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Statement by Poland

on amendments to MiFID II

Poland would like to thank the German Presidency for its efforts to finalize work on directive amending MiFID II.

Poland fully supports the objectives of this directive. In particular, we understand the need to undertake certain measures aimed at alleviating procedural burdens imposed on financial market participants and introducing certain alleviations for investing in real economy. In our view measures proposed in this directive are inevitable especially in such tough times and would certainly help in the recovery after COVID-19 pandemic.

However, at the same time, we are of the opinion that any changes should not be introduced at a cost of retail investor protection and their trust in the capital market.

Unfortunately, the present compromise proposal does not fully meet our expectations in this field and we hope that the robust framework of investor protection, especially the retail investors, will be of key importance for the Presidency during the negotiation with the European Parliament.

Joint statement by Italy and the Netherlands

on amendments to MiFID II and

amendments to the Prospectus Regulation

Italy and the Netherlands reaffirm the importance of the Capital Market Recovery Package (CMRP) aimed to swiftly address the severe economic impact of the COVID-19 pandemic. Against this backdrop, notwithstanding the efforts carried out by the Commission and the Presidency, Italy and the Netherlands note that some measures are not in line with the overarching objectives to foster fund raising through capital markets and to ensure investor protection.

In detail:

- Italy and the Netherlands believe exemptions from product governance requirements (POG), other than those for eligible counterparties and professional investors, might expose retail savers to risks (for instance, mis-selling). Exemptions for retail clients should therefore not be included in this package;

- with regard to the "European Recovery Prospectus", Italy also notes that it would miss the objective to allow for a rapid recapitalisation of companies by reducing administrative costs related too. In our view a CAP would make ineffective the EU Recovery Prospectus also taking into account that the alleviation measures are already solely of temporary nature and limied to the shares only.

Statement by Poland

on amendments to the Prospectus Regulation

Poland would like to thank the Presidency for their hard work on the compromise text. Considering the significant discrepancies in the positions of individual Member States, we believe that the Presidency managed to achieve a well-balanced compromise, which deserves full support. However, we would like to point out that for Poland it is of key importance to maintain the deadline of 7 working days for approval of the EU Recovery Prospectus by national competent authorities. We hope that the Presidency will make every effort to ensure that, during the negotiations with the European Parliament, these provisions are maintained in the Regulation.

The EU Recovery Prospectus will be an essential document on the basis of which investors will make investment decisions. It will contain information that is crucial for the safety of investors, especially retail investors. Despite its limited size to a maximum of 30 pages, it is therefore important that national competent authorities have sufficient time for its approval. In our view the period of 7 working days allows for full and reliable verification of all information contained in the Prospectus.

Joint statement by Belgium, Spain, France, Hungary and Poland

on amendments to the Prospectus Regulation

Belgium, Spain, France, Hungary and Poland welcome the agreement found on the EU Recovery Prospectus regime. In order for European companies to successfully recover from the current crisis, it is of essence to facilitate access to equity financing. The EU Recovery Prospectus will be key to achieve this objective by making it easier for issuers to raise equity up to 90% of their outstanding capital.

They underline that secondary issuances can have a significant impact on the issuer's capital structure, governance, strategy and financial situation and that disclosure of information in the Prospectus is essential to remove asymmetries of information and protect investors. Recapitalization leading to a high level of dilution of existing shareholders should be subject to a full-scope prospectus or to the secondary issuance prospectus of Article 14 of Regulation 2017/1129 rather than to the EU Recovery Prospectus to ensure that investors are provided with an appropriate level of information. Thus, Belgium, Spain, France, Hungary and Poland strongly support the proposal to cap issuances eligible to the EU Recovery prospectus to up to 90% of the outstanding capital.

The key objective of facilitating the refinancing of European companies while safeguarding the level of investor protection should be pursued during the discussions with the European Parliament. Hence, it is important to keep the cap on the secondary issuances eligible to the EU Recovery Prospectus at a level close to the one enshrined in the Council's general approach.

Statement by Finland

on amendments to the general securitisation framework and

amendments to the CRR securitisation framework

In general, Finland appreciates the efforts to support the recovery of EU capital markets from the COVID-19 pandemic. However, Finland is of the opinion that only temporary amendments and amendments directly targeted at the impacts of the pandemic should be made to the prudential framework in an accelerated procedure without an impact assessment. Safeguards aimed at mitigating the possible negative impacts of the amendments should become applicable immediately. Finland finds it crucial that the Commission acts instantly to propose an amendment to the preferred prudential treatment, if the possible risks to financial stability due to lower capital requirements and higher leverage were to materialise. Finally, Finland notes that private risk sharing in line with the Capital Markets Union and Banking Union objectives will happen only if the investor base in synthetic securitisation is diversified and private.