Activities Report

European Capital Markets Institute

2024

Contents

Message from the General Manager

The need for a unified capital market has never before been so pressing for the EU, nor has it ever been as high a priority for European policy makers. In 2024, several high-level reports highlighted the sustained growth of the US market and its appeal to European investors. They further illustrated the level of US market integration and its core contribution to at-home start-ups and corporate finance. The findings of these reports demonstrate a stark contrast with the fragmented European market.

Developing an action plan is high on the agenda for the von der Leyen II Commission, but agreements on how to curate such a plan have not yet been made. It is clear that another heavy legislative agenda is not the answer, given the extensive work of the two previous legislatures. Instead, the focus should be put on proper implementation and robust enforcement of existing law – not only by financial regulators, but also by competition policy authorities and the judiciary.

The EU's financial market is not sufficiently integrated. Price convergence for financial products has declined, demonstrating that price competition is receding. To address these issues, policymakers must look to successful examples and take initiative at the local level to stimulate capital market financing.

ECMI is proud to have contributed actively to this debate and to raising awareness of the urgency for action through its many publications, debates and data sets. We will continue our mission of bringing together a variety of actors to further advance market financing, with all that this entails.

Karel Lannoo

General Manager, ECMI

Overview

ECMI conducts in-depth research aimed at informing the debate and policy-making process on a broad range of issues relevant to capital markets. Through its various activities, ECMI facilitates the interaction among market participants, policymakers and academics. ECMI is managed and staffed by the Centre for European Policy Studies (CEPS) in Brussels.

ECMI in figures 2024	
2205	Social media followers
372	Participants in ECMI events
37	Corporate and institutional members
17	Publications and studies
8	Events organised
2	Research projects completed
1	Concluded Task Force

Publications

Commentaries

Why the EU should not compare itself to the US when it comes to financial markets

by Apostolos Thomadakis

The development of financial markets has long been central to economic growth, innovation, and competitiveness. For decades, Europe has looked to the US as a benchmark for advancing its own financial infrastructure, especially in capital market development.

The Capital Markets Union (CMU) initiative, aimed at deepening and integrating EU capital markets, reflects this aspiration. While drawing inspiration from the US experience is understandable, Europe should not engage in a direct comparison or attempt to replicate the US model. The EU's distinctive institutional, structural and cultural characteristics necessitate a tailored approach to capital market development.

Instead, the EU should focus on developing capital markets that reflect its own values, priorities, and diverse financial landscape. This would foster sustainable growth, innovation, and integration in a way that suits the European context. By setting its own path and building on its strengths, Europe can ensure a thriving financial ecosystem that meets the needs of its economy and citizens. **Available** here.

From a Capital Markets Union towards a robust Savings and Investments Union

by Karel Lannoo, Jesper Berg and Apostolos Thomadakis

Sustaining the current progress towards a Capital Markets Union (CMU) requires both strong political commitment and high prioritisation. While integration is often cited as a key objective, the more fundamental issue for EU capital markets is their limited depth rather than integration alone. Unlike more market-based financial systems, the EU's financial system relies heavily on banks, where deposits are liquid and nominal in value. This creates a mismatch when it comes to financing long-term, illiquid investments typical of capital markets. **Available** here.

Europe's CSRD is an opportunity, not a chain around its neck

by Karel Lannoo

The Corporate Sustainability Reporting Directive (CSRD) is often mentioned as one of the examples of the European Commission's excessive zeal when working to implement the Green Deal. It's given as an example of overregulation that negatively impacts the competitiveness of European corporations, creates access barriers to the EU market and is very costly to implement. However, the CSRD is not seen as a potential opportunity for Europe's capital markets, offering the possibility to get ahead of others in sustainability disclosure thanks to the introduction of the 'double materiality' approach. **Available** here.

Closing the gaping hole in the capital market for EU start-ups – the role of pension funds

by Apostolos Thomadakis

Pension funds play a strategic role in our societies by providing protection and peace of mind to both consumers and businesses. As large long-term institutional investors, pension funds contribute significantly to the European economy’s growth and the development of capital markets. At the same time, young, small, fast-growing and innovative companies are key to Europe’s future economy and society, and a vital piece of the puzzle for achieving the EU’s green and digital transition. Risk capital is necessary to finance the founding and growth of scale-ups and start-ups. However, Europe has a shortage of risk capital and this not only holds back the development of high-growth sectors but also the creation of a genuine Capital Markets Union (CMU). **Available** here.

A European Securities and Exchange Commission (SEC) is on the cards

by Karel Lannoo

Creating a European SEC is now firmly on the cards in Brussels, 10 years after the single supervisor for banking began its work. Compared to the attractiveness of the US capital market, also the case for European investors, Europe has failed to create an environment to stimulate its own competitiveness and innovation. Europe sits on an enormous savings glut, which – because of fragmentation and inefficiency of its financial markets – does not often find its way into the domestic capital market. **Available** here.

Building EU capital markets – starting with the Eurogroup’s ABC

by Karel Lannoo

With the latest Eurogroup’s statement, the urgency for deeper and more developed capital markets in the EU has finally reached a turning point. The key question remains though, namely what is really different this time? For many, this will seem like a repetition of the many initiatives we have seen before or will simply set the stage for yet another action plan. The strong focus on 'citizen' involvement in capital markets could however herald a change to focus on the buy side. **Available** here.

EMIR 3.0 – an unfortunate case of the national interest outshining the European interest

by Apostolos Thomadakis

The EU's ambition is to encourage clearing at EU CCPs and with EU clearing members. This is to reduce reliance on systemic non-EU CCPs, and to build a more attractive and robust EU clearing market. To achieve this, EMIR 3.0 requires EU clearing members and clients subject to the clearing obligation to hold active accounts at EU CCPs. The minimum number of derivative contracts to be cleared is set to at least five trades per annum for the relevant subcategories of trades and derivatives classes.

Although it is very unlikely that this will fulfil the EU's ambition, more importantly it risks diminishing the competitive position of EU firms, leading to EU clients who do not fall under the clearing obligations to use non-EU clearing members, and concentrating non-EU clients' euro-denominated interest rate swaps trading activity with non-EU dealers.

Instead, what is missing from EMIR's final text published on 14 February, is a centralised supervisory framework. Just enhancing the current supervision mechanism is not enough. A European centralised supervisor will not only strengthen risk monitoring and (eventually) minimise systemic risks but will also reduce supervision costs, the number of procedures, divergent interpretations of EMIR rules, and the exchange of data. Available here.

Policy Briefs

Shareholder preferences and shareholder democracy: Aligning corporate governance with societal expectations

by Apostolos Thomadakis

Shareholders' role in corporate governance has evolved in recent decades, even in jurisdictions where shareholder influence is limited. Traditionally, shareholder interests were held to be narrowly focused on maximising financial returns, with governance practices structured around this objective. However, growing awareness of environmental, social, and governance (ESG) issues has shifted the conversation. Shareholders today are increasingly vocal about matters beyond maximising financial performance, such as climate change, social justice and corporate responsibility.

This evolution raises critical questions about shareholders' power over the company and to what extend that power takes a democratic form. To enhance corporate governance and align with shareholder preferences, the EU should strengthen the Shareholder Rights Directive II by making ESG resolutions binding, standardise ESG reporting for consistency, promote engaged shareholding, recognise the increasing importance of proxy advisors, empower the general meeting to approve sustainability reports and expand stewardship codes across Member States for active institutional investors. Available here.

Are the European Commission's plans on financial services what the EU needs?

by Judith Arnal and Apostolos Thomadakis

The Draghi report has underscored the need for an additional €800 billion in annual investments from 2025 to 2030 in order to maintain the EU's global competitiveness. This ambitious target represents about 5% of the EU's GDP.

Much of the media attention on the Draghi report has focused on the possibility of eurobonds; however, it is clear that most of the additional investment will need to come from the private sector. The fiscal space of many EU member states is already highly constrained: for instance, three of the four largest EU economies have public debt levels exceeding 100% of GDP, and future prospects show limited fiscal flexibility. While eurobonds could deepen the Economic and Monetary Union, lower borrowing costs, significantly advance integration in Europe's capital markets and enhance private risk-sharing, the introduction of eurobonds alone would not fundamentally alter the financing landscape for this large-scale investment challenge.

In this context, revitalising the EU's financial sector takes on heightened importance. But are the European Commission's current plans for financial services aligned with the EU's needs? What direction might financial regulation take in the next five years? Will the banking sector become more integrated, and will capital markets advance significantly? **Available** here.

The future of derivatives clearing – finding the right balance between efficiency and resilience?

by Apostolos Thomadakis and Bas Zebregs

Whereas EMIR 3.0's main focus was geared towards the Active Account Requirement and whether or not to centralise the supervision of EU CCPs with the European Securities and Markets Authority (ESMA), regulators and market participants would be ill-advised to let discussions over third-country CCP equivalence issues and supervision of CCPs distract them from other important and persistent challenges in the derivatives clearing markets. In this policy brief, we focus on three pressing issues that require attention: clearing access and capital rules, portability and clearing models, as well as liquidity and collateral optimisation. Failure to address them risks undermining the key driver for derivatives clearing, which is increasing financial stability. **Available** here.

Ten years of the SSM: The past, present and future of banking supervision in the Banking Union

by Judith Arnal and Apostolos Thomadakis

European banking supervision will have been operational for ten years come November 2024. The Single Supervisory Mechanism (SSM) has evolved from a start-up to a mature, well-established, and respected supervisor. Harmonised and transparent supervisory practices have been implemented, whilst the European banking sector has proved to be resilient with strong capital and liquidity positions. Nevertheless, whilst acknowledging the progress that has been made, Europe should not rest on its laurels.

As the global financial landscape is continuously evolving, the European framework must naturally also evolve with it. Growing geopolitical tensions, the rise of FinTech and BigTech companies, the ongoing digital transformation, and climate change not only all impact banks but they also add more complexity to the work of supervisors. This is because of the possibility for unexpected and difficult to model events, the creation of new business models, products and services, as well as the emergence of cultural, behavioural and ethical considerations that should also be taken into account.

To address these challenges, supervisors should enhance their competencies, approaches and tools (quantitative and qualitative) to stay ahead of evolving market dynamics and to remain aligned with the rapid evolution of technology and the risks that climate change poses. Equally important, ensuring thorough and efficient supervision requires fostering and strengthening collaboration and information-sharing between all relevant authorities. **Available** here.

Audit expansion and the 'butterfly effect' - is it time for a new EU market structure?

by Fabrice Demarigny

The EU legislative and regulatory agenda is changing the scope of audit. Independent external reviews and assurance of non-financial information, including environmental, social and governance (ESG), data and artificial intelligence (AI) systems, have been introduced in EU legislation as a tool to ensure the proper implementation of the Green Deal and Digital Agenda's key building blocks.

Accordingly, the requirement for audit is expanding to new domains, notably sustainability reporting and algorithm systems. Audit firms are transforming and developing from financial information experts into new areas of expertise to certify ESG information and the compliance of AI data and systems of the biggest digital platforms in line with the requirements of the Digital Services Act (DSA) and the Digital Markets Act (DMA). In the same way that financial audits contribute to building trust for the proper functioning of a market economy, these new types of audits will serve the public interest and play a key role in facing the challenges related to the development of more sustainable and more ethical digital economies. Auditors' contribution to society will now go beyond investors and embrace consumers and citizens.

This paradigm shift for audit firms will necessarily impact the audit market in ways that might not have been anticipated. Is the EU audit ecosystem properly structured to fit these new dimensions? Will the EU audit market structure create unexpected risks and consequences? **Available** here.

Research Reports

Digital-Savvy Retail Investors – How Can the Financial Industry and Regulation Help Them to Prosper?

by Marie Brière and Apostolos Thomadakis

Digitalisation and technology are dramatically changing how retail investors invest. Four emerging trends are shaping retail investors' behavior: the use of mobile apps, robo-advice, social media platforms, and the rising interest in crypto investment. On the one hand, such changes offer easier access to investment (e.g. at lower cost), raising retail investors' interest and helping them to define a strategic allocation and rebalancing of their portfolio. On the other hand, they may also have unexpected negative impacts on investment behaviour and amplify investment biases (e.g. return chasing, disposition effect). To address these challenges and eliminate potential risks, the financial industry should educate investors and promote financial literacy, expand and adapt their product offering and services to the needs and behaviours of investors, as well as attract new generations of investors against their 'digital' competitors (e.g. finfluencers).

Regarding the regulatory and supervisory framework, it should become innovation-friendly, technologically neutral, and sufficiently future-proof to be fit for the digital age. This may require improving the regulatory framework regarding online disclosure, marketing communications and practices on social media and through third parties, and digital engagement techniques (e.g. nudging, gamification). Moreover, it is also important to continue strengthening supervisory enforcement, especially in the context of the growth of digital channels, particularly with the cross-border provision of services in mind. Available here.

2023 ECMI Statistical Package - Key findings

by Apostolos Thomadakis

Offering a comprehensive collection of the most relevant data on various segments of European and global capital markets, the ECMI Statistical Package enables users to trace trends so as to highlight the ongoing transformation of capital markets, including the structural changes brought about by competitive forces, innovation and regulation. It represents an important step towards overcoming the existing data fragmentation on the evolution of European capital markets by offering a 'one-stop-shop' for market participants, regulators, academics and students. The 2023 version contains data on equity markets, debt securities, securitisation, covered bonds, exchange-traded and over-the-counter derivatives, asset management, mutual funds, insurance companies and pension funds, and global comparative data. Available here.

Working Papers

Dangerous Liaisons? Debt Supply and Convenience Yield Spillovers in the Euro Area

by Cristian Arcidiacono, Matthieu Bellon, Matthias Gnewuch

Many advanced economies sell sovereign bonds at a yield below the risk-free rate plus a default risk premium, benefiting from strong demand for safe assets. The literature shows that this "convenience yield" premium diminishes with bond supply but has focused on individual economies in isolation. In this paper, we investigate how a country's convenience yield is affected by changes in another country's supply of sovereign bonds. We collect debt issuance announcements and exploit high-frequency market reactions as well as heteroskedasticity around these events to quantify spillover effects. We find robust evidence that an in-crease in German debt reduces convenience yields across the euro area. Spillovers to low-risk countries are nearly one-for-one while those to riskier countries are weaker. Additional evidence from France confirms this pattern. We develop a model with multiple sovereigns and heterogeneous credit risk that rationalizes our findings. Distinct but equally safe bonds are close substitutes to hedge against idiosyncratic income risk in recessions, explaining large spillovers, while risky bonds are poor substitutes. Our findings highlight a new source of fiscal spillovers among sovereign yields of low-risk countries. Available here.

Books

Staying ahead of the curve: Shaping EU financial sector policy under von der Leyen II

by Karel Lannoo, Apostolos Thomadakis, Judith Arnal

This study calls for a comprehensive review of the financial services landscape if the EU is to address structural inefficiencies, ensure market dynamism and support long-term economic growth. The report emphasises that while Europe's financial system has expanded in size and complexity, and there have been efforts to diversify and integrate financial markets, progress remains uneven, with fragmented banking systems, regulatory inconsistencies and a lack of capital market depth. Enhancing the global competitiveness of EU financial markets means prioritising regulatory reforms that foster innovation, reduce costs and promote cross-border investments – starting with the robust enforcement of existing rules.

Formed in October 2023, a CEPS-ECMI-ECRI Task Force brought together a group of market operators and infrastructure providers, central bank representatives, regulators and academics to take part in in-depth discussions.

Specifically, the report calls for an agenda that focuses on:

1. Enhancing enforcement structures with improved resources and quicker processes, as well as involving European supervisory authorities to adapt to growing regulatory complexity.
2. Gradually returning to principles-based legislation to simplify the regulatory landscape, avoiding excesses that hamper innovation and reduce competitiveness.
3. Boosting competitiveness by ensuring a flexible and efficient financial regulatory framework that allows EU banks to compete with international institutions, with proportionality for smaller banks.
4. Leveling the playing field by strengthening crisis management and deposit insurance, expanding the scope of resolution and ensuring the consistent use of public funds in bank resolution.
5. Steering clear of fruitless political debates on the European deposit insurance scheme and instead focus efforts on achievable improvements in banking sector integration.
6. Unlocking EU savings by promoting affordable and sizeable funded pension and long-term savings schemes and making Europe more attractive for domestic and international capital investment.
7. Avoiding misguided policy recommendations by accurately diagnosing capital market development needs, particularly with respect to the EU securitisation framework.
8. Adopting competition-based measures to improve market efficiency, reduce fees, and promote passive investment products for more transparent and competitive investor outcomes.
9. Integrating trading and post-trading infrastructure to address fragmentation and ensure fair competition across trading venues, central securities depositories, and clearing systems.
10. Promoting greater financial literacy among all age groups to enable broader investment participation and support the development of the EU's capital markets.

Available here.

Events

Regular events

New Commission, new priorities: taking financial policy forward under von der Leyen II

CEPS, September 17

Financial markets have experienced heavy regulatory activity over the last 15 years – from crisis response and the founding of the European Supervisory Authorities (ESAs), through to banking union, the creation of the Single Supervisory Mechanism (SSM), the launch of the Capital Markets Union (CMU), and more recently to the beginnings of the sustainable and digital finance agendas. This intense rule-making rollercoaster raises the question – what next? On top of this, the EU's financial sector has been losing its edge, exemplified by the debate over EU capital markets' waning competitiveness.

Set up in October 2023 to examine how the financial landscape is evolving and what challenges lie ahead, CEPS – along with its sister organisations ECMI and ECRI – brought together a balanced group of experts, financial sector representatives, policymakers, supervisors and academics to exchange views in a series of five closed-door meetings.

The resulting report analyses European financial market developments over the last few decades and reviews EU level achievements in financial market regulation and related areas, as well as the priorities emerging from this analysis. The report puts forward concrete recommendations on improving the regulatory and legislative framework and enhancing EU financial markets' competitiveness in the hope that they will de duly considered and taken forward by the European Commission as it begins its work over the next few months.

With the participation of: **Jesper Berg**, Task Force Chair; **John Berrigan**, DG FISMA; **Judith Arnal**, CEPS; **Eva Maria Poptcheva**, ECON Committee; **Karel Lannoo**, ECMI.

Agenda and recording available here.

How can tax help to facilitate the net-zero transition?

IDEAS Lab, March 4

The tax system can be a powerful lever to accelerate the just transition, by incentivising innovation, driving behaviour change, the net-zero transition and internalising the cost of GHG emissions. However, and despite the impact of policies like the Inflation Reduction Act and progress on carbon pricing, especially in the EU, tax can be an effective tool for change.

This session, part of CEPS' flagship event Ideas Lab 2024, examined how taxation can be used as a tool to promote the net-zero transition and create a fit for purpose tax-mix for the future. During the lab, we addressed key questions such as:

- What could Europe do to encourage a more pro-growth tax system?
- How to ensure that future changes to tax systems will respond to Europe's green growth ambitions?
- Which form of taxation is more suitable to finance the green transition, whilst protecting social cohesion? Can green taxes and carbon taxes drive this change, and how can their tradeoffs be managed?

With the participation of: **Claes Bengtsson**, DG TAXUD; **Assia Elgouacem**, OECD; **Sean Bray**, Tax Foundation, **Femke Groothuis**, The Ex'tax Project; **Armon Rezai**, Vienna University of Economics and Business; **Katarzyna Grodziewicz**, PwC.

Agenda available here.

10th anniversary of the EU audit reform

CEPS, January 30

Audited financial information is essential for both companies and individuals alike. With the rapid technological advancements, legislative changes, and the catalytic effects of Covid-19, the auditing profession is facing many challenges. Moreover, and as audit is expanding to sustainability and the digital era (e.g. cybersecurity, IT, algorithm, AI), concerns have been raised on the scope and quality of audit, the independence of auditors, as well as the concentration of the market under a few large actors.

In 2014, the European Union adopted the reform of the Statutory Audit Market through two legislative instruments: i) a Directive amending the 2006 Audit Directive, and ii) the Audit Regulation. Ten years since the 2014 Reform, it is time to take a step back and access what has been achieved and what remains to be done. As we are moving from the successes and failures of the Reform, to the current market developments, it is timely to bring together different market actors and discuss the future of auditing in the EU.

This half-day conference organised by the Centre for European Policy Studies (CEPS) and the European Capital Markets Institute (ECMI), with the support of Mazars, discussed the successes and failures of the previous audit reform, and the implications of the current developments of the audit market.

With the participation of: **Christoph Regierer**, Mazars Group; **Eric Baudrier**, Haute Autorité de l'Audit; **Petr Wagner**, DG FISMA; **Jens Poll**, IESBA; **Luc Vansteenkiste**, European Issuers; **Patrick Velte**, Leuphana University of Lüneburg; **Jella Benner-Heinacher**, Deutsche Schutzvereinigung für Wertpapierbesitz (DSW); **Prabhat Agarwal**, DG CONNECT; **Philippe Zaouati**, Mirova; **Andrew Hobbs**, EY; **Anna Morandini**, European University Institute; **Fabrice Demarigny**, Mazars Group; **Alain Deckers**, DG FISMA.

Agenda and recording available here.

Changing the fundamentals? EMIR 3.0 and the future of clearing

CEPS, January 22

Clearing of over-the-counter (OTC) derivatives is an essential part of the financial market infrastructure, and performs a critical risk-hedging function catering to the need of market participants. As a response to the financial crisis, central clearing has also added greater safety and transparency in the financial sector. Nevertheless, many concerns related to the concentration of risk remain.

In December 2022, the European Commission proposed the review of the European Market Infrastructures Regulation (EMIR 3.0). The objective is to make the EU clearing landscape more attractive, resilient, and to broaden access to liquidity. The proposal includes simplifications in terms of authorisation and intragroup exemptions, as well as requirements that would ensure additional transparency and predictability of central counterparty (CCP) risk models. In addition, EMIR 3.0 would expand the scope of competences of the European Securities and Markets Authority's (ESMA) CCP Supervisory Committee, and enhance the tools promoting supervisory convergence. To this end, the proposal is an essential review of the CCP regulatory and supervisory framework.

However, the risk of creating competitive disadvantages for EU firms remains. Some of the most contentious issues are the proposed Pillar 2 prudential measures, as well as the requirement on active accounts. EU-based banks will now need to double accounts from the main financial centres, and face a cost disadvantage.

Recent years have been marked by significant difficulties for financial markets: during the 2020 pandemic, equity markets faced unprecedented volatility; while with Russia's invasion to Ukraine in 2022, the commodities markets experienced high volatility and price levels; on top of that, the macroeconomic environment has been marked by high inflation and low economic growth. Despite these challenges, the derivatives ecosystem have proven to be resilient.

On the occasion of the recently published book, Clearing OTC Derivatives in Europe (Bas Zebregs, Victor de Serière, Patrick Pearson, and Rezah Stegeman (Eds.) – Oxford University Press 2023), the Centre for European Policy Studies (CEPS) and the European Capital Markets Institute (ECMI) invited you to this half-day conference.
With the participation of: **Karel Lannoo**, ECMI; **Klaus Löber**, ESMA; **Gilles Hervé**, DG FISMA, **Danuta Hübner**, ECON Committee; **Randy Priem**, FSMA; **Ulrich Karl**, ISDA; **Patrick Pearson**, Former European Commission; **Matthias Graulich**, Eurex Clearing AG; **Corentine Poilvet-Clédière**, CH SA; **Tina Hasenpusch**,

CME Group; **Bas Zebregs**, APG Asset Management; **Emma Dwyer**, Former Allen & Overy; **Isabelle Boutin**, JPMorgan; **Corinna Schempp**, FIA; **Rezah Stegeman**, Simmons & Simmons.

Agenda and recording available here.

Trusts: Can they be trusted and can they be a force for good?

CEPS, January 11

Trusts are well-known and defined in common law countries and are legally recognised under the 1985 Hague Convention. Trust structures are commonly found and associated with pension and retirement funds, wealth management, as well as charitable organisations and even sports clubs. In Europe, we also find many trust-like structures, including foundations, fiducies, treuhand, fideicomiso, svěřenský fond, as well as investment funds.

Whilst in principle a very simple concept – the transfer of assets from the owner to another to hold and manage the assets on their behalf and for their benefit – trusts are frequently misunderstood. This is no doubt in part due to different legal traditions across jurisdictions, but also the confidential nature of a trust which often gives rise to a perceived lack of transparency and a potential for misuse for money laundering.

Much work has been done by the EU in recent years to increase the transparency of trusts, as well as with the revision of the Financial Action Task Force (FATF) recommendations to improve the surrounding regulation and supervision. The work being undertaken in relation to the proposed AMLD6 Package (currently under negotiation) also attempts to tackle these issues and to ensure that trusts are not misused for illicit purposes.

With the participation of: **Paolo Panico**, STEP Europe; **Petra Camilleri**, MFSA; **Mary Balfe**, Government of Ireland; **Irit Samet**, King's College London; **Karel Lannoo**, ECMI.

Agenda available here.

Members-only events

The fintech rulebook: how to navigate the crossover between finance and technology regulation?

CEPS, September 26

Over the past few years, the EU has enacted comprehensive rules on both digital platforms and open finance. However, the interaction between the two is not yet fully understood. Large platforms engaging in financial transactions need to respect both sets of rules, with data privacy and data sharing at the core of the matter. The debate around the adequate policy approach is also discussed in other jurisdictions, including China, India and the US, to name the largest blocs.

The key question for financial service providers is of how technological progress is affecting the competitive landscape. Artificial intelligence, blockchain, big data, cloud computing, cryptocurrencies, central bank digital currencies and distributed ledger technology are making big inroads in the world of finance, and regulation in these different domains will affect the structure of finance providers.

In this seminar, Douglas Arner, Hong Kong University, and Mattias Levin, European Commission, explored the central role of infrastructure in digital financial transformation. They examined lessons from China, India, and the EU, reflecting on the impacts of pandemics and other sustainability crises, while also addressing the risks posed by fintech. Arner further discussed insights from his book FinTech: Finance, Technology and Regulation, co-authored with Ross Buckley, University of New South Wales, Sydney and Dirk Zetzsche University of Luxembourg.

With the participation of: **Douglas Arner**, University of Hong Kong; **Mattias Levin**, DG FISMA, **Judith Arnal**, CEPS.

Announcement available here.

Geo-economics and the risks of economic fragmentation: Implications for the EU and its capital market

CEPS, June 27

In today's rapidly evolving global landscape, geo-economics and the risks of economic fragmentation have become central to the debate. Recent events, from the COVID-19 pandemic to the Russian invasion of Ukraine, have unveiled the depth of global interdependence and the complex web of trade linkages, value-chain exposure, and cross-border investment. The risks associated with supply-chain disruptions and the weaponisation of trade dependencies, amidst escalating conflicts and trade tensions, also threaten to reconfigure also capital flows, particularly foreign direct investment (FDI).

This event highlighted recent trends in global capital flows, with a particular focus on the EU. The discussion addressed the potential relocation of FDI and the risks of structural decline in inward EU FDI. Such shifts could have profound impacts. As one of the most significant sources and destinations of cross-border investments, the EU's role as a global actor and its prosperity are closely tied to these dynamics.

With the participation of: **Cinzia Alcidi**, CEPS; **Sergio Masciantonio**, DG FISMA, **Karel Lannoo**, ECMI.

Announcement available here.

Annual Conference

ECMI Annual Conference 2024 – Europe's capital markets in transition: driving competitiveness through innovation and sustainability

CEPS, November 5

This year's ECMI Annual Conference addressed the most pressing challenges and opportunities shaping Europe's capital markets: the potential of a 28th regime to enhance market integration, the role of tokenisation in transforming financial services, and the impact of the Corporate Sustainability Reporting Directive (CSRD) on green compliance. Through expert panels and discussions, we explored how to foster competitiveness, innovation, and transparency while balancing regulatory requirements and market dynamics in an evolving financial ecosystem. Keynote speeches will focus on the broader perspective, as well as addressing the reaction to CMU-related reports. These elements will also permeate discussions throughout the day.

This year's ECMI Annual Conference addressed the most pressing challenges and opportunities shaping Europe's capital markets: the potential of a 28th regime to enhance market integration, the role of tokenisation in transforming financial services, and the impact of the Corporate Sustainability Reporting Directive (CSRD) on green compliance. Through expert panels and discussions, we explored how to foster competitiveness, innovation, and transparency while balancing regulatory requirements and market dynamics in an evolving financial ecosystem.

Detailed overview is available [here](#).

[Download](#) **post-conference report** by **Apostolos Thomadakis and Karel Lannoo.**

4 November 2024

Dinner with MEPs **Eero Heinaluoma**, ECON Member, S&D, and **Fernando Navarrete**, ECON Member, EPP.

5 November 2024

Keynote speech: Capital Markets – EU engine for innovation and sustainable growth
Panel debate: A 28th regime for Europe's capital markets
Panel debate: The tokenisation of financial assets – what are the benefits and risks for capital markets?
Panel debate: Corporate sustainability reporting and the cost of green compliance
Paper presentation: Dangerous Liaisons? Debt Supply and Convenience Yield Spillovers in the Euro Area

With the participation of:

Tony Ashraf, BlackRock
Chiara Del Prete, EFRAG
Thomas Dodd, DG FISMA
Luca Filippa, Consob
Matthias Gnewuch, ESM
Bettina Grabmayr, EcoVadis
Katrin Hummel, Vienna University of Economics and Business
Josina Kamerling, CFA Institute
Heinz Konzett, Liechtenstein State Administration
Adam Kostyál, Nasdaq Stockholm
Karel Lannoo, ECMI
Florencio Lopez de Silanes, SKEMA Business School
Christian Noyer, Honorary Governor, Bank of France
Apostolos Thomadakis, ECMI
Erik Veerman, ABN AMRO
Nadine Wilke, Particula

Partners

CEPS

Imperial College Business School | Brevan Howard Centre for Financial Analysis

Sponsors

BlackRock

Statistical Package

The ECMI Statistical Package presents a comprehensive collection of the most relevant data on various segments of European and global capital markets. It enables users to trace trends so as to highlight the ongoing transformation of capital markets, including the structural changes brought about by competitive forces, innovation and regulation. It represents an important step towards overcoming the existing data fragmentation on the evolution of European capital markets by offering a 'one-stop-shop' for market participants, regulators, academics and students.

The 2024 version contains data on equity markets, debt securities, securitisation, covered bonds, exchange-traded and over-the-counter derivatives, asset management, mutual funds, insurance companies and pension funds, and global comparative data. Each table is associated with a corresponding illustrative figure, giving a visual overview of the most important trends. A user-friendly navigation is embedded in the programme allowing users to explore the comprehensive package in an easy and purposeful manner.

The package is available in Excel format on this dedicated webpage, free of charge for ECMI members.

Table of Contents

Contracts awarded

- **Study on the disclosure of (sustainability) information accompanying insurance-based investment products (IBIPs) in Hungary (execution of Mystery Shopping activities)**
  for EIOPA (with Kantar Public and BARE International Europe)

- **Study on the disclosure of (sustainability) information accompanying insurance-based investment products (IBIPs) in Croatia, France, Greece, Hungary, Italy, Latvia and Lithuania (execution of Mystery Shopping activities)**
  for EIOPA (with Kantar Public and BARE International Europe)

- **Provision of large scope sustainability data at EU level**
  for MSCI

- **Set up, Operation and Maintenance of the EU Observatory of Payments in Commercial Transaction (EU Payment Observatory)**
  for European Commission (with EY)

- **Workshops in selected GCC countries on European Capital Markets Union (CMU) and the opportunities for GCC investors**
  for European Commission (with GFA Consulting Group)

- **Study on the Effectiveness and Efficiency of the EU Framework on Corporate Governance Underpinning the Quality of Corporate Reporting**
  for European Commission (with Milieu)

- **Study on the Accountability of entities not subject to the EU Discharge: the case of the EIB**
  for the European Parliament (with the Universidad de Deusto and Universidad de Valencia)

About ECMI

Mission and governance

ECMI produces various outputs, such as regular commentaries, policy briefs, working papers, statistics, task forces, conferences, workshops and seminars. In addition, ECMI undertakes studies commissioned by the EU institutions and other organisations, and publishes contributions from high-profile external researchers. ECMI regularly organises workshops, seminars and task forces on a variety of issues facing European capital markets. Participation in ECMI events offers multiple networking opportunities. The Annual Conference is a unique event in Brussels, bringing together high level speakers and hundreds of participants.

ECMI is a non-profit organisation, funded through its membership base in addition to externally commissioned research, events/task forces fees and publications sales. The diversity of the membership base and the governance model are the best guarantee of ECMI's independence as a research institute.

The Annual General Meeting of Members is usually organised in October/November on the eve of the Annual Conference. Board Meetings are organised twice each year, usually in February/March and June/July, respectively. The board is very well diversified, composed of highly reputed individuals in their field of expertise. The board members provide the strategic direction of the organisation, supervise the work of the management team and the financial performance of the institute. The research staff works on the basis of an independent agenda; they are assisted by the academic committee

Board Members

Fabrice Demarigny, Chairman
Global Head of Financial Advisory Services, Mazars

Martin Bresson
Invest Europe

Hans Buysse
European Federation of Financial Analysts Societies (EFFAS)

Godfried De Vidts
Advisor to the Board

Carey Evans
BlackRock

Jillien Flores
Managed Funds Association

Josina Kamerling
Chartered Financial Analyst (CFA) Institute

Pablo Malumbres
Bolsas y Mercados Españoles (BME)

Jacqueline Mills
Association for Financial Markets in Europe (AFME)

Pablo Portugal
Euroclear

Rosa Armesto
Federation of European Securities Exchanges (FESE)

Julia Rodkiewicz
International Capital Markets Association (ICMA)

Jean Paul Servais
Financial Services and Markets Authority (FSMA)

Michalis Sotiropoulos
Depository Trust & Clearing Corporation (DTCC)

Danuta Hübner
Advisor to the Board

Academic Committee

Marie Brière
Amundi and Paris Dauphine University

Pierre-Henri Conac
University of Luxembourg

Marco Lamandini
Università di Bologna

Jesper Lau Hansen
University of Copenhagen

Florencio López de Silanes
SKEMA Business School

Niamh Moloney
London School of Economics (LSE)

Research Team

Karel Lannoo, CEO, CEPS and General Manager, ECMI

Karel Lannoo has been CEO of CEPS since 2000, a leading think tank and forum for debate on EU affairs. He has published extensively on financial regulation, and contributes as regular speaker in public hearings, international conferences and in briefings for executives. He acted as rapporteur for many task forces on capital markets chaired by senior officials and business leaders. He is the General Manager of the European Capital Markets Institute (ECMI) and the European Credit Research Institute (ECRI), both operated by CEPS, and also serves as non-executive member in boards of foundations, supervisory authorities and market operators.

Apostolos Thomadakis, Head of Research, ECMI

Apostolos Thomadakis joined ECMI in October 2016. Prior to this, he was a Visiting Scholar at the Applied Macroeconomic Research Division at the Bank of Lithuania (BoL) and a Visiting Scholar at the Foreign Research Division at the Austrian National Bank (OeNB). He has also completed a Traineeship in the Capital Markets and Financial Structure (CMT) Division of the European Central Bank (ECB) and a PhD Internship in the Country and Financial Sector Analysis Division of the European Investment Bank (EIB). Apostolos has held academic positions and taught Econometrics and Finance courses at University of Warwick, London School of Economics, University of Bath and University of Surrey. He has a PhD Economics (University of Surrey, UK); MSc Business Economics & Finance (University of Surrey, UK); BSc Physics (Aristotle University of Thessaloniki, Greece)

Membership

The membership of ECMI is open to private companies/organisations, regulatory authorities and academic institutions.

Corporate/Institutional	EUR 4,00/year
Board	EUR 6,700/year
Academic/University	EUR 500 (12 months)

Benefits

- Stay well-informed on the latest market and regulatory developments in European capital markets
- Support policy-oriented research to enhance the growth potential of European capital markets
- Benefit from our in-house expertise through meetings, conference calls or webinars with our staff
- Engage with extensive networks of market participants, regulators and academics
- Gain preferential access to Task Forces, with up to 70% discount over non-member fees
- Attend our events (annual conference, seminars, workshops, symposia) at no extra cost
- Become a partner/co-host in the organisation of dedicated events
- Participate at public consultations (interviews, questionnaires, roundtables)
- Receive regular updates with our publications (commentaries, policy briefs, working papers)
- Gain free access to our statistical package, a comprehensive overview of Europe's capital markets
- Subscribe to our quarterly newsletter including our recent and forthcoming activities
- Participate in the board meetings and/or annual general meeting of member

More information on how to become a member is available here.

Beatriz Pozo Pérez
Unit Coordinator
beatriz.pozo@ceps.eu
+32 (0)2 229 39 87

Alice Orlandini
Events and Communications
alice.orlandini@ceps.eu

European Capital Markets Institute

ECMI conducts in-depth research aimed at informing the debate and policymaking process on a broad range of issues related to capital markets. Through its various activities, ECMI facilitates interaction among market participants, policymakers, supervisors and academics. These exchanges result in commentaries, policy briefs, working papers, task forces as well as conferences, workshops and seminars. In addition, ECMI undertakes studies externally commissioned by the EU institutions and other organisations, and publishes contributions from high-profile guest authors.

ECMI EUROPEAN CAPITAL MARKETS INSTITUTE

Centre for European Policy Studies

CEPS is widely recognised as one of the most experienced and authoritative think tanks operating in the EU. CEPS acts as a leading forum for debate on EU affairs, distinguished by its strong in-house research capacity and complemented by an extensive network of partner institutes throughout the world. As an organisation, CEPS is committed to carrying out state-of-the-art policy research leading to innovative solutions to the challenges facing Europe and to maintaining the highest standards of academic excellence and unqualified independence. It also provides a forum for discussion among all stakeholders in the European policy process that is supported by a regular flow of publications offering policy analysis and recommendations.

CEPS