

## PARLIAMENT OF ROMANIA

### CHAMBER OF DEPUTIES

#### DECISION

#### **approving the Opinion on the Communication from the Commission to the European Parliament, the Council, the European Central Bank, the European Economic and Social Committee and the Committee of the Regions - Capital Markets Union - Accelerating reform COM (2016) 601**

Pursuant to Articles 67 and 148 of the Romanian Constitution, republished, Law No 373/2013 on cooperation between Parliament and the Government in the area of European affairs, and Articles 160 to 185 of the Rules of Procedure of the Chamber of Deputies, republished,

**the Chamber of Deputies** hereby adopts this Decision.

Sole Article. - Having regard to Opinion No 4c-19/1182, adopted by the Committee for European Affairs at its meeting of 18 October 2016, the Chamber of Deputies:

1. Welcomes this Communication since:

- it determines the actions needed to speed up the completion of the Capital Markets Union (CMU), which is considered a ‘flagship project of the Juncker Commission to boost jobs and growth in Europe’ to support the Investment Plan for Europe and complete the Banking Union; the set of measures proposed aim at ensuring that the CMU has a real impact as soon as possible. Those measures are also referred to in the ‘State of the Union 2016’ document presented by the President of the European Commission, Jean-Claude Juncker, on 14 September;
- the European Commission presents a series of measures concerning sustaining the economic recovery and the single market for jobs and growth and delivering the Single Market Agenda;
- implementing the Banking Union and the CMU will promote the creation of a true fiscal union for the European Union - first in euro-area Member States and then in other Member States;
- effective and consistent supervision are important to ensure investor protection, promote the integration of capital markets and safeguard financial stability; additional efforts are necessary in order to strengthen the European dimension of supervision in areas where it could be beneficial.

2. Supports the Commission's proposal because:

- it underlines the need for rapid progress in adopting the future legislative proposals necessary for completing the CMU, bearing in mind the dynamic political context of the EU and the Commission's focus on all its priority areas.

- it invites the Member States of the European Union to take measures to speed up the implementation of the initial measures proposed as part of the Action Plan for 2015 - a long-term project setting out the building blocks for creating, by 2019, a functional and integrated CMU that will include all Member States; these measures are essential if the CMU is to have a concrete impact on the economy;

- it promotes the performance of regular reviews by the European Commission, the European Parliament and the Council to ensure the political accountability of the European Union, which is necessary in order for these initiatives to have the desired outcome;

- it considers that the European Commission is taking necessary and justified steps to prepare, by the end of 2016, a report that will list the barriers identified, recommend best practices and set out a roadmap of proposed actions that the Member States will be encouraged to take by 2019 at the latest.

- through this document, the Commission encourages better regulation, reducing the administrative burden for capital market participants and simplifying existing legislation, all of which will help to unleash the CMU's potential;

- more work will be done to remove barriers in the post-trading environment, which will result in a new legislative initiative to determine with legal certainty which national law shall apply to security ownership and to third party effects of the assignment of claims; when making this proposal, account will be taken of the results of a public consultation to be carried out in 2017.

### 3. Considers that:

- the measures proposed will encourage equity investments and benefit financial stability as companies with a stronger capital base are less vulnerable to shocks;

- a progress assessment for the purpose of the mid-term completion of the CMU in 2017 is needed considering the dynamic political context of the EU;

- it is necessary to promote the development of the FinTech sector, but there should be an appropriate balance between building confidence in companies and investors, protecting consumers and providing the FinTech industry with the necessary framework to develop;

- after assessing and defining new priorities, the Commission should also concentrate on developing personal pensions markets and other retail financial services, so as to encourage Europeans to put their savings to better use.

- it is justified to promote the establishment of one or more Venture Capital Funds to support innovative investments in Europe and continue to research and identify new measures to support venture capital.

### 4. Considers that:

- rapid implementation of the securitisation package has the potential to quickly generate additional funding in the real economy and, for this reason, considers that the European Parliament should step up efforts to achieve progress in this area;

- it should be made easier for small businesses to access the capital markets by modernising the Prospectus rules, thus creating more numerous and less costly new funding opportunities;
- it supports the measures proposed in the revised European Venture Capital Fund and European Social Entrepreneurship Fund Regulations, intended to boost investment in venture capital and social projects, which in turn will encourage investors to invest in innovative SMEs and ease the cross-border marketing of funds;
- it is necessary to support investment in clean technologies and their deployment, thereby ensuring that the financial system can finance growth in a sustainable manner over the long term and contribute to the creation of a low-carbon, climate-resilient economy;
- the European Commission should examine proposals for a simple, efficient and competitive EU personal pension product with a view to possibly making a legislative proposal.

5. Considers the following aspects regarding the impact of these proposals on Romania:

- our county supports in principle the objective of creating the CMU as part of the general efforts to boost growth and jobs and to unlock investment in the EU;
- the Romanian state is taking steps to upgrade its capital market from the border market to the emerging market category, which will increase capital flows and foreign investments and will diversify financing alternatives for active companies;
- the establishment of the CMU should lead to greater cross-border risk sharing and more liquid markets, resulting in deeper financial integration, reduced costs and increased competitiveness of the European economy.

*This Decision was adopted by the Chamber of Deputies at its sitting of 25 October 2016 in compliance with Article 76(2) of the Romanian Constitution, republished.*

PRESIDENT  
OF THE CHAMBER OF DEPUTIES  
Florin Iordache

Bucharest, 25 October 2016  
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