

Milan, 20 March 2026

European Commission

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RE: AMF Italia’s response to the European Commission “*Have your Say*” – *Savings and Investments Union: Regulation fostering EU market integration and efficient supervision: proposal for a Regulation of the European Parliament and of the Council amending Regulations (EU) No 1095/2010, No 648/2012, No 600/2014, No 909/2014, 2015/2365, 2019/1156, 2021/23, 2022/858, 2023/1114, No 1060/2009, 2016/1011, 2017/2402, 2023/2631 and 2024/3005 as regards the further development of capital market integration and supervision within the Union*

AMF Italia welcomes the opportunity to provide comments on the proposal referred to above.

As anticipated in our response to the proposal for a “*Directive amending Directives 2009/65/EC, 2011/61/EU and 2014/65/EU as regards the further development of capital market integration and supervision within the Union*”, we consider the European Commission’s analysis of the obstacles affecting the competitiveness of EU markets to be well founded. The current fragmentation and multiplicity of rules, infrastructures and operators no longer provide a sufficiently simple and cost-efficient framework for issuers, intermediaries and investors.

While the existence of different regulatory frameworks and operating models allows market participants to accommodate diverse needs, excessive fragmentation requires systems and procedures to be replicated in each Member State to address the specificities of individual jurisdictions. In an increasingly global and cross-border environment, this calls for measures aimed at preserving and strengthening the competitiveness of the EU financial system, while also considering the need to safeguard national financial ecosystems, which remain an important component of the overall EU financial landscape.

In this respect, we hope that the interventions aimed at “overcoming” geographical fragmentation through a logic of integration will take into due consideration local financial ecosystems (in particular, SMEs and potential domestic reference venues), their importance, and the necessity of finding a fair balance with the push toward market integration as a new driver for the development of the EU financial system.

With respect to measures enhancing the competitiveness of the EU financial system, we believe that MISF could be an opportunity to clarify that the EU legislation should not have extra-territorial application when EU investment firms operate outside the Union with non-EU clients.

That said, overcoming a highly fragmented supervisory system for significant market infrastructures and PEMOs does not in itself resolve the more complex issue of the substantive integration of the EU markets, which continues to be affected mainly by legal barriers that hinder the free provision of services among Member States.

The proposals under the MISP and the measures introduced by the Listing Act, while commendable, do not in fact address certain substantial barriers to market access for issuers, such as differing regulatory regimes for listing and remaining on markets. For example, an issuer seeking to be listed on two or more distinct venues (even if belonging to the same group) must follow different procedures, each governed by the rules of the relevant venue. This obviously leads to duplication and increased costs and timelines.

As an initial step one could envisage removing the aforementioned legal barriers through the unified IPO gateway referred to in the Letta Report (*“A pivotal structural measure involves establishing a single entry point to public capital markets for small and mid-cap companies. It is imperative to establish a specialised section of the capital markets tailored to small and mid-cap companies, with simplified listing requirements proportionate to their age, size, and ownership structure, serving as a preparatory phase prior to transitioning to the main segment. Encouraging collaboration among key EU stock exchanges to pool their small and mid-sized segments, thereby creating a unified IPO gateway to EU public markets for these companies before they transition to their chosen EU stock exchange’s regulated market, is also paramount”*).

In particular, common admission and ongoing requirements could be introduced for all EU growth markets, allowing issuers to undergo a single listing process that would be valid across all growth markets of interest.

Such a common and simplified “listing environment” would provide SMEs with greater access to capital market funding opportunities through a “single label,” enabling them to broaden their network of potential investors without having to undergo multiple listing procedures.

Subsequent phases of the unified IPO gateway project could include the integration of order books and the creation of a market index for EU growth markets, which would help stimulate buy-side investment.

1. MiFIR

With respect to the proposals relating to the MiFIR framework, as a preliminary remark we note that the issue of market data is not addressed, despite it being mentioned in the *“Study on consolidation and reducing fragmentation in trading and post-trading infrastructures in Europe Final report”* (published alongside the MISP regulatory package), which states: *“Regulatory compliance and the cost of market data emerge as the most frequently cited barriers to firms achieving their business objectives in relation to the SIU”*.

Despite recent EU legislative interventions in this area, applicable from next August, the key issues identified to date are expected to persist, as trading venues retain a de facto monopoly over market data for trades executed on their platforms, while intermediaries remain obliged to purchase such data to meet regulatory requirements, even once the Consolidated Tapes become fully operational. In fact, the latter will only partially improve competitiveness in the sector (with a positive effect on costs), as intermediaries will still need to purchase proprietary data from trading venues, since the CT cannot “replace” them for all use cases requiring low latency. Therefore, in the forthcoming negotiations, we would expect that the issue of market data costs is closely monitored and addressed within the MISP.

As regards the **PEMO** proposal, we note that it constitutes, in principle, an incentive for the entry and operation within the EU of market operators with a cross-border dimension, which would act under a single license across multiple Member States under ESMA supervision. The new PEMO regime should foster an integrated vision and a more efficient approach to the benefit of intermediaries, issuers, and investors.

Nevertheless, we believe that it is crucial to keep on ensuring the “proximity” of the market (whether managed by a PEMO or by a significant infrastructure) to SMEs, which are particularly tied to their local ecosystem and covered, via financial research, by domestic intermediaries.

Furthermore, any integration or consolidation initiatives for venues managed by such market operators should follow objective and transparent criteria that enhance trading liquidity and the plurality and variety of trading intermediaries. ESMA should oversee these aspects in accordance with an explicit legislative mandate.

With respect to the proposals relating to the **Consolidated Tape**, we consider, as a preliminary matter, that no amendments should be made to the CT regime at this early stage.

Considering what stated in the EC’s Q&As on MISP published last December with respect of the CT as a best execution tool¹, we outline that such proposals could introduce, albeit indirectly, a “mandatory consumption” of CT data to fulfil best execution requirements. This would be: *i)* inconsistent with current regulatory provisions, given the multiple factors beyond price that must be considered to comply with such obligations; *ii)* more economically burdensome for intermediaries, who should purchase data from trading venues and info vendors for trading, algorithmic, and market-making activities on one hand, and purchase CT data for best execution purposes on the other - regardless of their business model or the domestic or cross-border nature of their operations.

The proposal to increase the depth of pre-trade equity/ETF data to be published by the CT, along with identifying the relevant trading venue, should also be assessed in terms of costs for

¹ “To ensure that the consolidated tape fully delivers on its policy objective, it is essential to address its initial design flaws that would considerably curtail its usage **as a best-execution tool** ... Therefore, the proposal will (i) increase the depth of the displayed information, (ii) identify the trading venue with the best price, and (iii) display prices offered by systematic internalisers (i.e. investments firm dealing on its own account and executing client orders outside a trading venue) to clients. By implementing these changes, we expect brokers to refine their execution policies, ultimately benefiting end investors and contributing to a more efficient trading landscape in the Union.”

users, to ensure they do not increase and, ideally, are reduced to improve data usability. Furthermore, we do not support the proposal relating to the publication of the volume-weighted closing price, also considering the unsuitability of such data to replace standard closing prices.

As regards **systematic internalisers** (SIs), we do not support the proposal requiring them to transmit to the consolidated tape for shares and ETFs the data they publish pursuant to Article 14 of MiFIR, with a view to enabling the CT to disseminate, for a given share or ETF, in addition to the best bids and offers from continuous order books, the five best bid and offer quotes published by SIs across the EU on a separate basis. SIs should continue to operate in line with their original purpose, namely as bilateral risk-taking counterparties. Accordingly, order book-like activities should not take place within an SI, as these would constitute multilateral trading under MiFIR, whereas SIs are intended to perform a bilateral risk-taking function.

2. Supervision

The proposal to reform the EU supervisory regime referred to in the MISP reflects a market and post-trading structure increasingly shaped by pan-European groups managing market infrastructures (trading venues, CCPs and CSDs). In this context, it appears consistent for the supervisory approach to move beyond purely domestic and fragmented frameworks and instead rely on the principles of a level playing field, as well as effective, consistent and timely supervision.

At the same time, any reshaping of supervisory mechanisms should duly consider the local dimension of markets, including their proximity to companies (especially SMEs) and investors. The consolidation of markets or segments within a group is not neutral for national economies and should be assessed in light of its direct and indirect impacts on the countries concerned and on the Union as a whole.

Central supervision should not confer a competitive advantage on larger market players compared to smaller entities that remain under national supervision. Well-functioning local ecosystems, including local infrastructures, should therefore be preserved given their key role in financing regional economies. This requires an appropriate balance between central and local supervision, in line with the subsidiarity principle, and ensuring that expertise relating to local markets continues to be developed both at domestic and central level. In this respect, ESMA's recruitment framework could be complemented by a dedicated scheme aimed at strengthening its operational and local market knowledge, including through staff with experience in both the public and private sectors.

The supervisory architecture envisaged by the MISP should also ensure a clear allocation of competences between ESMA and national competent authorities (NCAs), in order to avoid overlaps, regulatory arbitrage and duplicative reporting. At the same time, it should not result in an increase in supervisory fees borne by supervised entities, particularly in light of the dual contribution regime involving both ESMA and NCAs, which retain responsibility for orderly market and market abuse oversight.

Appropriate phase-in periods will be necessary to ensure an orderly transition of supervisory powers from the national level to ESMA.

With regard to the proposal to transfer supervisory powers over CASPs to ESMA - irrespective of their size and cross-border activity - this is supported. In a rapidly evolving technological and regulatory environment requiring highly specialised expertise, a centralised supervisory framework can help develop the resources and know-how needed to keep pace with market developments and ensure consistent supervision across jurisdictions.

3. Central Securities Depository Regulation

In the public consultation preceding the publication of the MISP package, AMF Italia highlighted the following main barriers to full integration and efficiency in the post-trading sector: *(i)* insufficient harmonization and interconnection among CSDs; *(ii)* discrepancies in the legal and regulatory frameworks of EU countries, as well as a lack of certainty regarding the interpretation of EU rules (except following rulings by the EU Court of Justice); *(iii)* inconsistent treatment and classification of corporate actions, despite the existence of market practices which, however, are not followed in a complete and uniform manner, thereby leading to operational inefficiencies.

We also pointed out that the limited number of links among CSDs results, *inter alia*, in higher operational and settlement costs for cross-border transactions: therefore, we welcome the measures aimed at increasing links among CSDs contained in the proposal. A higher number of links among CSDs would have a positive impact on the efficiency of cross-border settlement by reducing potential mismatches. By way of example, the use of the place of settlement (PSET) in settlement instructions - considered a key element within the new T+1 framework - would be less effective in the absence of links between the CSDs involved in the transaction. This reduced effectiveness would ultimately lead to a higher risk of settlement fails.

Furthermore, we also welcome the measures aimed at reducing barriers to the freedom of issuance, particularly through limiting the ability of Member States to impose additional requirements on issuers of financial instruments and simplifying passporting procedures to facilitate the cross-border provision of services by CSDs. We do, however, believe that diverging national legislation (e.g. corporate and tax laws) and factors such as knowledge of the local market will continue to influence the choice of CSD.

However, we would suggest complementing the proposals by placing greater emphasis on market practices, which represent a useful tool for standardization and, therefore, for improving the efficiency of post-trade processes. Market practices, for example, are central to the settlement cycle reduction, which is based on a close and effective integration between binding rules and market practices, helping to ensure consistency, time to market, and adaptability over time within the relevant framework.

4. DLT Pilot Regime Regulation

The increase in the aggregate threshold for the application of the pilot regime is welcomed, as it is a measure capable of fostering the development of the market for digital instruments. However, we deem that the proposed threshold of EUR 100 billion could still be too low and will therefore remain a significant limiting factor for the DLT regime development. We would therefore recommend further assessment of whether the threshold level should be increased or removed.

We also welcome the removal of time limitations on the duration of authorizations granted under the same regime: this could facilitate the assessment of implementation costs, an aspect that requires careful consideration in a market that is still evolving and is therefore characterized by uncertainty regarding the time needed to reach the break-even.

However, we believe that the proposals in this area could be complemented by a specific focus on interoperability between DLT systems, aimed at overcoming the current technological “silos” through the adoption of gateways and shared standards. This aspect is indeed relevant for operational efficiency and for the integration of platforms.

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