
Press release

AFME reaction to Mario Draghi's report on the future of European competitiveness

9 September 2024

The Association for Financial Markets in Europe (AFME) welcomes the recommendations of the report published today on "The future of European competitiveness".

Commenting on the report, **AFME's CEO, Adam Farkas**, said, *"AFME agrees with Mr. Draghi that the **mobilisation of private and public finance at scale** will be essential to securing the future of Europe's growth and competitiveness on the global stage and we support many of the recommendations set out in the report to achieve this.*

*Notably, we welcome the report's recognition of the need to **deliver a genuine Capital Markets Union**. In this context, we support a possible evolution of ESMA's role and consider that changes to its governance structure along the lines suggested by Mr. Draghi will be critical to promoting European capital market objectives. We also share the view that reforming the EU post-trade environment should be an area of priority. Its current fragmentation along national lines creates complexity and costs for investors and issuers which affects the attractiveness of EU capital markets.*

*Moreover, we strongly support many of Mr. Draghi's recommendations to, in tandem with growing our capital markets, **increase the financing capacity of the banking sector**. In particular, we welcome his call to complete the Banking Union by creating – at a minimum – what he calls a "separate jurisdiction" for European banks with substantial cross-border operations that would be "country blind" from a regulatory, supervisory and crisis management perspective. We also welcome his recognition that securitisation needs to be revived and that a number of regulatory changes are necessary to bring this about. Many of his suggestions for such change echo those set out by AFME in our own recommendations for the incoming Commission on this topic (see AFME's paper ['EU Securitisation back on track'](#)).*

Finally, we welcome the suggestions to simplify and consolidate existing EU funding programmes and to boost the EIB Group's capacity to help attract further private capital to fund start-ups, scale-ups, corporates and projects with higher levels of risk but also higher potential for innovation and growth.

We now look forward to seeing how the next Commission will put these ideas into practice and to working with the Commission and other EU institutions to help support these ambitions."

– Ends –

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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. 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
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