



Summary of Commission's action plan for a Capital Markets Union

One of the Commission's key priorities is to build a single market for capital for the EU's 28 member states in order to help strengthen Europe's economy and stimulate investment to create jobs. To that end, on 30 September the Commission adopted an **action plan** with measures grouped under the following broad objectives (**immediate actions in red**):

Financing for innovation, start-ups and non-listed companies

- Support venture capital and equity financing by proposing to use EU budget for pan-European and multi-country funds, revising legislation and studying national tax incentives.
- Support SMEs' access to funding by enhancing the feedback received from banks rejecting credit applications; and by seeking to identify best practices of advisory services to SMEs and best way to create a pan-European information system on SMEs for finance providers.
- Promote innovative forms of finance by studying crowdfunding and by assessing the need for a co-ordinated approach to, and an EU framework for, loan funds.

Making it easier for companies to enter and raise capital on public markets

- **Amend the prospectus requirements to reduce associated costs**, and review the regulatory environment for small firms' admittance to public markets, including SME Growth Markets.
- Review the functioning of corporate bond markets, focusing on improving liquidity.
- Examine ways to address the debt/equity bias.

Investing for long term, infrastructure and sustainable investment

- **Improve the investment environment through the regulatory framework of insurers and, potentially, of banks; and call for evidence on the cumulative impact of regulations on investments.**
- Support such investment through EU financing programmes.

Fostering retail and institutional investment

- **Seek views on how to increase choice and competition in retail financial products** and study the market to identify ways to help investors in achieving fairer terms.
- Assess the case for a policy framework for personal pensions to support savings.
- Assess the treatment of private equity and privately placed debt in insurers' regulation.
- Consult on and seek to eliminate barriers to the cross-border distribution of funds.

Leveraging banking capacity to support the wider economy

- **Revive high quality securitisation, including via differentiated regulatory treatment.**
- **Consult on a pan-EU framework for covered bonds and similar structures for SME loans.**
- **Consider the case across the EU for credit unions that do not face full bank requirements.**

Facilitating cross-border investing

- Review and work to remove barriers to cross-border investing arising from legal uncertainty, different implementation of EU rules, administrative practices, different business insolvency proceedings, complicated withholding tax relief and discriminatory tax.
- Review the macroprudential framework with respect to risks from market-based finance.
- **Develop and implement a strategy to strengthen supervisory convergence.**