



A Centralisation of Rulemaking in Europe? The Legal and Political Governance of the Financial Market

OUTPUT REPORT 2017-2022

[Summary of project and overall results \(see more on results further below\)](#)

The project has studied the EU rulemaking reform after the economic and financial crisis. The reform was based on the overall submission that governments across the world had taken measures to try to improve the situation on their own and that there had only been limited success. Therefore the need was stressed for the EU to work together with its international partners to converge towards high global standards. But the implementation and enforcement of those standards required a strong system of regulation and supervision. The solution was to agree on an ambitious agenda for centralisation of rulemaking; an extensive set of EU legal acts that should improve risk management and introduce a new structure for control of member states' compliance with these legal acts. The research project has studied the nature of the centralisation of rulemaking that was brought about; what it looks like and why, and its consequences for the legal and political system of the EU, in particular the preconditions for accountability.

The project has been funded by *Vetenskapsrådet*; the Swedish Research Council, and hosted by Uppsala University Law Faculty and executed in collaboration with the Robert Schuman Centre for Advanced Studies at the European University Institute in Florence. The collaboration led to numerous workshops and the emergence of an interinstitutional and multidisciplinary research environment that came to provide a hub for senior and junior researchers from universities in several countries. The extensive results are presented in three joint books and numerous publications; by individual project members and other affiliated researchers. In addition to that there are several publications pending within two spill-over projects: the first presenting a comparative study of access to documents in the EU member states and the other an in depth study of anti-money laundering.

The overall results of the main project show that little more than a decade after the crisis there is much less room for national parliaments to pass legislation and for national authorities to exercise discretion. Now the system for rule-making is based on EU 'regulatory frameworks' within which new EU agencies have a central position. These agencies are supra-national authorities that interact with national authorities in all member states and seek to secure uniform application of EU legal acts. The national authorities have much room for collective influence over EU agencies' deliberations through their participation in agencies' networks and their representation in agencies' management boards. At the same time EU agencies have been entrusted with formal supervision of national authorities and granted powers to initiate investigations, adopt sanctions such as fines and, in emergency situations, supersede national authorities' decision-making. The reform has made it possible for the EU and its member states to give a coordinated and effective response to a new financial crisis and that way reinforced their resilience. But at the same time the changes have produced new challenges. Perhaps most notably it has become more difficult than before to separate the interests involved in rule-making and decision-making, both public and private. Therefore the new system of governance is still not sufficiently developed with regard to transparency and mechanisms for accountability. Several solutions to this are discussed.

In the project we suggest also that the changes we observe represent a structural shift in the EU internal market: from a reactive model based on enforcement of EU legal acts that give member states room for interpretation to a proactive model based on coordination of national authorities and uniform application of EU legal acts across all member states. This in turn lead to an invisible transformation of powers.

Project members and affiliated researchers

PRINCIPAL INVESTIGATOR AND CO-DIRECTORS

Carl Fredrik Bergström	Uppsala University Law Faculty
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Annina H Persson	Uppsala University Department for Business Studies
Jane Reichel	Stockholm University Law Faculty

Published works (authored & co-authored) in the project

BOOKS

Adrienne Héritier & Magnus G. Schoeller (eds), *Governing Finance in Europe: A Centralization of Rulemaking?* (Edward Elgar Publishing 2020). 212 pp.

Adrienne Héritier & Johannes Karremans (eds), *Regulating Finance in Europe: Policy Effects and Political Accountability* (Edward Elgar Publishing 2021). 188 pp.

Carl Fredrik Bergström & Magnus Strand (eds), *Legal Accountability in EU Markets for Financial Instruments: The Dual Role of Investment Firms* (Oxford University Press 2021). 330 pp.

BOOK CHAPTERS

Helene Andersson, 'Protecting Investors at all Costs? Due Process Aspects of the Investigatory Powers Granted to Competent Authorities under MiFID II', in Carl Fredrik Bergström & Magnus Strand (eds), *Legal Accountability in EU Markets for Financial Instruments: The Dual Role of Investment Firms* (Oxford University Press 2021) 101-126.

Carl Fredrik Bergström, 'EU Resilience within the Internal Market after the Financial Crisis: Political Resolution and Legal Responsiveness', in Antonina Bakardjieva Engelbrekt and others (eds), *Routes to a Resilient European Union* (Palgrave MacMillan 2022), pp. 169-193

Carl Fredrik Bergström, 'EU:s motståndskraft inom den inre marknaden efter finanskrisen: Ett samspel mellan politik och juridik', in Antonina Bakardjieva Engelbrekt and others (eds), *Vägar till ett uthålligt EU: Europaperspektiv 2021* (Santérus förlag 2021) 201-225.

Carl Fredrik Bergström, 'EU Rulemaking in the Internal Market after the Financial Crisis', in Carl Fredrik Bergström & Magnus Strand (eds), *Legal Accountability in EU Markets for Financial Instruments: The Dual Role of Investment Firms* (Oxford University Press 2021) 3-30.

Fabio Bulfone & Agnieszka Smolenska, 'The internal and external centralisation of Capital Markets Union regulatory structures: the case of Central Counterparties', in Adrienne Héritier &

Magnus G. Schoeller (eds), *Governing Finance in Europe: A Centralization of Rulemaking?* (Edward Elgar Publishing 2020) 52-78.

Merijn Chamon, 'The Joint Board of Appeal as an Accountability Mechanism for the ESAs', in Carl Fredrik Bergström & Magnus Strand (eds), *Legal Accountability in EU Markets for Financial Instruments: The Dual Role of Investment Firms* (Oxford University Press 2021) 55-78.

Pieter van Cleynenbreugel, 'Compliance Requirements in EU Investment Services Regulation: Towards a more Coherent Accountability Framework?', in Carl Fredrik Bergström & Magnus Strand (eds), *Legal Accountability in EU Markets for Financial Instruments: The Dual Role of Investment Firms* (Oxford University Press 2021) 159-183.

Federico Della Negra, 'The Investment Firm's "Horizontal Accountability" towards Clients: Standards and Institutional Mechanisms of Control', in Carl Fredrik Bergström & Magnus Strand (eds), *Legal Accountability in EU Markets for Financial Instruments: The Dual Role of Investment Firms* (Oxford University Press 2021) 251-275.

Joseph Ganderson, 'Fighting for Fintech: Competition, Regulation and Accountability in a Europe of Financial Innovation', in Adrienne Héritier & Johannes Karremans (eds), *Regulating Finance in Europe: Policy Effects and Political Accountability* (Edward Elgar Publishing 2021) 101-125.

Adrienne Héritier, 'Governing Finance in Europe: discussion and conclusion', in Adrienne Héritier & Magnus G. Schoeller (eds), *Governing Finance in Europe: A Centralization of Rulemaking?* (Edward Elgar Publishing 2020) 190-201.

Adrienne Héritier, 'Governing Finance in Europe: Policy Effects and Political Accountability', in Carl Fredrik Bergström & Magnus Strand (eds), *Legal Accountability in EU Markets for Financial Instruments: The Dual Role of Investment Firms* (Oxford University Press 2021) 31-51.

Adrienne Héritier & Johannes Karremans 'Introduction: Regulating finance in Europe: Policy effects and political accountability' in Adrienne Héritier & Johannes Karremans (eds), *Regulating Finance in Europe: Policy Effects and Political Accountability* (Edward Elgar Publishing 2021) 1-15.

Adrienne Héritier & Magnus G. Schoeller, 'Governing Finance in Europe: A Centralization of Rulemaking?', in Adrienne Héritier & Magnus G. Schoeller (eds), *Governing Finance in Europe: A Centralization of Rulemaking?* (Edward Elgar Publishing 2020) 1-30.

Britta Behrendt Jonsson, 'Not Suitable to Lead an Investment Firm: Fit and Proper Assessments as an Instrument of Accountability', in Carl Fredrik Bergström & Magnus Strand (eds), *Legal Accountability in EU Markets for Financial Instruments: The Dual Role of Investment Firms* (Oxford University Press 2021) 205-225.

Johannes Karremans, 'The "quiet politics" of hybrid accountability mechanisms: watering down regulation through expertise?', in Adrienne Héritier & Johannes Karremans (eds),

Regulating Finance in Europe: Policy Effects and Political Accountability (Edward Elgar Publishing 2021) 155-175.

Johannes Karremans & Adrienne Héritier, 'Conclusion: Procedural and substantive accountability in European financial regulation' in Adrienne Héritier & Johannes Karremans (eds), *Regulating Finance in Europe: Policy Effects and Political Accountability* (Edward Elgar Publishing 2021) 176-184.

Johannes Karremans & Adrienne Héritier, 'Systemic risk, excessive rent-seeking and the emergence of transnational hybrid governance regimes', in Adrienne Héritier & Magnus G. Schoeller (eds), *Governing Finance in Europe: A Centralization of Rulemaking?* (Edward Elgar Publishing 2020) 137-162.

Johannes Karremans & Magnus G. Schoeller, 'MiFID II between European Rule-Making and National Market Surveillance: The Case of High-Frequency Trading', in Adrienne Héritier & Magnus G. Schoeller (eds), *Governing Finance in Europe: A Centralization of Rulemaking?* (Edward Elgar Publishing 2020) 32-51.

Johannes Karremans & Magnus G. Schoeller, 'Accountability mechanisms in the governance of high-frequency trading under MiFID II', in Adrienne Héritier & Johannes Karremans (eds), *Regulating Finance in Europe: Policy Effects and Political Accountability* (Edward Elgar Publishing 2021) 16-37.

Malou Larsson Klevhill & Annina H. Persson, 'Supervisory Arbitrage: The Case of Sweden', in Carl Fredrik Bergström & Magnus Strand (eds), *Legal Accountability in EU Markets for Financial Instruments: The Dual Role of Investment Firms* (Oxford University Press 2021) 184-204.

Heikki Marjosola, 'Sharing global regulatory space: transatlantic coordination of the G20 OTC derivatives reforms', in Adrienne Héritier & Magnus G. Schoeller (eds), *Governing Finance in Europe: A Centralization of Rulemaking?* (Edward Elgar Publishing 2020) 112-135.

Promitheas Peridis & Adrienne Héritier, 'Policy Effects and Accountability: Unbundling of Research and Execution Costs under MiFID II', in Adrienne Héritier & Johannes Karremans (eds), *Regulating Finance in Europe: Policy Effects and Political Accountability* (Edward Elgar Publishing 2021) 38-70.

Jane Reichel, 'Ensuring the Principle of Good Administration in EU Financial Markets Law' in Carl Fredrik Bergström & Magnus Strand (eds), *Legal Accountability in EU Markets for Financial Instruments: The Dual Role of Investment Firms* (Oxford University Press 2021) 127-156.

Dominique Ritleng, 'Judicial Protection against the European Securities and Markets Authority (ESMA)', in Carl Fredrik Bergström & Magnus Strand (eds), *Legal Accountability in EU Markets for Financial Instruments: The Dual Role of Investment Firms* (Oxford University Press 2021) 79-100.

Agnieszka Smolenska, Joseph Ganderson & Adrienne Héritier, 'The Impacts of Technological Innovation on Regulatory Structure: Fintech in post-crisis Europe', in Adrienne Héritier &

Magnus G. Schoeller (eds), *Governing Finance in Europe: A Centralization of Rulemaking?* (Edward Elgar Publishing 2020) 164-189.

Agnieszka Smolenska & Adrienne Héritier, 'Critical Infrastructures (CCPs) : Political Accountability and the Policy effects of EMIR', in Adrienne Héritier & Johannes Karremans (eds), *Regulating Finance in Europe: Policy Effects and Political Accountability* (Edward Elgar Publishing 2021) 71-100.

Agnieszka Smolenska & Promitheas Peridis, 'Benchmark administrators as gatekeepers: Accountability and policy effects' in Adrienne Héritier & Johannes Karremans (eds), *Regulating Finance in Europe: Policy Effects and Political Accountability* (Edward Elgar Publishing 2021) 126-154.

Rebecca Söderström, 'Remuneration Policies in Investment Firms: Incentives, Regulation, and Accountability', in Carl Fredrik Bergström & Magnus Strand (eds), *Legal Accountability in EU Markets for Financial Instruments: The Dual Role of Investment Firms* (Oxford University Press 2021) 226-248.

Magnus Strand, 'Damages Liability as a Dual Opportunity to Promote Accountability', in Carl Fredrik Bergström & Magnus Strand (eds), *Legal Accountability in EU Markets for Financial Instruments: The Dual Role of Investment Firms* (Oxford University Press 2021) 276-302.

Magnus Strand, 'The choice of instrument for EU legislation: Mapping the system of governance under MiFID II and MiFIR', in Adrienne Héritier & Magnus G. Schoeller (eds), *Governing Finance in Europe: A Centralization of Rulemaking?* (Edward Elgar Publishing 2020) 79-110.

Magnus Strand & Carl Fredrik Bergström, 'Investment Firms, Accountability, and the Effective Rule of Law', in Carl Fredrik Bergström & Magnus Strand (eds), *Legal Accountability in EU Markets for Financial Instruments: The Dual Role of Investment Firms* (Oxford University Press 2021) 305-326.

Stephen Weatherill, 'Foreword', in Carl Fredrik Bergström & Magnus Strand (eds), *Legal Accountability in EU Markets for Financial Instruments: The Dual Role of Investment Firms* (Oxford University Press 2021) v-vii.

ARTICLES

Heikki Marjosola, 'The Problem of Regulatory Arbitrage: a Transaction Cost Economics Perspective' (2021) 15 *Regulation & Governance* 388-407.

Heikki Marjosola, 'Shadow Rulemaking: Governing Regulatory Innovation in the EU Financial Markets' (2022) 23 *German Law Journal* 186-203.

Magnus G. Schoeller & Adrienne Héritier, 'Driving Informal Institutional Change: The European Parliament and the Reform of the Economic and Monetary Union' (2019) 41 *Journal of European Integration* 277-292.

OFFICIAL REPORTS

Carl Fredrik Bergström, 'Grundlag i gungning? En ESO-rapport om EU och den svenska offentlighetsprincipen', Report to the Expert Group on Public Economics 2018:1, Ministry of Finances 2018 (with Mikael Ruotsi), at https://eso.expertgrupp.se/wp-content/uploads/2016/12/ESO-2018_1-Grundlag-i-gungning.pdf

Maria Bergström, 'Report on the European Union Anti-Money Laundering Regulation', Draft for the Commission of Inquiry into Money Laundering in British Columbia, 7 May 2021

Dominique Ritleng, 'The ECB's Power over Non-Euro Countries in the Banking Union,' SIEPS European Policy Analysis 2020:2epa, at <https://www.sieps.se/en/publications/2020/the-ecbs-power-over-non-euro-countries-in-the-banking-union/>

CONFERENCE PAPERS, BLOG POSTS AND NEWSPAPERS

Johannes Karremans, 'The ISDA and the containment of financial regulation in Europe' (2019), conference paper, presented at the EUSA International Biennial Conference, May 9-11, Denver (USA).

Johannes Karremans, 'Never Again Financial Deregulation. Ten After the Pittsburgh Summit' EUI Ideas Blog, European University Institute, December 3 2019, <https://euiideas.eui.eu/2019/12/3/>, (checked on 29 January 2021).

Carl Fredrik Bergström, 'Riksdag och regering bakom svagare offentlighetsprincip', Dagens Nyheter Debatt 26 March 2018 (with Mikael Ruotsi)

TEXTS PENDING PUBLICATION

Carl Fredrik Bergström & Giulia Meo, *Den svenska offentlighetsprincipen i EU – en jämförelse med övriga medlemsstater*, 250 pp, forthcoming Norstedts Juridik 2023.

Valsamis Mitsilegas & Maria Bergström (eds), *EU Law in the Digital Age*, Hart Publishing, forthcoming 2023

Valsamis Mitsilegas & Maria Bergström (eds), *Digital Justice in the EU: From the Internal Market to the Area of Freedom, Security and Justice*, Elgar Studies in European Law and Policy, forthcoming 2023

Rebecca Söderström & Magnus Strand, 'We Are ESMA', 13 pp, submitted to the *European Company and Financial Law Review* 2022.

Magnus Strand, 'Stakeholder Groups and the Governance of Financial Markets in the EU', work in progress.

PRESENTATIONS WITHIN THE PROJECT

Conference: [Governing Finance in Europe, 7-8 November 2019, Hertie School of Governance, Berlin, Germany](#)

Fabio Bulfone & Agnieszka Smolenska, 'Capital Markets Union'

Johannes Karremans & Adrienne Héritier, 'International Swaps and Derivatives Association and Alternative Investment Markets'

Andrea Lagna, 'State Financialization'

Adina Maricut-Akbik, 'Holding the supervisor to account: The European Parliament and the European Central Bank in Banking Supervision'

Heikki Marjosola, 'Sharing Global Regulatory Space: The Transatlantic Coordination of OTC Derivatives Reforms'

Daniel Mertens, 'Financialization and Public Development Banks in the European Union'

Magnus G. Schoeller & Adrienne Héritier, 'Governing Finance in Europe: A Centralization of Rulemaking?: Theory and Legal Instruments'

Magnus G. Schoeller & Johannes Karremans, 'MiFID II between European Rule-Making and National Market Surveillance: The Case of High-Frequency Trading'

Agnieszka Smolenska, Joseph Ganderson & Adrienne Héritier, 'Regtech and Interactive Regulation'

Aneta Spendzharova, 'Accountability in Post-Crisis Eurozone Governance: The Tricky Case of the European Stability Mechanism'

Magnus Strand, 'Mapping Instruments'

Conference: [Checks and Balances in the EU Financial Market: The Role\(s\) of Investment Firms, 12-13 May 2020](#)

By reason of the pandemic, a planned workshop was moved online with a mix of written and recorded Zoom presentations. Participants: Helene Andersson, Carl Fredrik Bergström, Merijn Chamon, Pieter van Cleynenbreugel, Britta Behrendt Jonsson, Shruti Kashyap, Malou Larsson Klevhill, Federico Della Negra, Annina H. Persson, Jane Reichel, Dominique Ritleng, Rebecca Söderström, Magnus Strand.

Conference: [Legal Accountability in EU Markets for Financial Instruments, 10-11 June 2022, Uppsala University, Uppsala, Sweden](#)

Carl Fredrik Bergström, 'Introduction'

Helene Andersson, Delphi Law Firm: 'Protecting Investors at all Costs? Due Process Aspects of the Investigatory Powers Granted to Competent Authorities under MiFID II'

Merijn Chamon, Maastricht University: 'The Joint Board of Appeal as an Accountability Mechanism for the ESAs'

Pieter van Cleynenbreugel, 'Compliance Requirements in EU Investment Services Regulation: Towards a more Coherent Accountability Framework?'

Britta Behrendt Jonsson, 'Not Suitable to Lead an Investment Firm: Fit and Proper Assessments as an Instrument of Accountability'

Malou Larsson Klevhill & Annina H. Persson, 'Supervisory Arbitrage: The Case of Sweden'

Federico Della Negra, 'The Investment Firm's "Horizontal Accountability" towards Clients: Standards and Institutional Mechanisms of Control'

Jane Reichel, 'Ensuring the Principle of Good Administration in EU Financial Markets Law'
Dominique Ritleng, 'Judicial Protection against the European Securities and Markets Authority (ESMA)'

Rebecca Söderström, 'Remuneration Policies in Investment Firms: Incentives, Regulation, and Accountability'

Magnus Strand, 'Damages Liability as a Dual Opportunity to Promote Accountability'

OTHER PRESENTATIONS

Carl Fredrik Bergström, several

Adrienne Héritier, several

Johannes Karremans, 'The ISDA and the containment of financial regulation in Europe', EUSA International Biennial Conference, May 9-11 2019, Denver (USA).

Heikki Marjosola, 'ESMA and its evolving soft law toolbox', Virtual roundtable event on 'the enforcement of EU banking and financial services law: challenges and opportunities', April 3 2020, King's College London (Jean Monnet Network on enforcement of EU Law EULEN).

Agnieszka Smolenska, 'Major trends in Banking Union and Capital Markets Union', 2019, PhD Workshop, CIRSF and Faculdade de Direito da Universidade de Lisboa (FDUL) (Lisbon, Portugal).

Rebecca Söderström & Magnus Strand, 'We Are ESMA – The Success Story of European Governance Networks', March 25 2021, Law and business seminars, Uppsala University.

Magnus Strand, 'A Centralisation of Rulemaking in Europe? The Legal and Political Governance of the Financial Market', 2019, Internal research conference, Dept of Business Studies, Uppsala University.

Project results in the words of its members

Fabio Bulfone: With Agnieszka Smolenska we analysed the implications of Brexit for the regulation of Central Credit Counterparties (CCPs), a key financial infrastructure. The most interesting finding of the project, from a theoretical point of view, was the role played by the European Parliament in determining the supervisory framework for CCPs.

Joseph Ganderson: To my knowledge, this project is the first systematic attempt to analyse post-crisis centralisation and decentralisation shifts in key areas of European financial regulation after the crisis. It paints a complex and rich empirical picture, with strands heading in different directions (eg high-frequency trading vs fintech), and conjectures as to why this is happening and who is benefitting from it by bringing together scholars from political science, law, sociology and economics. The result is a unique synthesis and framework, containing original theorising, conceptualisation and contemporary case studies. The second volume on regulatory accountability and principal-agent dynamics follows seamlessly, examining how this process impacts political dynamics across European countries and within the EU.

Adrienne Héritier: The research produced insights on the evolution of regulatory structures in EU financial governance. We provide a comprehensive framework to investigate the dynamics leading to centralisation, decentralisation and fragmentation in EU financial regulation. This generalizable theoretical account was subject to an empirical assessment on the basis of major EU legislative packages in financial regulation, including the Markets in Financial Instruments Directive II and Capital Markets Union. We found centralization in rulemaking, but decentralization and fragmentation during the implementation of the rules. The research went on to ask: who benefits from the regulatory measures analysed and how are decision-makers and stakeholders held politically and administratively accountable? It focuses on all actors involved in the regulatory process, politicians, regulators, as well as market players. The use of the accountability channels is related to policy contents: do specific regulatory objectives and their results trigger the mobilizing of available accountability channels? Does the use of accountability channels help improve regulatory decisions. We found an important use and impact of accountability channels in the stage of policy formulation; in the formulation of the technical details of rule application the interests of the financial industry due their expertise tends to prevail.

Johannes Karremans: Financial regulation is a very technical and often self-referential area. However, it has can have big redistributive and democratic implications. This project has had the merit of posing social science questions to this field, and to investigate questions of democratic governance in this complex field. In this effort, the project also succeeded in producing outputs that make the field of financial regulation more accessible to non-specialized readers.

Heikki Marjosola: The project's main contribution has been the advancement of truly interdisciplinary understanding of centralisation of rulemaking in the EU.

Promitheas Peridis: In the first chapter with Adrienne Heritier, we explore the effects of the new MiFID II rules on research unbundling and the effects of the use of the accountability mechanisms. In particular, after examining the soft-dollar practice and the new research unbundling rules, we analysed the private and public actors involved in the research production, their role and the accountability mechanisms that they can use. Then we continued by presenting the effects that the new rules and the accountability mechanisms cause to the actors and to the market, as pointed out (empirically) by the market and the actors through various surveys. Finally, we closed our chapter arguing on how the use of accountability mechanisms can result in policy reviews (e.g. the public consultations of EU Commission). In the second chapter with Agnieszka Smolenska, we deal with the Benchmark Regulation and the accountability mechanisms which can be found in the Regulation. We explained the design and the use of the public and private accountability mechanisms and the effects that they can have for the various actors involved. We empirically assessed the use of those accountability and how they shape the policy, by using a few interviews with EU officials and by analysing the EU Consultations on the Benchmark Regulation review and the consultations performed by Benchmark Administrators in Germany, France, Poland, Netherlands, and Belgium, the countries with the biggest number of registered Benchmark Administrators.

Magnus Schoeller: Incorporating insights from a variety of disciplines and combining different theoretical perspectives, the project developed a comprehensive framework to investigate the dynamics leading to centralisation, decentralisation and fragmentation in EU financial regulation. The framework was applied to the major EU regulatory efforts in finance, including MiFID II and Capital Markets Union (CMU). In addition, the project investigated the largely unexplored field of accountability in EU financial regulation.

Agnieszka Smolenska: The project contributed to developing a coherent theoretical framework for analysing and explaining the structure of financial regulation oversight in Europe, as well the accountability of actors within the framework. It combined empirical work across a number of market segments, which allows for a unique comparison useful to both practitioners and scholars.

Rebecca Söderström: In this project, the manner of EU central governance on the markets for trade in financial instruments is further researched with the purpose to compare the interrelationship of legislative and non-legislative acts adopted by the EU and its agencies, on the one hand, and the reception of those acts at national competent authorities, on the other hand. This implies both traditional legal research to examine in more detail the delegations of powers under MiFID II and MiFIR, and empirical research examining how national competent authorities work to comply with EU governance in this field. Specifically the purpose of the study is to assess more precisely (1) whether the work of national competent authorities is more closely governed by the rules of MiFID II or MiFIR, and (2) to what extent the work of national competent authorities is governed by relevant non-legislative acts (i.e. those adopted under MiFID II and MiFIR).

Magnus Strand: This project has contributed both multidisciplinary and cross-disciplinary work, furthering our understanding of the repercussions of the financial crisis and, in particular, the EU response to that crisis. The output paints a broad picture of a massive effort to counter

the causes of the crisis and to build a new and resilient system. The efforts and the system thus construed may serve as a model for EU internal market designs in years to come, but may also be criticised for over-bureaucratising the governance of markets. Consequently, this research has significance that goes beyond the financial market.

Project career significance in a few sentences

Fabio Bulfone: The project gave me the opportunity to work on financial regulation, a topic shaping modern capitalism which in the past I had only dealt with very marginally. I hope this will be the first step for a more regular engagement with the issue. Furthermore, I really appreciated the interdisciplinary nature of project as working with scholars coming from a different field (legal studies) allowed me to see regulatory issues from a different perspective. From the point of view of my career development, I had the opportunity to build connections with top-notch researchers both in the field of legal studies and in political science.

Joseph Ganderson: My work on this project has complemented and expanded my recent thesis research on post-crisis structural banking regulations in Germany, the Netherlands and the UK. In the two pieces I have (co-)authored, I have focused explicitly on the impact of emergent post-crisis disruptive technology, Fintech, on modes of regulation and accountability with reference to leading country cases. While the response to the crisis was an exercise in the politics of more-or-less punitive reforms, fintech demonstrates an opposite drift in European finance: towards the competitive construction of friendlier regulatory regimes designed competitively to maximise investment. This has helped me gain a more rounded sense of regulatory policymaking dynamics, and how they can operate either positively or negatively. A continuity between has been national- rather than European-level focus, lending itself to a comparative rather than international political economy type focus in my latest contribution. Understanding how intra-EU competition and fragmentation in fintech is bucking the general trend of post-crisis centralised rulemaking has opened up a new avenue of dynamic research for my career: considering how and why this process plays out in different areas of financial regulation and how meaningful its effects might be for the EU regulatory polity going forward.

Adrienne Héritier: The research has profoundly impacted upon my research interests, in particular because it led me to include in my political science perspective, the questions and answers offered by Law and Finance, sociology of finance and new institutional economics of finance. The project work has, among other things, led to the awarding of the 2019 Hertie School of Governance “Michael Endres Prize” on Nov. 7th 2019. The project has been extremely important in furthering the careers of highly talented young researchers at the post-doctoral and doctoral stage. Four young researchers were recruited from political science and three from law.

Johannes Karremans: This project has strengthened my profile as a political science that tries to understand how power sources are shifting in the contemporary world.

Heikki Marjosola: The project has significantly expanded my international networks, also with regard to academics and practitioners outside law. The project has also shaped my research interests within administrative law.

Promitheas Peridis: I was working already before this project on the legislation of capital markets and its impact on the industry. Now I will also continue to work on these fields and try to publish other articles on this field. Since I am also a young researcher, this publication will support my academic development and career.

Magnus Schoeller: The project provided an excellent opportunity for networking, allowed me to collaborate with outstanding academics in an interdisciplinary manner, and gave me the chance to become the co-editor of an edited volume with an prestigious publishing house.

Agnieszka Smolenska: As a lawyer, the project has allowed me to develop my interest in interdisciplinary work and has developed by social science skills which is of enormous value as I plan to carry out further empirical-based research. Working with a highly esteemed group of colleagues has given the opportunity to learn and exchange on the topic, shaping my scholarly approach. Where my previous work was predominantly related to black letter law analysis, participation of the project has developed my understanding of the political contingency of the existing frameworks, thus influencing my future research interests.

Magnus Strand: Being part of this research truly opened my view to the possibilities of cross-disciplinary research, and has inspired my work since. On the basis of this project I have led a group to successful grants of approx. 20 MSEK (2 MEUR) to do cross-disciplinary research on AI and automation in the financial markets. The impetus for the new research came very much from this project.