



## EUROPEAN COMMISSION

*Brussels, 31.7.2018  
C(2018) 5242 final*

*Dear Presidents,*

*The Commission would like to thank the Cortes Generales for their Opinion 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 fully 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 Regulation introduces notably a transparency framework regarding national provisions concerning marketing requirements and regulatory fees levied by national competent authorities. The Directive modernises existing requirements regarding local facilities and introduces a harmonised definition of pre-marketing. It further harmonises the procedures for updating notifications and introduces conditions and procedures for discontinuing marketing of units or shares in one or several host Member State(s).*

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*The Commission is pleased that the Cortes Generales share the view that action at the European Union level as envisaged in the proposals is required to remove inefficiencies in the functioning of the single market and to achieve a more integrated market with increased competition and increased investment opportunities for investors.*

*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 Cortes Generales has been made available to the Commission's representatives in the ongoing negotiations with the co-legislators and will inform these discussions.*

*The Commission looks forward to continuing the political dialogue with the Cortes Generales in the future.*

*Yours faithfully,*

*Elżbieta Bienkowska  
Member of the Commission*