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## COVER NOTE

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From: Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director

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To: Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union

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Subject: ANNEXES to the COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS Capital Markets Union - delivering one year after the Action Plan

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Delegations will find attached document COM(2021) 720 final.

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Brussels, 25.11.2021  
COM(2021) 720 final

ANNEX

**ANNEXES**

*to the*

**COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN  
PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL  
COMMITTEE AND THE COMMITTEE OF THE REGIONS**

**Capital Markets Union - delivering one year after the Action Plan**

## STATE OF PLAY OF MEASURES IN THE 2020 CMU ACTION PLAN

This overview provides an update on the status of actions announced in the 2020 CMU action plan. The state of implementation of the CMU actions is also regularly updated on the [Commission website](#).

### 1. MAKING FINANCING MORE ACCESSIBLE TO COMPANIES

Action	Progress and next steps
<b><u>Action 1: Make companies more visible to cross-border investors</u></b>	
<i>Make a legislative proposal to set up a European single access point (ESAP).</i>	Legislative proposal adopted on 25 November 2021.
<b><u>Action 2: Support access to public markets</u></b>	
<i>Assess if listing rules for public markets (both SME growth markets and regulated markets) can be further simplified.</i>	<a href="#">Report of the Technical Expert Stakeholder Group (TESG) on SMEs</a> to help facilitate SMEs access to public markets published in May 2021.  Listing review planned for Q3 2022.
<b><u>Action 3: Support vehicles for long-term investment</u></b>	
<i>Review the ELTIF Regulation.</i>	Legislative proposal amending the ELTIF Regulation adopted on 25 November 2021.
<b><u>Action 4: Encourage more long-term and equity financing from institutional investors</u></b>	
<i>When implementing Basel III, avoid undue impact on banks' investment in long-term equity.</i>	Legislative proposals amending the Capital Requirements Regulation (CRR) and the capital Requirement Directive (CRD) adopted on 27 October 2021.
<i>Amend Solvency II to promote long-term investments without affecting financial stability and policyholder protection.</i>	<a href="#">Solvency II review package</a> adopted on 22 September 2021.
<b><u>Action 5: Direct SMEs to alternative providers of funding</u></b>	
<i>Analyse by Q4 2021 the merits and feasibility of setting up a referral scheme to require banks (and other providers of funding) to direct SMEs whose funding application they have turned down to providers of alternative funding.</i>	<a href="#">Call for feedback on the feasibility assessment for a potential EU referral scheme</a> closed in April 2021.  Report on the feasibility assessment due to be published in Q1 2022.
<b><u>Action 6: Help banks to lend more to the real economy</u></b>	
<i>Carry out a comprehensive review of the EU securitisation framework for both simple transparent and standardised (STS) and non-STS securitisation.</i>	<a href="#">Targeted consultation on the functioning of the EU securitisation framework</a> closed in September 2021.  Report on the functioning of the EU securitisation framework for both simple transparent and standardised (STS) and non-STS securitisation to be published in Q1 2022.

## 2. MAKE THE EU AN EVEN SAFER PLACE FOR INDIVIDUALS TO SAVE AND INVEST LONG-TERM

Action	Progress and next steps
<b>Action 7: Empower citizens through financial literacy</b>	
<i>Carry out a feasibility assessment for the development of a dedicated EU financial competence framework.</i>	<p><a href="#">DG FISMA feasibility assessment</a> published in April 2021.</p> <p>Financial competence framework for adults to be published in Q4 2021.</p> <p>Work on a framework for young people and on the uptake of the framework for adults by Member States and stakeholders through working groups to start in Q1 2022.</p>
<i>Assess the appropriateness of extending the principle enshrined in Article 6 of the Mortgage Credit Directive to relevant sectoral legislation.</i>	Action to be further refined in the context of the retail investment strategy to be adopted in Q4 2022.
<b>Action 8: Build retail investors' trust in capital markets</b>	
<i>Assess the applicable rules in the area of inducements and disclosure and, where necessary, propose legislative changes.</i>	<p><a href="#">Public consultation</a> on the retail investment strategy closed in August 2021.</p> <p>Comprehensive study on retail investment to be published in Q1 2022.</p>
<i>Amend MiFID II to reduce the administrative burden and information requirements for a subset of retail investors.</i>	<p><a href="#">Public consultation</a> on the retail investment strategy closed in August 2021.</p> <p>Action to be further refined in the context of the retail investment strategy to be adopted in Q4 2022.</p>
<i>Subject to a positive impact assessment, amend MiFID 2 and the Insurance Distribution Directive to introduce new requirements for advisors.</i>	<p>Collection of evidence and preparatory work is ongoing.</p> <p>Action to be further refined in the context of the retail investment strategy to be adopted in Q4 2022.</p>
<i>Assess the feasibility of introducing a pan-EU label for financial advisors.</i>	<p>Collection of evidence and preparatory work is ongoing.</p> <p>Report on the feasibility assessment to be published in Q1 2022.</p>
<b>Action 9: Support people in their retirement</b>	
<i>Identify the relevant data and methodology for developing pension dashboards with indicators</i>	<p><a href="#">Call for technical advice to EIOPA</a> on the development of best practices for national pension tracking systems and pension dashboards published in December 2020. Report of the EIOPA expected in December 2021.</p>
<i>Develop best practices for the set-up of national tracking systems</i>	
<i>Launch a study to analyse existing auto-enrolment practices</i>	<p><a href="#">Call for tender</a> launched in September 2020.</p> <p>Study on auto-enrolment to be published in November 2021.</p>

### 3. INTEGRATE NATIONAL CAPITAL MARKETS INTO A GENUINE SINGLE MARKET

Action	Progress and next steps
<b>Action 10: Alleviate the tax-associated burden in cross-border investment</b>	
<i>Make a legislative proposal on withholding tax.</i>	<p><a href="#">Inception impact assessment</a> published in September 2021.</p> <p>Public consultation to be launched in December 2021.</p> <p>Legislative proposal planned for Q4 2022.</p>
<b>Action 11: Make the outcome of cross-border investment more predictable as regards insolvency proceedings</b>	
<i>Propose a legislative or non-legislative initiative for minimum harmonisation or increased convergence in targeted areas of core non-bank insolvency</i>	<p><a href="#">Inception impact assessment</a> published in November 2020.</p> <p><a href="#">Public consultation</a> closed in March 2021.</p> <p>The Commission will propose an initiative by Q3 2022 that will seek to harmonise targeted aspects of the corporate insolvency framework and procedures. Subject to an impact assessment, the Commission will propose a Directive. The exact scope of this Directive proposal will be subject to further discussions with Member States and the European Parliament. This Directive proposal could be complemented by a Commission Recommendation.</p>
<i>Analyse the possibility of making legal amendments to reporting frameworks for regular insolvency benchmarking</i>	<p><a href="#">Feasibility assessment published in August 2021</a>. Ongoing work with European Banking Authority and European Central Bank to explore various data access/collection options.</p>
<b>Action 12: Facilitate shareholder engagement</b>	
<i>Assess (i) the possibility of introducing an EU-wide, harmonised definition of 'shareholder', and (ii) if and how the rules governing the interaction between investors, intermediaries and issuers as regards the exercise of voting rights and corporate action processing can be further clarified and harmonised.</i>	<p>Assessment to be completed as part of the evaluation of the implementation of the Shareholder Rights Directive II (SRD2) in Q3 2023.</p>
<i>Assess possible national barriers to using new digital technologies to facilitate shareholder engagement.</i>	<p>Analysis and consultation ongoing. Technical assessment conclusions in Q1 2022.</p>
<b>Action 13: Develop cross-border settlement services</b>	
<i>Amend the CSDR, notably reviewing: (i) the cross-border provision of services by CSDs on the basis of a CSD passport and (ii) the procedures and conditions under which CSDs have been authorised to designate credit institutions or themselves to provide banking-type ancillary services.</i>	<p><a href="#">Inception impact assessment</a> published in March 2021.</p> <p><a href="#">Targeted public consultation</a> closed in February 2021.</p> <p><a href="#">Commission report on CSDR Review published in July 2021</a>.</p> <p>REFIT legislative proposal on CSDR to be adopted in Q1 2022.</p>
<b>Action 14: Consolidated tape</b>	
<i>Make a legislative proposal to support the introduction of a post-trade consolidated tape.</i>	<p>Legislative proposals amending MiFIR adopted 25 November 2021, including the creation of a post-trade consolidated tape.</p>

<b><u>Action 15: Investment protection and facilitation</u></b>	
<i>Make a legislative proposal to strengthen the investment protection and facilitation framework in the EU</i>	Analysis of options ongoing. Work in progress towards an environment that further supports EU companies of all sizes in their investments throughout the EU. Deliverables in 2022.
<b><u>Action 16: Supervision</u></b>	
<i>Work towards an enhanced single rulebook for capital markets.</i>	<u>Targeted consultation</u> on supervisory convergence and the single rulebook closed in May 2021.  Commission report to assess the need for further harmonisation of EU rules and monitor progress towards supervisory convergence to be published in Q1 2022.
<i>Assess the implications of the Wirecard case and consider possible action.</i>	Open public consultation on the quality and enforcement of corporate reporting to be launched in Q4 2021.