



– Consultation Response –

European Commission's public consultation on the integration of EU capital markets.

Brussels, 10 June 2025 | Europex welcomes the opportunity to respond to the European Commission's public consultation on the integration of EU capital markets.

Questions related to section 1

Q 1) Is there a need for greater proportionality in the EU regulatory framework related to the trade, post trade, asset management and funds sectors? Please choose from 1 (strongly agree) to 5 (strongly disagree) or 'no opinion'. If yes, please explain and provide suggestion on what form it should take?

1	2	3	4	5	Don't know/No opinion/Not applicable
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Q 5) Are there areas that would benefit from simplification in the interplay between different EU regulatory frameworks (e.g. between asset management framework and MiFID)? Please choose from 1 (strongly agree) to 5 (strongly disagree) or 'no opinion'.

1	2	3	4	5	Don't know/No opinion/Not applicable
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Q 5.1) Please explain and provide suggestions for simplification. Also if possible present estimates of the resulting cost savings:

Energy derivatives exchanges and clearing houses deliver similar data to different authorities because of overlapping financial and energy reporting requirements, causing inefficiencies in the reporting of orders, transactions and positions and imposing a disproportionate burden on the industry. Inefficiencies in the arrangements for reporting of orders, transactions and

positions in energy markets arise from the overlapping and duplicative EU regulatory frameworks for financial and energy regulation. Same applies for conflicting rules between REMIT and MAR on insider trading and market abuse.

Therefore, we support in principle the idea of streamlining supervisory regimes, without jeopardising efficient regulatory monitoring on energy derivatives markets so that supervisory authorities can obtain a complete view of markets and facilitate data-sharing among each other.

Q 7) Do you have other recommendations on possible streamlining and simplification of EU law, national law or supervisory practices and going beyond cross-border provision?

- ☐ Yes
☐ No
☒ Don't know / no opinion / not applicable

Questions related to section 2

Q 11) Are there any barriers that may limit the possibility for trading venues to offer trading in financial instruments that have been initially admitted to trading on another trading venue? Please reply, differentiating by type of trading venue.

	Yes	No	Don't know/No opinion/Not applicable
Regulated Markets	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
MTF	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SME Growth Markets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Q 17) Increased access to financial instruments on a cross-border basis can also be ensured by improving the interconnection between all relevant EU regulated markets and MTFs. To that end, would you consider important to ensure an increased level of interconnection between trading venues in the EU?

- ☐ Yes
☐ Yes, provided it is funded/co-funded by public funds
☒ No
☐ Don't know/No opinion/Not applicable

Q 24) What is your assessment of the effect of the removal of exchange-traded derivatives from the so-called 'open access' to CCPs and trading venues provision under Articles 35 and 36 of the reviewed MiFIR?

Please include elements in terms of costs of trading and clearing, depth of market, switch to OTC.

Europex believes that the co-legislators took the right decision in 2024 to exempt ETDs from "open access" rules under Articles 35 and 36 in MiFIR. In doing so, they accepted the proposal of the European Commission which was made to increase the competitiveness of EU financial markets. It is notable, in particular, that in making the proposal the European Commission explained the following: "the proposal removes the open access obligations for exchange-trade derivatives. This open access obligation may discourage markets from creating new and innovative financial products. Its implementation has already been postponed several times. It is now being abandoned" (Commission Q&A: 2021 CMU package Q&A: 2021 Capital Markets Union package Q&A: 2021 Capital Markets Union package).

ETD markets, and within this category energy and commodity derivative markets, are structurally different from markets for transferable securities. Commodity derivative markets are highly competitive and offer product innovation both in regional products and in global markets. Fragmentation as in equity markets is not prevalent.

In its response to the European Commission consultation on commodity derivatives (ESMA's response to the EC commodity derivatives review, 2 May 2025), ESMA stresses that: "[...] trading activity in commodity derivatives is already relatively consolidated, with a few regulated markets concentrating most of the volumes. There are eleven regulated markets offering commodity and emission allowance derivatives in the EU but the largest three cumulate more than 99% of the trading volumes. These regulated markets tend to be specialised by asset class: agricultural derivatives are mainly traded on Euronext Matif (99% of the volumes), emission allowance derivatives on ICE Endex (96% of the volume) and energy derivatives on ICE Endex and EEX (99% of the volume across the two venues). Other smaller regulated markets are specialised in niche products and offer contracts which are generally not traded elsewhere."

To introduce "open access" rules would cause fragmentation and would drive up the cost for energy market participants. Especially pertinent in European commodity derivatives markets, open access would also incentivise market participants to migrate from regulated trading venues to non-centrally cleared OTC markets.

This would have the additional negative effect of less transparency for supervisors related to critical commodity markets such as energy markets.

Furthermore, "open access" rules hamper the innovation and development of globally competitive markets. In particular, it is important to emphasise that the main European commodity derivatives markets have become global contracts, competing with non-EU indices. The introduction of "open access" rules for EU ETD markets, disincentivizes early investment in the development of such markets and rewards a free-rider approach.

All in all, it appears counterintuitive to risk breaking Europe's liquid energy derivatives markets at the very moment when the EU is trying to achieve strong energy markets in the EU.

Q 56) Are you aware of any existing practices that may restrict the presence of multiple market makers/liquidity providers on these venues?

- ☐ Yes
☒ No
☐ Don't know/No opinion/Not applicable

Questions related to section 6

Q 1) How effective are current EU supervisory arrangements in achieving the objectives or performing the tasks below? Please rate each objective from 1 to 5, 1 standing for "least effective" and 5 for "most effective":

	1	2	3	4	5	No opinion/Don't know/Not applicable
Contributing to financial stability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The functioning of the internal market	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The integrity, transparency, efficiency and orderly functioning of financial markets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The enforcement of EU rules	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The prevention of regulatory arbitrage and promotion of equal conditions of competition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Supervisory convergence across the internal market	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Development of the Single Rule Book	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Consumer and investor protection	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Support financial innovation in the market	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Market monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Supervisory data management including data sharing	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Responsiveness, transparency	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Stakeholder engagement and involvement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Use of resources	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Proportionality of the fees for direct supervision	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Q 2) What prevents the ESAs from reaching the objectives or performing the tasks listed in Question 1? Please explain your answer.

Regarding energy derivatives markets in scope of MiFID, Europex particularly supports enhancing the cooperation between energy and financial authorities. Allowing regulators to have a more holistic view of energy markets related exclusively to MiFID trading venues, when necessary, should be a first step. This is ideally facilitated in a structured manner in order to increase efficiency and avoid fragmentation. To this end, establishing a systematic access to the authorities' databases could be an appropriate solution to ensure efficient sharing of relevant information without posing significant administrative costs.

We believe that ESMA might not have full access to relevant data from trading venues and from market participants reported to NCAs. This issue was evident in ESMA's TRV article on gas derivatives which concluded that there was a high concentration of position in European gas derivatives, while a more complete dataset later showed that the level of concentration was within normal ranges. As ESMA indicated, the analysis of risks in natural gas derivatives markets was hampered by data fragmentation and the availability of data to ESMA and NCAs, particularly related to information being reported only to energy regulators or only to NCAs.

Q 4) Do you have ideas how EU-level supervision of financial markets could be structured (for example the whole or part of the sector should be supervised at EU level, supervisory decisions could be taken at EU level or national etc.)?

- ☒ Yes
- ☐ No
- ☐ No opinion/Don't know/Not applicable

Q 4.1) Please explain your ideas and explain what broad changes they would involve:

in terms of supervisory architecture and supervisors' responsibilities:

Europex is not aware of problems in the existing supervisory structure of energy derivatives markets that would be resolved by more EU supervision of commodity and financial markets. Moreover, as opposed to for example in European cash equity markets, energy derivatives markets in the EU do not suffer from fragmentation. The EU's internal market is a core strength for energy derivatives exchanges operating in the EU, as it allows a single exchange to operate under one license in a single Member State to service the whole of the EU, and access global financial markets.

We warn against amending the supervisory set up which might lead to complex supervisory structures involving NCAs, regional clusters of NCAs or even supervisory colleges that would split responsibilities among different supervisors and bodies. This would be highly inefficient and could lead to fragmentation. Competences should be clearly defined without duplication.

Europex also warns against jumping to the extreme of a single centralised supervisor without first assessing and addressing potential divergent supervisory interpretations.

in terms of improved cooperation among supervisors:

Europex supports the idea of improving the information towards the policy debate on the state of European energy markets, by enhancing the collaboration and coordination between European financial and energy supervisors in order to possibly fill existing gaps in data available to them. Europex recommends mandating that ESMA and ACER publish an annual report monitoring the state of European energy markets. The joint report should be data driven and based on the shared use of data available to European supervisors under the MiFID, EMIR and REMIT reporting frameworks. Individual publications and analyses by ESMA and ACER on European energy markets could be replaced by the joint report where appropriate, and if not, should be consistent with the approach and methodology used in the joint report.

Q 7) What is your view on setting up regional hubs of ESMA to ensure closer interaction with market participants?

See above.

Europex strongly argues against setting up ESMA regional hubs. This could lead to unnecessary complexity, a split in responsibilities and lengthy decision-making procedures.

Q 28) How would you rate the convergence of supervisory practices across Member States in the area of the supervision of trading venues? Please rate from 1 to 5 (1 very convergent, 5 very divergent)

1	2	3	4	5	No opinion/Don't know/Not applicable
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Regardless of potential supervisory differences, when it comes to energy derivatives markets, the EU's internal market is a core strength for derivatives exchanges operating in the EU, as it allows a single exchange to operate under one license in a single Member State to service the whole of the EU, and access global financial markets.

Q 37) Assuming competences are split between an EU-level supervisor responsible for the supervision of significant relevant trading venues and NCAs responsible for the supervision of less significant institutions ('LSI'), do you believe that the EU-level supervisor should also have any oversight function with respect to LSI supervision?

- ☐ Yes
- ☒ No
- ☐ No opinion/Don't know/Not applicable

Please explain

Again, too much complexity harms effective supervision. It splits responsibilities among different supervisors and bodies.

Questions related to section 7

Q 1) Would you agree that EU level supervision is beneficial to achieve a more integrated market? Please provide your answer by choosing from 1 (strongly agree), 2 (rather agree), 3 (neutral), 4 (rather disagree), 5 (strongly disagree), (no opinion).

- ☐ 1 Strongly agree
- ☐ 2 Rather agree
- ☐ 3 Neutral
- ☒ 4 Disagree
- ☐ 5 Strongly disagree
- ☐ Don't know/No opinion/Not applicable

Please explain.

As described above, EU derivatives markets do not lack consolidation as compared to other asset classes, nor have we observed deficiencies in local supervision that would hinder more cross-border activity and integration. We are rather concerned that supervision might become a patchwork of split responsibilities and different layers of supervisors, rendering the system much more complex than it is today. This would not be beneficial to integration.

Regarding energy derivatives markets subject to MiFID, Europex instead supports enhancing the cooperation between energy and financial authorities. Allowing regulators to have a more holistic view of energy derivatives traded on MiFID trading venues, when necessary, should be a first step. This is ideally facilitated in a structured manner in order to increase efficiency and avoid fragmentation. To this end, establishing a systematic access to the authorities' databases could be an appropriate solution to ensure efficient sharing of relevant information without posing significant administrative costs.

Q 2) Are there other sectors of financial services, not covered in section 6 where granting ESMA new direct supervisory powers should be considered?

- ☐ Yes (please provide examples)
- ☒ No
- ☐ Don't know/No opinion/Not applicable

About

Europex is a not-for-profit association of European energy exchanges with 37 members. It represents the interests of exchange-based wholesale electricity, gas and environmental markets, focuses on developments of the European regulatory framework for wholesale energy trading and provides a discussion platform at European level.

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