



IMMFA statement re European Commission's announcement on enhancing the EU Money Market Fund framework

14 May 2026

The Institutional Money Market Funds Association (IMMFA) welcomes the European Commission's recent announcement on new measures to enhance the framework for EU Money Market Funds (MMFs). This provides long-awaited clarity for market participants and, more importantly, the investors we serve.

On 11 May, the European Commission published a Report assessing the adequacy of Money Market Fund Regulation (MMFR) and an accompanying notice with guidance in the form of Frequently Asked Questions on the interpretation and implementation of liquidity provisions (see links below). IMMFA welcomes the Commission's conclusions, including that EU MMFs have demonstrated the capacity to refill their liquidity buffers even in stressed conditions, continue to function well, and are generally prudently managed.

The accompanying guidance on interpretation and implementation of existing regulation relating to the maintenance and use of liquidity will be instrumental in clarifying that buffers should be used to optimise resilience, particularly during times of market stress.

Money market funds are essential tools in short-term funding markets and contribute to the further development of European capital markets, in line with the EU's core objectives and key initiatives such as the Savings and Investments Union (SIU). They play a vital role in providing investors with an invaluable cash management tool.

As the principal industry body representing the short-term MMF industry, IMMFA looks forward to continuing our collaborative engagement with the European Commission and EU national competent authorities as they pursue detailed, consistent implementation and supervision. We believe it is in our collective interest to adopt a balanced approach, making the necessary changes to enhance MMF resilience while ensuring MMFs continue to perform their important function for both investors and the real economy.

With the finalisation of MMFs reforms post March 2020 also comes an opportunity for regulators to look at initiatives that promote innovation in the collateral space, where the use of MMFs could help improve resilience of the broader financial system.

Report from the Commission to the European Parliament and the Council on the adequacy of Regulation (EU) 2017/1131 of the European Parliament and of the Council on money market funds from a prudential and economic point of view: [260511-money-market-funds-report_en.pdf](#)

Commission Notice on the interpretation and implementation of certain legal provisions of the Money Market Fund Regulation: [260511-money-market-funds-faqs_en.pdf](#)