

PRESS RELEASE

Markets4Europe urges the EU to launch the reforms proposed by the Report of the High Level Forum on CMU

BRUSSELS, 10 June 2020 -- Markets4Europe (M4E), a campaign aimed at promoting the integration and development of the Capital Markets Union, supports the recommendations published by the High Level Forum (HLF). From the start, the Markets4Europe campaign has pushed for thinking big and launching ambitious reforms to fully integrate and develop the financial markets of the EU. The campaign has therefore seen great value in the creation of the HLF. Several of the members of the Markets4Europe CEO Panel were represented in the HLF and Markets4Europe gave input to the HLF on the priority substances to remove and the solutions.

We are pleased to see that all of our key recommendations are echoed in the Report, and that, most importantly, the HLF is taking an ambitious approach rather than incremental steps. We agree with the HLF's 28 members that *"bringing about an EU Capital Market that works for everybody remains, rightly so, a priority for those who want to make Europe stronger, resilient and dynamic. With Covid 19 it is now urgent in order to rebuild the European economy."*

As rightly pointed out by the HLF, fully functioning and integrated capital markets are needed in order for Member States to manage the current crisis and the recovery. Markets4Europe believes a true Capital Market Union will empower the EU to build an economy that serves its citizens fairly and will entitle the funding of a sustainable and digitalised growth.

Focusing on key measures, M4E supports the HLF ambitious proposals and in particular the following ones, which are fully in line with the M4E recommendations published in October 2019:

- Minimum harmonisation of certain targeted elements of core non-banks corporate **insolvency laws**;
- Setting up common definitions, common processes, and single form relating to **withholding tax relief**;
- Fostering **retail investor participation** while improving **long-term investment** by pensioners;
- Harmonising **post trade services**;
- Improving **access to financial markets for corporates** in general and for SMEs in particular;
- Scaling up the European **securitisation** market;
- Recognition of **financial knowledge and skills** as a priority.

Identifying these reforms is only the first step. We urge the European Commission to use these ideas in a bold action plan and the co-legislators to support a comprehensive reform. Since most of the

European Banking Federation aisbl

Brussels / Avenue des Arts 56, 1000 Brussels, Belgium / +32 2 508 3711 / info@ebf.eu
Frankfurt / Weißfrauenstraße 12-16, 60311 Frankfurt, Germany
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remaining reforms require Member States to adopt changes to local systems, we especially urge the governments to assume their responsibilities and build the CMU together.

Turning these ideas into action will require all stakeholders to understand the practical implications of these reforms better. In this context, Markets4Europe stands ready to generate opportunities for constructive discussion on the most salient topics. Following the series of conferences before COVID, we will now follow up with a series of webinars. More information will follow.

The EU stands to gain from long-needed reforms by building strong, efficient and resilient EU financial markets as this will help the recovery of the EU economy and of EU businesses.

Markets4Europe is a private sector coalition led by six former politicians and central bankers, including Vítor Constâncio, Martina Dalić, Enrico Letta, Christian Noyer, Viviane Reding, and Peer Steinbrück. It also enjoys the support of 16 active CEOs/Presidents of corporates, investors, market infrastructures, and banks from across the EU.

About the European Banking Federation:

The European Banking Federation is the voice of the European banking sector, bringing together national banking associations from across Europe. The EBF is committed to a thriving European economy that is underpinned by a stable, secure and inclusive financial ecosystem, and to a flourishing society where financing is available to fund the dreams of citizens, businesses and innovators everywhere. Website: www.ebf.eu Twitter: [@EBFeu](https://twitter.com/EBFeu).

Policy contact:

Burçak Inel
Director of Financing the Economy
European Banking Federation
+32 496 34 47 88
b.inel@ebf.eu

Media contact:

Raymond Frenken
Director of Communications
European Banking Federation
+32 2 508 3732
r.frenken@ebf.eu