

PRESS RELEASE

Markets4Europe to push for reforms of EU financial markets for the benefit of companies and investors

BRUSSELS, 6 June 2019 – A group of former political leaders and senior officials are joining forces with active chief executives from leading European companies in a campaign to push for the radical and urgent reforms required to meet the capital markets needs of companies and investors in the European Union.

Under the title of Markets4Europe, the pan-European campaign – initiated by the European Banking Federation in partnership with investors, companies and financial industry - will promote the changes needed to build a deeper, more integrated, and competitive Capital Market Union (CMU). The campaign is set to run for one year and seeks to build a pan-European political consensus around high-impact structural reforms, as part of the 2019-2024 legislative agenda, substantiated by analysis.

The political leaders guiding the campaign are:

- **Vítor Constâncio**, Former Vice-President of the European Central Bank and Former Governor of the Bank of Portugal
- **Martina Dalić**, Former Deputy Prime Minister and Former Minister of Economy and Minister of Finance, Croatia
- **Enrico Letta**, Former Prime Minister of Italy
- **Christian Noyer**, Former Vice-President of the European Central Bank and Former Governor of Banque de France
- **Viviane Reding**, Former Vice-President of the European Commission, Luxembourg
- **Peer Steinbrück**, Former Minister of Finance, Germany

Following the publication in September 2015 of its CMU Action Plan, the European Commission took various steps to establish the building blocks of an integrated capital market in the EU by 2019. However, these highly needed reforms fell short of overcoming the obstacles that the EU's corporates and investors encounter in tapping into capital markets.

The Markets4Europe campaign will kick off with a high-level conference in Brussels on 2 October 2019. Based on the views gathered from active CEOs from all sectors involved in capital markets, Markets4Europe will outline a roadmap for reforms at the conference. A series of pan-European conferences between November 2019 and June 2020 will follow to promote these reforms throughout the EU and to build political consensus.

On behalf of the campaign, the Leadership jointly issued the following statement:

Financial markets are critical for innovation, competitiveness, inclusive growth and financial stability. As the world's largest economic block, and home to a highly educated, diverse, and mobile population, the EU deserves a much higher level of innovation and entrepreneurial activity. The EU must become a rich nourishing ground for the next generation of patent-winning, risk-taking industrial innovations – and must also create an inclusive distribution of economic gains through investments and savings for pensions.

To achieve these goals, the EU would greatly benefit from fully developed and integrated capital markets that offer globally competitive investment solutions to investors and companies of different types and sizes, including SMEs, start-ups and scale-ups, which are critical to employment and growth. These markets should function alongside the efficient, stable and dynamic EU banking sector and must be built without sacrificing stability, safety and investor protection.

Five years after the start of a comprehensive set of EU reforms, the EU's capital markets are still too shallow and too fragmented. Creating a truly developed and integrated Capital Market Union is within reach, but only if the EU finally embarks on the serious reforms needed. These reforms must be built on a solid consensus from all corners of the EU - and must start now. Our goal is to work closely with the EU's politicians and economic leaders to remove the most important obstacles to a truly integrated, competitive, and developed Capital Market Union. Ultimately, our goal is to give our companies the full range of tools they need to innovate, employ, and grow in the EU's Single Market while allowing our citizens to invest in the EU's future.

BACKGROUND:

Six former EU political leaders and senior officials formed the 'Leadership' of the Markets4Europe project to promote the strategic reforms needed to fully develop and integrate the capital markets in the EU. These reforms will be published in the Markets4Europe Roadmap by November.

The report will benefit from input received from a panel comprising active CEOs from four key sectors involved in capital markets: corporates, banks, market infrastructures, investors (including asset management, pensions and insurance), in close coordination with current EU and national officials. This CEO Panel will identify the most significant obstacles and the most promising solutions to the development and integration of markets in the EU.

The campaign will ensure coordination and complementarity with the number of other initiatives serving similar goals.

The Markets4Europe campaign will be managed by the German Economic Institute *Institut der deutschen Wirtschaft*, known as IW. Among the initial supporters of the campaign are the European Banking Federation and several national banking associations. The members of the CEO Panel as well as other information about the campaign will be made public in the coming months.

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