds saw mixed developments overall, with renewable energy and transition-focused funds attracting inflows. The EU ESG bond market remained resilient, supported by the growing use of proceeds linked to renewable energy projects.

Financial innovation

Tokenisation of equities remains at an early stage, but adoption momentum is increasing. In decentralised finance, recent exploits have renewed concerns about interconnectedness and potential spillovers. Investment in artificial intelligence continues to expand, reflected in the growing number of AI-focused funds, particularly those targeting AI infrastructure. Meanwhile, quantum computing has attracted significant investor interest, with both global and EU startup funding reaching record levels in 2025.

Statistical Annex to the Trends, Risks and Vulnerabilities (TRV) Report, No. 2, 2026

ESMA signs Memorandum of Understanding with the Securities and Exchange Board of India

The European Securities and Markets Authority (ESMA), the EU's financial markets regulator and supervisor, has signed a Memorandum of Understanding (MoU) with the Securities and Exchange Board of India (SEBI) to facilitate cooperation and exchange of information in relation to the recognition of central counterparties (CCPs) established in India and supervised by SEBI.

Following the signature of an MoU between ESMA and the Reserve Bank of India (RBI) earlier this year, this agreement marks a further significant step towards restoring access for EU clearing members to Indian CCPs and follows more than two years of sustained engagement between ESMA and Indian authorities.

This MoU is the result of close and constructive cooperation between ESMA and SEBI and reflects ESMA's strong commitment to international supervisory cooperation and mutual support to advance safe, resilient and open financial markets.

Next steps

The MoU will allow CCPs established in India and supervised by SEBI to re-apply for recognition under EMIR. It is a key requirement under Article 25 of the European Market Infrastructure Regulation (EMIR) for the recognition of third-country CCPs by ESMA.

ESMA is continuing discussions with the International Financial Services Centres Authority (IFSCA) with a view to concluding a similar cooperation arrangement.

Memorandum of Understanding between ESMA and the Securities and Exchange Board of India (SEBI) on central counterparties

ESMA promotes clarity in claims on impact and transition

The European Securities and Markets Authority (ESMA), the EU's financial markets regulator and supervisor, has published two additional thematic notes on sustainability-related claims.

Impact claims

This thematic note examines positive impact claims made through funds and bonds. Market participants understand positive environmental or social impact differently and attach different levels of ambition to their impact claims. Therefore, they are encouraged to explain clearly what difference they expect to make, how they aim to generate positive impact and how they will measure results, so that investors receive clear and balanced information.

Climate transition claims

Focusing on climate transition claims, **the second note** draws on observed market practices across funds, bonds and benchmarks. Such claims are often forward-looking and subject to uncertainty, as their achievement may depend on future actions, assumptions and external factors. The note highlights the importance of clearly communicating what the transition ambition is, how it is expected to be implemented and how progress will be assessed and communicated, including relevant assumptions, data limitations and dependencies.

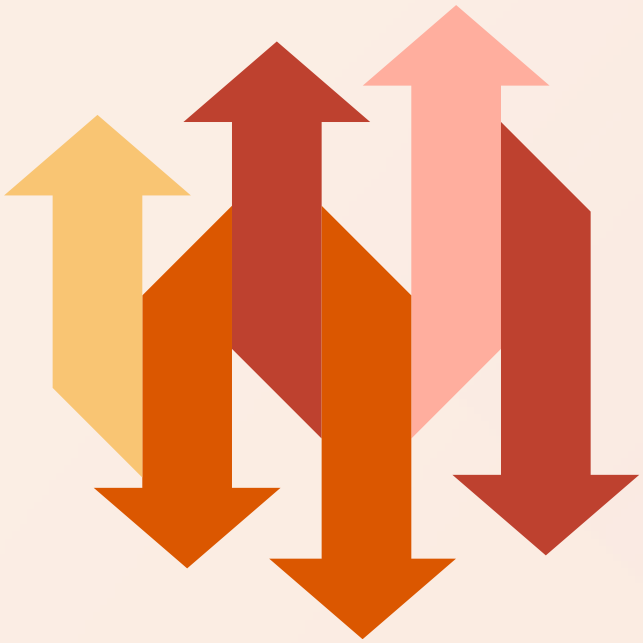
Thematic notes offer practical do's and don'ts for making sustainability claims in non-regulatory communications, illustrated through concrete examples of good and poor practices that are based on observed market practices. They aim to ensure communications are clear, fair and not misleading and hence reducing the risk of greenwashing.

Thematic notes on clear, fair, and not misleading sustainability-related claims - impact claims

Background

Today's publications are part of ESMA's wider series aimed at promoting greater transparency and consistency in sustainability-related disclosures. It follows previous thematic notes on **ESG credentials** and **ESG strategies.**

The thematic notes do not create new regulatory requirements and should not be understood as prescribing a particular approach or level of ambition, for example in the context of the ongoing review of the Sustainable Finance Disclosure Regulation (SFDR). Instead, the notes provide observations and examples intended to support market participants' understanding of the existing expectations under the principle of clear, fair and not misleading communication.



Thematic notes on clear, fair, and not misleading sustainability-related claims - transition claims

ESMA analysis shows continued growth in cross-border investment services

The European Securities and Markets Authority (ESMA), the EU's financial markets regulator and supervisor, has completed its annual analysis of the cross-border provision of investment services, together with national competent authorities (NCAs).

The exercise collected data from investment firms across 30 jurisdictions in the EU/EEA and found that cross-border investment activity continued to grow significantly in 2025.

Key findings:

- A total of 379 financial firms provided cross-border services to retail clients.
- Approximately 15.5 million clients in the EU/EEA received investment services from firms located in other Member States, almost twice as many as in 2023.
- **Compared to 2024:**
  - The number of firms increased by 2%.
  - The number of retail clients rose by 47%.
  - Complaints remained stable (decreased by 0.2%).
- Cyprus remained the primary location for firms providing cross-border investment services in the EU/EEA, accounting for 20% of passporting firms, followed by Luxembourg (14%) and Germany (12%).
- France, Spain, Germany and Italy are the main destinations for retail clients receiving cross-border services in other Member States.

These findings will support ESMA and the NCAs in monitoring cross-border investment services and understanding developments affecting retail investors across the EU/EEA.

Next steps

ESMA will carry out the next data collection in 2027.



Report on the 2025 cross-border provision of investment services to retail clients in the EU and EEA

ESMA seeks evidence on the use of tokenised collateral in central clearing

The European Securities and Markets Authority (ESMA), the EU's financial markets regulator and supervisor, has today launched a Call for Evidence on the potential use of tokenised collateral by central counterparties (CCPs). ESMA is inviting all interested stakeholders to submit their contributions by 15 January 2027.

Tokenisation is moving from testing to real-world use in financial markets, with collateral mobilisation emerging as particularly relevant for central clearing. ESMA is seeking evidence on whether, and under what conditions, tokenised forms of collateral could be used safely and effectively by EU CCPs.

The Call for Evidence focuses on how tokenisation may affect the transfer, management, protection and use of collateral throughout its lifecycle.

"Tokenisation has the potential to make Europe's financial markets more efficient, integrated and innovative. As it moves from experimentation to the mainstream, we must create the conditions for tokenised markets to operate safely and at scale across borders, with legal certainty, interoperable infrastructures and appropriate supervision. This Call for Evidence is an important part of ESMA's broader work to ensure that tokenisation develops safely and at scale across the Single Market, and that Europe is well placed to reap the benefits of this new technology."

Verena Ross, ***ESMA Chair***



"Tokenisation can support more efficient collateral mobilisation and contribute to the further integration of EU post-trade markets. At the same time, it is key that the fundamental safeguards applicable to CCP collateral remain unchanged. Collateral must be of high quality, legally enforceable, highly liquid, and easily operationally available, including in stressed conditions and following a clearing member default. Through this Call for Evidence, we want to understand how tokenised arrangements work in practice and whether the existing framework can accommodate them safely and effectively."

Klaus Löber, ***Chair of ESMA's CCP Supervisory Committee***



Tokenisation across the collateral lifecycle

The Call for Evidence examines different tokenisation models, including tokenised versions of assets held in traditional infrastructures ("digital twins") and assets issued directly on distributed ledger technology. It also covers hybrid arrangements and their interaction with tokenised cash and other settlement assets.

ESMA is seeking feedback on how these models would operate throughout the collateral lifecycle, particularly in the event of a clearing member default. This includes whether CCPs could access, transfer and convert tokenised collateral into liquidity when needed, as well as how client protection, segregation and settlement finality could be ensured where distributed ledger technology interacts with traditional market infrastructures. Furthermore, ESMA would like to obtain views from respondents on whether and how tokenisation of already eligible collateral may change the risk profile of the collateral.

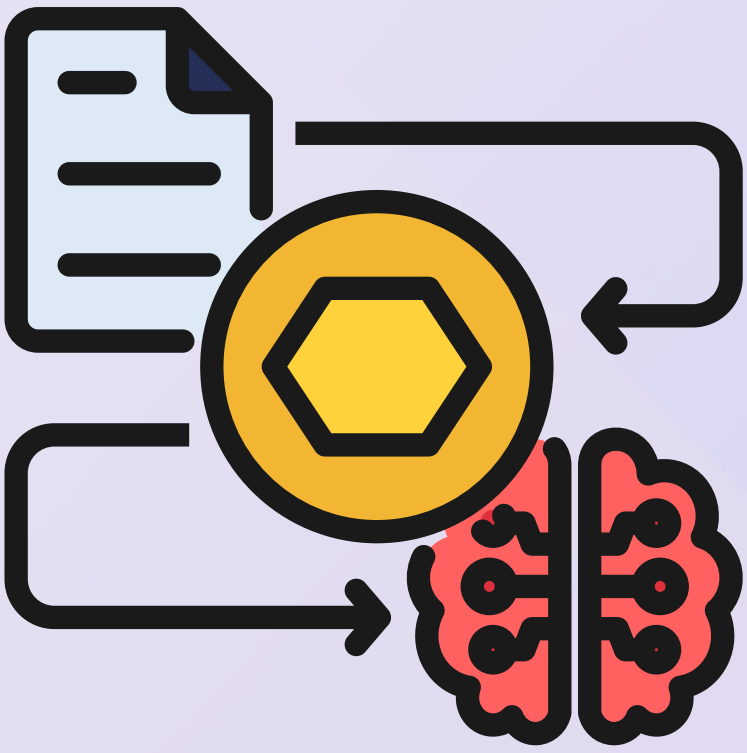
Call for evidence on the CCP collateral tokenisation

Next steps

Stakeholders are invited to submit their contributions through **ESMA's consultation webpage** by 15 January 2027. Responses will be published following the close of the consultation unless respondents request otherwise.

ESMA will assess the feedback received in the first quarter of 2027. Based on this assessment and its wider work on tokenisation in financial markets, ESMA will determine the most appropriate course of action, including any regulatory or supervisory convergence action within its remit.

ESMA seeks evidence on the use of tokenised collateral in central clearing - Press release



ESMA sets out supervisory expectations on services related to unauthorised stablecoins

The European Securities and Markets Authority (ESMA), the EU regulator and supervisor, has published an opinion clarifying supervisory expectations of crypto-asset services involving asset-referenced tokens (ARTs) and e-money tokens (EMTs), also known as stablecoins - that do not comply with the requirements of the Markets in Crypto-Assets Regulation (MiCA).

Crypto-asset service providers (CASPs) authorised under MiCA should cease providing services related to non-MiCA-compliant stablecoins to clients in the European Union.

This applies to the full range of crypto-asset services covered by MiCA, including the operation of trading platforms, exchange services, execution of orders, placing of crypto-assets, reception and transmission of orders, investment advice, transfers, custody and administration, and portfolio management, whether these services are provided individually or in combination.

The opinion calls on National Competent Authorities (NCAs) to supervise that market participants neither maintain, introduce, nor facilitate access for clients to non-MiCA-compliant stablecoins through their services. NCAs should also ensure that CASPs implement appropriate technical, contractual, and organisational controls to prevent the availability of such tokens in the European Union, including controls preventing clients from acquiring or increasing exposures to those tokens.

Opinion on the provision of crypto asset services in relation to non-MiCA-compliant asset-referenced tokens and e-money tokens

Next steps

When NCAs identify remaining pre-existing exposures, they should require their remediation as soon as possible and no later than three months after the publication of the opinion.

Any continuation of services should be strictly limited to activities necessary for the liquidation, conversion, withdrawal, transfer or safekeeping of such assets, and should remain time-limited, risk-based, and closely supervised.



ESMA sets out 2026 European Common Enforcement Priorities

The European Securities and Markets Authority (ESMA), the European financial markets regulator and supervisor, has outlined the European Common Enforcement Priorities (ECEP) for the 2026 annual financial reports of listed issuers.

The priorities identify the following areas of focus for issuers when preparing their annual financial reports:

- IFRS financial statements:
  - Geopolitical risks and uncertainties
  - Restructuring provisions and debt restructuring
- Sustainability statements under the European Sustainability Reporting Standards (ESRS):
  - Continuing progress in applying materiality assessment
  - Providing connected information on impacts, risks and opportunities (IROs), policies, actions and targets (PATs), and metrics
- European Single Electronic Format (ESEF) digital reporting:
  - Common ESEF filing errors found in the statement of changes in equity

ESMA reaffirms its commitment to **simplification and burden reduction,** while maintaining a strong focus on investor protection and market stability. In this context, as in previous years, ESMA underlines the importance of materiality assessments when preparing and disclosing information to the market.

ESMA has also published the **31st extract from the FRWG (EECS) database of enforcement.** The document contains seven decisions relating to the application of IFRS Accounting Standards and ESMA's Guidelines on Alternative Performance Measures (APM Guidelines).

Statement on the European common enforcement priorities for 2026 corporate reporting

31st extract from the FRWG (EECS)'s database of enforcement

Next steps

Issuers, auditors, and supervisory bodies should apply these recommendations where relevant, taking into account their materiality and relevance for the issuer's operations and reporting.



See more on 2026 ECEP package

ESMA consults on disclosure requirements and updates guidelines and Q&As under the Prospectus Regulation

The European Securities and Markets Authority (ESMA), the EU's financial markets regulator and supervisor, has published a package of materials under the Prospectus Regulation to reflect changes introduced by the Listing Act. The measures aim to promote supervisory convergence and contribute to ESMA's simplification and burden-reduction efforts.

The package includes:

- a Consultation Paper on the update of the Guidelines on disclosure requirements;
- updated Q&As;
- a Final Report on Guidelines for supplements that introduce new securities to a base prospectus ("product supplements"); and
- a Final Report on regulatory technical standards (RTS) on key financial information to be included in prospectus summaries.

Consultation on disclosure Guidelines

The Consultation Paper **seeks stakeholder feedback** on updates intended to help issuers and their advisers better understand expected disclosure under the revised Prospectus Regulation. They also simplify existing guidance by reducing the parts that are no longer necessary.
Stakeholders are invited to respond to the consultation by 9 November 2026. ESMA expects to publish the Final Report and updated Guidelines in Q2 2027.

Consultation Paper on the update to the Guidelines on disclosure requirements under the Prospectus Regulation

Final Report on the Guidelines on supplements which introduce new securities to a base prospectus

Q&As

The revised Q&As adjust legal references reflecting the amended Prospectus Regulation, introduce further clarifications where needed, and remove obsolete content. To help stakeholders navigate the changes, ESMA has prepared **an overview** explaining the key changes and the reasons behind them.

Guidelines on product supplements

The Guidelines establish a common approach for assessing whether a supplement introduces new securities to a base prospectus. They provide national competent authorities with a methodological and easy-to-apply framework and give market participants greater certainty when submitting supplements.

The Guidelines will apply when the translations into all official EU languages become available.

RTS on key financial information

The RTS update the requirements for financial information in prospectus following Listing Act reforms. They align summary disclosure requirements with the revised disclosure framework and support more proportionate information requirements.

ESMA has submitted the Final Report to the European Commission for a decision on whether to adopt the RTS updating Commission Delegated Regulation 2019/979.

Final Report on the update to the RTS concerning key financial information in the summary of a prospectus

Overview of changes made to the Prospectus Q&As

ESMA finalises the review of guidelines on the delay in disclosure of inside information

The European Securities and Markets Authority (ESMA), the EU's financial markets regulator and supervisor, has updated and streamlined its Market Abuse Regulation (MAR) guidelines on the delay in the disclosure of inside information, completing the revised regulatory framework.

Under MAR, issuers are required to disclose as soon as possible the inside information concerning them, to ensure that investors are informed and to prevent insider dealing. In specific circumstances, issuers may delay public disclosure to avoid prejudicing their legitimate interests.

These guidelines help issuers in their decision to delay disclosure by providing a non-exhaustive list of legitimate interests that could justify such delay. Following a public consultation, ESMA has identified five additional legitimate interests for delaying disclosures, covering the following situations:

- where the issuer is requested not to disclose information by a public authority;
- where the issuer needs to collect additional information to enable a correct assessment of inside information by market participants;
- where the issuer may risk the loss of a business opportunity following the disclosure of sensitive commercial information;
- where the appointment of a member of the issuer's governing body or a manager holding a key position could be jeopardised;
- where the disclosure of inside information concerning companies within the same group could cause a direct prejudice to the issuer and undermine the effectiveness of the delay applied by other company.

Since June 2026, issuers are no longer required to immediately disclose inside information related to protracted processes before their completion. As a result, and in line with its simplification and burden reduction objectives, ESMA has removed from the current guidelines the legitimate interests for delayed disclosure connected to these processes.

Final report on the MAR Guidelines on delay in the disclosure of inside information

Next steps

The revised guidelines will become applicable from the date of their publication on ESMA's website in the 24 official languages of the European Union.



ESMA's third Sanctions Report highlights the need for greater convergence in enforcement

The European Securities and Markets Authority (ESMA), the EU's financial markets regulator and supervisor, published today its consolidated report on sanctions and measures imposed across the European Economic Area (EEA) in 2025, enhancing the transparency of sanctions data reported under EU financial acts within its remit.

In 2025, national authorities across the EEA imposed more than 950 administrative sanctions and measures, a stable number compared with the past two years. The aggregated value of administrative fines amounted to almost €82 million. The report also highlights an increased use of settlements.

As in previous years, activity remained focused mainly on breaches of the Market Abuse Regulation and the Markets in Financial Instruments Directive and Regulation. Enforcement activity remained concentrated in a small number of jurisdictions, with Germany, France and Spain accounting for two thirds of the total value of administrative fines across the EEA.

Need for stronger convergence

The report highlights significant differences in enforcement, including in the number and type of sanctions imposed, the level of fines and the use of settlement procedures. The findings point to a need for stronger convergence in enforcement, particularly where limited enforcement activity cannot be explained by market size.

Supervisory effectiveness ultimately depends on market participants' compliance with the rules, and should not be measured solely by the number or value of the sanctions imposed in a Member State. Nevertheless, enforcement actions are an important component of the supervisory toolkit.

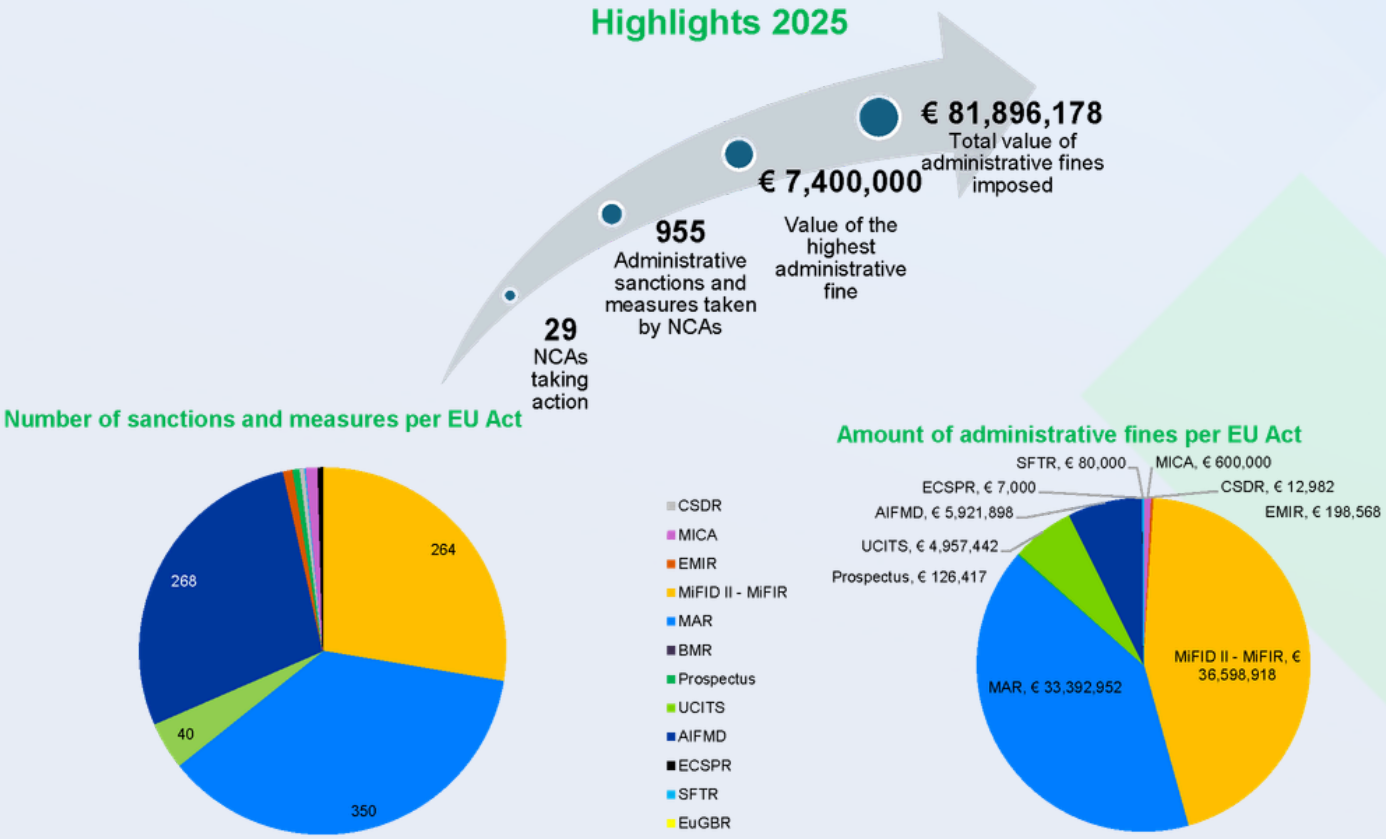
Report on Sanctions and measures imposed in Member States in 2025

Consolidated sanctions report - Table of sanctions reported for 2025

Next step

Building on the findings of this report, ESMA will further continue to foster exchanges among national securities and markets authorities on the effective and consistent implementation of capital markets rules, including through case discussions. The objective is to ensure that similar breaches result in similar enforcement outcomes across the EU, irrespective of where they have been committed.

The underlying data are available in **excel format.** In addition, a snapshot of the report's key findings is published **here.**



Enforcement snapshot: Sanctions and measures under EU Acts in 2025

ESMA clarifies access for EU market participants to the services of third-country CSDs

The European Securities and Markets Authority (ESMA), the EU regulator and supervisor, has published today a statement clarifying that EU market participants should not be prevented from accessing third-country Central Securities Depositories (CSDs) beyond 17 January 2027 and until the EU finalises the legislation to extend the current transitional regime.

The current transitional regime, which allows certain third-country CSDs to provide notary and central maintenance services for financial instruments constituted under the law of an EU Member State, is set to end on 17 January 2027.

The Market Integration and Supervision Package (MISP), currently under negotiation, proposes extending this transitional regime. ESMA understands that both the Council of the European Union and the European Parliament support an extension.



Market participants, particularly issuers, had raised concerns about the uncertainty over continued access to third-country CSD services ahead of a political agreement on the proposed legislative extension, and how this uncertainty could create operational challenges. ESMA's statement provides clarity to support the orderly functioning of EU capital markets, well ahead of the 17 January 2027 deadline.

Statement on the extended transitional period for third-country CSDs

ESMA specifies requirements to facilitate safe use of post-trade risk reduction services

The European Securities and Markets Authority (ESMA), the EU's financial markets regulator and supervisor, has outlined the conditions that providers and users of post-trade risk reduction (PTRR) services need to meet for certain OTC derivative transactions to be exempt from the clearing obligation under EMIR 3. The new rules, published in its latest final report, also establish safeguards for the provision of these services and the monitoring of the use of the exemption.

The European Securities and Markets Authority (ESMA), the EU's financial markets regulator and supervisor, has outlined the conditions that providers and users of post-trade risk reduction (PTRR) services need to meet for certain OTC derivative transactions to be exempt from the clearing obligation under EMIR 3. The new rules, published in its latest **final report,** also establish safeguards for the provision of these services and the monitoring of the use of the exemption.

The final report specifies the elements and requirements of PTRR services, including the information to be provided to participants, how exercises are carried out, the controls that providers should have in place, record-keeping and how the exemption will be monitored.

PTRR services help market participants manage their derivatives portfolios and reduce risks, thereby contributing to safer and more resilient derivatives markets.

The final rules build on existing market practices and aim to avoid introducing additional requirements where existing rules already meet the relevant objectives, in line with ESMA's simplification and burden reduction objectives.

Final report on the Regulatory Standards on the requirements for Post-Trade Risk Reduction services for the purpose of the clearing obligation exemption under EMIR

Next steps

The draft Regulatory Technical Standards will now be submitted to the European Commission for endorsement, in line with the standard review process.



Upcoming changes to the Euribor Panel

The European Securities and Markets Authority (ESMA), the EU's financial markets regulator and supervisor, is issuing a statement on the upcoming changes to the Euribor panel, in its capacity as supervisor of the European Money Market Institute (EMMI), administrator of Euribor.

This statement concerns the **announcement by EMMI** that Cecabank, based in Spain, will withdraw from the Euribor panel. The withdrawal will take effect on 30 September 2026, which will be the bank's final day contributing input data to the benchmark determination.

ESMA and National Competent Authorities within the Euribor College of Supervisors have assessed the impact of the departure of Cecabank on Euribor representativeness of the Euro unsecured money market. ESMA and the College concluded that Cecabank's departure does not pose a risk to the representativeness of Euribor.

This departure follows a period of Euribor panel enlargement with the addition of four new panel banks since 2022, including **KBC Bank's recent joining of the panel in May 2026**. ESMA continues to encourage credit institutions active in the Euro unsecured money market to consider joining the Euribor panel, actively supporting the robustness and representativeness of this critical benchmark within the EU financial system.



ESMA appoints Carlos San Basilio as the new member of its Management Board

The European Securities and Markets Authority (ESMA), the European Union's financial markets regulator and supervisor, has appointed Carlos San Basilio of Comisión Nacional del Mercado de Valores (CNMV), as the new member of its Management Board.

Mr San Basilio will be replacing Carlo Comporti of Commissione Nazionale per le Società e la Borsa (CONSOB), who will be stepping down from his position as a member of the Board to **assume his new role as Chair of ESMA**, effective 1 November.

The election took place at the Board of Supervisors meeting in Paris on 6 October 2026.

From 1 November 2026, the Management Board will consist of:

- Carlo Comporti, European Securities and Markets Authority (ESMA);
- Thorsten Pötzsch, Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin), Germany
- Carlos San Basilio, Comisión Nacional del Mercado de Valores (CNMV), Spain
- Marie-Anne Barbat-Layani, Autorité Des Marchés Financiers (AMF), France
- Christopher P. Buttigieg, the Malta Financial Services Authority (MFSA), Malta
- Peter Tkáč, Národná Banka Slovenska (NBS), Slovakia
- Armi Taipale, Finanssivalvonta (FIN-FSA), Finland
- Natasha Cazenave, ESMA Executive Director (non-voting member)
- Vojtěch Belling, ESMA Vice-Chair (observer)
- European Commission representative (non-voting member).

The Management Board, chaired by the Chair of ESMA, is responsible for ensuring that the Authority carries out its mission and performs the tasks assigned to it under its founding Regulation.

ESMA updates its manual on transparency with new guidance for OTC derivatives and tick-size regime

The European Securities and Markets Authority (ESMA), the EU regulator and supervisor, has updated its manual on transparency to provide further guidance on the identification of over-the-counter (OTC) derivatives subject to transparency requirements and to enhance supervisory convergence on the application of the tick-size regime.

The update also clarifies how the identifying reference data for OTC derivatives should be provided for transparency purposes, supporting greater consistency in the data reported to and published through the consolidated tape.

The manual finally includes several published Q&As on the tick size regime, as well as the addition of recommendations on the application of the tick-size regime, comprising when trading venues and national competent authorities may intervene in specific circumstances.

Manual on post-trade transparency under MiFID II/ MiFIR

Next steps

With regard to the guidance on OTC identifying reference data, the updated manual should be considered a draft until the entry into force of the related technical standards (RTS 2 and RTS on CTP input/output data).

New Q&As available

The European Securities and Markets Authority (ESMA), the EU's securities markets regulator, has published the following question and answer:

European crowdfunding service providers for business

- Crowdfunding service providers that charge registration, membership, or other access fees ("investment club" crowdfunding platforms) (2950)

Markets in Crypto-Assets Regulation (MiCA)

- Use by CASPs of payment accounts provided by non-bank payment service providers for holding clients' funds (2949)

OTC derivatives, central counterparties and trade repositories (EMIR) - CCPs

- AAR 85% exemption (2936)
- AAR thresholds calculation (2937)
- AAR representativeness obligation (2938)

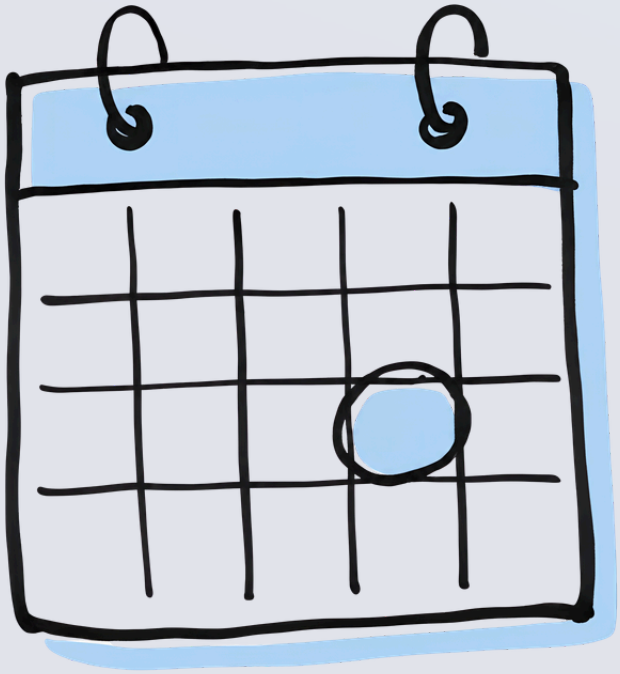
Questions and Answers section



Events

Click on the event

Date	
03 Nov	Webinar on social media and retail trading behaviour: How can these platforms influence investors trading choices
04 Nov	13th Joint ESAs Consumer Protection Day
24 Nov	Data day 2026



Contact info

Press contact information

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