



EUROPEAN COMMISSION

*Brussels, 18.5.2017  
C(2017) 3373 final*

*Ms Ana PASTOR  
President of the Congreso de los Diputados  
Floridablanca s/n  
E – 28071 MADRID*

*Mr Pío GARCÍA-ESCUADERO MÁRQUEZ  
President of the Senado  
Plaza de la Marina Española, 8  
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*Dear Presidents,*

*The Commission would like to thank the Congreso de los Diputados and the Senado for their Opinion on the proposal for a Directive of the European Parliament and of the Council on preventive restructuring frameworks, second chance and measures to increase the efficiency of restructuring, insolvency and discharge procedures {COM(2016) 723 final}.*

*The Commission's proposal falls under two Commission priority policies, the first of which is the Capital Markets Union Action Plan<sup>1</sup> which stated that the Commission would table a legislative initiative on business insolvency addressing the most important barriers to the free flow of capital and building on national regimes that work well. The second priority policy is the Single Market Strategy<sup>2</sup>, which mentions that the Commission would support honest entrepreneurs and propose legislation to ensure that Member States provide a regulatory environment that is able to accommodate failure without dissuading entrepreneurs from trying new ideas.*

*This policy has also been supported by the Council of Ministers. The Competitiveness Council Conclusions of May 2011 called on Member States to reduce the discharge period and debt settlement for honest entrepreneurs after bankruptcy to a maximum of three years by 2013<sup>3</sup>.*

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<sup>1</sup> COM(2015) 468 final.

<sup>2</sup> COM(2015) 550 final.

<sup>3</sup> Council Conclusions on the review of the 'Small Business Act', for Europe, adopted on 30 May 2011: <http://register.consilium.europa.eu/doc/srv?l=EN&f=ST%2010975%202011%20INIT>.

*The Economic and Financial Affairs Council Conclusions of June 2016 on a roadmap to complete the Banking Union underlined the importance of the work carried out by the Commission on a legislative proposal for minimum harmonisation in the field of insolvency law in the context of the Capital Markets Union, noting that this may also support efforts to reduce future levels of non-performing loans<sup>4</sup>.*

*The Commission welcomes the support of the Congreso de los Diputados and the Senado for this initiative. We share the view that the Directive would help to increase legal certainty for creditors and thus attract foreign investment to the European Union, create and maintain jobs and strengthen the European economy's resilience to future economic shocks, among others, by preventing the build-up of non-performing loans. The proposal for a directive would also help to ensure that honest entrepreneurs are given a second chance to re-join the productive economy after a relatively short period of time and that insolvency procedures would be made less lengthy and costly and generally more efficient across the European Union.*

*The Commission looks forward to continuing our political dialogue in the future.*

*Yours faithfully,*

*Frans Timmermans  
First Vice-President*

*Věra Jourová  
Member of the Commission*

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<sup>4</sup> Council Conclusions of 17 June 2016: [http://www.consilium.europa.eu/press-releases-pdf/2016/6/47244642837\\_en.pdf](http://www.consilium.europa.eu/press-releases-pdf/2016/6/47244642837_en.pdf).