



Statement – An effective and efficient supervisory system

The European Association of CCP Clearing Houses (EACH) and the Federation of European Securities Exchanges (FESE) ('the associations') fully support the European Commission's MISP objectives of removing barriers and unlocking the full potential of the EU single market for financial services.

In line with those MISP objectives and in the context of the ongoing negotiations by the EU co-legislators, the associations support and call for a supervisory system that is effective, efficient and proportionate, both from a governance and cost perspective. MISP represents a unique opportunity to get this right, however, also bears the risk of adding new layers of complexities, worsening the status quo.

Such system should include a clear definition of responsibilities of the authorities involved, foster innovation as well as competitiveness, and provide an adequate level of autonomy and flexibility for the supervised entity. It is therefore critical that any proposals regarding supervisory reform clearly outline how they improve efficiency, reduce time-to-market and support competitiveness of supervised entities.

ESMA as the sole supervisor

We strongly call for co-legislators to ensure that the entities subject to ESMA direct supervision in line with MISP are directly and only supervised by ESMA. We therefore reject decision-making powers and supervisory responsibilities being shared between ESMA and NCAs. Several members of the associations already have supervisory systems involving a large number of authorities. We strongly believe that a change of the current supervisory system only makes sense if it leads to a more effective and efficient system. At times of rapid global innovation, the EU must not worsen its competitive stance by creating a complex supervisory system that increases the amount of involved supervisors, thereby slowing down regulatory decisions while increasing costs.

Transition

Ensuring an effective and well-balanced allocation of executive responsibilities is essential. The transition period provides an opportunity to streamline processes while maintaining organisational clarity.

We call for a smooth and short transition towards a more effective, efficient and proportionate supervisory system. Such a transition should lead to minimal disruption. This transition should not lead to the creation of temporary complex systems of supervision.

Crisis management

We consider that centralised supervision for the entities designated in MISP should also be able to address crisis cases. As indicated in [the ESCB paper of June 2025](#) *'One justification for national-level supervision is typically the national fiscal responsibility associated with a failure of supervision, but this is in part misleading'*¹. While we agree that the MISP proposal has not addressed the possibility for public intervention, we consider that their intervention is arguably remote.

¹ <https://www.ecb.europa.eu/press/consultationresponse/pdf/ecb.conresp202506.en.pdf>

As an example, CCPs are currently able to withstand the default of the two largest clearing members in a business-as-usual scenario thanks to the CCPs' default waterfall enshrined in the EMIR legislation². The prefunded CCP default fund already mutualizes potential losses, combining CCP and clearing member contributions, maximising the chances of failures being managed without public support. In addition to this, there is a recovery and resolution regime codified in the relevant EU legislation³, the only comprehensive recovery and resolution framework for CCPs globally.

We therefore believe that extreme crisis cases can already be addressed sufficiently under the existing framework. Moreover, given that EU CCPs are already subject to stricter capital, recovery, and resolution requirements than their international peers, we see no need for further amendments that could undermine the competitive standing of EU CCPs. Against this background, any additional measures to cover losses such as the idea of a 'single resolution fund' for CCPs would be inadequate and mistakenly assimilate CCPs with banks, which are very different institutions: while banks may take risk, CCPs manage them and have a complete line of pre-funded and committed resources to address them.

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² <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32012R0648>

³ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32021R0023>