

## Press release

### AFME welcomes latest CMU proposals

7 December 2022

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The Association for Financial Markets in Europe (AFME) has today issued a comment in response to the European Commission's [latest package of measures on Capital Markets Union](#).

**Adam Farkas, Chief Executive of AFME**, said: "Today's package of proposals is a welcome step towards progressing the Capital Markets Union further, which is a vital project for supporting European capital markets, particularly in light of recent economic and geopolitical pressures.

"On the Listing Act proposal, an attractive environment for Initial Public Offerings (IPOs) and other capital raisings in public markets is vital to support innovative, fast-growing companies, as well as an expansion of Europe's equity markets. A well-functioning IPO market is also important in the pre-IPO environment as it impacts on exit strategies and therefore the provision of risk capital. In order to allow companies to access capital effectively, policy makers should support measures that strengthen the competitiveness of EU markets in order to improve the ability of all types of companies to raise funds on European capital markets.

"AFME welcomes the focus on promoting multiple voting right share structures. Subject to appropriate checks and balances, these structures have the potential to attract founder-led high-growth companies looking to list. Their promotion should however apply to all listing platforms and not be limited to SME Growth Markets".

"AFME looks forward to debating the proposals in the EU Listing Act, including those in relation to the Prospectus Regulation, Market Abuse Regulation and investment research. Features of the existing EU framework that are unclear, inconsistent, disproportionately burdensome on issuers and/or which fail to provide adequate reassurance to investors should be addressed in this review. The proposals should strike the right balance between the needs of issuers, investors and participants providing diverse services such as underwriting and market-making."

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#### About AFME:

AFME (Association for Financial Markets in Europe) advocates for deep and integrated European capital markets which serve the needs of companies and investors, supporting economic growth and benefiting society. AFME is the voice of all Europe's wholesale financial markets, providing expertise across a broad range of regulatory and capital markets issues. AFME aims to act as a bridge between market participants and policy makers across Europe, drawing on its strong and long-standing relationships, its technical knowledge and fact-based work. 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). Follow us on Twitter @AFME\_EU