

# EPFSF lunch event on 22 May on “European Supervisory Authorities (ESAs) Review”

## *Executive Summary*

The role of the ESAs has been and will continue to be crucial; as the current European supervisory set-up has proven to be efficient, maintaining market stability and integrity in times of market stress. It is important to rationalise and centralise supervision in certain areas of the financial industry. However, supervisory structures should be re-calibrated carefully, to ensure structural stability and taking into account that relevant EU legislation is still in the process of implementation.

The ESAs were established during the worst global financial crisis in recent history and amid an extremely critical time for the European project. However, since their inception, they have managed to deliver on material demands with limited resources. In light of several important events which have taken place since the birth of the ESAs, such as the establishment of the Banking Union - where the ECB acts as the single supervisor for the significant banks in the Euro area - and the “Brexit” vote, it is time to examine how to improve the supervisory framework in the EU.

In this sense, BBVA fully supports the overall goal of the ESAs review package aimed at (i) reinforcing coordination of supervision across the EU, (ii) extending direct capital markets supervision by ESMA, (iii) improving governance and funding of the ESAs and (iv) promoting sustainable finance and FinTech.