



Capital Markets Union: Commission reports on progress achieved ahead of European Council

Brussels, 15 March 2019

Today, the Commission takes stock of the progress achieved in building a Single Market for capital, including as regards sustainable finance, and calls on EU leaders to keep up the political engagement to lay down the foundation of the Capital Markets Union.

The [Capital Markets Union](#) (CMU) aims to make it easier for EU companies to get the finance they need to grow. By breaking down barriers for cross-border investments in the EU, the CMU is an important Single Market project. It is part of the Juncker Commission's ambition to sustain growth in Europe, invest in innovation and promote the EU's global competitiveness. At the same time, the CMU aims to direct investment to environmentally friendly projects, thereby contributing to the EU's sustainable and carbon-neutral agenda. A strong Capital Markets Union is also necessary to complement the Banking Union and to strengthen the Economic and Monetary Union and the international role of the euro.

Following the [last progress report in November 2018](#) and the [call by EU leaders for ambitious progress](#) by spring 2019 on the Capital Markets Union, today's Communication takes stocks of substantial achievements with political compromises reached on several Commission's proposals, as well as important non-legislative actions.

Valdis **Dombrovskis**, Vice-President responsible for Financial Stability, Financial Services and Capital Markets Union, said: *"The Commission has delivered the essential building blocks of the Capital Markets Union. We need sustained engagement from the European Parliament and Member States to complete this effort. The success of the Capital Markets Union depends on the actions of Member States and stakeholders at national and EU level, through their national reforms and actions."*

Jyrki **Katainen**, Vice-President responsible for Jobs, Growth, Investment and Competitiveness said: *"By more efficiently connecting companies and investors across borders, the Capital Markets Union is essential to get companies, especially small ones, the financing they need to grow, thereby delivering on the Juncker Commission's priority to boost investment, jobs and growth."*

The Commission has delivered all the measures it has committed to in the [CMU action plan of September 2015](#) and in the [mid-term review of June 2017](#), contributing to laying key building blocks of the CMU. These include important proposals for the creation of new opportunities across the Single Market for businesses and investors through new EU-wide products and services, simpler, clearer and more proportionate rules, as well as a more efficient supervision of the financial industry.

- On 10 out of 13 legislative CMU proposals tabled by the Commission agreements have been reached with 3 already finally adopted.
- In addition, on 2 out of 3 Commission proposals on sustainable finance agreements have been reached.

Moreover, the Commission adopted two Delegated Regulations containing most implementing measures to finalise the [Prospectus reform](#), another important milestone towards the completion of the Capital Markets Union. The adopted rules specify the format and content of the prospectus and its constituting documents. These measures will help achieve the key objectives of facilitating fundraising on capital markets, protecting investors and driving supervisory convergence in the EU.

With the building blocks as a basis, further progress in the future will allow to complete a successful Capital Markets Union in the EU. Future action will also need to reflect the impact on capital markets of the United Kingdom's departure from the EU and other short or medium-term economic and societal challenges. These include fundamental rapid changes arising from the decarbonisation of the economy and the changing climate, and technological developments.

Next steps

Today's progress reports responds to the December 2018 [call by EU leaders for ambitious progress](#) by spring 2019 on the Capital Markets Union. It is expected to feed into the Spring European Council of 21-22 March where EU leaders are set to discuss the further development of the Single Market, including the Capital Markets Union, industrial policy and European digital policy.

Background

The Capital Markets Union (CMU) seeks to better connect savings to investment and to strengthen the European financial system by enhancing private risk-sharing, providing alternative sources of financing and increasing options for retail and institutional investors. The CMU, part of the third pillar of the Commission's Investment Plan for Europe, is essential to delivering the Juncker Commission's priority to boost jobs, including youth employment, and growth. The Capital Markets Union will offer more choice to consumers, allowing them to buy cheaper and better investment products, and will enable financial services providers to scale up by offering their services in other Member States. By allowing firms and investors to more easily access funding and investment opportunities across borders, the CMU unlocks potential for growth in the Single Market.

More information

[Factsheet](#)

[MEMO](#)

[Delegated Regulation under Prospectus](#)

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Attachments

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