

Targeted consultation of the European Commission on the supervisory convergence and the single rulebook

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1.- Target participants

This consultation is addressed to a large number of stakeholders. In particular, input is sought from national supervisors, national ministries, financial institutions and other market participants, European Supervisory Authorities (ESAs), European institutions, non-governmental organisations, think tanks, consumers, users of financial services and academics. Inputs from citizens and organisations are also welcomed.

2.- Information Note

Despite the progress in the area of supervisory convergence and the single rulebook since the creation of the ESAs in 2011, continued efforts are required to make further progress. In this context, the European Commission's Capital Markets Union action plan published on 24 September 2020 includes as action 16 that: *"The Commission will work towards an enhanced single rulebook for capital markets by assessing the need for further harmonisation of EU rules and monitoring progress towards supervisory convergence. It will take stock of what has been achieved in Q4 2021 and consider proposing measures for stronger supervisory coordination or direct supervision by the ESAs. The Commission will also carefully assess the implications of the Wirecard case for the regulation and supervision of EU capital markets and act to address any shortcomings that are identified in the EU legal framework."*

Supervision is an essential condition for a well-functioning Capital Markets Union. This will be particularly relevant in a post-Brexit world with multiple financial centres across the EU. Supervision should ensure that divergences in outcomes of supervisory practices in Member States do not undermine confidence, stability, investor protection and fairness in the Single Market. The three ESAs are mandated to ensure the convergence of supervisory practices among the national competent authorities. In addition, ESMA is responsible for direct supervision of some market activities and market operators. However, supervisory convergence reaches its limits where the national rules differ between Member States or where the common European rules leave room for interpretation or too much discretion to Member States for its application. The European single rulebook seeks to reduce differences between national laws and to provide more detailed rules where it is important for stability and fairness in the single market. Considered jointly, supervisory convergence and the single rulebook provide the framework for effective and efficient supervision.

The input to this consultation, which seeks to take stock of what has been achieved so far, will be used to prepare the report required by the Capital Markets Union action plan, which will cover the review also required under the ESAs founding Regulations.

This consultation seeks views on certain aspects related to the 2019 ESAs review and contributes to a wider debate on supervisory convergence and the single rulebook.

All questions are not relevant for all stakeholders. Therefore, you are not expected to reply to each question. Please indicate the ESA for which the reply is intended.

3.- Submission of comments

The deadline for submitting comments is **21 May 2021**.

Stakeholders should send their contributions through an online questionnaire available on the [European Commission](#) website (place the cursor over the word to obtain the link) where the document to be consulted can also be found.

The CNMV would appreciate it if stakeholders could send a copy of their responses to the consultation to the following address: documentosinternacional@cnmv.es

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