

SUMMARY
of the Opinion on “GREEN PAPER – Building a Capital Markets Union”
COM (2015)63

The Chamber of Deputies expressed its support for the proposal of the European Commission, making some remarks and recommendations.

The measures considered necessary for building a Capital Markets Union should have in view, notably for Small and Medium-sized Enterprises (SMEs): facilitating access to the capital market; reviewing Prospectus Directive; improving access to information; setting out a centralized data base of credit scoring, administered by ESMA¹; the possibility of public guarantee of long-term loans for the SMEs, according to the EuVECA² and EuSEF³ Regulations.

Some other measures should aim at:

- promoting a greater liquidity on the markets of the companies' bonds;
- creating a unified juridical framework for a more transparent securitization market;
- creating a unitary European legislation on harmonized participative financing platforms;
- supporting private investments;
- possibility of introducing a differentiated regime of costs/transparency for bond issuers, considering their value;
- (predictable) measures for boosting the flow of institutional investment especially in EU long-term projects, involving SMEs and high growth start-ups.

In order to avoid the risk of fiscal competition, a fair fiscal legislation has been supported together with setting out restrictions within the Capital Markets Union, until achieving the fiscal union.

The action plan for achieving the Capital Markets Union should take into consideration:

- the differentiated level of taxes and fees for the market operators within the EU;
- the risk of capital flows from the frontier and emergent markets towards more developed capital markets, consequently to opening the national markets for trans frontier actors;
- coherence between the goals of the Capital Markets Union and the “Europe 2020” Strategy;
- the possibility to complete the bank financing for the SMEs, by creating alternative instruments of capital attraction;
- the risk existence as a result of the various development levels of the capital markets at national level.

The Chamber of Deputies supported the following:

- a greater openness of the national markets for investors, issuers and intermediaries;
- opening the investment funds markets specialized in emergent markets;

¹ European Security and Markets Authority

² Regulation no. 345/2013 on risk capital European funds

³ Regulation no. 346/2013 on European Social Entrepreneurship Funds

- a better distinction between public offers and private investments;
- assuring the consumers' efficient protection and a clearer distinction between banking activity and the alternative financing solutions;
- improving financing access to infrastructure investment projects;
- differentiating between multi financing platforms or "inter pares" financing and the banking activity itself;
- smaller tariffs, increased transparency and efficient and unitary implementation of the European juridical framework (including the transposition of the European Directives in due time);
- reducing the excessive formalism, bureaucracy, taxes and fees;
- establishing clearer and simpler rules as to the UCITS marketing⁴;
- setting out a risk supervision;
- setting out a unique European regime for covered bonds;
- a flexible and simplified regime for cash bonds;
- facilitating access to alternative financing sources for the SMEs;
- financial reporting standards for the SMEs instead of imposing international standards (IFRS⁵);
- transparency as regards the infrastructure projects in order to increase their attractiveness for private investments;
- establishing a continuous dialogue with the capital markets' actors in order to have clear, coherent, easily applicable rules and regulations;
- assuring training courses for magistrates;
- strengthening the consumers' protection framework;
- simplifying the record procedures of social capital modifications for the listed companies;
- promoting financial education especially for the retail investors;
- consolidating ruling, supervision and implementation measures for the trans frontier investment services;
- rigorously evaluating the impact of all future proposals in the field.

The Chamber of Deputies supports achieving the main pillars of the Capital Markets Union until the year 2019 when Romania will take over the Presidency of the EU Council.

⁴ Organism of Undertaking for Collective Investment in Transferable Securities

⁵ International Financial Reporting Standards