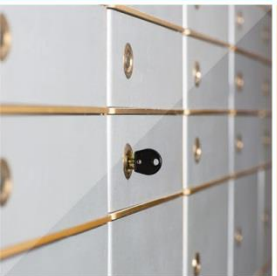




European
Commission



A CAPITAL MARKETS UNION FOR EUROPE

#CapitalMarketsUnion

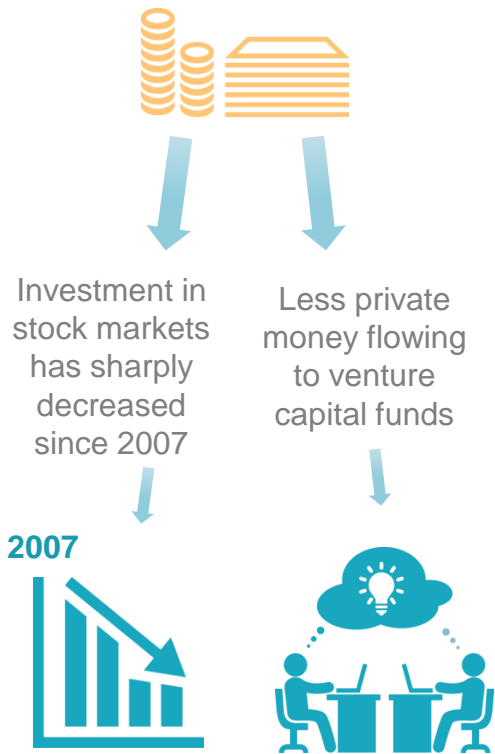


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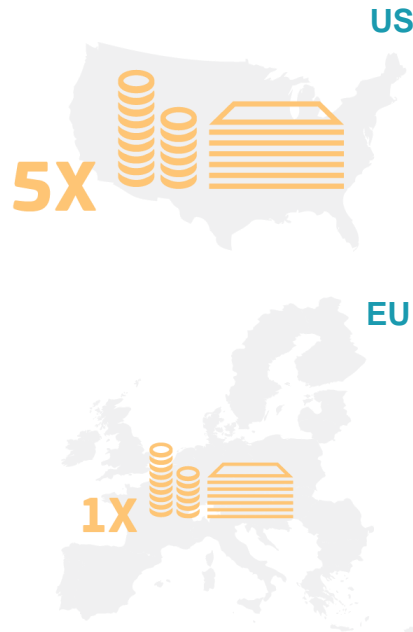
To improve the financing of our economy, we should further develop and integrate capital markets. This would cut the cost of raising capital, notably for SMEs, and help reduce our very high dependence on bank funding. This would also increase the attractiveness of Europe as a place to invest.

Jean-Claude Juncker, State of the Union Address
European Parliament, 14 September 2016

WHY DO WE NEED A CAPITAL MARKETS UNION?



Funding from capital markets to medium-sized companies

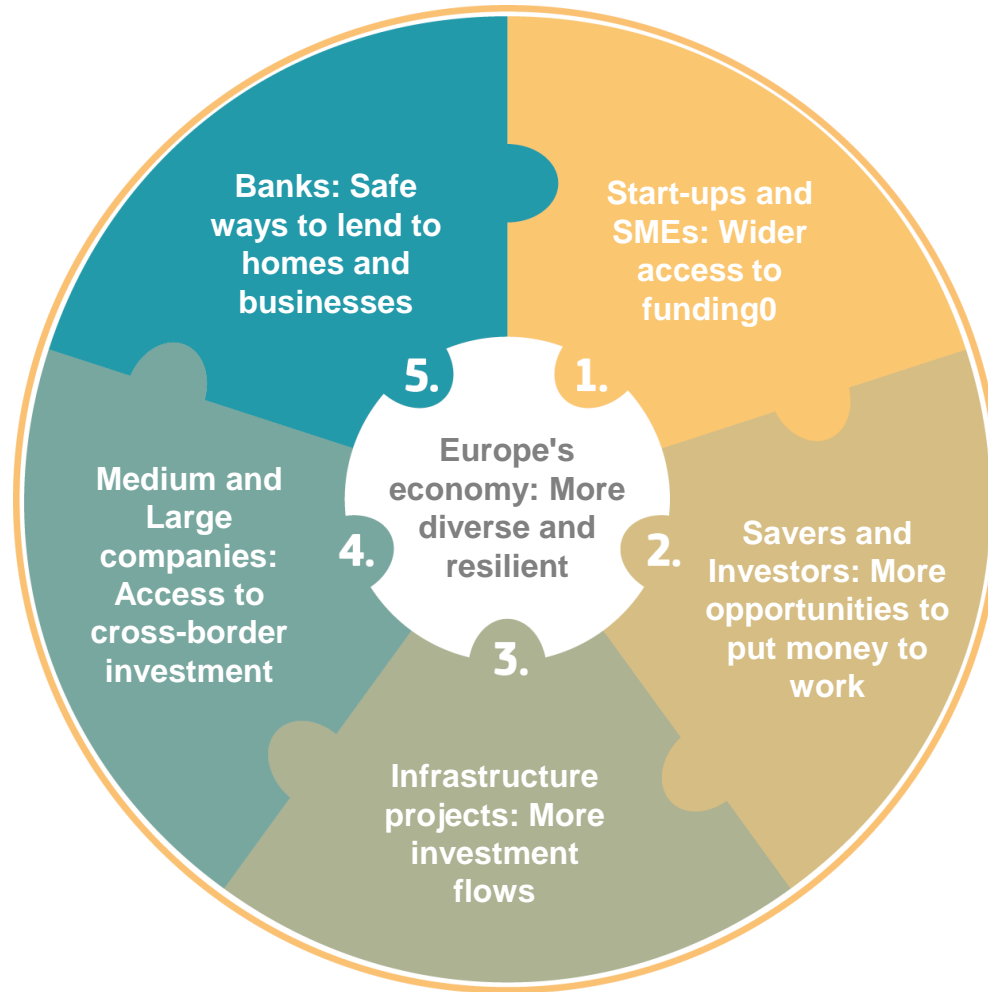


Capital markets are fragmented along national lines



shareholders and buyers of corporate debt often prefer to invest nationally

WHO BENEFITS FROM CAPITAL MARKETS UNION



UNLOCKING FUNDING FOR EUROPE'S GROWTH

Improve funding for Small and medium-sized enterprises

Complement bank financing with other sources of capital

Offer businesses a greater choice of funding at lower cost



Give savers more investment choices

Remove obstacles to investing across borders

THE ACTION PLAN AS CORNERSTONE OF OUR STRATEGY



FINANCING FOR INNOVATION, START-UPS AND NON-LISTED COMPANIES

Support to venture capital and equity financing



Overcoming information barriers to Small and medium-sized enterprises investment



Promote innovative forms of corporate financing

e.g. crowd funding

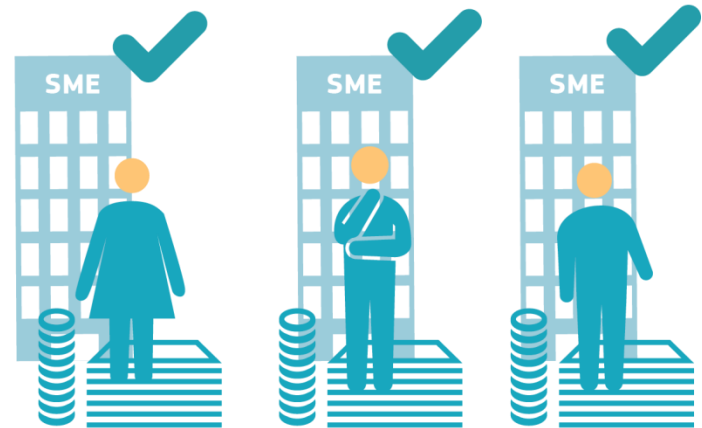


MAKING IT EASIER FOR COMPANIES TO ENTER AND RAISE CAPITAL ON PUBLIC MARKETS

Strengthening access to public markets



Supporting equity financing



INVESTING FOR LONG TERM, INFRASTRUCTURE AND SUSTAINABLE INVESTMENT

Supporting infrastructure investment



- Amendment to **Solvency II** legislation regarding infrastructure projects and **European long term investment funds**
- Assessment of **infrastructure corporates**

Ensuring consistency of EU financial services rulebook



- Examination of the **regulatory framework for financial services**
- **Public hearing** and a **feedback statement**

FOSTERING RETAIL AND INSTITUTIONAL INVESTMENT

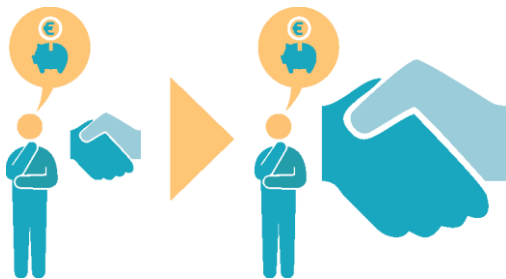
Increasing choice and competition for retail consumers



Supporting saving for retirement



Helping retail investors to get a better deal

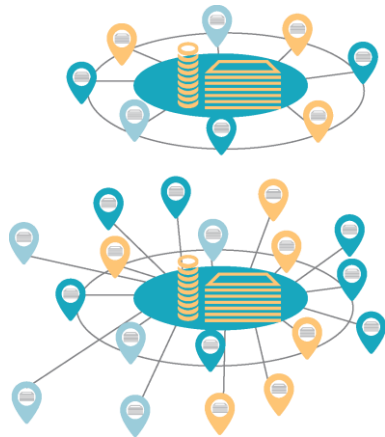


Expanding opportunities for institutional investors and fund managers



LEVERAGING BANKING CAPACITY TO SUPPORT THE WIDER ECONOMY

Strengthening local financing networks



Building EU securitisation markets



Simple, transparent and standardised securitisations and a revision of the capital calibrations for banks

Supporting bank financing of the wider economy



Public consultation on an **EU-wide framework for covered bonds** and similar structures for SME loans

FACILITATING CROSS-BORDER INVESTMENT

Removing national barriers to cross-border investment

Improving market infrastructure for cross-border investing

Fostering convergence of insolvency proceedings

Removing cross-border tax barriers

Strengthening supervisory convergence and capital market capacity building

Enhancing capacity to preserve financial stability

THE FIRST WAVE OF CMU INITIATIVES

Speed up adoption of the following proposals:

- the modernisation of the Prospectus rules
- measures to strengthen venture capital markets
- Simple, Transparent and Standardised (“STS”) Securitisations

Accelerate delivery on:

- a proposal on business restructuring and insolvency
- encouraging Member States to remove withholding tax barriers and encourage best practices
- amending insurance and banking legislation as necessary

Develop further priorities, amongst which:

- the support to the development of personal pensions markets
- the development of a comprehensive European strategy on sustainable finance
- the development of a co-ordinated policy approach to support the development of FinTech
- potential further steps in relation to the supervisory framework



European Commission

