

PRESS RELEASE

ESMA publishes 2017 Supervisory Convergence Work Programme

The European Securities and Markets Authority (ESMA) has published its [2017 Supervisory Convergence Work Programme](#) (SCWP), which details the activities and tasks it will carry out to promote sound, efficient and consistent supervision across the European Union.

ESMA and national competent authorities (NCAs) will focus their supervisory convergence work on the following priorities:

- the implementation of MiFID II/MiFIR and MAR including the underlying IT projects;
- improving the quality to data collected by NCAs;
- investor protection in the context of cross-border provision of services; and
- convergence in the supervision of European Union CCPs.

These priorities have been developed taking into account different factors, including the market environment, legislative and regulatory developments, and NCAs' supervisory priorities.

In addition, ESMA will support NCAs through facilitating an effective supervisory dialogue and day-to-day contacts supporting a common supervisory culture. ESMA will also ensure more systematic monitoring of compliance by NCAs with guidelines and peer review recommendations and will provide remediation as required.

Steven Maijor, ESMA Chair, said

“The supervisory work programme sets out how both ESMA and NCAs will focus on fostering supervisory convergence across the European Union. Our aim in pursuing this work is to achieve high, consistent standards of supervision that supports investor protection, orderly markets and financial stability, which are also key in supporting the Capital Markets Union initiative.”

“We will focus this year on preparations for the implementation of MiFIDII/MiFIR in 2018, improving the quality of data collected by NCAs on which all supervisory authorities rely for market surveillance and risk analysis, addressing issues around the provision of cross-border services which may pose risks to retail investors and ensuring further convergence in the approach to CCP supervision.”

“In implementing this programme, both ESMA and NCAs must remain vigilant and responsive in addressing important emerging challenges, such as the UK withdrawal from the EU, which will have implications for supervisory convergence.”

Supervisory Convergence Priorities 2017

The core package of priorities, which continue on from 2016’s priorities, are:

- Ensuring the sound, efficient and consistent implementation of key new EU legislation by preparing for MiFID2/MiFIR and applying MAR, including the finalisation of the underlying IT infrastructure: Preparation for the delayed entry into application of MiFID2/MiFIR remains a priority and will require a high level of investment in terms of resources for NCAs and for ESMA in general;
- Improving data quality through focusing on NCAs’ efforts to prepare for and enforce compliance the various reporting requirements under EU legislation such as MiFID2/MiFIR, EMIR, AIFMD;
- Ensuring adequate investor protection in the context of cross-border provision of services: ESMA is determined to ensure that retail investors receive the same level of protection independent of the location of the firm providing the services. This is an essential condition for safeguarding the free movement of services in the EU;
- Ensuring effective convergence in the supervision of EU CCPs: the potential risks linked to the increased systemic importance of CCPs persists, especially with the gradual application of the clearing obligation and with growing competition in the sector. ESMA is undertaking different activities to strengthen CCPs robustness and their supervision, such as common practices across CCP Colleges, annual stress testing exercises and mandatory peer reviews.



Next steps

The implementation of the SCWP will be monitored throughout 2017 and priorities may be readjusted depending on developments.



Notes for editors

1. [2017 Supervisory Convergence Work Programme](#)
2. [Risk Assessment Work Programme 2017](#)
3. [2017 Regulatory Work Programme](#)
4. [2016/1491 ESMA 2017 Work Programme](#)
5. ESMA's mission is to enhance investor protection and promote stable and orderly financial markets.

It achieves these objectives through four activities:

- i. assessing risks to investors, markets and financial stability;
 - ii. completing a single rulebook for EU financial markets;
 - iii. promoting supervisory convergence; and
 - iv. directly supervising specific financial entities.
6. ESMA achieves its mission within the European System of Financial Supervision (ESFS) through active cooperation with the European Banking Authority (EBA), the European Insurance and Occupational Pensions Authority (EIOPA), the European Systemic Risk Board, and with national authorities with competencies in securities markets (NCAs).

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