

Press release

AFME Calls For Targeted Reforms to Strengthen Competition and Efficiency in EU Capital Markets

23 March 2026

The Association for Financial Markets in Europe (AFME) today urges EU policy makers to use the Market Integration and Supervision Package (MISP) to strengthen competition across the entire capital markets ecosystem, emphasising that this will be key to increasing investor choice, improving market efficiency, and mobilising capital at scale to support long-term growth.

AFME welcomes the MISP as an important opportunity to deepen European capital markets but stressed that reforms should remain targeted and evidence-based, focusing on areas where competition remains limited while avoiding unnecessary intervention in well-functioning markets.

Adam Farkas, Chief Executive of AFME, said:

“The Market Integration and Supervision Package is a key opportunity to address some of the structural limitations that continue to constrain European capital markets.

“Europe can take pride in its equity market framework, which fosters a competitive environment centred on investors. However, in post-trade markets, there is still a lack of meaningful choice in clearing and settlement due to limited competition. This contrasts with the US where market infrastructure is more streamlined. Removing obstacles to genuine competition would significantly help improve efficiency and reduce costs. Unlocking the potential of DLT can also become a powerful enabler to address structural challenges and support more innovative, efficient, accessible, capital markets.

“Further centralisation of EU supervision for significant market infrastructures can also support the development of a truly integrated EU capital market, provided it remains proportionate, cost efficient and accountable. Embedding competitiveness as a secondary objective within the mandates of the European Supervisory Authorities will also be key to ensuring regulation supports growth and innovation.”

AFME supports measures aimed at addressing structural barriers to competition across Europe’s market infrastructure, including:

- Advancing an ambitious Consolidated Tape;
- Enabling full interoperability between Central Clearing Houses,
- Supporting a truly competitive Central Securities Depository (CSD) landscape by improving CSD fee transparency and comparability
- Seizing the benefits of DLT adoption in European capital markets by enabling network-based settlement system, which streamline issuance and post-trade processes and improve access to finance.

AFME’s position paper highlights the following areas for consideration:

Equity markets: preserving competition and investor choice

AFME emphasises that EU equity markets are well-functioning, resilient and continue to attract strong global investment. We caution against the co-legislators introducing any further regulatory interventions that could disrupt existing market dynamics by seeking to direct trading activity towards specific venues at the expense of investors.

AFME stresses that preserving investor choice in how and where trades are executed is essential to maintaining competitive markets and delivering the best outcomes for end-investors.

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We also highlight the importance of delivering a robust consolidated tape with greater depth and venue attribution to enhance transparency and further support investor confidence in EU markets.

AFME and EFAMA's joint paper setting out a common vision for the future of EU Equity Markets can be found [here](#)

Post-trade: addressing structural barriers, enhancing competition and supporting innovation

AFME strongly supports making interoperability between significant Central Clearing Houses the default principle. Interoperability has already demonstrated clear benefits and should be expanded further.

We also call on co-legislators to address the underlying structural inefficiencies in the Central Securities Depositories landscape, particularly by improving CSD fee transparency and comparability, and to unlock the potential of distributed ledger technology by enabling new market models. DLT can play a powerful role in creating a new market architecture by enabling new settlement models that do not rely on centralised institutions; The EC proposal goes in this direction but to fully achieve its objectives it needs to be improved by increasing thresholds within the DLT pilot regime, and ensuring regulatory and supervisory arrangements do not constrain adoption.

AFME will continue to engage with policy makers to ensure the MISP delivers a targeted set of reforms that strengthen competition, support innovation, reduce unnecessary complexity, and enhance the global competitiveness of EU capital markets.

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Notes:

1. The Association for Financial Markets in Europe (AFME) is the voice of the leading banks in Europe's financial markets, providing expertise across a broad range of regulatory and capital markets issues. We represent over 150 leading global and European banks and other significant market players. Our members play a vital role in Europe's financial ecosystem, underwriting around 90% of European corporate and sovereign debt, and 85% of European listed equity capital issuances. Importantly, AFME members are market makers, providing liquidity, which is essential for ensuring financial markets can function efficiently. We also represent law firms and other associate members which advise market participants and support AFME's legal and regulatory initiatives. For more information please visit the AFME website: www.afme.eu
2. Follow us on X, formerly Twitter [@AFME_EU](https://twitter.com/AFME_EU)

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