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## Press release

### AFME welcomes European Commission's CMU mid-term review

8 June 2017

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Following the publication of the European Commission's Capital Markets Union mid-term review today, Simon Lewis, Chief Executive at the Association for Financial Markets in Europe (AFME) said:

"The CMU project is more important than ever to boost growth and investment and to channel capital to the real economy. In light of political and economic change, European capital markets are facing a number of challenges, not least from Brexit. We need to ensure that the CMU project, launched in 2015, remains relevant and fit for purpose. AFME supports the wide-ranging initiatives put forward in the review and looks forward to working with legislators to put the remaining building blocks in place."

AFME in particular welcomes the following priorities outlined:

- **Review of the European Supervisory Authorities** in particular, to strengthen ESMA's powers and increase the effectiveness of supervision for specific functions where warranted in view of the need to support a functioning CMU;
- A renewed focus on key growth areas, such as **improving access to risk capital** for small businesses throughout Europe, as well as **infrastructure investment**, including through **adequate capital treatment of qualified corporate-form infrastructure investments** by insurers;
- **Stronger focus on fintech**, with the need for an EU licencing and passporting framework for fintech activities being assessed later this year;
- **Sustainable finance**, with a strong push to develop a European policy programme on sustainable finance and the transition to a low-carbon economy;
- **A push to improve the EU's secondary markets for distressed debt**, where the European Commission will consult on improvements to the Non-Performing Loans framework to enhance data quality and value recovery;
- **Developing local ecosystems in the EU**, particularly in Central Eastern Europe.

– Ends –

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#### About AFME:

1. AFME (Association for Financial Markets in Europe) promotes fair, orderly, and efficient European wholesale capital markets and provides leadership in advancing the interests of all market participants. AFME represents a broad array of European and global participants in the wholesale financial markets. Its members comprise pan-EU and global banks as well as key regional banks, brokers, law firms, investors and other financial market participants. AFME participates in a global alliance with the

Securities Industry and Financial Markets Association (SIFMA) in the US, and the Asia Securities Industry and Financial Markets Association (ASIFMA) through the GFMA (Global Financial Markets Association). For more information please visit the AFME website: [www.afme.eu](http://www.afme.eu).

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