
Press release

AFME outlines its vision for CMU for the next institutional cycle

23 July 2024

The Association for Financial Markets in Europe (AFME) congratulates MEP Lalucq, the incoming Chair and newly elected Vice-Chairs, of the European Parliament's Committee on Economic and Monetary Affairs (ECON Committee) and looks forward to constructively engage with all ECON members over the coming legislative term.

As Members of the European Parliament begin the exercise of their mandate, AFME is pleased to publish its report titled '**Scaling up and integrating EU capital markets**', outlining its vision and recommendations on the future of EU capital markets, an issue which is likely to be a central concern for the ECON Committee. In the report, AFME calls for a revigorated CMU which can be achieved by focussing on: (i) increasing market liquidity, (ii) relaunching the EU securitisation market and (iii) modernising the regulatory and supervisory ecosystem.

Reflecting on the current state of EU capital markets, **AFME's CEO, Adam Farkas**, said: '*After a decade which has seen multiple initiatives put forward under two iterations of Capital Markets Union Action Plans, the role and capacity of the EU's capital markets has unfortunately not changed substantially. An **integrated and liquid European capital market** is an essential element of the EU's future competitiveness on a global stage. The goal for the next mandate should therefore be to **deliver on a scaled up, seamless single market for capital and banking.***'

Commenting further on the report, **Remi Kireche, Director, Advocacy at AFME**, said: '*the absence of a truly integrated, scaled-up EU capital market not only undermines the EU's economic competitiveness, but it is also necessary to channel investment into the EU's green and digital transitions, for the EU to strengthen its economic security by investing in strategic sectors, and to allow citizens the opportunity to benefit from productive investments for their savings and retirement. **We strongly support the fresh political momentum to advance CMU and encourage the Commission and the co-legislators to define and agree on a set of transformative measures as the time has come to deliver changes in practice.***'

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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.

Our members are the lead underwriters of 89% of European corporate & sovereign debt and of 79% of European listed equity capital issuances. They 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

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