



Commission launches major package to fully integrate EU financial markets

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Today, the European Commission adopted a comprehensive package of measures designed to remove barriers and unlock the full potential of the EU single market for financial services. This package is a central component of the **Savings and Investments Union (SIU)** strategy, aiming to create a more integrated, efficient, and competitive financial system providing EU citizens better options for growing their wealth and supporting businesses in accessing funding.

More integrated capital markets are essential for fortifying the EU's economic strength and achieving strategic priorities such as competitiveness, digital and green transitions, defence and security. Deeper integration of financial markets is not an end, but a means to create a single market for financial services greater than the sum of its national parts. Simplified access to capital markets reduces costs and makes the markets more appealing for investors and companies across all Member States, irrespective of size.

Despite recent progress, EU financial markets **remain significantly fragmented**, small and lack competitiveness, missing out on potential economies of scale and efficiency gains. In 2024 the market capitalisation of stock exchanges amounted to 73% of EU GDP, compared to 270% in the US. Financial institutions still face varying requirements and practices across Member States, hindering cross-border operations and restricting opportunities for both citizens and businesses, negatively impacting the economy and the EU's competitiveness.

Today's package simplifies the EU regulatory and supervisory framework significantly, and comes just nine months after its announcement in the SIU strategy, underscoring the political importance and urgency of this issue.

Proposed measures

Removing obstacles to market integration and leveraging scale

The package aims to eliminate barriers to integration in trading, post-trading, and asset management. It seeks to enable market participants to operate more seamlessly across Member States, thus reducing cost differences between domestic and cross-border transactions. Proposed measures include enhancing passporting opportunities for Regulated Markets (RMs) and Central Securities Depositories (CSDs), introducing 'Pan-European Market Operator' (PEMO) status for operators of trading venues to streamline corporate structures and licenses into a single entity or single license format, and streamlining the cross-border distribution of investment funds (UCITS and AIFs) in the Union.

Facilitating innovation

The package focuses on removing regulatory barriers to innovation related to distributed ledger technology (DLT). It adapts the regulatory framework to support these technologies and amends the DLT Pilot Regulation (DLTPR) to relax limits, increase proportionality and flexibility, and provide legal certainty, thus encouraging the adoption of new technologies in the financial sector.

Streamlining and enhancing supervision

Improvements to the supervisory framework are closely linked to the removal of regulatory barriers. The package aims to address inconsistencies and complexities from fragmented national supervisory approaches, making supervision more effective and conducive to cross-border activities, while being responsive to emerging risks. This includes transferring direct supervisory competences over significant market infrastructures such as certain trading venues, Central Counterparties (CCPs), CSDs, and all Crypto-Asset Service Providers (CASPs) to the European Securities and Markets

Authority (ESMA) and enhancing ESMA's coordination role for the asset management sector.

Simplification and burden reduction

As seen in previous SIU measures, the package will simplify the capital markets framework further by converting directives into regulations, streamlining level 2 empowerments, and reducing national options and discretions to prevent gold-plating.

Background

Strengthening the EU's economy and bolstering its international position are central to the European Commission's mandate. The Competitiveness Compass outlines how to achieve these goals, with the Savings and Investments Union (SIU) Strategy acting as a key enabler of this plan. To improve EU competitiveness, the European Council emphasises the importance of creating unified and robust European capital markets that everyone in the EU can access. [In March 2025](#), the Council asked the Commission to work on capital market oversight and reducing fragmentation. In [September 2025](#), the Parliament supported the Commission's plan for new legislation to improve trading and post-trading systems, remove cross-border barriers, and update the framework for new technologies.

Next steps

The proposals must now be negotiated and approved by the European Parliament and the Council. These components are interconnected and together form a cohesive set of reforms essential for establishing a genuine single market across the entire investment chain. Maintaining the unity of the package is crucial. The Commission is dedicated to collaborating closely with the European Parliament, Member States, and other stakeholders to ensure the swift and effective implementation of these measures.

For more information

[Questions and answers](#)

[Factsheet](#)

[Adopted measures on the market integration package](#)

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Quote(s):

"For too long, Europe has tolerated a level of fragmentation that holds back our economy. Today we are making a deliberate choice to change course. By building a real Single Financial Market, we will give people better opportunities to grow their wealth, and we unlock stronger financing for Europe's priorities. Market integration is not a technical exercise — it is a political imperative for Europe's prosperity and global relevance."

Maria Luís Albuquerque, Commissioner for Financial Services and the Savings and Investments Union

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 [Press conference by Maria Luís Albuquerque, European Commissioner, on capital market integration and supervision](#)