

AMAFI'S PROPOSALS

A change of mindset for the elaboration of EU legislation

Guiding principles of success

When considering any new reform, its impact should be assessed in terms of:

- The growth of capital markets;
- The competitiveness of EU financial institutions, including also relative to their competitors outside the EU;
- The relative performance of the EU markets compared to the US, the UK and Asia.

Complementing the top-down with a bottom-up approach and encouraging interstate initiatives

To promote the growth of EU capital markets, a bottom-up approach will help develop successful national practices that can be shared across Member States with the support of ESMA.

To initiate much-needed structural reforms, initiatives of groups of Member States should be encouraged with the view of eventually attracting others.

Competitiveness by design

An ad-hoc competitiveness test should be part of the impact assessment of any new legislation.

The extraterritorial application of EU rules

EU investor protection rules should not apply to EU market players when operating outside the Union.

No systematic review of EU texts

Reviews should result from objective impact assessments highlighting proven shortcomings.

Reforming ESMA's mandate and governance

- Adding competitiveness, both within and outside the EU, to the mandate of ESMA
- Reforming the decision making process of the governance bodies of ESMA for a greater impact where needed
- Taking steps towards direct supervision by ESMA

Increasing the agility of the EU legislative process

Broadening the scope of the no action letter that can be issued by the ESAs and ESMA in particular, to come closer to the prerogatives of the SEC in the US.

Two essential reforms to develop the EU financial markets

Enabling financial markets as a deep and stable source of financing for companies

Developing alternative investment vehicles that would transform a sufficient share of EU savings into capital.

Reinvigorating the European securitisation market

Reviewing the regulatory framework applicable to securitisation, including through the creation of a European guarantee scheme