

PRESS RELEASE

ESMA announces key priorities for 2020-22

The European Securities and Markets Authority (ESMA), the EU's securities markets regulator, has published its [Strategic Orientation for 2020-22](#). The Strategic Orientation sets out ESMA's future focus and objectives and reflects its expanded responsibilities and powers following the ESAs Review, and EMIR 2.2, which increases its focus on supervisory convergence, strengthens its role in building the Capital Markets Union (CMU) and gives it with more direct supervision responsibilities.

The strategy details ESMA's planned activities, based on its enhanced role, to respond to the challenges faced by the EU, its citizens and capital markets including developing a large retail investor base to support the CMU, promoting sustainable finance and long-term oriented markets, dealing with the opportunities and risks posed by digitalisation, the EU's role in international finance and ensuring a proportionate approach to regulation.

Steven Maijor, ESMA Chair, said:

“ESMA can look back on a successful first nine years that has included the development of the Single Rulebook and establishing itself as a credible supervisor of CRAs and TRs.

“One of our key priorities is ensuring the consistent and coherent implementation of the Single Rulebook and, with our new powers in this area, we will adopt a risk-based approach, in cooperation with national authorities, to supervisory convergence across the EU. While we will evolve further as a direct supervisor, with responsibility for critical benchmarks and data service providers and 3rd country CCPs, prioritising those areas posing the greatest risks to our objectives.

“The new Strategic Orientation sets out how we will exercise our new powers, and meet our new responsibilities, in pursuit of our mission of enhancing investor protection and promoting stable and orderly financial markets in the EU.”



New Responsibilities and Powers

ESMA's new powers and responsibilities following the outcome of the ESAs Review, EMIR 2.2 and other recent legislative developments include:

- **Supervisory Convergence** - enhanced supervisory convergence tools, such as peer reviews, Q&As, collective supervisory actions and EU Strategic Supervisory Priorities, while it will develop an EU supervisory handbook;
- **Investor Protection** – it will co-ordinate mystery shopping on retail investment products, develop retail risk indicators, and collect, analyse and report on consumer trends;
- **International** - new tasks for 3rd country equivalence assessments including monitoring regulatory and supervisory developments in equivalent third countries, assisting the European Commission in preparing equivalence decisions, and a strengthened role in international fora.
- **Transversal topics** - ESMA must embed technological innovation, sustainable finance and proportionality in its activities;
- **Direct Supervision:**
 - i. 3rd country central counterparties;
 - ii. critical benchmarks, 3rd country benchmarks and data service providers from 1 January 2022;
 - iii. Securitisation repositories under the Securitisation Regulation; and
 - iv. Securities financing transactions under the Securities Financing Transactions Regulation.

To accommodate these new responsibilities, ESMA will grow to 384 by 2022 and has also published an [updated organigramme](#) to reflect the changes in its structure.



Notes for editors

1. [ESMA22-106-1942 ESMA Strategic Orientation 2020-22](#)
2. [ESMA20-95-1132 2020 Work Programme](#)
3. [Regulation \(Eu\) 2019/2175 of the European Parliament and of the Council](#)
4. [ESMA Organigramme](#)
5. ESMA's mission is to enhance investor protection and promote stable and orderly financial markets.

It achieves these objectives through four activities:

- v. assessing risks to investors, markets and financial stability;
 - vi. completing a single rulebook for EU financial markets;
 - vii. promoting supervisory convergence; and
 - viii. 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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