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MISP moves into political negotiation: what more than 1,900 amendments mean for the EU's future market architecture

QuickTake

More than 1,900 amendments have turned the Market Integration and Supervision Package (**MISP**) from a legislative proposal into a contest between competing models for European market supervision and market infrastructure. The question for firms is no longer what MISP proposes. It is which of the competing architectures is becoming a credible landing zone for their business, their licences and their transactions — and which are negotiating positions unlikely to survive.

Three points follow. First, the Commission's December 2025 proposal is no longer an adequate planning baseline. Second, the June rapporteur drafts are not a Parliament position and are themselves being challenged. Third, Council work is advancing in parallel and does not point in the same direction on the questions that matter most.

Our July 2026 Client Alert[1] examined the draft reports published on 11 June by Markus Ferber (**EPP**) on the MISP Master Regulation and Eero Heinäluoma (S&D) on the MISP Master Directive. Those reports marked the first substantive parliamentary response to the European Commission's December 2025 proposals. Since then, the political negotiation has opened considerably.

ECON members have tabled 1,918 further amendments across the three principal MISP legislative files:

- **Master Regulation – 2025/0383(COD):** Ferber's draft report is now supplemented by five amendment documents, PE791.103, PE791.134, PE791.135, PE791.136 and PE791.137, published on 31 July 2026 and covering amendments 201 to 1463 – 1,263 further amendments.

- **Master Directive – 2025/0382(COD):** Heinäluoma's draft report is supplemented by PE791.083 and PE791.126, published on 27 July and covering amendments 102 to 647 – 546 further amendments.

- **Settlement Finality Regulation (SFR) – 2025/0381(COD):** Giovanni Crosetto's draft report is supplemented by PE791.082, published on 20 July and containing amendments 34 to 142 – a further 109 amendments.

That numerical scale should not be mistaken for legislative disorder. Grouped by subject — as mapped in the Annex to this Client Alert — a clearer picture emerges. The principal dispute is no longer whether the EU should integrate its capital markets or whether ESMA should acquire stronger powers; there is comparatively broad support for both. The disagreement concerns ***where European supervision should replace national supervision, where it should instead coordinate it, and what safeguards should accompany centralisation***. That divide was already explicit in ECON's 2 July debate. The Annex maps the competing outcomes so that firms can plan against a range rather than a single text.

This also changes the significance of the SFR. Our July Client Alert correctly noted that the SFR was a separate legislative file not covered by the two rapporteur reports analysed there. It can no longer sensibly be treated as peripheral. Crosetto has now proposed substantial changes to the Commission text, MEPs have tabled 109 further amendments and, on the Council side, a consolidated compromise text and consolidated legal drafting were already under discussion by early August.

The practical consequence is that firms should not plan against a single "Parliament position". There is not yet one. Until ECON adopts its reports, the June documents remain rapporteur drafts and the tabled amendments remain tabled amendments rather than compromise text. The exercise this Client Alert undertakes is therefore to identify the credible landing zones between the Commission proposal, the three rapporteur drafts, the tabled ECON amendments and the emerging Council signal — and to translate each of them into supervisory, operational and transactional consequences.

Five developments that now matter most

1. **Selective rather than universal ESMA centralisation.** The Commission proposed direct ESMA supervision of significant CCPs, CSDs and trading venues and of all CASPs. Ferber's draft would place **all** EU CCPs and CSDs under ESMA; Heinäluoma's would extend direct supervision into significant asset-management groups and depositaries. The subsequent amendments run in both directions. Following the 10 July ECOFIN, the Council continues to frame the objective around **significant** CCPs, CSDs, trading venues and CASPs. ***What to consider now:*** model the significance-based outcome as

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[1] Available here.

the central case and the universal-transfer outcome as the stress case, and identify which entities sit near the boundary.

2. **Significance is emerging as the organising principle.** The Irish Presidency circulated a dedicated note on significance criteria on 13 July, and Council discussions on CSDs show Member States weighing supervisory colleges, joint supervisory teams and other structured arrangements as alternatives to an outright transfer of every function to ESMA. The negotiation is therefore shifting from a binary ESMA-versus-NCA choice towards the calibration of thresholds and the division of functions above them. ***What to consider now:*** significance criteria are the single variable with the widest effect on regulator identity, fees and inspection intensity — and, for acquirers, on the supervisory model a purchaser would actually inherit.

3. **Asset management has become the clearest intra-Parliament fault line.** Heinäluoma proposes direct ESMA authorisation and supervision of large EU asset-management groups, together with lower thresholds for enhanced scrutiny, direct powers over depositaries and a securities-lending revenue-return requirement. Ferber has publicly opposed the supervisory transfer on the basis that scale does not make a manager genuinely pan-European and that an additional ESMA layer may add cost without producing integration. The 546 amendments to the Master Directive therefore matter at least as much as the 1,263 to the Master Regulation. ***What to consider now:*** the substantive product rules — securities lending, delegation, intra-group resource sharing and depositary arrangements — could survive even if the supervisory transfer is moderated, and they bear directly on revenue and on the valuation of management and servicing platforms.

4. **MiCAR is moving towards a different compromise from traditional infrastructure.** The Commission proposed ESMA supervision of all CASPs. Ferber would confine that to significant CASPs while centralising MiCAR market-abuse enforcement at ESMA; Heinäluoma has argued publicly for stronger CASP supervision; and the Council also frames its work around significant CASPs. A significance-based CASP model is therefore a credible landing zone, although the criteria and the allocation of market-abuse powers remain open. ***What to consider now:*** for a scaling EU crypto business the significance threshold determines the identity of the licensing authority as the business grows — a diligence and business-plan question for investors as much as a compliance question.

5. **DLT, CSDR and the SFR have become a single tokenised-infrastructure question.** MISP is not only changing who supervises existing infrastructure; it is attempting to make the legal architecture capable of supporting tokenised securities, DLT market infrastructures and new forms of settlement. The Commission framed DLT reform as an objective of the Master Regulation and Directive; Ferber would turn the DLT Pilot into a more permanent and scalable regime; and Crosetto seeks technology-neutral settlement-finality rules. ***What to consider now:*** trading permissions and recording rules do not make a tokenised market scalable on their own. Whether tokenised infrastructure becomes institutionally investable depends on finality, insolvency protection and a credible route out of the Pilot Regime.

Two framing points complete the picture. The amendments to SFTR, the Benchmark Regulation, the STS Securitisation Regulation, the EuGB Regulation and the ESG Rating Regulation are described by the Commission as targeted alignment with the wider ESMA reforms; their real content therefore depends disproportionately on where the horizontal governance, enforcement, fee and data architecture lands. And the timetable is politically ambitious: ECON currently targets 1 December 2026 for adoption of its reports and decisions on entering interinstitutional negotiations, the Council committed on 10 July to seek a robust negotiating position by October, and the Commission's One Europe, One Market roadmap continues to target agreement on MISP by the end of 2026.

Mapping the amendment exercise

1. ESMA centralisation and supervision – the central political battleground

The Commission's December proposal already represented a substantial increase in ESMA's role. It proposed direct ESMA supervision of the most significant cross-border CCPs, CSDs and trading venues and of all CASPs, accompanied by stronger convergence powers and changes to ESMA governance.

Ferber's June report moved considerably further for traditional market infrastructures but less far for crypto-assets. It proposed ESMA supervision of **all** EU CCPs and CSDs, irrespective of significance, whilst preserving NCA supervision for non-significant CASPs. It also introduced a secondary ESMA competitiveness objective, protections against double supervisory charging, governance reforms and additional procedural safeguards. Those were among the central propositions identified in our July analysis.

Heinäluoma's draft adds another dimension: extending direct ESMA supervision beyond infrastructure operators to significant asset-management groups and giving ESMA direct powers over depositaries.

The subsequent amendment exercise confirms that these proposals are not settled Parliament policy. The political divide can already be seen from ECON's 2 July debate. Ferber defended centralisation for genuinely pan-European CCPs and CSDs but opposed simply moving large asset managers to ESMA. Heinäluoma argued for direct ESMA supervision of large asset managers and stronger CASP supervision. Crosetto emphasised maintaining a central role for NCAs. Renew representatives supported stronger ESMA powers coupled with institutional safeguards; Greens/EFA supported further ESMA powers; and the PfE position expressed in the debate rejected centralisation.

The available Council signal suggests that Ferber's universal-transfer model would face substantial resistance. ECOFIN's 10 July conclusions describe direct EU-level supervision in terms of **significant** CCPs, CSDs, trading venues and CASPs. Separately, the Council Presidency has opened detailed work on significance criteria.

The likely battleground is therefore shifting towards three questions: what constitutes a "significant" market participant; whether significance triggers complete substitution of the NCA by ESMA or a joint supervisory structure; and which powers should remain national even where ESMA becomes the lead supervisor.

For firms, that distinction is more important than the headline question of "more ESMA". A supervisory college chaired by ESMA, an ESMA-led joint supervisory team and ESMA as sole competent authority produce materially different governance, fee, reporting, inspection and enforcement consequences.

2. MiFIR and trading – integration versus institutional displacement

The Commission's proposal seeks a materially more integrated trading architecture. It would move significant trading venues and pan-European market operators towards EU-level supervision, strengthen open access, centralise certain data functions and reduce national fragmentation.

Ferber's report was more interventionist in some respects and more cautious in others. It would turn national market-surveillance responsibility into a transitional arrangement, with ESMA eventually assuming the role subject to an operational-readiness assessment. It also proposed an ESMA review of whether significant systematic internalisers should become directly supervised, mandatory SI rulebooks, a minimum price improvement of one tick, wider application of the price-improvement requirement and changes to the liquid-market methodology. Conversely, he proposed deleting the Commission's contemplated extension of elements of the consolidated-tape framework.

The 1,263 Master Regulation amendments reopen virtually every moving part of that architecture. Politically, however, the most important MiFIR question is not each technical amendment in isolation. It is whether Parliament will endorse the idea that national market surveillance should ultimately disappear for the relevant venues, or whether the final model preserves a permanent national component.

This debate also interacts with the wider Council work on "significance". A venue may be systemically or cross-border significant for authorisation and prudential supervision without it necessarily following that every market-integrity function should migrate to ESMA.

Systematic internalisers should therefore watch three separate strands: the substantive SI execution rules, the proposed rulebook/transparency requirements and the possibility that the largest SIs themselves become candidates for direct ESMA supervision.

3. EMIR and clearing – "all CCPs" is now a negotiating position, not the baseline

The Commission proposed direct ESMA supervision of significant EU CCPs. Ferber removed the distinction and proposed direct ESMA supervision of **every** EU CCP. Our July alert accordingly treated the possibility of ESMA becoming sole competent authority as a central planning scenario.

That remains an important Parliament negotiating position, but it should no longer be treated as the probable end-state without qualification.

The Council is expressly working with significance criteria and described the July political objective in terms of significant CCPs. Moreover, the broader Parliament debate reveals a substantial constituency for retaining a meaningful NCA role.

The likely compromise space encompasses at least four models: Ferber's sole-ESMA model for all CCPs; the Commission's sole- or lead-ESMA model for significant CCPs; ESMA-led supervision with formal NCA participation; or a more federated model combining ESMA convergence powers with national primary supervision outside a narrower systemic category.

Central-bank involvement will remain critical irrespective of the model selected. CCP supervision cannot be treated purely as securities-market supervision given the implications for liquidity, monetary policy, payment systems and financial stability. The practical question is therefore not only whether ESMA or an NCA is formally "competent", but how the ECB and other relevant central banks of issue are built into supervisory decisions.

Ferber's related EMIR simplification proposals—particularly the move towards single-sided reporting and the broader "report once" architecture—are less politically existential but potentially highly important operationally. Firms should not lose sight of those changes while attention focuses on the institutional contest over ESMA.

4. CSDR and post-trade – the same centralisation argument, with a stronger monetary-policy overlay

The Commission proposed ESMA supervision of significant CSDs while retaining national supervision for less-significant CSDs. Its proposal also modernises CSDR for DLT and tokenised forms of money and securities.

Ferber again removed the significance distinction and proposed bringing all 32 EU CSDs under ESMA, abolishing the corresponding significant/less-significant architecture and colleges.

Here, however, the Council discussion already provides a particularly useful indication of where resistance lies. Member States have debated not only significance but supervisory colleges, joint supervisory teams and other structured NCA involvement. They have also raised concerns about mandatory CSD interconnectivity, T2S connectivity, a potential hub-and-spoke structure, the scope of mandatory links and the design of open access.

The post-trade debate consequently has two layers that should not be conflated. One is **supervisory allocation**: ESMA versus NCAs. The other is **market architecture**: how far legislation should actively force connectivity and consolidation rather than simply remove legal barriers and allow market-led integration.

The latter may ultimately matter more commercially. A CSD can adapt to a different supervisor. Mandatory interoperability, link requirements or settlement-network architecture can alter its business model.

5. SFTR – consequential, but strategically relevant to the ESMA data architecture

SFTR is formally within the Master Regulation but is not presently a separate political battlefield comparable to EMIR, MiFIR or CSDR: the Commission describes the SFTR amendments as targeted changes linked to its horizontal ESMA reforms. That does not make them immaterial. SFTR sits squarely within the move towards centralised supervisory data, common reporting infrastructure and "report once", so changes to ESMA's central databases, access rights, data standardisation and enforcement architecture can materially affect SFTR reporting even where the substantive SFT regime is untouched. Securities-financing participants should therefore track SFTR together with EMIR and the horizontal ESMA data provisions rather than as a freestanding review.

The tabled amendments now show how that architecture could be implemented at Level 1. **AM 861** would insert a new MiFIR Article 26a for an integrated "report once" mechanism; **AM 640 and AM 1116** would bridge EMIR Article 9 and SFTR Article 4 into that mechanism; **AMs 636–639** would restrict EMIR reporting to OTC derivatives; **AMs 854–860** would address authority access, reporting scope and reporting channels; and **AMs 944–946** would designate the MiFIR central database for MiFIR, EMIR and REMIT data, creating a drafting mismatch with the SFTR bridge in AM 1116. Master Directive **AM 646** points in a different direction by requiring a feasibility report on a separate MiFID/REMIT mechanism for energy commodity derivatives. These amendments are significant because burden reduction depends not merely on one submission, but on template neutrality, legally clear allocation of reporting responsibility and safeguarded authority-to-authority data sharing. The Annex maps this verified reporting cluster and its implementation implications.

The distinction is also important because Heinäluoma's proposed **90% securities-lending revenue return requirement for UCITS and related restrictions on intra-group profit sharing** are not SFTR amendments. They arise under the Master Directive's asset-management provisions.

6. MiCAR – one of the most important reversals of the Commission proposal

MiCAR provides perhaps the clearest example of Parliament not simply pursuing "more ESMA".

The Commission proposed transferring direct supervision of **all CASPs** to ESMA. Ferber rejected that blanket approach, arguing instead for a significance-based model under which ESMA would supervise significant CASPs while NCAs retained non-significant firms. He nevertheless proposed centralising MiCAR market-abuse enforcement at ESMA.

Ferber also proposed a new framework for multi-issuer e-money token arrangements, filling what he regards as a structural gap in MiCAR.

Politically, MiCAR cuts across the simple left/right centralisation divide. Heinäluoma has publicly called for stronger supervision of CASPs, while the current Council language is itself framed around **significant CASPs**, bringing it closer to Ferber's tiered approach than to the Commission's original all-CASP transfer.

That makes four issues particularly important during compromise negotiations: the quantitative and qualitative criteria for significance; whether firms can move between ESMA and NCA supervision as they grow or shrink; whether ESMA retains sole market-abuse responsibility across the entire MiCAR perimeter; and the fate and design of the multi-issuer EMT framework.

For CASPs, the significance criteria will become an important strategic variable. They may determine not merely supervisory intensity but the identity of the licensing authority, fees, enforcement exposure and potentially the economics of scaling a business across the EU.

7. Securitisation – distinguish MISP from the wider securitisation reform agenda

The Master Regulation amends the STS Securitisation Regulation, but the Commission classifies those changes alongside SFTR, benchmarks, EuGBs and ESG ratings as targeted alignment with the reform of ESMA. The politically significant question in this file is therefore how the revised ESMA governance, procedural, enforcement and convergence architecture is carried across into the securitisation regime. On the presently available public record, the amendment exercise does not justify treating MISP as a wholesale reopening of STS eligibility, risk retention or prudential treatment, and market participants should keep the MISP securitisation amendments on a separate workstream from the substantive securitisation-revival agenda.

8. Benchmarks – horizontal ESMA architecture rather than BMR redesign

The position is similar for the Benchmark Regulation. MISP makes targeted amendments to align BMR with the revised ESMA framework, so the operative question is how ESMA's governance, investigations, enforcement, fees, data collection and procedural safeguards ultimately apply across regimes already involving European-level supervision. There is presently insufficient evidence that the amendment exercise is producing a separate reconsideration of benchmark policy; the prudent working assumption is that BMR follows the horizontal ESMA settlement unless compromise amendments identify a benchmark-specific departure.

9. DLT – from pilot project towards permanent market infrastructure

DLT is one of the areas where the institutional debate is less polarised than the supervisory-centralisation debate, although the technical questions remain substantial.

The Commission proposed materially widening the DLT Pilot Regime and removing barriers to the use of DLT across trading and post-trade. Its Master Regulation also expressly recognises DLT-based book entry and tokenised forms of central-bank and commercial-bank money.

Ferber considered that approach too cautious. His June report would move closer to making DLT market infrastructure a permanent part of the EU architecture, raise relevant limits and replace a simple experimental sunset with a mechanism allowing successful infrastructures to graduate into a mainstream framework.

Council work has also accelerated. The Presidency circulated a dedicated questionnaire on the DLT Pilot Regime in July, alongside the wider post-trade work.

The important policy issue is therefore shifting from **whether** Europe should accommodate DLT to **how an infrastructure graduates from experimentation into scale**. That requires consistency across MiFIR, CSDR, MiCA, the DLT Pilot Regime and, critically, the SFR.

This is where MISP can become more than another supervisory reform. If the final legislation creates a coherent legal chain from issuance and trading through record-keeping, cash settlement and insolvency finality, the package could materially reduce the legal friction associated with tokenised capital markets.

10. ESG ratings – do not confuse horizontal ESG-rating supervision with asset-manager remuneration

The ESG Rating Regulation likewise receives targeted alignment amendments under the Master Regulation, which need to be read through the horizontal changes to ESMA rather than as a reopening of ESG-rating policy.

This should be distinguished from Heinäluoma's separate proposal under the Master Directive to link asset-manager variable remuneration more directly to sustainability strategy and ESG-related objectives. That is an asset-management remuneration proposal, not an amendment to the ESG Rating Regulation. The distinction matters both legally and politically.

The Master Directive – the asset-management battle inside MISP

The 546 amendments tabled against Heinäluoma's draft deserve separate attention because some of the largest divergences from the Commission proposal sit in the Master Directive rather than the Master Regulation.

The Commission's starting point was principally one of harmonisation, faster cross-border passporting, an EU depositary passport, common authorisation standards and strengthened ESMA convergence powers. It did not start from the proposition that large asset-management groups should ordinarily be directly authorised and supervised by ESMA.

Heinäluoma changed that architecture materially. His June draft proposed direct ESMA authorisation and supervision for significant asset-management groups, substantially lower thresholds for enhanced ESMA scrutiny, direct ESMA powers in relation to depositaries, tighter securities-lending revenue-sharing rules, more harmonised conduct and prudential standards, a central notification platform and additional remuneration and sustainability requirements.

The most consequential political dispute is therefore now whether scale alone, combined with cross-border activity, should trigger direct European supervision of an asset manager.

This is a genuine disagreement between the two principal rapporteurs. Heinäluoma argues that large cross-border managers should be treated consistently with other systemically important market actors. Ferber has publicly argued that the analogy is weak: a very large fund manager may remain predominantly national in its activities and moving its supervision to ESMA may simply add cost without creating integration.

The Council is also actively examining alternatives. Its July work programme separately addresses harmonisation, intra-group resource sharing and delegation, alternatives to annual ESMA reviews, safeguards around supervisory sufficiency and the depositary passport. The eventual compromise may therefore be more nuanced than either the Commission's coordination model or Heinäluoma's direct-supervision model.

A plausible landing zone—not yet an agreed position—would be stronger ESMA coordination for the largest groups, supported by supervisory colleges or joint teams, with direct ESMA supervision reserved for a more narrowly defined category of genuinely cross-border groups. That would fit the wider political movement towards significance and structured cooperation visible elsewhere in MISP.

The securities-lending provisions deserve separate treatment. Heinäluoma's proposed requirement to return at least 90% of gross securities-lending revenues to the fund, coupled with restrictions on intra-group revenue sharing and enhanced disclosure, would materially affect existing agency-lending economics. This is not simply a question of supervisory allocation; it is a substantive product-rule intervention. It is therefore more exposed to amendment and compromise than many of the purely institutional provisions.

Settlement Finality Regulation – no longer the missing MISP file

The SFR has moved furthest since our July Client Alert in the sense that it was not previously included in our detailed Parliament analysis at all.

The Commission proposes replacing the Settlement Finality Directive with a directly applicable Regulation and amending the Financial Collateral Directive. This preserves much of the substantive finality protection under the existing SFD but surrounds it with a more harmonised structure for designation, supervision and third-country systems. A detailed provision-by-provision mapping indicates that 31 of the existing Directive's 40 operative provisions survive either unchanged or amended, while 16 of the 33 mapped provisions in the Commission proposal are genuinely new.

Crosetto's June position

Giovanni Crosetto, the ECR rapporteur, supports converting the SFD into a directly applicable Regulation, but his draft seeks a more technology-neutral and operationally workable regime.

His principal June proposals include a Union-level definition of "final settlement"; express accommodation of DLT and tokenised infrastructures; removal of the proposed joint and several liability rule for consortium system operators; ESMA/EBA technical standards concerning the timing and procedures around irrevocability and final settlement; clarified insolvency protections for settlement agents and collateral, including CCP margins and default-fund contributions; and transition periods of up to five years for systems already designated under the existing SFD.

That already makes Crosetto's report more consequential than the SFR discussion in our July alert suggested.

The 109 additional Parliament amendments

ECON subsequently published amendments 34–142 on 20 July.

They should be read against Crosetto's broader political philosophy. Unlike Heinäluoma, Crosetto has publicly emphasised the continuing centrality of national competent authorities and described movement towards a more European supervisory architecture as a multi-year institutional process rather than an immediate organisational transfer.

The principal areas to watch as compromise amendments emerge are therefore:

1. **System designation and scope.** How far designation requirements are genuinely harmonised and what discretion remains with Member States.

2. **Third-country systems.** The conditions under which non-EU settlement systems with EU participants obtain recognition or registration, and how EU insolvency protection attaches to them.

3. **Irrevocability and final settlement.** Whether Level 1 legislation, system rules or ESMA/EBA technical standards determine the operative moments, and how much flexibility technologically different systems retain.

4. **DLT.** Whether finality rules work equivalently where transfer and settlement occur on a distributed ledger rather than through conventional accounts and intermediaries.

5. **Collateral and insolvency protection.** The extent to which collateral, margin and default-fund protections remain insulated from insolvency proceedings.

6. **Transition.** How quickly existing designated systems must migrate from national SFD implementation to the new directly applicable Regulation.

These questions have major documentation consequences. Settlement finality is reflected in system rules, clearing documentation, collateral arrangements, legal opinions, netting analysis and default procedures. Changes to the legal moment of entry, irrevocability or final settlement therefore require more than a regulatory gap assessment; they may require a documentation and opinion refresh across an infrastructure's contractual stack.

Council negotiations have also advanced

The Council discussion is now materially more developed than it was at the time of our July alert.

Member States have shown support for replacing the Directive with a Regulation in order to achieve stronger harmonisation and cross-border certainty, while maintaining the existing threshold of three participants and accommodating DLT within the SFR.

Under the Irish Presidency, work accelerated further. A full marked-up SFR text and Presidency discussion paper were circulated on 8 July; a questionnaire followed; and by 2 August Council working papers referred expressly to a **consolidated compromise text** and consolidated legal drafting of the SFR, including Member State comments.

Those documents should not yet be described as a Council general approach. They are working-party compromise material. Nevertheless, they mean that the SFR is now progressing on a much more concrete technical track than the position reflected in our July alert.

The SFR should consequently be treated as part of the same critical path as CSDR, EMIR and the DLT reforms. MiFIR may permit an instrument to trade, CSDR may permit it to be recorded and settled, and the DLT framework may permit the technology — but none of that scales reliably unless the law determines when a transfer becomes irrevocable and final and what happens on insolvency. The SFR supplies that layer, and it is the layer on which netting and finality opinions, collateral arrangements and default procedures depend. For investors and lenders, it is also the difference between a tokenised platform that is a pilot and one that is an investable infrastructure asset.

Political map – where the groups presently sit

The political picture is more informative than trying to count 1,918 amendments individually.

- **EPP / Markus Ferber.** Ferber is strongly integrationist where he considers an entity genuinely pan-European. Hence his proposal for all CCPs and CSDs to move to ESMA. At the same time, he opposes centralisation for its own sake: his resistance to direct ESMA supervision of large asset managers illustrates that distinction. His other themes are competitiveness, simplification, industry experience within ESMA governance, proportionality and preventing double supervisory fees.

- **S&D / Eero Heinäluoma.** Heinäluoma represents the most clearly centralising of the two principal rapporteur positions. He favours direct ESMA supervision of significant asset-management groups, a stronger macroprudential framework and stronger CASP supervision.
- **ECR / Giovanni Crosetto and Johan Van Overtveldt.** Crosetto's public position is more institutionally cautious, with NCAs remaining central and Europeanisation proceeding gradually. Crosetto is the SFR rapporteur; Van Overtveldt is the ECR shadow on the Master Regulation.
- **Renew Europe.** Billy Kelleher is the current shadow on the three core MISP files. The Renew position expressed during the July ECON discussion supported strengthening ESMA but coupled this with institutional safeguards. That potentially places Renew in an important compromise position between the stronger centralisation advocated by S&D/Greens and the more NCA-centred approaches on the right.
- **Greens/EFA.** The Greens/EFA line expressed in ECON has been supportive of extending ESMA's powers. The currently recorded shadow arrangements should be checked again when compromise amendments are issued because Parliament's records have reflected changes in the named shadow during the file.
- **Patriots for Europe.** The position expressed for PfE in the 2 July debate opposed the centralisation of supervision. Jaroslav Knot is currently recorded as shadow rapporteur on the MISP files.
- **The Left.** Gaetano Pedullà is the recorded shadow across the files. At this stage, however, the available public debate record does not support reducing The Left's amendment package to a single reliable "more ESMA/less ESMA" position, and it would be premature to do so.

The important consequence is that, at time of writing, **there is no obvious single ideological coalition across every MISP issue**. A majority for stronger ESMA powers on CSDs could coexist with a different majority against direct ESMA supervision of asset managers, while a third coalition could support a significance-based CASP model. MISP is therefore likely to be settled issue by issue rather than through one grand political bargain over centralisation.

MISP as a transaction variable: consolidation, diligence, valuation and structuring

MISP is not only a supervisory reform. Because it may change the identity of the regulator, the cost of supervision, the scalability of a pan-European operating model and the legal robustness of settlement, it is capable of affecting whether a regulated business is bought, sold, financed or built. The following consequences are the ones we consider most likely to become live in transactions signed or contemplated before the file concludes.

- **Consolidation and industrial logic.** Harmonisation, reduced national discretion, a genuine depositary passport, a single fund-notification platform and stronger interoperability would lower the cost of operating one platform across the EU, which improves the industrial logic for combinations among CSDs, venues, asset managers, depositaries and CASPs and makes sub-scale national infrastructure more attractive as a target. The effect is not one-directional. Centralisation also concentrates approval and supervisory risk at ESMA level, and mandatory connectivity or open-access obligations could compress the very margins that make an acquisition attractive. Buyers should test both effects rather than assume that integration is uniformly value-accretive.

- **Regulatory diligence.** For MISP-exposed targets the diligence question is shifting from "does the target comply today?" to "what regulatory operating model will the purchaser own after MISP?". That means testing whether the target is likely to cross plausible significance thresholds; whether its competent authority could change from an NCA to ESMA or to a joint model; the resulting fee, reporting, inspection and governance consequences; delegation and intra-group arrangements; depositary structures; securities-lending economics; DLT permissions; and the extent to which existing netting, collateral and finality opinions depend on national implementations of the Settlement Finality Directive that the SFR would replace.

- **Valuation and the pricing of regulatory risk.** Competing landing zones translate into different cost bases: duplicated or eliminated NCA and ESMA fees, reporting and technology capital expenditure under a common data architecture, compliance headcount, documentation and opinion remediation, and — in asset management — the direct revenue effect of a securities-lending revenue-return requirement and of restrictions on intra-group profit sharing. On the upside, a larger addressable EU market and improved cross-border scalability may support both synergies and multiple. These effects belong in business-plan assumptions and in a regulatory downside case rather than in a narrative risk factor. We would not attempt to quantify them until the compromise amendments narrow the range.

- **Structure, approvals and documentation.** A transaction signed now may close, and will almost certainly integrate, under a different supervisory architecture from the one assumed at signing. Where the change-in-control authority itself could move, sequencing, entity perimeter, branch-versus-subsidiary choices, carve-out perimeters and transitional services all merit revisiting. In documentation terms, that may justify closer attention to regulatory conditions precedent and long-stop dates, interim operating and regulatory-change covenants, information undertakings, warranties on licensing and supervisory status, specific indemnities for identified remediation costs and, where future regulatory outcomes materially drive earnings, deferred consideration. Not every MISP-exposed transaction needs all of these; the point is to identify which of them the legislative uncertainty actually makes relevant.

- **Financing and private capital.** Lenders to regulated targets and to infrastructure platforms will need to test operating-cost forecasts, regulatory capital expenditure, change-of-control timing and the reliability of the assumptions underpinning acquisition financing against the same range. For financial sponsors, MISP cuts both ways: greater harmonisation could make European financial-infrastructure, fintech, CASP, asset-management and servicing platforms materially more scalable, and therefore more investable and more exitable, while unresolved ESMA/NCA allocation, new supervisory costs or uncertain significance thresholds may depress value, extend closing timetables and complicate buy-and-build strategies that depend on repeated regulatory approvals.

- **Tokenised infrastructure as an investable asset class.** The commercial consequence of reading the DLT reforms, CSDR and the SFR together is that legal architecture, not technology, is now the binding constraint on institutional investment in tokenised market infrastructure. Permanent or expanded DLT permissions, clearer CSDR treatment, interoperability, robust settlement finality, insolvency protection, access to tokenised cash and a credible route out of the Pilot Regime would together support financing, valuation and transaction activity in this sector. Unresolved questions on finality, perimeter and supervisory responsibility remain genuine diligence and valuation risks, and should be treated as such rather than as implementation detail.

- **The transatlantic dimension.** For non-EU groups the institutional change translates directly into business consequences. A US or global asset manager with a large EU management company needs to know whether its supervisor could become ESMA and how the delegation and securities-lending proposals would affect its EU platform economics. Global banks and broker-dealers are exposed through MiFIR execution rules, systematic-internaliser obligations, clearing, CSDR and the common reporting architecture. Global crypto groups need to know at what point an EU CASP ceases to be supervised by a familiar national authority. And for private capital, MISP alters the regulatory economics, scalability and diligence profile of European FMI, fintech, asset-management and digital-asset targets.

Practical considerations for firms

For firms materially exposed to MISP, this is no longer simply a horizon-scanning exercise. A static tracker cannot show which contested provisions are likely to survive or what different landing zones would mean for the firm's entities, licences, transactions, documentation and operating model.

What is needed is a **"live legislative range"** for each provision material to the business: (i) the Commission baseline; (ii) the emerging Parliament range formed by the rapporteur draft and tabled amendments; and (iii) the Council signal and credible interinstitutional compromise range. That range should be translated into consequences for licensing, supervisory allocation, governance, reporting, documentation, technology, fees, transactions and operating models.

PwC Legal can build and maintain that range throughout the MISP negotiations, including provision-by-provision amendment mapping, political and institutional likelihood assessments, entity-specific impact analysis, identification of points on which engagement may still influence the outcome, and conversion of the eventual compromise into implementation plans. For firms materially exposed to MISP, waiting for the final Regulation or Directive risks losing the period during which both the legislation and the firm's response remain capable of being shaped.

The consequences differ materially by business model.

- **If you are a CCP or CSD.** Model both a significance-based ESMA outcome and a universal-transfer outcome; the differences run to supervisory relationship management, fee exposure, inspection regime, data flows, governance and the interface with the central bank of issue. Separate the supervisory question from the market-architecture question: mandatory interconnectivity, link requirements and open access can change the business model more than a change of supervisor can. Identify now which authority would approve a change of control, because on some outcomes it will not be the one you deal with today.

- **If you are a bank, broker-dealer or systematic internaliser.** Track three strands separately, because they may not land in the same compromise: the substantive MiFIR execution rules, including the proposed SI rulebooks and minimum one-tick price improvement; the future of national market surveillance; and the possibility that the largest SIs themselves become candidates for direct ESMA supervision. The execution rules bear on pricing, best execution, liquidity provision and systems build; the surveillance question determines whether market-integrity supervision separates from prudential and venue supervision.

- **If you are an asset manager or depositary.** Do not assume the proposed direct-supervision thresholds survive unchanged, but do test whether the group would meet them. Assess separately the securities-lending revenue-return requirement, the delegation and intra-group resource-sharing proposals, the depositary passport and the associated ESMA powers, since those provisions could survive even if the supervisory transfer is moderated. Note the possibility of dual supervision within a single entity where a bank depositary retains its NCA prudential supervisor while the depositary function moves to ESMA.

- **If you are a CASP, stablecoin issuer or digital-asset business.** Model whether you would meet plausible significance criteria and what migration from an NCA to ESMA would require in licensing governance, supervisory data, fees and enforcement process. Assume the possibility of a split model in which prudential supervision stays national while MiCAR market-abuse competence sits at ESMA. If your structure involves, or could involve, multi-issuer e-money token arrangements, track the proposed new framework closely: it is a substantive addition rather than a necessary part of MISP centralisation and its design would affect reserve arrangements, issuer allocation and group architecture.

- **If you operate or invest in tokenised or DLT market infrastructure.** Add the SFR to the MISP workstream immediately. Identify every document and legal opinion that depends on existing SFD concepts of system designation, transfer-order entry, irrevocability, finality and insolvency protection, including system rules, clearing and collateral documentation, default procedures and netting opinions. For projects seeking institutional capital, the credibility of the route out of the Pilot Regime and the treatment of ledger transfers under the SFR are diligence items in their own right.
- **If you are acquiring, financing or investing in any of the above.** Build the legislative range into diligence scope, business-plan assumptions and the regulatory downside case, and decide early which uncertainties are better addressed through conditions, covenants, indemnities or price rather than through post-closing remediation.

Finally, firms should identify where they have a legitimate interest in influencing the compromise phase. The amendment deadline has passed, but the most important drafting may still be ahead: the rapporteurs and shadows now have to convert thousands of competing amendments into compromise amendments capable of commanding an ECON majority.

Outlook

The most important conclusion from the July amendment exercise is paradoxically that MISP now looks both more ambitious and more negotiable.

It is more ambitious because Parliament has generated proposals going well beyond the Commission in areas ranging from universal ESMA supervision of CCPs and CSDs to direct supervision of large asset managers, more far-reaching market-structure intervention and a more permanent DLT framework.

It is more negotiable because those propositions are now visibly contested. The June rapporteur reports are no longer a proxy for an emerging Parliament position. They are the opening offers around which political coalitions are being constructed.

The Council provides a further constraint. Finance ministers committed unanimously on 10 July to seek a robust and ambitious negotiating position by October, but the Council's own vocabulary continues to emphasise significant CCPs, CSDs, trading venues and CASPs. That creates an obvious negotiating gap with Ferber's all-CCP/all-CSD model and with Heinäluoma's expansion into asset management.

The emerging shape of the eventual compromise may therefore be "***selective centralisation rather than universal centralisation*****"**: stronger ESMA powers, direct supervision where cross-border scale can be demonstrated, more structured European/NCA cooperation elsewhere, and a substantially more integrated data, market and technology architecture across the board.

At the same time, the SFR demonstrates why MISP should not be reduced to an argument about the location of supervisors. The package is simultaneously redesigning the legal plumbing of European markets: trading, clearing, settlement, asset servicing, crypto-assets, DLT, reporting and the point at which transactions become irrevocable in insolvency.

That is ultimately the more important development. The question is not simply whether Frankfurt, Paris, Dublin or another national authority loses powers to ESMA. It is whether the EU emerges with a capital-markets architecture in which firms can operate, trade, clear, settle and scale on a genuinely European basis.

The next decisive milestone is currently the planned **1 December 2026 ECON vote**. Before then, the compromise amendments—not the 1,918 tabled amendments individually—will reveal which of these competing architectures has the numbers to become Parliament's actual negotiating position.

Annex – Live Legislative Range

This Annex is not a prediction of the final legislative text. It identifies where political contestability and client impact overlap — in other words, where firms have optionality now and may not have it later. For each issue it records the Commission baseline, the relevant rapporteur position, the political or amendment signal, the emerging Council signal and credible compromise range, a heat assessment and the commercial consequence. A red item may warrant scenario modelling, board-level briefing, engagement through industry associations and early review of documentation and operating models; amber items ordinarily warrant continued monitoring and targeted impact analysis. The political-signal column records verified directional signals only: we do not treat an amendment tabled by an individual MEP as an agreed group position, and where attribution cannot be verified the entry describes what the amendment exercise reopens rather than who is behind it. As compromise amendments emerge, the weighting should be updated and ultimately converted into a single implementation baseline. The strategic table is followed by an amendment-level map of the verified reporting architecture.

For firms with material MISP exposure, PwC Legal can maintain this analysis as a live regulatory change workstream rather than a one-off legal memorandum. We can map the relevant provisions to the client's entities and activities; identify which amendments create upside, downside or implementation dependencies; distinguish politically viable amendments from negotiating positions unlikely to survive; track Parliament and Council compromises; support industry and bilateral engagement; and convert the resulting legislative landing zone into governance, documentation, reporting, technology and implementation actions.

Issue	Commission baseline	Rapporteur position	Political/amendment signal	Council signal / credible compromise range	Heat	Why clients should care
1. Overall ESMA direct-supervision perimeter	Direct ESMA supervision expanded for significant market infrastructures; all CASPs	Ferber goes further for CCPs/CSDs; Heinäluoma extends centralisation to large asset managers	S&D/Greens generally more centralising; Renew supportive with safeguards; ECR/PfE more protective of NCA role	Council supports greater EU supervision but is concentrating on **significant** entities and NCA involvement	**RED**	Determines regulator, supervisory methodology, fees, inspections, governance and escalation routes
2. "Significance" as gateway to ESMA	Entity-specific quantitative/qualitative significance tests for CCPs, CSDs and venues	Ferber removes significance for CCPs/CSDs; Heinäluoma creates significance tests for asset managers	One of the central cross-party points of dispute	Council says significance is "key" and is actively calibrating criteria; significant CASPs also favoured	**RED**	Firms need to model whether they cross the thresholds and what follows if they do; for acquirers, significance determines the supervisory model a purchaser would inherit and therefore the cost base assumed at signing
3. CCP direct supervision	ESMA for **significant CCPs**	Ferber: ESMA for **all EU CCPs**	Ferber/EPP strongly pro-centralisation here; broader political resistance to universal transfer	Strong case for ESMA over significant/systemic CCPs, but NCA role, crisis management and fiscal responsibility remain contested	**RED**	Clearing houses and clearing members face potentially different regulator, fees, reporting and crisis interfaces
4. CSD direct supervision	ESMA for **significant CSDs**	Ferber: **all EU CSDs**, eliminating significant/non-significant split	Similar centralisation divide to CCPs	Likely significance-based compromise, potentially with colleges/JST-type NCA participation	**RED**	Central to CSD governance, national settlement-law expertise, central-bank interaction and operational structure; also determines which authority approves a change of control and how long approval takes
5. ESMA/NCA joint-supervision model	Transfer of specified functions to ESMA plus convergence framework	Ferber often favours clearer ESMA primacy; Crosetto emphasises continuing national role	Renew expressly couples stronger ESMA with safeguards; ECR stresses NCA centrality	Council increasingly examining structured NCA participation rather than a simple binary transfer	**RED**	"ESMA supervision" could mean sole supervisor, lead supervisor or joint architecture—very different operational outcomes
6. ESMA competitiveness mandate	No Ferber-style explicit secondary objective	Ferber introduces secondary competitiveness/international-attractiveness objective	Core EPP/Ferber theme; Crosetto also sympathetic; political resistance possible over balancing investor protection	Likely negotiable rather than structurally impossible	**AMBER/RED**	Could become a meaningful legal hook in rulemaking, supervisory dialogue and proportionality challenges
7. ESMA governance / Executive Board	New Executive Board and enhanced governance for direct supervision	Ferber changes voting, experience and institutional safeguards	Broad recognition that stronger ESMA requires governance reform; disagreement over design	Council also treats governance/NCA role as one of two core institutional questions	**RED**	Determines who actually takes supervisory decisions and how national interests are represented

Issue	Commission baseline	Rapporteur position	Political/amendment signal	Council signal / credible compromise range	Heat	Why clients should care
8. Double supervisory fees	Expanded ESMA fee funding without Ferber's explicit anti-double-charging architecture	Ferber expressly prohibits double charging and requires corresponding NCA adjustment	Strong industry-friendly EPP theme; likely attractive beyond EPP	Council concerned with fee allocation and division of tasks	**AMBER**	Direct cash impact and important transition issue where competence shifts only partly
9. Trading venues — direct supervision	ESMA supervision for significant trading venues	Ferber supports stronger European-level structure	Centralisation divide broadly follows general ESMA debate	Council expressly refers to **significant trading venues**	**RED**	Venue operators need to know whether authorisation, ongoing supervision and market-integrity functions move together
10. National market-surveillance role	Significant continuing national component	Ferber converts national surveillance into transitional role with eventual ESMA assumption	Likely more contested than venue authorisation itself	Council wants NCAs to retain tools/information necessary for market-abuse supervision	**RED**	Could split prudential/venue supervision from surveillance and enforcement or consolidate both at ESMA
11. Systematic internalisers — substantive rules	Commission market-structure reforms	Ferber adds mandatory SI rulebooks and minimum one-tick price improvement, extending it beyond retail orders	Material amendments likely because this changes execution economics rather than merely supervisory allocation	Less obviously part of Council's centralisation compromise	**RED**	Direct effect on execution models, pricing, best execution, liquidity provision and systems
12. Systematic internalisers — future ESMA supervision	No immediate broad transfer	Ferber requires ESMA to examine direct supervision of significant SIs	Creates future perimeter issue without immediate transfer	Likely to remain review-based if retained	**AMBER**	Larger SIs need to track whether size/cross-border activity creates a future supervisory migration
13. Open access / freedom of CSD choice	Stronger interoperability and market access	Generally pro-integration	Market-access objective broadly supported, but commercial viability and proportionality concerns remain	Member States have questioned scope and protections for smaller venues/infrastructures	**RED**	Potentially changes the competitive economics of clearing and settlement more than a change of supervisor does, and can compress the margins underpinning infrastructure valuations and expected consolidation synergies
14. CASP supervision	**All CASPs** under ESMA	Ferber reverses this: ESMA only for **significant CASPs**	Heinäluoma/S&D favours stronger CASP supervision; Ferber more proportionality-focused	Council majority also favours **significant CASPs**, not all CASPs (Data Consilium)	**RED**	One of the clearest areas in which the Commission baseline may not survive
15. MiCAR market-abuse supervision	Reconfigured under wider ESMA role	Ferber centralises MiCAR market-abuse competence at ESMA even for non-significant CASPs	Can attract different coalition from prudential CASP supervision	Council concerned generally about preserving NCA market-abuse tools and information	**RED**	A firm could remain NCA-supervised prudentially while facing ESMA for market conduct/enforcement

Issue	Commission baseline	Rapporteur position	Political/amendment signal	Council signal / credible compromise range	Heat	Why clients should care
16. Multi-issuer e-money tokens	No equivalent Ferber structure	Ferber adds new MiCAR Article 48a framework for multi-issuer EMT arrangements	Rapporteur-specific substantive addition rather than necessary part of MISP centralisation	No obvious Council landing zone yet	**AMBER/RED**	Potentially important for stablecoin structures, reserves, issuer allocation and group architecture
17. Significant asset-management groups	ESMA review/convergence architecture rather than direct supervision	Heinäluoma: direct ESMA authorisation/supervision at defined AUM/cross-border thresholds	Heinäluoma/S&D strongly supportive; Ferber/EPP explicitly sceptical; ECR more NCA-oriented	Council likely to favour a more calibrated/joint model if Europeanisation retained	**RED**	Perhaps the clearest intra-Parliament institutional battle in the Directive
18. Depositary passport	EU depositary passport	Heinäluoma retains passport and adds strong direct ESMA supervisory powers	Passport and supervision can attract different coalitions	Council examining depositary passport and safeguards separately	**RED**	Cross-border business opportunity coupled with potentially significant new supervisory exposure
19. ESMA powers over depositaries	Mainly harmonisation/convergence architecture	Information requests, investigations, inspections, management bans, fines and penalties under Heinäluoma	Likely contested where depositary is already prudentially supervised as a bank	Credible compromise may preserve NCA prudential supervisor with ESMA competence for depositary function	**RED**	Creates potential dual-supervision architecture inside the same legal entity
20. Securities-lending 90% revenue return	No equivalent 90% MISP floor	Heinäluoma: ≥90% of gross revenues returned to fund and restrictions on intra-group profit sharing	Substantive S&D rapporteur intervention; not simply institutional reform	No reason to assume Council automatically accepts it	**RED**	Directly affects securities-lending economics, agency arrangements, disclosures and documentation, and feeds into revenue assumptions used to value asset-management and servicing platforms
21. Intra-group resource sharing / delegation	Greater flexibility for intra-EU group resource sharing	Heinäluoma removes some flexibility for UCITS while retaining different treatment for AIFMs	Material disagreement over substance-versus-efficiency	Council has separately been examining intra-group resource sharing/delegation	**RED**	Could determine whether centralised EU operating models trigger delegation requirements
22. Macroprudential powers / fund stress testing	Strengthened harmonisation	Heinäluoma materially strengthens macroprudential dimension, including open-ended funds	S&D particularly supportive; likely investor-protection/financial-stability coalition	Likely to survive in some form even if direct ESMA supervision is diluted	**AMBER/RED**	Significant for real estate, private credit, infrastructure and less-liquid open-ended funds
23. Central fund-distribution notification platform	Further cross-border harmonisation	Heinäluoma proposes single ESMA notification platform	Less politically divisive because clearly integration-oriented	Consistent with broader Council objective of reducing cross-border barriers	**AMBER**	Operational IT change but potentially meaningful reduction in recurring distribution friction

Issue	Commission baseline	Rapporteur position	Political/amendment signal	Council signal / credible compromise range	Heat	Why clients should care
24. SFTR / “report once” / data architecture	Common ESMA-level data and IT architecture; reduced duplication	Ferber develops reporting-centralisation concept further; alert already identifies central platform implications	Less ideological than direct supervision; debate likely over responsibility, templates and safeguards Key tabled AMs: 636–640, 854–861, 944–946 and 1116; Master Directive AM 646. See Significant Amendments Map.	Council broadly supportive of common architecture but allocation and access remain key	**RED**	Large implementation impact across EMIR/MiFIR/CSDR/SFTR even where underlying substantive obligations barely change
25. DLT Pilot Regime — scaling	Expand DLT Pilot and enable greater scale	Ferber favours a more ambitious path from pilot towards durable market infrastructure	Ferber/EPP explicitly supports stronger DLT architecture; broad integration appeal	Council has run dedicated DLT questionnaires and compromise work (Parlament Österreich)	**RED**	Determines whether tokenised infrastructure can graduate from experiment to a commercially scalable and financeable proposition, and therefore whether it attracts institutional investment
26. SFR — Directive to Regulation	Replace SFD with directly applicable SFR	Crosetto accepts Regulation but seeks greater operational/technology neutrality	Relatively broad agreement on harmonisation; debate concerns details	Council work already at consolidated-compromise-text stage (Parlament Österreich)	**AMBER**	The instrument change itself looks more stable than many MISP supervisory questions
27. SFR — finality / irrevocability	Harmonised rules and definitions	Crosetto seeks clearer final-settlement architecture and technology neutrality	Technical rather than classic left/right cleavage	Active Council drafting means wording may move materially	**RED**	Goes directly to insolvency enforceability, system rules, netting and finality opinions and default procedures; opinion and documentation remediation is a diligence item on any FMI or platform transaction
28. SFR — DLT settlement	Bring DLT systems within a more harmonised finality framework	Crosetto expressly emphasises technology neutrality	Generally aligned with broader DLT ambitions	Council is considering SFR and DLT Pilot issues on interconnected workstreams	**RED**	Tokenisation does not scale legally unless ledger transfers receive robust insolvency finality
29. SFR — third-country systems	Harmonised EU framework for treatment of third-country systems	Parliament amendments reopen scope and conditions	Likely Member State sensitivity because insolvency and domestic systems remain important	Council compromise work likely decisive	**RED**	Material for global FMIs, custodians, banks and EU participation in non-EU settlement systems
30. SFR — transition / legacy systems	Migration from national SFD implementations	Crosetto proposes significant accommodation for existing designated systems	More technical/proportionality-oriented than ideological	Likely compromise around operational feasibility	**AMBER**	Determines timetable for rulebook, legal-opinion and documentation remediation
31. Benchmarks	Targeted BMR alignment with revised ESMA architecture	No evidence yet of wholesale BMR redesign	Likely follows horizontal ESMA bargain	Council outcome on ESMA governance likely carries through	**AMBER**	Relevant primarily through enforcement, governance, data and supervisory architecture

Issue	Commission baseline	Rapporteur position	Political/amendment signal	Council signal / credible compromise range	Heat	Why clients should care
32. Securitisation within MISP	Targeted alignment changes	No basis for treating MISP as a reopening of entire STS regime	Separate securitisation review remains the main substantive reform file	Horizontal ESMA compromise likely decisive here	**AMBER**	Important to separate MISP effects from the independent securitisation reform programme
33. ESG Rating Regulation	Targeted alignment with revised ESMA framework	Primarily consequential amendments	Likely to follow horizontal institutional settlement	Council ESMA bargain should dominate	**AMBER**	Mainly supervisory/governance consequences rather than reopening ESG-rating policy
34. National discretions / single rulebook	Greater harmonisation	Heinäluoma accelerates removal of national divergence and strengthens mandatory ESMA standard setting	Centralising groups likely favourable; national-autonomy-oriented groups less so	Council likely to scrutinise practical/national-law consequences	**RED**	Potentially removes long-standing national interpretations on which firms have built operating models

The central dividing line publicly identified in ECON is the allocation of powers between ESMA and NCAs.

- Ferber/EPP is strongly centralising for genuinely pan-European infrastructures but not universally;
- Heinäluoma/S&D favours broader ESMA powers;
- Crosetto/ECR emphasises the continuing NCA role;
- Renew supports stronger ESMA with safeguards; Greens/EFA supports wider ESMA powers; and
- the position expressed for PfE in the 2 July debate opposed centralisation.

Shadow rapporteur allocations should be reconfirmed when compromise amendments are issued.

Significant Amendments Map – verified reporting architecture

This map adds amendment-level evidence to the Live Legislative Range. It covers the transaction-reporting cluster for which the amendment numbers, source batches and legal effects have been verified for this edition. It does not replace the broader 34-issue map and does not attribute an individual amendment to an MEP or political group where that attribution has not been independently confirmed.

The cluster matters because "report once" is a legislative chain rather than a single amendment. AM 861 supplies the integrated MiFIR mechanism; AMs 640 and 1116 bridge EMIR and SFTR into it; AMs 636–639, 854–860 and 944–946 reshape scope, access, channels and storage; and Master Directive AM 646 would create a potentially divergent energy-commodity workstream.

Issue / cluster	Amendment(s) / EP batch	Provision affected	Legal effect	Negotiating significance	Client / transaction significance
Integrated "report once" core	AM 861 PE791.135	MiFIR: new Article 26a	Would require a transaction reportable under MiFIR Article 26 and EMIR Article 9 and/or SFTR Article 4 to be reported once using an integrated template. ESMA would set the reporting hierarchy, template, receiving authority and access architecture; a compliant submission would discharge all parties.	Operational core of the tabled model and a substantive step beyond the rapporteur's enabling architecture. The central fault line is whether Level 1 fixes template neutrality, responsibility and access safeguards or leaves those questions to Level 2.	Could require wholesale redesign of EMIR/MiFIR/SFTR reporting plants, vendor contracts, data ownership, PII flows, reconciliation and liability. Diligence should test remediation capex and the enforceability of responsibility allocation.
EMIR legal bridge	AM 640 PE791.134	EMIR Article 9	Would deem the EMIR Article 9 obligation satisfied where the transaction is reported under new MiFIR Article 26a.	Makes the integrated mechanism legally effective for derivatives. Its burden-reduction value depends on AM 861 not expanding the data set, counterparty obligations or reconciliation burden.	Determines whether firms can retire duplicative EMIR flows and affects reporting-technology capex, trade-repository strategy and operational-risk allocation.
SFTR legal bridge	AM 1116 PE791.136	SFTR Article 4	Would deem the SFTR Article 4 obligation satisfied where the transaction is reported under new MiFIR Article 26a.	Completes the cross-regime bridge for securities financing transactions and links SFTR directly to the integrated reporting architecture.	Determines whether SFT reporting can migrate into one architecture and affects trade-repository/ARM arrangements, reporting documentation, transition sequencing and technology investment.

Issue / cluster	Amendment(s) / EP batch	Provision affected	Legal effect	Negotiating significance	Client / transaction significance
OTC-only EMIR scope	AMs 636–639 PE791.134	EMIR Article 9	Would restrict EMIR transaction reporting to OTC derivatives.	Creates a separate burden-reduction route that could attract support independently of the full integrated mechanism, but would narrow the supervisory dataset.	Could materially reduce reporting volumes and data costs. Firms would nevertheless need a controlled transition and a strategy for outstanding and historical data.
Authority access and data sharing	AMs 854–858 PE791.135	MiFIR Article 26(1)	Would expand the EU and national regulatory and supervisory bodies with which MiFIR Article 26 data must be shared; the five amendments appear substantially duplicative.	Signals broad support for authority-to-authority sharing, while leaving duplication, purpose limitation and safeguards to be rationalised in compromise drafting.	Expands data-governance exposure. Firms need confidentiality, data-minimisation, role-based access, retention, correction, audit and accountability controls.
MiFIR territorial / venue scope	AM 859 PE791.135	MiFIR Article 26(2)	Would expressly include transactions executed on EU trading venues and exclude transactions executed by third-country branches of EU firms.	Combines burden relief for third-country branches with an arguably redundant EU-venue inclusion. The two limbs could be separated in compromise.	Affects global booking models and the reporting perimeter of third-country branches; it is relevant to integration planning, target diligence and systems scoping.
ARM reporting channel	AM 860 PE791.135	MiFIR Article 26(5)	Would clarify that trading venues may submit transaction reports through approved reporting mechanisms (ARMs).	Primarily a legal-certainty amendment rather than a new reporting channel and is therefore likely to be less politically contested.	Supports use of existing ARM infrastructure and informs vendor strategy, channel choice and migration planning.
Central database architecture	AMs 944–946 PE791.135	MiFIR central database provisions	Would identify the MiFIR central database as the repository for MiFIR Article 26, EMIR Article 9 and REMIT Article 8 data. The drafting omits SFTR Article 4 despite AM 1116 and pulls in REMIT although the integrated framework otherwise does not.	Supports a central repository but exposes an unresolved REMIT/SFTR scope mismatch and the need to sequence responsibility, data model and access controls before migration.	Determines repository and migration architecture. An inconsistent scope could require dual builds, duplicate submissions or stranded technology investment.
Energy-commodity reporting review	AM 646 PE791.126	Master Directive: MiFID / REMIT reporting	Would require a Commission report on the feasibility of a single reporting mechanism for energy commodity derivatives and a unique identifier format for transactions reported under both MiFID and REMIT.	Pulls energy-commodity reporting onto a potentially separate track and may conflict with the broader cross-regime simplification architecture.	Relevant to commodity-dealer systems and integration assumptions. A parallel mechanism could require separate identifiers, data mapping and implementation expenditure.

Attribution note: *the amendment numbers, source batches and legal effects in this map have been verified for this edition. The tabling MEP(s) and political group are omitted where they have not been independently confirmed directly from the relevant Parliament amendment batch; no group position is inferred from an individual amendment.*

About us

PwC Legal is assisting a number of financial services firms and market participants in forward planning for changes stemming from relevant related developments. We have assembled a multi-disciplinary and multi-jurisdictional team of sector experts to support clients navigate challenges and seize opportunities as well as to proactively engage with their market stakeholders and regulators.

Moreover, we have developed a number of RegTech and SupTech tools for supervised firms, including PwC Legal's Rule Scanner tool, backed by a trusted set of managed solutions from PwC Legal Business Solutions, allowing for horizon scanning and risk mapping of all legislative and regulatory developments as well as sanctions and fines from multiple thousands of legislative and regulatory policymakers and other industry voices in over 170 jurisdictions impacting financial services firms and their business.

Equally, in leveraging our Rule Scanner technology, we offer a further solution for clients to digitise financial services firms' relevant internal policies and procedures, create a comprehensive documentation inventory with an established documentation hierarchy and embedded glossary that has version control over a defined backward plus forward looking timeline to be able to ensure changes in one policy are carried through over to other policy and procedure documents, critical path dependencies are mapped and legislative and regulatory developments are flagged where these may require actions to be taken in such policies and procedures.

The PwC Legal Team behind Rule Scanner are proud recipients of ALM Law.com's coveted "2024 Disruptive Technology of the Year Award" and the "2025 Regulatory, Governance and Compliance Technology Award in 2025".

If you would like to discuss any of the developments mentioned above, or how they may affect your business more generally, please contact any of our key contacts or PwC Legal's RegCORE Team via de_regcore@pwc.com or our website.

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