

THE POLICY SIGNAL

Financing Europe 2026

A new era of strategic investment: signals, diagnosis and direction from a day on the Savings and Investment Union and the next twelve months of European finance.

12 MAY 2026 • BRUSSELS

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Signals from Financing Europe 2026

■ Europe's savings problem is not a savings problem.

With €33.5 trillion in household savings and €1.4 trillion added each year, the constraint identified across every theme was not capital but absorption: too few investable European propositions, and too little equity culture to deploy domestic savings at scale.

■ Securitisation reform characterised as a missed opportunity.

The political ceiling on ambition was characterised as having fenced insurance capital out of the file. Trilogue is now the last meaningful opportunity to widen the package before it closes.

■ UK and EU are converging through parallel reform, not negotiation.

The cross-Channel relationship was described as dialogue rather than negotiation, with listing reform, T+1, securitisation and the growth mandate producing similar destinations, a build-up of trust positioned as a platform for cooperation on defence, energy and transition funding.

■ The banking line of march is simpler requirements, not lower ones.

Simple capital decisions are now cleared in under ten working days rather than three months, with a proposal advanced for consolidating five macroprudential buffers into two without compromising the single rulebook. Resilience reframed as a precondition for growth.

■ SIU direction commands consensus; execution is contested.

Strong cross-spectrum support for the package as strategy, but visible disagreement on the supervisory perimeter, the depository passport, intra-group delegation in asset management, and whether ESMA should carry an explicit competitiveness or efficiency mandate.

■ ESMA executive board endorsed in principle; composition will decide credibility.

Centralised supervision of significant trading venues, CSDs, CCPs and crypto-asset providers attracted broad support. The call was for capital-markets expertise on the board and a realistic transition; the counter-position insisted on a continuing role for national competent authorities.

■ Lit versus dark execution is the unaddressed half of the equity story.

The argument advanced was that the MISP package addresses what supervisors can see while execution outside lit markets continues to grow, with consequences for SME price formation and primary-market liquidity. The counter-position defended best-execution choice and venue competition. A genuine and unresolved division.

■ Banking union completion now requires a timetable.

With around 80% of lending domestic and fewer than 2% of deposits held cross-border, the call was for a time-bound roadmap to a European Deposit Insurance Scheme, treatment of the banking union as a single jurisdiction, and a shift from directives to directly applicable regulations to eliminate gold plating.

■ **Momentum:** consensus, forward progress, political support

■ **Watch:** emerging tensions, genuine disagreement, uncertain direction

The savings are not the problem

Europe's savings problem is not a savings problem. With €33.5 trillion in household savings already accumulated and €1.4 trillion added each year, more than the United States in absolute terms, the constraint identified across every theme was not capital but the capacity to absorb it. Too few investable propositions, too thin a pipeline of scaled European companies, and a financial architecture still organised on national lines were the recurring explanations. Speakers had different views on what should be prioritised; the underlying diagnosis was barely contested.

€33.5tn EUROPEAN HOUSEHOLD SAVINGS ACCUMULATED	€1.4tn ADDED EACH YEAR, MORE THAN THE US	€300bn FLOWS OUT EACH YEAR SEEKING SCALE	€750– 800bn ANNUAL INVESTMENT GAP, DRAGHI READING
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STRATEGIC AUTONOMY · THE MACRO CONSTRAINT

The strategic-autonomy thread produced a pointed reframing of the problem. The converging view across the day was that it is Europe's competitiveness, not its financial intermediation, that is the deeper constraint. The €300 billion of European savings that flow out each year in search of scale and return; the Draghi investment gap of €750 to 800 billion a year; and a further €180 billion when defence and security needs are added: each was offered as evidence that there is no funding shortage, only a shortage of equity stories credible enough to attract foreign and domestic capital alike.

The supply side of policy, taxation, pension reform, regulatory simplification and the durability of the single market in services, was identified as the more consequential reform agenda. Securitisation matters; an equity culture, funded pensions and the removal of organic barriers to cross-border banking activity matter more.

"There is no funding shortage. What is missing is the supply of equity stories credible enough to attract foreign and domestic capital alike."

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The sharpest argument of this strand described the securitisation package now in trilogue as a missed opportunity. The political ceiling on ambition has fenced insurance capital out of the file, and trilogue remains the last meaningful opportunity to widen its scope. A related concern echoed across the discussion: the Commission's preferred approach to homogenising European securitisation pools through a platform mechanism had been dropped early in the negotiations, leaving the package narrower than its supporters had hoped.

The quieter frontier, the UK, and delivering the SIU

THE QUIETER FRONTIER · WHOLESALE CBDC AND TOKENISATION

A quieter but more forward-looking strand ran through the conversations on capital and supervision: the real digital frontier for European finance is not the retail digital euro but wholesale central bank money and the tokenisation of financial assets. The retail digital euro was characterised as low-cost geopolitical insurance, useful if well-designed, harmless if not. The wholesale agenda was framed differently: a one-shot opportunity to position European market infrastructure for a tokenised future, with the potential to compress settlement risk, reduce intermediation costs and deliver global scale by design. The view advanced was that distributed-ledger efficiency gains will likely arrive at scale faster than those promised by artificial intelligence, and that capital expenditure on tokenisation infrastructure is already being prioritised.

THE UK PERSPECTIVE · CONVERGENCE BY PARALLEL REFORM

The UK strand produced a measured account of the cross-Channel regulatory relationship, described as a dialogue rather than a negotiation, a phrase already in circulation on both sides. The substantive observation was that the two jurisdictions are converging on similar destinations through similar reforms: T+1 settlement, securitisation, listing reform and a regulator-level growth mandate. UK reforms received a careful airing: a hybrid public-private intermittent trading venue, a disclosure-based listing regime, encouragement for pension schemes to take more risk, and a more outcomes-based consumer duty designed to substitute for new rules rather than add to them.

None of this was framed as deregulation; the line drawn was that the lessons of the financial crisis should not be unlearned. The political point ran underneath: the trust accumulated through parallel reform has practical value when both jurisdictions confront the same defence, energy and transition funding gaps. A short digression on artificial intelligence produced a clear position, no rules have been made specifically for AI in financial services, on the grounds that the frontier moves too fast for prescriptive rules to keep pace. Cyber, noted separately, remains the top regulatory risk.

DELIVERING THE SIU · DESTINATION ACCEPTED, ROUTE CONTESTED

The conversation on the Market Integration and Supervision Package raised the temperature. Centralised ESMA supervision for significant trading venues, CCPs, CSDs and crypto-asset service providers attracted broad support; the contested terrain was the perimeter, the governance, the transition and the boundary with national competent authorities. The clarification offered was that direct ESMA supervision applies only to a small slice of significant institutions by design, against fears characterised as running ahead of the text. The proposed executive board was welcomed as a route to supervisory agility, but composition was flagged as the test: capital-markets expertise, not just supervisory expertise, will be the threshold for credibility. The call for an explicit competitiveness mandate drew a pushback that competitiveness is properly the remit of finance ministers, not supervisors. The exchange produced no resolution.

Banking, single market, and what comes next

The SIU strand closed on perhaps the most unresolved division of the day: that the package addresses what supervisors can see, the lit markets, while the share of execution moving onto bilateral and off-venue trading continues to grow, with distortive effects on SME price formation and primary-market liquidity. The counter-position defended best-execution choice and the principle of venue competition, citing a recent supervisory report that found no current threat to price formation. The room held both positions without smoothing them over.

BANKING & THE SINGLE MARKET · RESILIENCE AS PRECONDITION FOR GROWTH

The closing strand made fragmentation the unifying explanation for the diagnoses that had accumulated. Around 80% of bank lending remains domestic; fewer than 2% of deposits are held across borders; cross-border bank merger activity has fallen sharply since the financial crisis. The argument advanced was that what is now needed is a time-bound roadmap to complete the single market in banking, treat the banking union as a single jurisdiction, finalise the European Deposit Insurance Scheme on a clear timetable, and shift directives to directly applicable regulations to eliminate gold plating.

"The working formula is simpler requirements, not lower requirements. Resilience has not held Europe back; it has been a precondition for sustainable growth."

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The corollary was that the working formula for the banking framework is simpler requirements rather than lower ones. Approval times for simple capital decisions had been cut from three months to under ten working days, with 80% cleared within a week in the first quarter of 2026. A proposed merger of five macroprudential buffers into two was offered as an example of what simplification looks like without weakening the single rulebook.

WHAT HAPPENS NEXT · 2026, INTO 2027

SUBSTANTIVE PHASE

MISP package

The Market Integration and Supervision Package enters its substantive parliamentary and Council phases. Working expectation in the room is that conclusion will not arrive before the end of 2026.

TRILOGUE · LAST WINDOW

Securitisation reform

Moves into trilogue with a residual political path to widen the package before it closes, particularly on insurance-capital eligibility and the dropped homogenisation platform.

AWAITING TIMETABLE

Banking union completion

Covers EDIS, crisis management and liquidity in resolution. The call was for a time-bound roadmap; political appetite remains the open question.

THROUGH AUTUMN 2026

ECB simplification

Including the high-level task force recommendations to the Commission. Continues to land in the second half of the year, with simpler-not-lower as the working principle.

What's next at Forum Europe and Forum Global

JUNE 2026

17 JUNE · WASHINGTON, D.C.

The USA Artificial Intelligence Summit 2026

AI governance and policy

us-aisummit.com

18 JUNE · WASHINGTON, D.C.

Quantum USA

Quantum technology and policy

quantumusa-conference.com

24 JUNE · BRUSSELS

The European Sovereign Cloud Day

Sovereign cloud and digital autonomy

sovereign-cloud.eu.com

17–18 JUNE · BRUSSELS

21st European Spectrum Management Conference

Spectrum policy and wireless connectivity

spectrummanagement.eu

19 JUNE · BRUSSELS

European D2D Policy Forum 2026

Direct-to-device, spectrum and satellite

d2dpolicy.eu

30 JUNE – 1 JULY · BRUSSELS

The 6th Annual European Space Forum

Space, security and defence

eospaceforum.com

JULY 2026

1 JULY · BRUSSELS & ONLINE

DIGITALEUROPE's Summer Summit

Digital and technology, AI policy

summer-summit.eu

2 JULY · BRUSSELS

The European Space Security and Defence Forum 2026

Space, security and defence

spacesecurityforum.eu

SEPTEMBER – OCTOBER 2026

1–2 SEPTEMBER · COSTA RICA

13th Latin America Spectrum Management Conference

Spectrum management

latam-spectrum.com

6 SEPTEMBER · TUNISIA

11th Africa Spectrum Management Conference

Spectrum management

spectrummanagement.africa

9–10 SEPTEMBER · LONDON

AI Britain 2026

AI governance and policy

ai-britain.co.uk

6–7 OCTOBER · VIENNA

XECS Matchmaking Event

Digital and technology

eventaeneas.com

DECEMBER 2026 ONWARDS

7–8 DECEMBER (TBC) · WASHINGTON, D.C.

15th Americas Spectrum Management Conference

Spectrum management

spectrumamericas.com

DATE TBC · BRUSSELS

The International AI Summit 2026

AI governance and policy

More information to follow

EARLY 2027 · ST LUCIA

3rd Caribbean Spectrum Management Conference

Spectrum management

caribbeanspectrum.comGET IN TOUCH Contact the team for more details about our published events, info@forum-europe.com

About this briefing

ABOUT THIS BRIEFING

This Policy Signal is a synthesis of the discussions at Financing Europe 2026 (A New Era of Strategic Investment), held in Brussels on 12 May 2026. It is intended as a briefing for delegates and the wider Forum Europe community. It distils themes, direction and sentiment from across the day without naming individual speakers, and without reproducing verbatim remarks beyond the short thinking-points used in the briefing pages.

The Policy Signal is editorially neutral: it is written without speaker attribution and is designed to provide policy signals, not commentary. Forum Europe's editorial content is produced independently of sponsors. Reports describe what was discussed and what themes emerged; they do not endorse a particular policy outcome.

THEMES COVERED

The savings diagnosis	OPENING
Strategic autonomy & the macro	PLENARY
Wholesale CBDC & tokenisation	CAPITAL MARKETS
UK-EU regulatory convergence	FIRESIDE
Delivering the SIU / MISP	PANEL
Banking & single-market completion	CLOSING

HOW TO READ THE SIGNALS

Each signal on page 02 captures a finding or claim that surfaced repeatedly across the day. Signals tagged **Momentum** reflect consensus, forward progress or political support. Signals tagged **Watch** reflect emerging tensions, genuine disagreement or uncertain direction.

The thematic briefing on pages 03–05 connects signals into the underlying narrative. Pull-quotes carry no speaker attribution and are tagged with the event line. A fuller conference report will not be produced for this edition.

Disclaimer: This report is provided as a summary guide to the discussions that took place at this conference and is intended for informational purposes only. While every effort has been made to ensure accuracy, this document is based on AI-assisted transcription and editorial synthesis and may contain errors or omissions. Readers are advised to verify any specific statements, policy positions or factual claims against official sources before relying upon them. Forum Europe accepts no responsibility or liability for any loss, damage or decision made on the basis of the information contained in this report.