



EUROPEAN COMMISSION

*Brussels, 30.7.2018  
C(2018) 5181 final*

*Dear Chair,*

*The Commission would like to thank the Assembleia da República for its Opinions on the proposal for a Directive of the European Parliament and of the Council amending Directive 2009/65/EC and Directive 2011/61/EU as regards the cross-border distribution of collective investment funds {COM(2018) 92 final} and on the proposal for a Regulation of the European Parliament and of the Council facilitating the cross-border distribution of collective investment funds and amending Regulations (EU) No 345/2013 and (EU) No 346/2013 {COM(2018) 110 final}.*

*The proposals form part of the Capital Markets Union and are intended to improve the functioning of the single market for European investment funds. A more integrated European market for investment funds will reduce market fragmentation, bring greater economies of scale and increase competition across the European Union, which should lead to more and better choice for investors.*

*The functioning of the internal market for investment funds is so far hampered by regulatory barriers, which represent a strong disincentive to cross-border fund distribution. The proposals aim to address remaining sources of friction to cross-border passporting of Undertakings for Collective Investment in Transferable Securities and of Alternative Investment Funds. The proposal for a Regulation notably suggests introducing a transparency framework for national provisions in relation to marketing requirements and regulatory fees levied by national competent authorities. The proposal for a Directive proposes modernising existing requirements regarding local facilities and introducing a harmonised definition of pre-marketing. It would further harmonise the procedures for updating notifications and introduce conditions and procedures for discontinuing marketing of units or shares in one or several host Member State(s).*

*Ms Regina BASTOS  
Chair of the European Affairs Committee of  
the Assembleia da República  
Palácio de S. Bento  
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*cc. Mr Eduardo FERRO RODRIGUES  
President of the  
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*The Commission is pleased that the Assembleia da República shares the view that action at the European Union level as envisaged in the proposals is required to achieve deeper and more integrated capital markets and create new investment opportunities for investors. In this context the Commission appreciates the strong support of the Assembleia da República for the reduction of fragmentation of capital markets in the European Union as a crucial step to improve the capacity and diversity of funding for businesses and households.*

*Discussions between the Commission and the co-legislators concerning the proposal are now underway and the Commission remains hopeful that an agreement will be reached in the current mandate of the European Parliament. The Opinion of the Assembleia da República has been made available to the Commission's representatives in the ongoing negotiations and will inform these discussions.*

*The Commission looks forward to continuing the political dialogue with the Assembleia da República in the future.*

*Yours faithfully,*

*Elżbieta Bieńkowska  
Member of the Commission*