

# Summary of Conclusions

## Securities and Markets Stakeholder Group

|                  |                                                                              |
|------------------|------------------------------------------------------------------------------|
| <b>Date:</b>     | 14 February 2025                                                             |
| <b>Time:</b>     | 09:00h – 15:30h                                                              |
| <b>Location:</b> | ESMA, 201-203 rue de Bercy, 75012 Paris                                      |
| <b>Contact:</b>  | <a href="mailto:stakeholders@esma.europa.eu">stakeholders@esma.europa.eu</a> |

No Item

### 1. Report from the Steering Committee

The Steering Committee reported on the advice adopted by written procedure since the last meeting and that had been published on ESMA's website. A discussion was held on the functioning of working groups to provide advice and on preparations for the next joint meeting with ESMA's Board of Supervisors.

### 2. Recent market developments

#### a. Distributed Ledger Technology (DLT) in capital markets

SMSG member, Jacqueline Mills, presented her views on DLT in capital markets. She described several potential benefits of DLT, including for EU policy objectives, risk reduction and resilience, and more efficient and transparent capital markets. She also described several use cases, as well as how DLT could affect capital markets in the future.

SMSG members discussed the presentation raising points around the regulatory framework and the need for harmonisation, on the implications of DLT for the end investor, on the security of DLT frameworks, and on the need for a guide to DLTs for SMEs.

ESMA staff described the work ESMA is doing on the DLT Pilot regime.

#### b. Better Finance's Pensions Report

SMSG member, Aleksandra Maczynska, presented a report from Better Finance on the real return on long-term and pension savings. She noted that, generally, long-term savings and pension products did not offer high long-term real net performance and that most products lag behind capital markets. She offered several policy recommendations, including collecting more data on long-term and pension savings products, a curb on conflicts of interest, and better information to investors.

### **c. The misallocation of financial savings in Europe: analysis and practical improvements**

SMSG member, Guillaume Prache, presented an analysis of the different returns on pension products comparing the EU and the United States and presented several policy recommendations, including to review the PRIIPs Key Information Document (KID) and to sponsor an independent online comparison tool.

SMSG members discussed the themes from items 2b and 2c, including different types of investment advice, the role of taxation, the attractiveness of US markets for retail investors, and the advantages of the PEPP.

ESMA staff noted the importance of the lifecycle balance between equity and fixed income investments, as well as the need to look at the investor journey in the context of digitalisation.

### **d. Pre-hedging**

SMSG member, Emma Lokko, presented an analysis of pre-hedging when in open competition and highlighted that there could be unintended consequences for investors.

SMSG members discussed the risk to investors.

ESMA staff noted the points raised.

## **3. Research provisions in MiFID II**

The SMSG Chair noted that the Group's advice to ESMA on its consultation paper on Technical Advice to the European Commission on the amendments to the research provisions in the MiFID II Delegated Directive had been adopted by written procedure. He thanked the rapporteur, Ariadna Dumitrescu.

## **4. EMIR 3 Active Account Requirement Advice**

The SMSG Chair noted that the Group's advice to ESMA on its consultation paper on the active account requirement under EMIR 3 had been adopted by written procedure. He thanked the rapporteur, Urban Funered.

ESMA staff welcomed the advice, commenting that they would consider the issues raised by the SMSG before finalising the report.

## **5. MiFID/R Review final reports**

ESMA staff presented the MiFID/R Review Final Reports, focussing on topics covered in the SMSG advice: transparency requirements for bonds and for equity instruments, provision of market data on a reasonable commercial basis, and governance of the Consolidated Tape Providers.

## **6. Markets in Crypto Assets Regulation (MiCA) supervisory convergence**

ESMA staff presented an overview of ESMA's supervisory convergence work in the context of MiCA. They outlined the various convergence tools in use, including Q&As, guidelines, opinions and

supervisory briefings. They also described the different transitional periods for MiCA set by Member States and noted the challenge in ensuring a convergent approach across the EU.

SMSG members raised various aspects related to supervisory convergence, including on ESG data, on sharing of supervisory experience among NCAs, and on reverse solicitation.

#### **7. MiCA: Guidelines on knowledge and competence**

ESMA staff presented a consultation paper on guidelines to assess the knowledge and competence of staff providing information or advice on crypto-assets or crypto-asset services to clients on behalf of crypto-asset service providers.

The Group decided to read the published consultation paper before deciding whether to set up a working group to provide advice.

#### **8. Listing Act: Guidelines on product supplements**

ESMA staff presented a consultation paper on guidelines related to supplements that are considered to introduce a new security to a base prospectus.

The Group decided to read the published consultation paper before deciding whether to set up a working group to provide advice.

#### **9. CSDR Review: RTS on settlement discipline**

ESMA staff presented a consultation paper covering several amendments to the Regulatory Technical Standards (RTS) on settlement discipline. They also included an update on the work being undertaken on the move to a shorter settlement cycle (T+1) in the EU.

The Group decided to read the published consultation paper before deciding whether to set up a working group to provide advice.

**PARTICIPANT LIST – MSG 14 February 2025**

| Name                  | Organisation                                                  |                     |
|-----------------------|---------------------------------------------------------------|---------------------|
| Alber, Andrus         | Swedbank Investment Funds / Finance Estonia                   | present             |
| Alemanni, Barbara     | University of Genoa                                           | present             |
| Armesto, Rosa         | FESE                                                          | present             |
| Bergmann, Henning     | Der Mittelstandsverbund (SME Groups Germany)                  | present             |
| Bindelle, Florence    | EuropeanIssuers AISBL                                         | present             |
| Calu, Monica          | National Authority for Consumer Protection, Bucharest         | present             |
| Daskalakis, Nikolaos  | GSEVEE                                                        | present<br>(online) |
| Dumitrescu, Ariadna   | ESADE Business School                                         | present             |
| Funered, Urban        | Swedish Securities Markets Association                        | present             |
| Giordano, Stephane    | Société Générale / AMAFI                                      | present             |
| Hölz, Christiane      | Deutsche Schutzvereinigung für Wertpapierbesitz e.V.<br>(DSW) | present             |
| Kajala, Ville         | Finland Chamber of Commerce                                   | present             |
| Kinander, Morten      | BI Norwegian Business School                                  | present             |
| Kupšys, Kęstutis      | Lithuanian Consumers Alliance                                 | present             |
| Lokko, Emma           | Susquehanna International Group Ltd                           | present             |
| Lounasmeri, Sari      | Finnish Foundation for Share Promotion                        | present             |
| Maczynska, Aleksandra | BETTER FINANCE                                                | present             |
| Martínez-Pina, Ana    | Gómez-Acebo & Pombo                                           | present             |
| Mills, Jacqueline     | AFME                                                          | present             |
| Petrella, Giovanni    | Università Cattolica                                          | present             |
| Pfaff, Nicholas       | ICMA                                                          | present             |
| Prache, Guillaume     | FAIDER                                                        | present             |
| Reyna, Agustín        | BEUC                                                          | present             |
| Richter, Thomas       | BVI                                                           | present             |
| Saade, Virginie       | Citadel                                                       | present             |
| Schmeddes, Lucas      | Ice Endex                                                     | present<br>(online) |
| Singer, Miroslav      | Generali CEE Holding                                          | present             |

| Name                          | Organisation                        |         |
|-------------------------------|-------------------------------------|---------|
| Stiefmüller, Christian Martin | Finance Watch                       | present |
| Van de Werve, Tanguy          | EFAMA                               | present |
| Vervliet, Chris               | European Works Council at KBC Group | present |

## ESMA

| Name                   | Position                                      |
|------------------------|-----------------------------------------------|
| Verena Ross            | Chair                                         |
| Nicoletta Giusto       | Independent Member, CCP Supervisory Committee |
| Natasha Cazenave       | Executive Director                            |
| Eoghan O'Neill         | Corporate Finance and Reporting Unit          |
| Martijn van de Kerkhof | Digital Finance and Innovation Unit           |
| Laura Weil             | Digital Finance and Innovation Unit           |
| Michael Leibeck        | Protection Retail Investors Team              |
| Clement Luzeau         | Secondary Markets Unit                        |
| Alina Dragomir         | Post-Trading and Integrity Team               |
| Louise Waller          | International and Institutional Affairs Team  |