

**Priority question for written answer P-004833/2025
to the Commission**

Rule 144

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Subject: Money market funds (MMFs)

During market turmoil in recent years, some MMFs experienced strong liquidity stress. Low volatility net asset value funds were the most vulnerable, primarily through their valuation framework. In 2021, the European Systemic Risk Board (ESRB) adopted recommendations to enhance the resilience of MMFs. The ESRB's 2025 compliance report concluded that the Commission is overall 'materially non-compliant' with the ESRB recommendations. On 3 December 2025, the ESRB President stated that the 2021 recommendations were still valid today and she made a clear call 'to not to wait for the next crisis, but to put the regulatory framework in place to prevent a crisis happening'.

1. Does the Commission agree with the ESRB assessment that to increase the resilience of MMF, low volatility net asset value funds should fluctuate towards variable net asset value funds, and when will the Commission review Regulation (EU) 2017/1131¹ in this direction?
2. The United States adopted a major MMF reform in 2023, increasing minimum liquidity requirements to a level up to three times higher than in the EU. How does the Commission intend to address the risk of regulatory arbitrage following this reform given that the combination of large non-resident holdings, exposures to non-EU issuers and less stringent liquidity provisions could make EU MMFs more susceptible to run dynamics and contagion effects?

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¹ OJ L 169, 30.6.2017, pp. 8–45, ELI: <http://data.europa.eu/eli/reg/2017/1131/oj>.