

(English version)

**Question for written answer E-002266/26
to the Commission
Anouk Van Brug (Renew), Billy Kelleher (Renew)
(3 June 2026)**

Subject: An appropriate regulatory regime for investment firms

In October 2025, the European Banking Authority (EBA) and the European Securities and Markets Authority (ESMA) published their technical advice for the Commission, which suggested targeted revisions to simplify the prudential framework for investment firms, such as liquidity providers and market makers.

In the context of the savings and investments union (SIU) goals, these amendments would help EU investment firms play a role in the development of European markets.

As the Commission is currently looking at banks' competitiveness, the EBA/ESMA advice is a reminder that the prudential regime for investment firms in the EU is more stringent and complex than in other jurisdictions.

The application of the Investment Firms Directive ⁽¹⁾ (IFD) and the Investment Firms Regulation ⁽²⁾ (IFR), their extraterritorial impact and lack of proportionality, has already had a negative impact on EU-based investment firms. This runs counter to the goal of having strong, diverse and autonomous capital markets. Strategic functions for capital markets (such as market making) should be strengthened in order to increase the attractiveness of the EU's capital markets.

1. What is the Commission's assessment of the advice published by the EBA and ESMA?
2. How is the Commission planning to integrate the EBA/ESMA recommendations into its legislative agenda supporting the SIU?
3. Will the Commission propose adjustments in the context of a review of the IFD/IFR, in order to ensure that EU-based market makers continue to provide liquidity on European exchanges?

Submitted: 3.6.2026

**Answer given by Ms Albuquerque on behalf of the European Commission
(3 August 2026)**

The joint advice of the European Banking Authority and the European Securities and Markets Authority states that the Investment Firms Directive (IFD) ⁽¹⁾ and the Investment Firms Regulation (IFR) ⁽²⁾ framework has achieved its original objectives. At the same time, the joint advice identifies several areas where the framework could be refined to further strengthen it.

The Commission considers the technical recommendations useful in light of the review of the functioning of the IFR-IFD. While the framework is sound, targeted changes to the framework may be justified where they can remove barriers to EU investment firms' competitiveness, in the EU and globally, and support EU financial markets in line with the Savings and Investments Union objectives.

The Commission is currently assessing the prudential framework of investment firms together with its overall assessment of competitiveness in the banking sector. Several questions on investment firms were included in the consultation on the competitiveness of the EU banking sector, that ran until 19 April 2026 ⁽³⁾.

¹ Directive (EU) 2019/2034 of the European Parliament and of the Council of 27 November 2019 on the prudential supervision of investment firms and amending Directives 2002/87/EC, 2009/65/EC, 2011/61/EU, 2013/36/EU, 2014/59/EU and 2014/65/EU (OJ L 314, 5.12.2019, p. 64, ELI: <http://data.europa.eu/eli/dir/2019/2034/oj>).

² Regulation (EU) 2019/2033 of the European Parliament and of the Council of 27 November 2019 on the prudential requirements of investment firms and amending Regulations (EU) No 1093/2010, (EU) No 575/2013, (EU) No 600/2014 and (EU) No 806/2014 (OJ L 314, 5.12.2019, p. 1, ELI: <http://data.europa.eu/eli/reg/2019/2033/oj>).

⁽¹⁾ OJ L 314, 5.12.2019, p. 64.

⁽²⁾ OJ L 314, 5.12.2019, p. 1.

⁽³⁾ https://finance.ec.europa.eu/regulation-and-supervision/consultations-0/targeted-consultation-competitiveness-eu-banking-sector-2026_en.