

Savings and Investments Union: Getting MISP right for Europe's economic growth

19th October 2026

Following the Council's agreement on the Market Integration and Supervision Package (MISP), the current European Parliament's negotiations represent a key opportunity to strengthen the competitiveness, integration and resilience of Europe's capital markets. The Federation of European Securities Exchanges (FESE) calls on MEPs to:

- **Bolster Europe's competitiveness** by strengthening transparent trading and capital formation, supporting vibrant primary markets and creating the conditions for businesses to raise capital and grow within the EU;
- **Ensure the success of the recently launched [EuroCTP](#)** by supporting it in its current shape and form until a thorough impact assessment is performed, so to secure a transparent market structure; and
- **Provide a supervisory framework which is clear, predictable, efficient and lean.** Such a mechanism would make a positive contribution to the competitiveness of European markets in a global environment.

At a time when Europe needs to cater for greater investments, innovation and economic resilience, strong and liquid public markets remain crucial for channelling capital to companies and supporting long-term growth.

The final MISP framework should therefore promote market efficiency while ensuring that Europe's capital markets continue to support the real economy.

1. Market Structure

MISP should support robust price formation through transparent, lit trading and ensure a genuine level playing field across all execution venues. The Council agreement does not yet fully address some of the structural challenges facing European equity markets.

We encourage the European Parliament to pursue further measures to these objectives, notably by improving the pre- and post-trade transparency for systematic internalisers (SIs) and strengthening their oversight. Requiring SIs to provide a meaningful minimum price improvement of at least one tick would help ensure that bilateral execution delivers a genuine and measurable benefit to investors.

More broadly, it is essential to ensure application of the tick size regime on a level playing field and to address regulatory asymmetries that contribute to market fragmentation and weaken transparent price formation.

2. Consolidated Tape

The recently launched equity consolidated tape ([EuroCTP](#)) represents a major achievement for European capital markets. The tape should be subject to a thorough impact assessment once it has been operational under the current setup for a sufficient period, before any significant changes are considered, because neither the Commission's proposal nor the Council's agreement have done so. The existing framework, based on an anonymised EBBO and real-time post-trade data, provides the appropriate basis for delivering all the relevant use cases to market participants.

Combining venue attribution with three pre-trade levels of order book depth, as proposed by the Council, would increase the volume and complexity of information provided by the tape without necessarily improving its usefulness to investors, undermining its effectiveness and raising concerns about the implications for market structure.

The tape must not be used for trading or order routing, because the specificities of the European market do not allow for this (i.e. the inherent latency and lack of mandatory use for best execution linked to the trade-through rule as in the US). Otherwise, all market participants would have to get mandatory consumption. We therefore encourage the European Parliament to avoid expanding the tape in this way before the agreed framework is properly assessed.

3. Supervision

Exchanges welcome the MISP ambition to foster deeper markets integration through more EU-level supervision for cross-border market infrastructures and the creation of the Pan-European Market Operator (PEMO) regime. At the same time, FESE recalls that the evolution of the supervisory framework should reduce fragmentation, reduce duplication, avoid new complexities, provide clear accountability, and generally create a pro-business culture, including reduced time to market to foster innovation. Hence, for entities under direct ESMA supervision, ESMA should act as the sole supervisor, avoiding any unnecessary overlap with national competent authorities.

The Council agreement raises some concerning elements, such as the proposed Coordinated Supervisory Teams and the enhanced role of the Board of Supervisors through an ex-ante discussion mechanism. These proposals would add complexity, replicate existing inefficient arrangements and reintroduce national-level involvement in areas intended to benefit from centralised ESMA supervision, undermining supervisory efficiency as a result.

FESE encourages the European Parliament to ensure that MISP delivers a supervisory mechanism which is clear, simple, direct and efficient.

4. DLT

FESE supports the overall direction of the DLT-related provisions and welcomes efforts to facilitate innovation in European capital markets.

At the same time, it is essential to provide clear transitional pathways from pilot arrangements to permanent regulatory frameworks. Market participants need legal certainty regarding how successful DLT-based solutions can transition and scale within the broader market infrastructure landscape.

5. Derivatives

FESE neither sees a clear policy rationale nor a market failure for reopening core elements of the exchange-traded derivatives (ETDs) framework through MISP.

Changes relating to areas such as open access, transparency requirements or the derivatives consolidated tape are not supported by a demonstrated need and a clear evidence base. Policymakers should avoid introducing changes that could create uncertainty for well-functioning markets without addressing a clearly identified market failure.

6. Looking Ahead

The Council agreement represents an important step in the MISP negotiations. As the legislative process evolves, the European Parliament has an opportunity to ensure that the final package translates the objective of market integration into deeper, more transparent and more competitive European capital markets.