



## Capital Markets Union: Commission to boost Europe's capital markets

Brussels, 24 September 2020

The European Commission has today published a new, ambitious Action Plan to boost the European Union's Capital Markets Union (CMU) over the coming years. The EU's top priority today is to ensure that Europe recovers from the unprecedented economic crisis caused by coronavirus. Developing the EU's capital markets, and ensuring access to market financing, will be essential in this task.

Large and integrated capital markets will facilitate the EU's recovery, making sure that businesses – in particular small and medium-sized businesses – have access to sources of funding and that European savers have the confidence to invest for their future. Vibrant capital markets will also support Europe's green and digital transition, as well helping to create a more inclusive and resilient economy. The Capital Markets Union is also crucial to boost the international role of the euro.

Valdis **Dombrovskis**, Executive Vice-President for an Economy that works for People said: *"The coronavirus crisis has injected real urgency into our work to create a Capital Markets Union. The strength of our economic recovery will depend crucially on how well our capital markets function and whether people and businesses can access the investment opportunities and market financing they need. We need to generate massive investments to make the EU economy more sustainable, digital, inclusive and resilient. Today's Action Plan aims to tackle head-on some of the remaining barriers to a single market for capital."*

Today's Action Plan has **three key objectives**:

- Ensuring that the EU's economic recovery is green, digital, inclusive and resilient by making financing more accessible for European companies, in particular SMEs;
- Making the EU an even safer place for individuals to save and invest long-term;
- Integrating national capital markets into a genuine EU-wide single market for capital.

To do this, the Commission is putting forward today **sixteen targeted measures** to make real progress to complete the CMU. Among the measures announced today, the EU will:

- Create a single access point to company data for investors;
- Support insurers and banks to invest more in EU businesses;
- Strengthen investment protection to support more cross-border investment in the EU.
- Facilitate monitoring of pension adequacy across Europe;
- Make insolvency rules more harmonised or convergent;
- Push for progress in supervisory convergence and consistent application of the single rulebook for financial markets in the EU.

These measures build on the progress made in the [2015 CMU Action Plan](#) and [2017 Mid-Term Review](#), and follow calls from the European Parliament (draft own initiative (INI) report, June 2020) and [Council](#) (Council conclusions, 5 December 2019). They are also informed by detailed discussions with stakeholders and the recommendations of the High Level Forum on Capital Markets Union.

### Background

The CMU is not a goal in itself, but is essential for delivering on key economic policy objectives: the post-coronavirus recovery, an inclusive and resilient economy that works for all, the twin transition towards a digital and sustainable economy, and open strategic autonomy in a post-Brexit and increasingly complex world. Meeting these objectives requires massive investments that public money and traditional funding through bank lending alone cannot deliver. Only large, well-functioning and integrated capital markets can provide the scale of support needed to recover from the coronavirus crisis. Only a proper functioning CMU can mobilise and channel the enormous investment required to tackle the climate and environment challenges we face and support the digitalisation of our companies, so they remain competitive globally.

The CMU should bring value to all Europeans, wherever they live and work. Consumers should have more choice as regards their savings and investments, and should be well informed and appropriately protected wherever they are. Businesses, including small- and medium-sized ones, should be able to access funding across the EU and investors should be able to invest in projects across the EU.

## For more information

[Action Plan](#)

[Questions and Answers](#)

[Factsheet](#)

[More information on the Capital Markets Union](#)

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